



Pocket Guide to South Africa, 2008/09

AGRICULTURE, FORESTRY AND LAND

The total contribution of agriculture into the economy increased from R27 billion in 2001 to R36 billion in 2007. The total gross value of agricultural production for 2007/08 is estimated at R111 760 million compared to R93 390 million the previous year.



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South Africa has a dual agricultural economy: a well-developed commercial sector and a predominantly subsistence sector. About 12% of the country can be used for crop production. High-potential arable land comprises only 22% of total arable land. Some 1,3 million hectares (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 2,5% to the gross domestic product (GDP) of South Africa and about 8% to formal employment.

However, there are strong linkages into the economy, so that the agro-industrial sector comprises about 12% of GDP.

Although South Africa has the ability to be self-sufficient in virtually all major agricultural products, the rate of growth in exports has been slower than that of imports. The only increase in agricultural export volumes occurred during the period of exchange-rate depreciation in 2002 and came to about nine million tons (mt). Major import products include wheat, rice, vegetable oils and poultry meat.

Production

Producer prices of agricultural products increased, on average, by 24,9% from 2006 to 2007, compared to an increase of 17,9% during the previous year.

In 2007, the producer prices of field crops rose by 41,9%, against an increase of 32,4% the previous year. This increase was mainly the result of a 44,7% increase in the price of summer grains and increases of 90,4% and 51,9% in the prices of winter cereals and dry beans, respectively.

Producer prices of horticultural products increased by 20,6% in 2007 compared to 2006. Prices of vegetables increased, on average, by 20,6% during 2007, while the prices of fresh fruit increased by 27,7%.



Gross value of agricultural production, 2007	(R'000)
Field crops	
Maize	11 451 679
Wheat	3 878 983
Hay	2 314 555
Grain sorghum	294 562
Sugar cane	4 198 557
Groundnuts	285 121
Tobacco	228 445
Sunflower seed	921 985
Cotton	87 809
Other	1 525 972
Total	25 287 668
Horticulture	
Viticulture	2 907 086
Citrus fruit	5 013 038
Subtropical fruit	1 689 069
Deciduous and other fruit	5 755 887
Vegetables	5 476 294
Potatoes	3 405 277
Other	1 437 148
Total	25 683 799
Animal products	
Wool	1 312 768
Poultry and poultry products	20 409 362
Cattle and cattle products	12 689 536
Sheep and goats slaughtered	2 296 452
Pigs slaughtered	2 247 136
Milk	7 565 475
Other	2 446 444
Total	48 967 173
Grand total	99 938 640

Source: Directorate: Agricultural Statistics, Department of Agriculture



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The Comprehensive Agriculture Support Programme assisted 817 projects, benefiting 53 248 people in 2007/08. A larger number of projects than targeted was reached (817 instead of 786) but the number of beneficiaries was lower than that targeted. An estimated 1 085 projects were targeted to benefit from the programme in 2008/09, reaching an estimated 37 900 beneficiaries.



The producer prices of animal products were 14,5% higher in 2007 than in 2006. Prices received for pastoral products increased by 29,9%. The price farmers received for milk was 33,8% higher.

Prices received for poultry products rose by 13%.

Field crops and horticulture

- Maize is the largest locally produced field crop, and the most important source of carbohydrates in the Southern African Development Community (SADC) for animal and human consumption.

South Africa is the main maize producer in the SADC region, with an average production of about 8,9 mt a year over the past 10 years.

The South African wine industry has launched a training programme in the run-up to the 2010 Soccer World Cup that will see more than 2 000 people receive specialised wine-steward training in preparation for the event.



Known as Project Laduma, the skills-development initiative is aimed at contributing to job creation and the transfer of marketable skills in South Africa.

Wines of South Africa, the representative body of the local industry's export market, believes the initiative will help market South African wines to the mass of international consumers who are expected to arrive in South Africa for the World Cup. In keeping with the 2010 theme, 2 010 candidates will undergo the Sector Education and Training Authority-accredited training course. Half of the candidates will be selected from the hospitality sector, while the other half will be recruited from unemployed South Africans.



The AgriBEE (Black Economic Empowerment) Sector Transformation Charter was launched in April 2008. The objectives of the AgriBEE Charter are to implement initiatives to include more black South Africans in all levels of agricultural activity and enterprises by:



- increasing the extent to which black women, people living with disabilities and the youth own and manage existing and new agricultural enterprises
- increasing their access to economic activities, infrastructure and skills training
- empowering rural and local communities to gain access to agricultural economic activities, land, agricultural infrastructure, ownership and skills
- increasing the representation of black women and black designated groups.

It is estimated that more than 8 000 commercial maize producers are responsible for the major part of the South African crop, while the rest is produced by thousands of small-scale producers.

Maize is produced mainly in North West, the Free State and Mpumalanga. A total of 6,9 mt of maize was produced in 2006/07 on two million hectares of land (developing agriculture included).

- Wheat is produced in the Western Cape and the Free State. Average wheat production has totalled about 2 mt a year over the past 10 years.
- South Africa is the world's 12th-largest producer of sunflower seed. An area of 316 350 ha was planted in 2006/07, producing 300 000 t.
- Some 20 mt of sugar are produced per season. About 50% of this is marketed in southern Africa, while the rest is exported to markets in Africa, the Middle East, North America and Asia.
- South Africa is the leading exporter of protea cut flowers, which account for more than half of proteas sold on the world market.



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Some other crops:

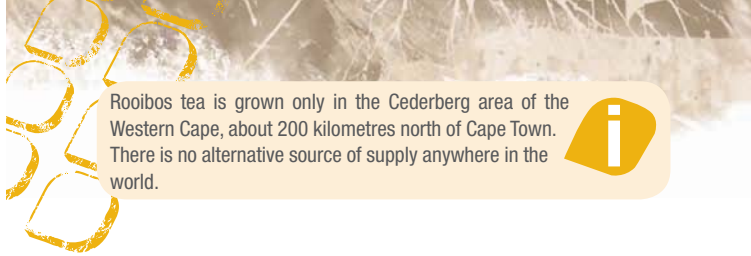
- Deciduous fruit is grown mainly in the Western Cape and in the Langkloof Valley in the Eastern Cape. Smaller production areas are found along the Orange River and in the Free State, Mpumalanga and Gauteng. In 2007/08, income from deciduous fruit rose by 10,6% to R6 425 million.
- In 2007/08, the gross income from horticultural products increased by 16,8% to R27 408 million.
- The gross value of subtropical fruit rose by 11,3% to R1 818 million.

- Internationally, South Africa's wines are highly competitive, with the industry showing a sustainable and increasingly positive trend over recent years. The wine industry contributes some R163 billion a year to South Africa's GDP and employs 257 000 people directly and indirectly, while an additional R4,2 billion is generated annually through wine tourism. The area planted under wine grapes has increased constantly since 1990, and totalled 101 958 ha in 2007. The 2007 harvest amounted to 1 351 447 t.

In April 2008, the South African Wine Industry Information and Systems estimated the 2008 wine and grape crop at 776 litres per gross ton.

In 2007/08, income from viticulture increased by 5,4% to R2 974 million.

- Citrus production is largely limited to irrigation areas and takes place in Limpopo (16 255 ha), Mpumalanga (11 681 ha), the Eastern Cape (12 923 ha), KwaZulu-Natal (4 004 ha), the Western Cape (9 524 ha) and Northern Cape (639 ha). A total of 2,2 mt of citrus were produced in 2006/07, which was a 10% increase compared to 2005/06. In 2007/08, income from citrus showed the biggest increase of 35% and amounted to R5 318 million.
- Pineapples are grown in the Eastern Cape and northern KwaZulu-Natal. Other subtropical crops such as avocados, mangoes, bananas, litchis, guavas, papayas, granadillas, and macadamia and pecan nuts are produced mainly in Mpumalanga and Limpopo and in the subtropical coastal areas of KwaZulu-Natal and the Eastern Cape.



Rooibos tea is grown only in the Cederberg area of the Western Cape, about 200 kilometres north of Cape Town. There is no alternative source of supply anywhere in the world.

Production of important field crops and horticultural products, 2007 ('000 t)

Maize	7 339
Wheat	1 913
Sugar cane	19 724
Grain sorghum	202
Groundnuts	58
Sunflower seed	311
Deciduous and other soft fruit	1 701
Citrus fruit	2 281
Subtropical fruit	692
Vegetables	2 079
Potatoes	1 917

Source: Directorate: Agricultural Statistics, Department of Agriculture

Livestock

Nearly 80% of agricultural land in South Africa is mainly suitable for extensive livestock farming. Livestock are also kept in other areas, usually in combination with other farming enterprises. Numbers vary according to weather conditions. Stockbreeders concentrate mainly on developing breeds that are well adapted to diverse weather and environmental conditions. The livestock sector contributes up to 49% of agricultural output.

By mid-2007, there were 13,5 million cattle, 24,9 million sheep and 6,4 million goats. South Africa normally produces 85% of its meat requirements, while 15% is imported from Namibia, Botswana, Swaziland, Australia, New Zealand and Europe.

Food security

The Integrated Food Security and Nutrition Programme aims to eradicate hunger, malnutrition and food insecurity by 2015.

By May 2008, through the Household Food Production Programme, 15 765 food-production packages had been distributed and 6 390 vegetable gardens established.



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Through the Farmer Support Programme, 903 clients received Micro-Agricultural Financial Institutions of South Africa loans and R8,5 million was disbursed between January and March 2008.

The Land and Agrarian Reform Project (LARP) is aimed at accelerating and aligning land and agrarian reform in South Africa. The LARP is a joint project of the Department of Land Affairs, the Department of Agriculture, provincial departments of agriculture, agricultural state-owned enterprises and sector partners. The LARP focuses on the following objectives:

- redistributing five million hectares of white-owned agricultural land to 10 000 new agricultural producers
- increasing black entrepreneurs in the agribusiness industry by 10%
- providing universal access to agricultural-support services to the target groups
- increasing agricultural production by 10% to 15% for the target groups, under the Ilima-Letsema Campaign
- increasing agricultural trade by 10% to 15% for the target groups.

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.

Forestry

South Africa has developed one of the largest planted forests in the world.

Plantations cover about 1,3 million ha of South Africa's land surface. Production from these plantations amounted to more than 22 million m³ of commercial roundwood, valued at almost R5,1 billion. Together with processed wood products, total turnover for the industry was about R15 billion in 2006, including R6,8 billion worth of wood-pulp.

The forestry sector employs close to 170 000 people and contributes more than R16 billion to the South African economy.



Champion trees, as protected under the National Forests Act, 1998, are proclaimed every year in the *Government Gazette*. These are individual trees and groups of trees (shortlisted by a panel of experts) considered to be of national conservation importance.

Among the listed trees are:

- the Tsitsikamma Big Tree along the Garden Route
- the Post Office Milkwood Tree of Mossel Bay
- the Sagole Baobab in Limpopo (one of the largest trees in South Africa)
- camphor trees planted at Vergelegen Estate three centuries ago.

Guidelines have been developed for the use of these trees to ensure the continued benefits they offer the people of the country, both economically and ecologically.

The impact of the sector is felt in rural areas and there is significant scope for forestry to expand and contribute towards uplifting those in the Second Economy.

Indigenous forests

There are about 530 000 ha of indigenous or natural forests in the country, which occur mainly along the southern and eastern escarpment, the coastal belt and in sheltered kloofs or ravines.

There has been an increase in the use of natural forests as sources of medicine, building material, fuel wood and food. It is estimated that around 80% of South Africa's population still uses medicinal plants, most of which are sourced from natural habitats.

South Africa has 182 primary wood-processing plants, 177 of which are owned by the private sector and five of which are owned by local and state authorities. Of these, some 99 are sawmills; 13 mining timber sawmills; 38 pole-treating plants; 22 pulp, paper and board mills; one match factory; and four charcoal plants. The total roundwood intake into these processing plants in 2006 was 23 million m³ valued at R5,2 billion. The value of sales of timber products produced by these primary processing plants totalled R15 679 billion.



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South Africa has a detailed inventory of all its natural forests, which is used to accurately monitor changes in forest areas. The Department of Water Affairs and Forestry has completed a classification of natural forests, represented by 24 broad forest types. The Natural Forests Protected Areas System guides the setting aside and redemarcation of natural forests as protected areas.

Restructuring the forests

The Department of Water Affairs and Forestry is pursuing a restructuring programme in the forestry sector, which will eventually see the department becoming a sector leader and regulator of forestry in South Africa.

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 for up to 800 years.



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 manages the national control survey network, which provides a unique, highly accurate positioning system across South Africa.

The 1:50 000 topographical map series is the largest scale map series, providing full coverage of South Africa.

The popular large-scale 1:10 000 orthophoto map series provides coverage of predominantly built-up areas, areas of economic importance and areas experiencing rapid development.

The Chief Directorate: Deeds Registration aims to maintain a public register of land, as well as an efficient system of registration aimed at affording security of title to land and rights to land.



Land reform

The Department of Land Affairs aims to be a global leader in the creation and maintenance of an equitable and sustainable land dispensation that results in social and economic development for all South Africans.

The department's key focus is on providing enhanced land rights to all South Africans, with particular emphasis on previously disadvantaged individuals, that will result in increased income levels and job opportunities, productive land use and well-planned human settlements.

South Africa's land reform is premised on three programmes: land-tenure reform, redistribution and restitution.

While the Department of Land Affairs implements land-tenure reform and redistribution, the Commission on the Restitution of Land Rights (CRLR) implements the restitution programme.

The department has four branches, namely Land and Tenure Reform, Restitution, Land Planning and Information, and Financial Management and Corporate Services.

Land restitution

The CRLR is a statutory body set up in terms of the Restitution of Land Rights Act, 1994, as amended. The role of the commission is to provide redress to victims of dispossession of rights in land, as a result of racially discriminatory laws and practices that took place after 1913.

The commission is led by the Chief Land Claims Commissioner and has nine regional offices headed by regional land claims commissioners.

By the end of 2007/08, 74 747 claims had been settled, involving more than 1,4 million beneficiaries.

