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BRICS needs a sharper focus on delivering economic gains

- The South African agriculture and agribusiness sector's view on BRICS participation has generally focused on how this can expand export opportunities. Other matters that agribusiness groups in other BRICS members typically raise, such as climate-smart agriculture, advances in seed breeding, and deeper fertiliser trade, are important and broadly beneficial to South Africa. But so far, many of these issues have largely been discussed from a "knowledge sharing" perspective, without a clear avenue to ensure technical knowledge transfer to countries with lower agricultural productivity. Such countries could benefit from the know-how and skills of those with the most advanced agricultural sectors.

- As China assumes the Chairmanship of BRICS going into 2027, it will likely continue the focus on these productivity issues in agriculture. But the comforting part for South Africa's agricultural and agribusiness sectors is that China has already indicated it will also focus on trade-related matters. A BRICS global chair that champions trade will be valuable ahead of South Africa's time to Chair BRICS once more in 2028. But the approach going into 2027 may need a review.

- Agribusinesses and the agricultural sector typically participate in the BRICS group through the country chapters of the BRICS Business Council. The Business Councils are not policy bodies but recognised forums for dialogue amongst the business community of the various BRICS countries. Before the annual Summit, the Chairing countries formulate a report, supported by other member countries, which they then table at the leaders' Summit for consideration.

- While this process ensures that BRICS political leaders are aware of the Business Council's work, it remains unclear how much impact the Council has had on key policy and programme issues within the grouping. Thus, it may be critical that each Chapter of the BRICS Business Council not only tables its ideas through formal channels ahead of the Summit but also engages with its domestic government throughout the year on its agenda and its vision for BRICS. This would elevate alignment, as the various Working Groups that focus on different aspects meet regularly, discuss the work programme from the start of the year, and refine ideas throughout the year, closing points of divergence and building common purpose and support for the agenda.

- Therefore, work that reflects the priorities of business communities in all member countries should ideally receive more political support and, over time, lead to material gains for businesses and communities across the BRICS countries. The Summits can't only end up as spectacular events for the day without tangible benefits for the various business communities. If this continues, doubts about BRICS's effectiveness will grow. This is even more urgent today as the world faces geoeconomic tensions, and the BRICS group itself faces pressure from countries outside the group that view it as a competitor.

- Therefore, instead of an illusory view of what happens in BRICS, material progress from one Summit to the next that strengthens countries' economic ties would be much more beneficial. In the case of China, they have already shown leadership on trade matters. At a time when various countries are lifting tariffs and closing their markets, China has embraced open markets. For the African continent, the China-Africa Economic Partnership Agreement for shared development is one such material step, as it lowered tariffs on various goods from African countries to zero.

- What remains now for some agricultural products is ensuring that China also addresses phytosanitary barriers, so this agreement can deliver material economic benefits and truly live up to its objective of enhancing development and prosperity in the African continent and China. Therefore, the steps that China has already taken when managing its affairs with the African continent are the same approach that must be marshalled within BRICS.

- If China pursues trade matters deliberately, then when South Africa assumes the Chairship in 2028, the country will build on already fertile ground. The business communities of all member countries would also benefit from this approach. BRICS has potential, but action beyond major speeches is essential to the group's economic advancement.

WEEKLY HIGHLIGHT

South Africa’s summer grain and oilseed production season will begin next month

- We are less than a month away from the typical start of the summer grain season in South Africa's eastern regions. Farmers in these regions will soon start preparing and tilling the land ahead of the 2026-27 season, particularly for yellow maize and soybeans, the predominant crops planted in South Africa's eastern regions. The excellent soil moisture remains the main comfort for the farming community, even as the rainfall outlook for the year remains worrying, as we have written several times.

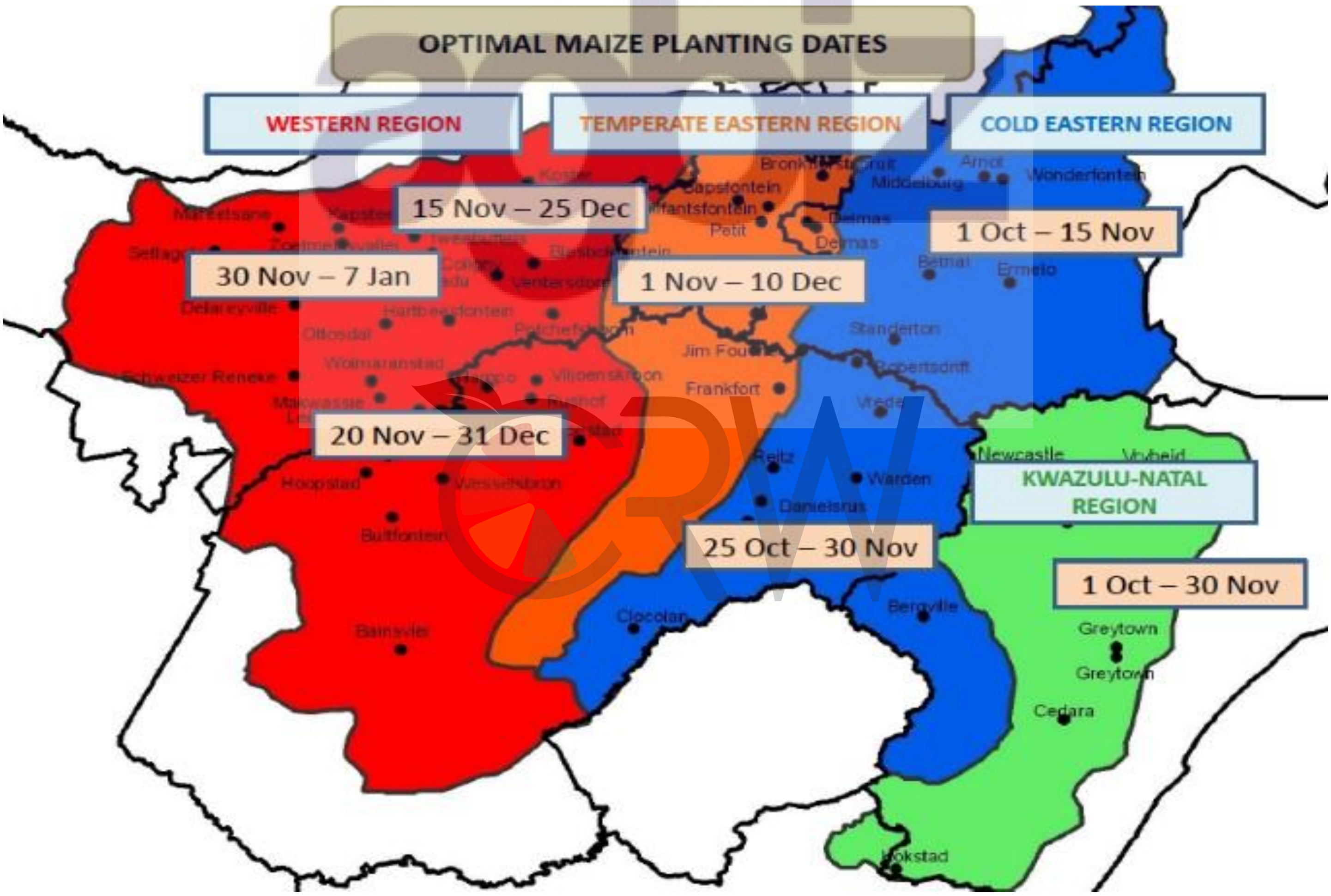
- In fact, the South African Weather Service (SAWS) recently signalled some concerns in its monthly seasonal Climate Watch report at the end of August 2026. Amongst other things, SAWS stated that: “The El Niño-Southern Oscillation (ENSO), which is currently in an El Niño state, has strengthened, and current predictions indicate that it will continue strengthening towards a very strong El Niño state within the next couple of months and last at least until the end of the 2026/27 summer season. The typical signs that El Niño will affect South Africa are starting to materialise over the Pacific Ocean, and it is expected that South Africa will experience the typical impacts of drier and warmer conditions during this coming summer.”

- These messages from weather authorities, combined with what we have observed in other countries, have raised concerns about the upcoming season. We also see such concerns partly reflected in the commodity prices. For example, on September 18, 2026, the white and yellow maize spot prices were up by 9% and 10%, respectively, from a month ago, trading around R3,965 per tonne and R3,931 per tonne. Moreover, the soybean spot price rose 13% from a month ago to R8,953 per tonne. Ordinarily, grain prices wouldn't rise this much after a season of abundance, when maize and soybean production were at record levels in the 2025-26 season.

- There are still ample supplies in the silos across the country, but there are concerns about the season ahead, and that is what seems to be among the major price drivers. While these grain prices have increased, there is no major consumer food price inflation concern in the near to medium term. Rising maize prices typically lag by three to four months before they show up in grain-related products at the retail level. Therefore, consumer food price inflation will remain lower this year, and we can only expect these increases to show in 2027.

- Clearly, we are approaching a tricky season ahead. The focus now is how much farmers will plant for the various summer grains and oilseeds, and how the season unfolds amid the worrying weather outlook. The pressures on the farming sector aren't limited to weather concerns; they also include higher input costs, mainly fertiliser and fuel, driven by the U.S.-Iran war.

Exhibit 1: Maize optimal planting dates in South Africa



Source: Grain South Africa

What are we watching this week?

- This is a quiet week on the international front; we only have one major release. Today, the U.S. Department of Agriculture (USDA) will release the **weekly U.S. crop progress report**, which provides insight into crop growing conditions, primarily for maize, sorghum, soybeans, and other major grains, for the 2026-27 production season. In some regions of the U.S., heatwaves are straining crops, and conditions are slightly worse than a year ago during this period. For example, on September 14, 2026, about 57% of maize crops were rated good or excellent, well behind last year's 67% in the same week. Also worth noting: 58% of the soybean crop was rated good or excellent on September 14, 2026, slightly below last year's 63% in the same week.

- On the domestic front, on Wednesday, the South African Grain Information Services (SAGIS) will publish its **weekly data on South Africa's Grain and Oilseed Producer Deliveries**. The harvest for the 2025-26 production season is nearing completion. In the first 20 weeks of the new marketing year, farmers delivered 14.8 million tonnes of maize to commercial silos. South Africa is poised to harvest an ample 17.4 million tonnes of maize, the largest harvest on record. The 2026-27 soybean marketing year soybean harvest is nearing completion. In the first 28 weeks, deliveries totalled 2.8 million tonnes against an estimated crop of 3.01 million tonnes. For sunflower seeds, the first 28 weeks of producer deliveries in the new 2026-27 marketing year totalled 823,440 tonnes out of the expected crop of 874,805 tonnes.

- South Africa's 2025-26 winter wheat harvest is complete, and the focus is on the new 2026-27 season. Moreover, the weather conditions in the Western Cape, the major-producing province, have not been favourable. Still, some farmers continue to deliver small volumes of the old crop to commercial silos. In the first 50 weeks of this 2025-26 marketing year, farmers have delivered about 1.85 million tonnes of wheat to commercial silos. This is 97% of the expected season harvest of 1.89 million tonnes (down 2% y/y).

- SAGIS will also publish its **weekly South Africa's Grains and Oilseeds Trade data** on Friday. Last week, South Africa exported 19,281 tonnes of maize; 27% to Botswana, 26% to Zimbabwe, and the rest to other neighbouring countries. In the 2026-27 marketing year, which started in May 2026, South Africa could export roughly 3.0 million tonnes of maize. This would be up from 2.4 million tonnes in the past season. South Africa has ample maize supplies, supported by robust production. South Africa's maize exports so far in the 2026-27 marketing year total 1.1 million tonnes, out of the expected 3.0 million tonnes.

- South Africa is a net wheat importer, and September 11, 2026, marked the 50th week of the new 2025-26 marketing year. Cumulative imports to date total 1.83 million tonnes from Germany, the United States, Latvia, Canada, Australia, Brazil, Romania, Lithuania, Russia, and Poland. We expect South Africa's 2025-26 wheat imports to reach 1.85 million tonnes, roughly the same as the 2024-25 marketing year.