

Key trends shaping SA's agriculture sector

By Glenneis Kriel | 1 January 2025 | 11:00 am

Various trends will reshape the global agribusiness environment over the next 10 years. These trends include agriculture in controlled environments, such as tunnels and greenhouses, which could counter seasonal production advantages, the rise of digital agriculture, artificial intelligence, the use of blockchain and big data, and a return to mechanical weed control using robots.



Of these, Theo Boshoff, CEO of Agbiz, identified green trade barriers, geopolitical instability and rising protectionism as the biggest threats in the near term.

“There is little the industry can do to influence these factors, except to adapt. From Agbiz’s side, we are trying to smoothen the transition by assisting members and influencing the South African response to these challenges,” he said.

Green trade barriers, defined as trade barriers aimed at protecting the environment but with potentially trade distorting effects, are driven by consumer pressure, stakeholder activism or access to capital.

The demand for environmental, social and governance (ESG) business principles emerged around 1987, and has since culminated in the UN’s creation of the Sustainable Development Goals and global regulatory framework, such as the European Green Deal, aimed at cutting pollution and restoring a healthy balance in nature and ecosystems.

While this trend might pose challenges to trade, the South African sector should not be caught off guard, and various industries have introduced initiatives to monitor and sustain ethical and environmental responsible trade long before sustainability became a “buzz word”.

The wine industry, for instance, established the Wine and Agricultural industry Ethical Trade Association (WIETA) in 2002, whereas the fruit industry established the Sustainability Initiative of South Africa (SIZA) in 2008.



The Confronting Climate Change (CCC) initiative was launched around 2011 to help farmers in these industries calculate and improve their carbon footprints.

Boshoff said that ESG is risk-based and hence differed from one agribusiness to another. Agbiz, subsequently, was trying to assist agribusinesses by introducing an ESG roadmap or methodology that businesses could follow to identify their risks, compile a strategy, implement the strategy, and then finally report on ESG principles in a format that is accepted by the market, capital providers or shareholders, depending on where the request come from.

Frans van Wyk, director of Agrifusion, said during an Agbiz and South Africa Wine Media Day in November, that many members of industry bodies were suffering from “audit fatigue”, but the industry bodies could help to alleviate this.

“Industry bodies are starting to play a pivotal role in accessing and managing data on behalf of members, with about 80% of what is needed for reporting already there, it just needs to be found. The rest will probably be at hand within the next two production cycles,” Van Wyk said.

Boshoff identified the improvement of logistics as a key focus area to improve competitiveness and compensate for the negative impact new trends might have on the South African industry.

“Improving logistics will help to reduce costs, while protecting markets by ensuring we deliver the right quality of produce at the right time.”

He pointed out that the partnership between business and government aimed primarily to improve efficiencies within Transnet, and would hopefully also improve performance at ports.

As far as rail was concerned, he said that fundamental changes were taking place to prepare for third party access.

“We have just seen the publication of the Network Statement, which sets out the conditions and access fee that all train operating companies from the private sector, or Transnet, will need to follow.”

“This is a fundamental shift, and a great deal of work will be done within the sector to assess the viability of moving from road to rail.”

Along with this, Agbiz will try to influence policy proposals that might affect the industry through the B20, the business-equivalent of the G20, next year. South Africa will be hosting the B20 and G20 in 2025.

These include non-discriminatory, inclusive, and equitable multilateral agricultural trading systems, the elimination of market distorting barriers, financing mechanisms for

decarbonisation, the streamlining and harmonising of custom processes and procedures, and reforming the World Trade Organisation settlement body.



“Agbiz will be closely involved with the sustainable food and agriculture working group at the B20, which is a great opportunity to come up with policy proposals that can be presented to the G20 group of governments.”

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