

13 September 2019

## UK agreed trade continuity with six African nations



The UK has this week initialled an Economic Partnership Agreement with the Southern African Customs Union and Mozambique (SACU+M) that will allow business to keep trading freely after Brexit. This marks the end of formal trade discussions. The agreement allows businesses to continue to trade on preferential terms with South Africa, Botswana, Lesotho, Namibia, Eswatini and Mozambique. It also supports the economic development of these Commonwealth partners laying the foundations for new trade and investment in the future. The next steps for the agreement are signature and ratification by all parties. You can find more information about the new agreement from the UK Government's [press notice](#).

## September 2019 ENSO update: feeling neutral



Forecasters estimate a 75% probability of ENSO neutral conditions through the Northern Hemisphere fall, with a 55% to 60% chance of continued neutral conditions through the spring of 2020. Most of the climate models estimate that the surface temperature of the tropical Pacific Ocean will remain slightly above average, but below the El Niño threshold of 0.5°C above

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the long-term average. While ENSO is inactive right now, there are a few other things of note in the recent sea surface temperature map. Please click [ENSO Diagnostic Discussion](#) to peruse.

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## Agbiz presents at USDA Workshop



Agbiz CEO Dr John Purchase participated as a speaker on "Politics and the African market" at the USDA Foreign Agricultural Service's (FAS) Africa-Middle East Strategy Workshop in Pretoria on Tuesday, 10 September. More than 40

agricultural attachés and specialists from FAS offices in the region, as well as officials from Washington attended the workshop. Throughout the rest of the workshop, delegates drew on the points Dr Purchase made on Africa as they discussed the United States' strategic collaboration on the continent.

## POLICY AND LEGISLATION

### Plant breeders' rights key for climate change adaptation



Advances in the sphere of biotechnology has tremendous potential to assist farmers in South Africa in adapting to the effects of climate change. One of the principle ways to adapt is by breeding cultivars that are drought-resistant and many multi-

national companies operating in South Africa have already made significant strides in this regard. With that being said, one cannot expect companies to invest large sums of money into research and development unless they have confidence that their intellectual property will be protected so that they can reap the benefits of this investment. South Africa has traditionally managed to secure investment by providing strong recognition for intellectual property in line with international conventions. Agbiz head of Legal Intelligence Theo Boshoff dicusses this subject in the [linked article](#).

## AGRIBUSINESS RESEARCH

### Drought and animal disease have taken a toll on SA agriculture sector



This is not a good year for South Africa's agricultural sector. The production data has generally been negative since the start of the year because of dryness experienced between October 2018 and early 2019 in most summer crop growing areas of the

country. Just last week, Statistics South Africa released second quarter figures - seasonally adjusted gross value added in the agricultural sector fell by 4.2% q/q, on an annualised basis, after a 16.8% q/q decline in the first quarter. It is then unsurprising that the trade data continue to paint a similar picture of a decline in performance from levels we saw in 2018. Agbiz chief economist Wandile Sihlobo explores this subject more in the [linked article](#), written for and first published on *Daily Maverick*.

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## Growing optimism about South Africa's 2019/20 maize harvest



The US Department of Agriculture has also joined the party in forecasting a potentially big maize harvest for South Africa in 2019/20 season. The agency placed its estimate at 14.0 million tonnes, which would

be a notable recovery from the current season's crop of 11.6 million tonnes (commercial and non-commercial), and well above the five-year average production of 12.3 million tonnes. For comparison, the International Grains Council's preliminary estimate for South Africa's 2019/20 maize production is 12.8 million tonnes. Two things underpinning this potential improvement - anticipated slight uptick in area plantings and also prospects of good rainfall, writes Wandile Sihlobo in the [linked article](#).

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## These are challenging times for the global wool industry



This has not been a good year for the global wool industry. The world's top two wool-producing countries - Australia and South Africa - are experiencing different, yet growth-constraining, challenges. In South Africa, the challenge is trade-related. Earlier this year, China, which accounts for roughly 71% of South Africa's wool exports, temporarily stopped buying the country's wool. This was because of a foot-and-mouth disease outbreak in Limpopo. The impact of this ban was immediately felt across the industry and sheep-farming communities of South Africa. The local authorities responded to the cries and started engaging with their Chinese counterparts in efforts to ensure that wool trade resumes between the two countries. But there hasn't been a complete success thus far.

Wandile Sihlobo discusses this topic in the [linked article](#).

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## SA agriculture has some valuable lessons for struggling Malawi



In recent decades, donors have poured billions of dollars into boosting agricultural production in Southern Africa. But the results remain mixed. For example, maize and soya bean production have increased somewhat over time in countries such as Zambia and Tanzania, while Mozambique and Malawi have experienced rather more volatile output. Wandile Sihlobo and Gracelin Baskaran, a development economics PhD candidate at the University of Cambridge, explore this subject in the [linked article](#), written for and first published in *Business Day*.

**OTHER NEWS**

## Drought pushes Australia's sheep flock to 100-year lows



Drought is a recurring feature in Australia - the driest continent on earth - but the current dry period in the country's eastern states is devastating for farmers, who are struggling to grow crops to feed their animals. The 31 months from January 2017 to July 2019

show they have been the driest on record for the state of New South Wales and in the Murray Darling Basin, the country's biggest wool-growing areas, according to rainfall data from Australia's Bureau of Meteorology. The plight of woolgrowers - an industry which epitomises Australia's rise as an export heavyweight in the 20th century and supplies three-quarters of the world's top-quality merino wool - is focusing attention on the threat posed by climate change and on strategies to adapt to drought conditions to prevent a collapse in sheep numbers and wool production, reports the *Financial Times*. Please [click here](#) to peruse.

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## Bread prices in Zimbabwe rise by 39%



Zimbabwean baking companies increased the price of bread by 39%, a day after the government hiked the cost of wheat by a similar margin. A loaf of bread now costs Z\$9.45 (81 US cents), compared with Z\$6.80 before, Dennis Wallah, president of the

National Bakers Association of Zimbabwe, said on Tuesday from the capital, Harare. The state-run Grain Millers Association of Zimbabwe on Monday hiked wheat prices to Z\$2,200 from Z\$1,600, according to the [linked article](#) on *Bloomberg*.

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## Alltech launches global survey on women in agriculture



Alltech launched a global survey on women in agriculture to gather real-world insights into the professional landscape. The survey is being conducted in partnership with AgriBriefing. It will collect feedback about the barriers that impede progress and

identify the resources needed to ensure workplace equality. The

survey is open to women and men across all sectors of the agri-food industry, and the results will be revealed at the Women in Food & Agriculture Summit to be held in Amsterdam, the Netherlands from 3 to 4 December. This collaborative effort to reach across sectors and geographical boundaries is an attempt to improve the industry's outlook reflects Alltech's vision for a Planet of Plenty. Women and men in all sectors of the food supply chain are encouraged to contribute to this important global conversation about gender equality in agriculture by taking the survey [here](#).

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## Poor water management is risk to land reform, agriculture forum hears



If South Africa's water resources are poorly managed, it will not only be commercial farmers who will suffer.

New farmers will then end up suffering the most, in the view of Prof. Andries Jordaan, a research fellow at the University of the Free State. "If new farmers suffer due to badly managed water resources, then land reform will fail.

We cannot allow that to happen," Prof. Jordaan said at the Agri SA Water Symposium in Somerset West on Monday. Please click [Fin 24 article](#) to peruse.

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## Get the latest news from Vinpro

Vinpro's newsletter is jam-packed with the latest news on a number of themes and activities in the wine industry. Please [click here](#) to peruse.

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## SAPPO Weekly Update

The *SAPPO Weekly Update* provides the latest news from the pork industry. Please [click here](#) for the latest edition.

## UPCOMING EVENTS

### Last chance to register for Agbiz Agribusiness Trade and Investment Workshop

In light of the trade realities, Agbiz is convening an Agribusiness Trade and Investment Workshop for representatives from the food and agribusiness industry on 26 and 27 September in Pretoria.

The aim of the workshop is threefold:

- To inform on the state of trade in the world and particularly in Africa, how regional agreements interlink and the institutions necessary to ensure

the effective implementation;

- How African integration impacts on South Africa's trade with foreign markets;
- Highlight possible risks and opportunities that arise from this complexities.

For more information and to register, please [click here](#).

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## Workshops on AARTO legislation

The AARTO legislation has remained in the news over the last few weeks, and everyone is awaiting the implementation of the legislation. The Road Traffic Infringement Authority (RTIA) indicated that the Regulations, in terms of the AARTO Act, as it is amended by Act 4 of 2019, will be published by the end of September 2019. AARTO workshops are scheduled for middle October 2019 onwards.

[More information](#)

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### PSA Seed Growers' Forum & PSA Congress

17 & 18 September 2019 | Cape Sun Hotel | Cape Town

[More information](#)

### Inaugural Agribusiness and Eco-tourism Forum, Angola-South Africa

26 & 27 September 2019 | CTICC | Cape Town

[More information](#)

### VKB Information Days

Theme: "The future of agriculture in SA"

3 October 2019 | Siesta Guesthouse | Frankfort

4 October 2019 | Protea Hotel Ranch Resort | Polokwane

[More information](#)

### Vehicle Telematics and Intelligent Mobility Conference

17-18 October 2019 | Emperors Palace Convention Centre | Kempton Park

[More information](#)

[Register](#)

### 2019 AFMA Symposium

29 October 2019 | CSIR International Convention Centre | Pretoria

[More information](#)

### AFMA Forum 2020

Theme: "Explore today for a better tomorrow"

3-5 March 2020 | Sun City | South Africa

[More information](#)

### Skills Development Summit & Achiever Awards

4-5 March 2020 | CSIR Convention Centre | Pretoria

[More information](#)

Contact Gordon Campbell: [gordon.campbell@skillssummit.co.za](mailto:gordon.campbell@skillssummit.co.za)

### **Agritech Africa**

17-19 June 2020 | Cape Town International Convention Centre | Cape Town

[More information](#)

### **Agbiz Congress 2020**

Theme: "Building resilient and sustainable agri-food ecosystems".

15 - 17 July 2020 | Sun City | South Africa



## **AGBIZ MEMBERSHIP**

### **Why join Agbiz?**

- Agbiz is the only organisation that serves the broader and common over-arching business interests of agribusinesses in South Africa.
- Agbiz addresses the legislative and policy environment on the many fronts that it impacts on the agribusiness environment.
- Agbiz facilitates considerable top-level networking opportunities so that South African agribusinesses can play an active and creative role within the local and international organised business environment.
- Agbiz research provides sector-specific information for informed decision-making.
- Agbiz newsletter publishes members' press releases and member product announcements.

[Please visit the Agbiz website for more information](#)



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