



agricultural business chamber

the way to pro

## Newsletter

19 November 2015

### Agribusiness Centenary Bursary applications now open

Agbiz is making an annual bursary available to a South African student registered for a Masters or PhD degree in either agricultural economics or agribusiness management related fields, at any recognised South African university. [More information»](#)

### Policy and Legislation

#### Stakeholders in agriculture and agribusiness meet on drought situation



Concerned major stakeholders from organised agriculture, organised agribusiness, the banking sector and government institutions met on 10 November 2015 to discuss the effect of the rapidly

deteriorating drought situation in South Africa on the broader agriculture sector and food security in particular. It is clear that the drought situation is not limited to South Africa, but has an extensive regional reach that will have further socio-economic and food security ramifications at regional level as well. [Media release»](#)

#### AGOA beneficiaries meet with *the dti* and DAFF on AGOA issues



meeting.

Agbiz, together with other major stakeholders, met with senior officials of the Department of Trade and Industry (*the dti*) and the Department of Agriculture, Forestry and Fisheries (DAFF) on the latest developments within the AGOA negotiations. Please click on [AGOA Notes](#) to peruse outcome of the

#### Minister Rob Davies on African Growth and Opportunity Act

In a letter dated 5th of November 2015, President Obama, warned South Africa that if the negotiations on the outstanding matters related to the poultry



CONGRESS 2016  
FIT FOR THE FUTURE

1 – 2 June 2016

The Lord Charles Hotel  
Somerset West  
Cape Town

[www.agbiz.co.za](http://www.agbiz.co.za)

#### In this issue

[Agribusiness Centenary Bursary applications now open](#)

[Stakeholders in agriculture and agribusiness meet on drought situation](#)

[AGOA beneficiaries meet with the dti and DAFF on AGOA issues](#)

[Draft Revised Forest Sector Code gazetted for comment](#)

[Communal Property Associations Annual Report submitted to Parliament by DRDLR](#)

[Eskom applies for an RCA balance of R22.8 billion](#)

[Supply and demand scenarios for South Africa's maize market](#)

SPS issues are not resolved by the 31st December then the US would suspend South Africa's Duty Free Treatment of SA's Agricultural goods into the US. To read further click on [media release](#) issued by *the dti*.

## Draft Revised Forest Sector Code gazetted for comment



The Department of Trade and Industry (*the dti*) has published the [Draft Revised Forest Sector Code](#) in line with the Broad-Based Black Economic Empowerment Amendment Act for comment. Comments can be emailed to Jacob Maphutha and Mologadi Leshiba at [forestsectorcode@thedti.gov.za](mailto:forestsectorcode@thedti.gov.za) by no later than Wednesday, 6 January 2016. Enquiries can be

directed to Jacob Maphutha on tel (012) 394 1609 or Mologadi Leshiba on tel (012) 394 3430.

## Communal Property Associations Annual Report submitted to Parliament by DRDLR



On the 4th of November the Department of Rural Development and Land Reform (DRDLR) submitted the Communal Property Associations

(CPA) Annual Report to the Portfolio Committee in Parliament. Please click on [CPA Presentation](#) to peruse.

## Agribusiness Intelligence

### Eskom has applied for an RCA balance of R22.8 billion



The National Energy Regulator (NERSA) today announced that it has received Eskom's [Regulatory Clearing Account \(RCA\) application](#) for the first year of the Third Multi-Year Price Determination (MYPD3) period (2013/14 financial year). Eskom has applied for an RCA balance of R22.8 billion. Eskom submitted its RCA application for consideration by the Energy

Regulator on Tuesday, 10 November 2015. In terms of the provisions of the MYPD Methodology, the Energy Regulator has to, upon application by Eskom, assess certain qualifying allowed revenue and expenditure against actual revenue and expenditure. The National Energy Regulator will assess Eskom's application following due regulatory processes. [Media release»](#)

Find linked the [call for public comments](#) on Eskom's RCA application.

## International Trade Intelligence

### Supply and demand scenarios for South Africa's maize market: A reflection on the 2015/16 and 2016/17 marketing year

[Agbiz Congress 2016 - Delegate Registration Now Open](#)

[Technology that improves weather and crop performance measuring](#)

[Members' News](#)

[Absa Agricultural Outlook 2016](#)

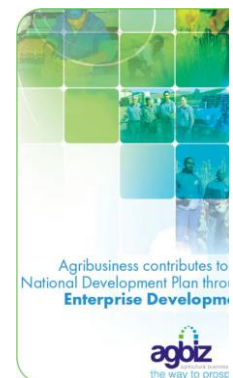
[NAMC/DAFF: South African Food Cost Review](#)

[IDC: Agro-Processing and Agriculture funding opportunity](#)

[News around the web](#)

[Upcoming Events](#)

[Follow Agbiz on Social Media](#)





In 2014, South Africa's exported 2.1 million tons of maize which translated to R6.5 billion in export revenue (ITC, 2015). However, South Africa will not achieve comparable export revenues in the 2014/15 production year due to unfavourable weather conditions. In fact, South Africa will, for the first time in seven years, be a net importer of maize. Grain SA estimates this season's imports at 770 00 tons, compared to 83 073 tons the previous season. The high level of imports in the current marketing year will cost ±R2.2 billion. At the time of writing, 62% of the 770 000 ton requirement had already been imported. In this article, we briefly explore Grain SA's scenarios for the 2016/17 marketing year. [Read more](#)

»

## Agbiz Congress 2016

### Agbiz Congress 2016 - Delegate Registration Now Open



The Agbiz Congress 2016 themed "Fit for the Future" will take place on 1 - 2 June 2016 in Somerset West, Cape Town. [Click here for more information»](#)

We thank the following sponsors for their participation:

Diamond sponsor: **Standard Bank**

Gold sponsor: **AFGRI**

Silver sponsor: **Voermol.**

Supporting sponsors: **VKB, Kaap Agri, GWK** and

**Senwes.**

Student project and case study competition sponsors: FNB, Kaap Agri, Monsanto, NWK, Overberg Agri, Signa, SSK, Syngenta, Talent Africa and TWK.

## Agbiz Grain

### Technology that improves weather and crop performance measuring



ZoneScan and CropScan are weather and crop performance measuring technology that provides innovative solutions for better farming practices. ZoneScan tracks the whole of South Africa and all key production areas providing weekly data and imagery tracking rainfall, soil moisture, temperature and health and vigour (NDVI) in key crop production areas. To quantify what you see on ZoneScan on a per field/district/municipality per week basis the CropScan platform was developed. This is an advanced data platform that enables users to see data around production risk not previously possible. Click on the links for more information [ZoneScan](#) and [CropScan](#).

## Members' News

The world's most influential event for sustainable agriculture is coming to Africa



1-2 December 2015  
Durban Exhibition Centre, South Africa

Discover more at  
[www.gfiafrica.com](http://www.gfiafrica.com)

## Absa Agricultural Outlook 2016 - Agriculture remains profitable



It is the right time to continue investing in agriculture, according to the latest Absa Agricultural Outlook report for 2016. Speaking at the launch of this report, on 17 November 2015, Mr Ernst Janovsky, Head of the Centre of Excellence, Absa AgriBusiness said agriculture remains profitable despite lower commodity prices. This is mainly the result of improved productivity over the past decade, due to the adoption of new technologies. South Africa has, however, experienced a dry spell over the past three years, which has put the profitability of the industry under pressure and has led to a slowdown in the growth of property values. However, the agricultural sector is the only sector that was able to grow over the past decade and continues to attract investments. It is expected to continue to yield good returns and therefore it is the right time to continue investing in spite of the droughts. Click to download the [presentation](#) done at the launch. A digital copy of the Absa Agricultural Outlook 2016 will be made available on AgriConnect's website during this week on <http://agriconnect.co.za>

## NAMC/DAFF: South African Food Cost Review



The South African Food Cost Review attempts to provide more insight into the complex factors driving commodity and food prices. This is the seventh edition of the South African Food Cost Review, emanating from the recommendations by the Food Pricing Monitoring Committee in 2003 to monitor food prices in South Africa on a regular basis. The purpose of this publication is to reflect on food price trends during 2014.

According to the review the average world food inflation fell from 7.5% in 2013 to 5.2% in 2014. This is the lowest rate in the last four years. Global annual inflation decreased over the past four years (2011 to 2014), with the exception of Latin America and the Caribbean, where the annual food inflation rate reached 9.7% in 2014. The most remarkable decrease in the last four years has been recorded in Africa, 6.3% in 2014 compared to 12.8% in 2011.

Find linked the [Food Cost Review](#) and [Food Cost Review presentation](#).

## Mohair - Highest price level ever



The national mohair market indicator attained its highest price level ever at an average of R224.61/kg this week in Port Elizabeth, says Pierre van der Vyver, Manager: Mohair for Cape Mohair & Wool (CMW), the largest mohair broker globally. This

is a gain of 12% on the previous auction held at the end of October. The weak exchange rate of the Rand against the US\$ - a loss of 4.5% - favoured the South African market, making local products more attractive. This in itself, however, was not the main reason for the spectacular performance. Renewed interest from both Europe as well as the Orient has caught processors on the wrong foot this late in the season. With South Africa the world leader in mohair production, it has caused concern for local processors that the temporary short supply may force them to down scale over this period. Frans Retief of Driehoeksfontein Boerdery in the Murraysburg district collected all the laurels this week. Not only did his clip, at R275.21/kg, set the highest average for the auction and season; he also achieved the highest individual price for a bale of winter kid mohair at R350.00/kg. Retief is the current holder of the world record for this type. The CMW Binning Department, where the high quality mohair of small-scale producers are combined, also succeeded in equaling the seasonal record of R350.00/kg.

## IDC: Agro-Processing and Agriculture funding opportunity in South Africa

The Industrial Development Corporation (IDC) of South Africa funds the development of competitive processed food, beverage, fibre, forestry and derivative industry that optimally utilises and develops local and regional resources to supply domestic demand and increase participation in international trade. The business unit of IDC provides support to a wide range of economically viable activities in agro-processing (food and non-food) sectors such as:

- Maize
- Wheat and sugar
- Livestock such as cattle, poultry, pigs and game
- Fishing and aquaculture
- Beverages
- Forestry
- Horticulture including fruit, vegetables, nuts, tea and coffee.

IDC encourages new or existing companies within the agro-processing and agriculture sector that plan to create new or expand industrial capacity within the economy to apply for funding. [More information»](#)

## News around the web

### Articles

[Start-ups get 'no response' from presidency over summit request](#)

- [www.bdlive.co.za](http://www.bdlive.co.za)

[Transformation - Financial sector feels the heat](#)

- [www.mg.co.za](http://www.mg.co.za)

[Gas infrastructure, improved market conditions key to SA fuel cell industry success](#)

- [www.miningweekly.com](http://www.miningweekly.com)

[You'll pay e-tolls even if you don't](#)

- [www.timeslive.co.za](http://www.timeslive.co.za)

[No job miracle for agriculture](#)

- [www.iol.co.za](http://www.iol.co.za)

[DuPont reported to be in talks with Syngenta](#)

- [www.globalaginvesting.com](http://www.globalaginvesting.com)

[Manure from millions of hogs fuels natural gas project](#)

- [www.news24.com](http://www.news24.com)

## Newsletters

[Legal Werks](#)

[Bridges Africa](#)

## Upcoming Events



### Global Forum for Innovations in Agriculture - Book now and SAVE

The [Global Forum for Innovations in Agriculture](#) is taking place in Africa for the first time from 1 - 2 December 2015 at the Durban Exhibition Centre. This provides a unique opportunity to find innovations that can improve your productivity, increase yield, save water, and ensure you have access to a secure source of food for the future. This event is officially supported by Agbiz.

Dr John Purchase, CEO of Agbiz will be facilitating the panel discussion: **Rethinking agricultural investment and finance**. A recent World Bank report entitled "Growing Africa" argues that African agribusiness could be a US\$ trillion-dollar market by 2030, provided farmers gain access to capital. How can investment support innovations in agriculture to help build the business of agriculture? Panelists are Rich Kottmeyer (SVP Corporate Development, Cheetah Development), Mark Adams (Microfinance Partnerships Team, One Acre Fund), Keith Palmer (Chairman, AgDevCo and Chair of Trustees, Enterprise for Development (EfD)), Tshokolo Nchocho (CEO, Land Bank) and Jonathan Jacobs (Co-Founder and CEO, Malawi Mangoes).

Use the discount code **GFIA20** and save 20% if you register before 27 November 2015.

### SITEVI Show and Tour to Montpellier

23-27 November 2015 | Montpellier | South of France

Focus on Wine, fruit, vegetables, and visits to wine farms

Enquiries: Marianna du Plessis at e-mail: [africa@farmlinkafrica.co.za](mailto:africa@farmlinkafrica.co.za)

### Agro Processing Africa Summit 2015

26 - 27 November 2015 | Johannesburg

[More information](#)

### EMRC Africa Finance & Investment Forum - AFIF2015

24 - 26 November 2015 | Cape Town

[More information](#)

### **Global Forum for Innovations in Agriculture**

1 - 2 December 2015 | Durban

Enabling Africa to feed Africa

[More information](#)

### **Fruit Logistica 2016**

2 - 6 February 2016.

Tour group departs and return from O.R Tambo Airport

Marianna du Plessis: [africa@farmlinkafrica.co.za](mailto:africa@farmlinkafrica.co.za)

Deadline for registrations: 14 December 2015

[More information](#)

### **Agbiz Congress 2016**

1 - 2 June 2016 | Somerset West, Cape Town

### **IFAMA 26th Annual World Conference**

19 - 23 June 2016 | Denmark

[More information](#)

---

## **Follow Agbiz on Facebook and Twitter**

Be sure to follow Agbiz on [Twitter](#) and [Facebook](#) for the latest industry news and events.

