



Agriculture, forestry and land

South Africa has a dual agricultural economy: a well-developed commercial sector and a predominant subsistence sector. About 13% of the country can be used for crop production. High-potential arable land comprises only 22% of total arable land. Some 1,3 million ha are under irrigation.

Agricultural activities range from intensive crop production and mixed farming to cattle-ranching in the bushveld, and sheep farming in the more arid regions.

Economic contribution

Primary agriculture contributes about 3% to the Gross Domestic Product (GDP) of South Africa and less than 9% of formal employment. However, there are strong linkages into the economy, so that the agro-industrial sector actually comprises 15% of GDP.

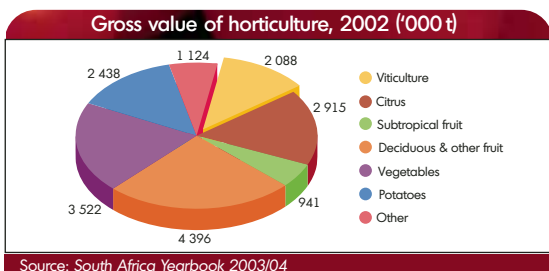
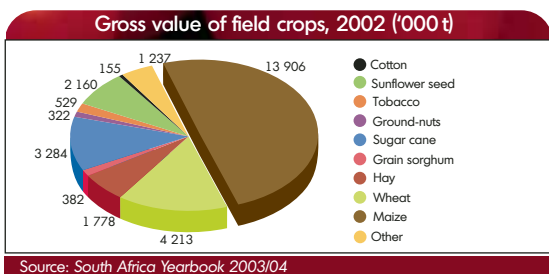
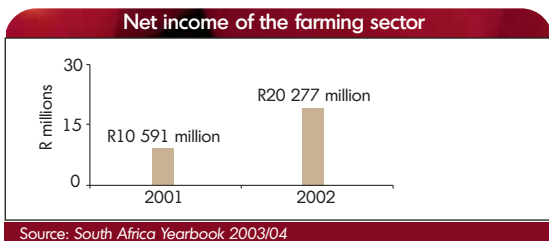
South Africa is self-sufficient in virtually all major agricultural products, and in a normal year is a net food exporter. However, the country remains vulnerable to drought.



FACT

To accurately work out which grains are planted on which land, the Agricultural Research Council has developed a system which utilises the Global Positioning System, Remote Sensing Imagery and Internet-based data-capturing. Accurate information is vital for marketing, pricing and futures trading.

For the past five years, agriculture has contributed on average 8% of total South African exports. The largest export groups are wine, citrus, sugar, grapes, maize, fruit juice, wool, and deciduous fruit such as apples, pears, peaches and apricots.



Production

Overall, prices of agricultural products increased by 26% from 2001 to 2002. Prices of field crops increased by 35%, and horticultural and livestock products both increased by 23%.

Field crops and horticulture

- Maize is the largest crop, followed by wheat, sugar cane and sunflowers. South Africa is the main maize producer in the Southern African Development Community with an average production of 9,1 million tons (Mt) a year over the past 10 years. Local commercial consumption of maize amounts to about 7,5 Mt.
- Wheat is produced in the Western Cape and the Free State.
- South Africa is the world's 11th largest producer of sunflower seed.
- South Africa is the world's 12th largest sugar producer. Some 2,5 Mt of sugar is produced per season.

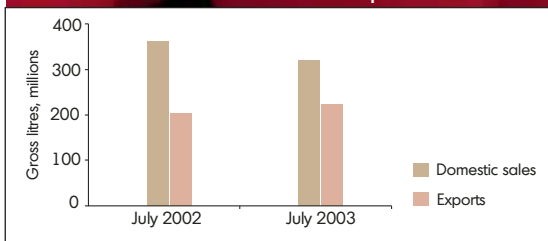
Some other crops:

- The Oudtshoorn district in the Western Cape is responsible for about 90% of the lucerne seed produced in South Africa.
- Deciduous fruit exports represent 11% of the country's total earnings from agricultural exports.
- South Africa is the eighth largest wine producer in the world. In 2002, the grape harvest yield was 8,3 hectolitres, of which 66% was used in wine-making. About

Livestock (million)		
	2001	2002
Cattle	13,5	13,6
Sheep	28,8	29,0
Pigs	1,6	1,6
Goats	6,8	6,7

Source: Agricultural Statistics, Department of Agriculture

Natural wine sales and exports



Source: Directorate: Agricultural Statistics, Department of Agriculture

106 330 ha of land are under cultivation with about 317 million vines.

- Citrus production is largely limited to the irrigation areas of Limpopo, Mpumalanga, the Eastern and Western Cape, and KwaZulu-Natal.
- Pineapples are grown in the Eastern Cape and northern KwaZulu-Natal. Other subtropical crops such as avocados, mangoes, bananas, litchis, guavas, papaya, granadillas, and macadamia and pecan nuts are produced mainly in Mpumalanga and Limpopo and subtropical coastal areas.

Livestock

In 2002, there were 13,6 million cattle and 29 million sheep in South Africa.

Cattle ranches are found mainly in the Eastern Cape, parts of the Free State and KwaZulu-Natal, Limpopo and the Northern Cape.

Sheep farming is concentrated in the Northern, Eastern and Western Cape, Free State and Mpumalanga. Fifty percent of sheep are fine-woolled Merinos.



FACT

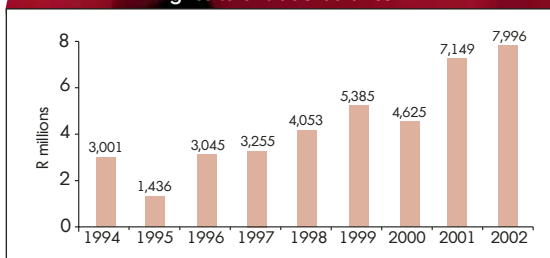
The dairy industry's 4 300 milk producers employ about 60 000 farm workers and indirectly provide jobs to another 40 000. Milk production for 2002/03 was 1,94 million litres.

Total agricultural exports

	1998	1999	2000	2001	2002	Average: five years
Total South African products R millions	147 547	165 143	210 022	245 448	308 054	215 243
Total agriculture products R millions	13 699	14 774	15 820	20 075	25 460	17 966
Agriculture as % of total exports	9,3	8,9	7,5	8,2	8,3	8,3

Source: Directorate: Agricultural Statistics, Department of Agriculture

Agricultural trade balance



Source: Directorate: Agricultural Statistics, Department of Agriculture

Strategic Plan for South African Agriculture

This Plan recognises the need to improve commercial production, profitability and global competitiveness while ensuring equitable access to the sector, deracialising land and enterprise ownership and ensuring sustainable resource management.

The national Department of Agriculture, the National African Farmers' Union and Agriculture SA have established an institutional framework for implementing the Plan.

FACT

In 2003, the South African Government announced a R170-million donation towards food aid in southern Africa.



FACT

The South African potato-processing industry has grown 100% over the past five years.

Food security

An Integrated Food Security and Nutrition Programme, adopted in July 2002, aims to eradicate hunger, malnutrition and food insecurity by 2015.

In 2003, some 244 000 households, which spend less than R200 a month on food, received food parcels while plans were implemented to link these people to the formal social security net.

National Food Pricing Monitoring Committee (FPMC)

The FPMC was established in January 2003 in terms of Section 7 of the Marketing of Agricultural Products Act, 1996. The Committee is tasked with monitoring the prices of food, particularly basic foodstuffs, and investigating any sharp or unjustified food-price increases. The FPMC Report was finalised in December 2003 and submitted to the Minister of Agriculture.

Land and Agricultural Development Bank of South Africa (Land Bank)

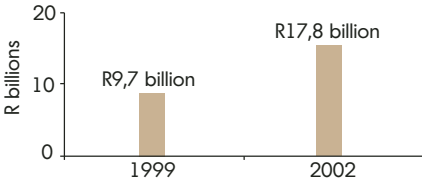
The Bank provides a comprehensive range of retail and wholesale financial products and services designed to meet the needs of commercial and developing farmers and agriculture-related businesses.

By April 2003, the Bank had assisted 14 000 black clients who are not beneficiaries of the Government-supported Land Redistribution for Agricultural Development (LRAD).

The number of loans advanced to development clients increased by 35% from 66 846 in 2000 to 90 155 in 2001, a total loan value of R446 million compared with R413 million the year before.

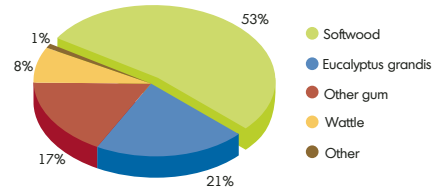
Micro-finance is available to clients with no security who may borrow amounts from R250 to R18 000.

Capital investment in the forestry industry



Source: South Africa Yearbook 2003/04

Plantations by species



Source: Department of Water Affairs and Forestry

Forestry

South Africa has one of the largest planted forests in the world. Production from these plantations approached 15,1 million m³, worth more than R11 billion, in 2001. Together with processed products, the total industry turnover was R22 billion in 2001. More than 11,8 Mt (pulpwood, mining timber, matchwood and charcoal) and 3,2 million m³ (sawlogs, veneer and poles) were sold in this period.



FACT

South Africa's national tree, the yellowwood tree (*Podocarpus*) can grow to a height of more than 40 m with a girth of 8 m, and can live up to 800 years.

In 2002, South Africa's exports of forestry products amounted to a net R5,7 billion, more than 97% of which was in the form of converted value-added products. This represented an increase of some 380% in a decade.

The forestry sector employs about 151 000 people. With a claimed multiplier effect of four to one, some 600 000 people owe their employment to forestry.

Indigenous forests

There are approximately 530 000 ha of indigenous high forest in South Africa, amounting to 0,45% of the country's land surface.

About half of the 1 100 indigenous tree species found in South Africa grow along the south and east coasts and on the southern and south-eastern slopes of inland mountains. The other half is spread over the interior plateaus.

Reforming forests

The Department of Water Affairs and Forestry is pursuing a reform programme in the forestry sector which will eventually see the Government leasing all State-owned forest land to the private sector.

In 2001, the remaining 22 800 ha of State-owned forest plantation in the KwaZulu-Natal package was sold to a consortium which included a black empowerment company representing local communities. The process for identifying a preferred bidder for the largest package of State-owned forests, in Komatiland, was being finalised in 2003. The last assets of the wholly-owned State enterprise,



FACT

According to legislative amendments in 1999, the Minister of Agriculture and Land Affairs may make land awards where claims have been negotiated. These changes resulted in an exponential increase in the number of claims settled. By 2002, approximately 36 489 of 68 000 claims lodged had been settled, involving about 85 000 households.

the South African Forestry Company (Ltd), were expected to be sold in 2004.

The restructuring process includes phasing out plantations on tens of thousands of hectares not environmentally suited to forestry.

Land Affairs

The Department of Land Affairs' responsibilities include deeds registration, surveys and mapping, cadastral surveys, spatial planning and land reform.

A project to upgrade townships surveyed under the Apartheid Government has made it possible for thousands of people to register properties as freehold where previously they held lesser rights.

The Chief Directorate: Surveys and Mapping is in the process of installing a network of 38 active GPS (global positioning system) base stations, known as TrigNetData. Data generated by this network will provide users with exception-

**Cumulative statistics on settled restitution claims
1995 – 29 February 2003**

	Land restoration	Financial compensation	Alternative remedy	Total no of claims settled	Beneficiaries involved
Urban claims settled	14 677	25 336	2 477	42 490	259 671
Rural claims settled	2 743	3 225	5	5 973	356 758
Total	17 420	28 561	2 482	48 463	616 429

1. The above statistics have been compiled based on the information reflected in the Database of Settled Restitution Claims.
2. In order to improve the accuracy of the statistics, the Database of Settled Restitution Claims is subjected on an ongoing basis to a process of internal auditing.
3. Project Basisa is currently being used to clean/update the Landbase System, as a further mechanism to address any inconsistencies in the statistics.

Source: Department of Land Affairs

ally high-position accuracy using stand-alone GPS receivers.

The Chief Directorate plays a leading role in the African Reference Framework Project, which aims at harmonising and linking spatial reference systems across Africa and which will connect Africa to the rest of the world. This will support access to regional spatial information in support of various development projects.

Land reform

The LRAD policy aims to give previously disadvantaged people access to land, especially agricultural land.

From August 2001 until December 2002, the Department of Land Affairs transferred 295 024 ha to 140 227 beneficiaries. During the first quarter of 2002/03, the Department transferred 214 farms through LRAD, yielding 185 609 ha to 6 769 beneficiaries.

Between June 2003 and March 2004, the Department settled 1 655 black farmers through LRAD and the cumulative figure of beneficiaries of LRAD since the launch of the programme in 2001 is 19 736.