



# SACAU

SOUTHERN AFRICAN CONFEDERATION OF AGRICULTURAL UNIONS



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# Agriculture as a Tool to Rural Development and Job Creation

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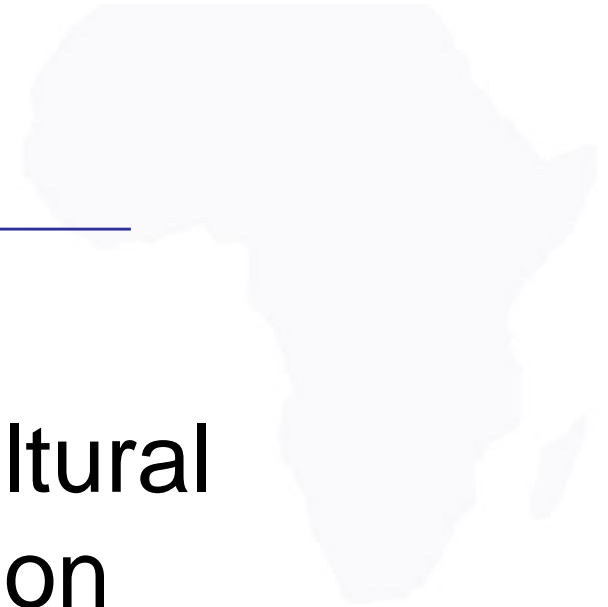
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# Contents

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- Opportunities for agricultural development in the region
- Challenges for the sector
- Unlocking the potential
- Conclusion

# Opportunities for agricultural development in the region

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- Renewed interest in agricultural development
- Increased public funding commitments
- Increased development aid flows
- Potential for beneficiation/value adding
- Regional economic integration
- Potential for private sector investment
- Advances in science and technology
- Expansion of ICTs in all countries
- Rising food prices
- Increased demand-population and incomes etc.
- Abundance of natural resources

# Challenges for the sector (1/2)

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- Negative perceptions about the sector
- Weak farmers' organisations
- Unstable socio-economic and political environment
- Inappropriate bad policies
- Complex and dynamic operational environment
- Too many development players- free for all, and disjointed efforts
- Inadequate economic & social infrastructure
- Land issues
- Price volatility
- Rising input costs
- Trade issues, including the power of consumers

## Challenges for the sector (2/2)

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- Limited availability of and access to credit
- Negative impacts of climate change
- Weak agro-processing capacity
- Low productivity of land and labour
- Limited capacity for risk management
- Weak farmers' institutions
- Fragmented regional inputs & output markets
- Lack of transparency in the governance of value chains

# Unlocking the potential (1/2)

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- A stable socio-political and economic environment
- Investment-friendly policies, including land tenure systems
- Strong and credible farmers' organisations for effective services delivery and policy advocacy and value chain engagement. Agric performance correlated with performance of the agric sector
- Improved governance of value chains-fair prices for farmers
- More & better investments in commercial infrastructure
- Growth-related infrastructural investments- linked to high potential areas and high value chains
- S/holder access to results of technological R&D
- Attracting the young and educated into the sector
- Need for a regional approach to the development of input/output markets (larger markets) and infrastructure

# Unlocking the potential (2/2)

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- Increased access to credit and other financial products
- Mobilise large nos. of s/holders into commercial agriculture
- Development of technological capabilities/entrepreneurship in farming enterprises
- Need for market-oriented and farmer centered extension services
- Consolidation of s/holders into more viable (scale economies) and bankable units
- Develop capabilities for value addition/product manufacture in the region
- Expansion of contract farming, sub-contract arrangements and other forms of business partnerships

# Conclusion

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- Growth in agriculture is crucial- positively correlated with growth in virtually all other sectors & poverty reduction
- Increased production & productivity are critical growth factors
- No substitute for a stable socio-political environment and good and predicable policies
- Production oriented land reform
- Addressing supply-side constraints is fundamental
- Improved governance of value chains
- Better coordination of regional programmes & policies
- Strong farmers' organisations are critical for service delivery and for the governance of the sector
- The sector need an image makeover!



# Thank You

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