

Huge wishes but small expectations from SONA 2024

By Glenneis Kriel | 4 February 2024 | 4:00 pm

Logistics and problems emerged as the biggest issues that farmer organisations want addressed at this year's State of the Nation Address (SONA), scheduled for 8 February.



Farmer's Weekly asked various farmer organisations what they expected and wanted to hear from this [year's SONA](#).

Theo Boshoff, CEO of Agbiz, said the message was overwhelmingly positive towards business in the past [two SONAS](#).

“President Cyril Ramaphosa, for instance, acknowledged that the business sector created jobs and that government needed to cut down on red tape to enable businesses to invest and create jobs. Unfortunately, this was not followed through with action.”

Boshoff said there was a commitment to a process in the previous SONA to improve energy and logistics, which have led to the Freight Logistics Roadmap and draft

amendments to the Electricity Regulation Act to promote private investment and level the playing field in the energy and logistics sectors.

“These documents were met with criticism from certain groups but are overwhelmingly positive for business. We would like to see a clear and unambiguous commitment to implementing the reform set out in those documents. The last thing we need is new policies or plans. We just need commitment to these irrespective of what happens in the elections,” Boshoff said.

Nicholas Dicey, chairperson of Hortgro, said the fruit industry was facing serious challenges relating to load-shedding, market access, and input costs that remained sky-high. These, however, were dwarfed by logistical problems, especially at the Port of Cape Town.

“We as fruit farmers can innovate and make plans to overcome all kinds of challenges, but there is nothing we can do about problems at the port. Yes, we can drive fruit to other ports, but this further drives up costs and is unsustainable in the long run.

“We might be the most competitive fruit producers, with the best quality of fruit in the world, but this means nothing if we cannot honour our contracts and get fruit to markets on time. Fruit farmers are losing huge sums of money because of these problems, which in turn is threatening job creation and rural economies,” Dicey said.

Christo Conradie, stake holder engagement, market access and policy manager of South Africa Wine, agreed: “The wine industry needs the ports to function properly to ensure wine arrives at its destination on time. Failure to do so can be damaging to our reputation and result in buyers seeking their products elsewhere.”

To this end, Conradie wants to see an acceleration of the actions proposed by the National Logistics Crisis Committee, and some of the R47 billion bailout pledged to Transnet being used to improve efficiencies at the Cape Town Port.

Conradie also wants more incentives to combat and address load-shedding, and rebates for farms and cellars who have invested in alternative energies.

“Wine farm margins have been under severe pressure over the past few years, with load-shedding exacerbating the situation. Instead of replacing old vineyards, many

farmers have been focusing on buying generators and alternative energies to alleviate the impact of load-shedding on their businesses.”

Rico Basson, CEO of SA Wine, added that he did not want to see excise tax increased above inflation, as was seen with some alcohol beverage categories in the past, and wanted to see an increase in the policing of illegal liquor sales.

Efficiencies of ports are also high on the agenda for James Faber, chairperson of the Red Meat Producers’ Organisation. He said that red meat exports presented a huge growth opportunity for the red meat industry, which could not be realised without well-functioning ports.

Faber also wants government to play a more active role in enforcing legislation and control measures associated with livestock diseases, such as foot and mouth, and pushing for traceability within the industry, from informal to large commercial farms.

The State of the Nation Address is scheduled for 8 February. [Follow us on Twitter](#) for coverage of the event.