World Economic Forum gives agriculture global attention

SACAU CEO Ishmael Sunga represented African agriculture on a global platform when he joined leaders from across the globe in Davos-Klosters in Switzerland.

The World Economic Forum’s 47th annual meeting took place from 17th - 20th January 2017 and focused on “Responsive and Responsible Leadership.

SACAU participated in discussions on agriculture and Mr Sunga made a public session presentation on “Envisioning a Food Secure Future.”

Mr Sunga addressed, among others, how to design and leverage technology for smallholder farmers, identifying priorities in advancing Africa’s agriculture agenda through multi-stakeholder collaboration and the new vision for agriculture.

“Emerging technology innovations have the potential to revolutionise the way food is produced, packaged, distributed and consumed”

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In this month’s newsletter, we wish you all a positive start to the New Year to the SACAU family!

Compliments of the

Ishmael Sunga

I ought to take this opportunity to wish you all a positive start to the year, with a promising outlook and even better health!

In farming, if you do one thing late, you will be late in all your work. So here at the Secretariat, we have hit the ground running. I kicked off my year with the World Economic Forum’s 47th annual meeting on “Responsive and Responsible Leadership” in Davos-Klosters, Switzerland. As the foremost creative force for engaging the world’s top leaders in collaborative activities which shape global, regional and industry agendas, the WEF provided a great opportunity to give agriculture the global attention it deserves.

SACAU was also represented at the 6th AGCO Africa Summit in Berlin, Germany, where myself and president Theo de Jager were enthralled by the innovative approaches shared to further the development of the agricultural sector. Organised under the theme Organising Farmers of the Future, the summit brought together new thinking on our issues.

Leaders in our sector are now talking wealth for smallholder farmers and this is incredibly promising. Our farmers are in for an exciting future and, personally, I can’t wait to see these changes and be part of this process.

In this month’s newsletter, we are looking at the concerning state of the poultry sector in South Africa. Here major producers are battling to compete with the influx of imports which has resulted in producers having to lay off workers. As always, this is distressing.

The weather forecast for the region is not encouraging either, with the region’s temperatures said to have increased by 2°C — twice the global temperature average. Despite this worrying outlook, we are hopeful that 2017 will restore the optimism that many of our farmers have struggled to maintain over the tough past two years.

In our drive to establish an “agri-agency”, we have been preparing for our final organisational assessment with Agriterra which is due to take place from 6th - 10th February 2017 at the Secretariat. We look forward to welcoming the Agriterra team, which will gain an in-depth understanding of practices, systems and performance of SACAU and the services we are providing to our members.

Lastly, just a heads up - we will be having our 2017 Annual conference & AGM here in South Africa in the fourth week of May, so stay tuned for further information in the coming months as we get ready to upskill for the future!

We have a full 2017 programme lined up and we look forward to working with farmers throughout the region on a better future for all.

World Economic Forum annual meeting gives agriculture global attention

Emerging technology innovations have the potential to revolutionise the way food is produced, packaged, distributed and consumed. It is important that we look at opportunities not just for commercial farming but also for smallholder farmers,” said Mr Sunga.

“Smallholder farmers produce as much as 80% of the food consumed in some parts of the developing world, yet they make up a majority of the world’s undernourished population,” he noted.

“We must proactively seek out the best technologies for smallholder farmers if we want to connect them to new resources that can help them navigate the myriad of challenges they face each day,” said Mr Sunga.

SACAU recognises the importance of Information Communication Technologies (ICTs) and the potential it has to transform and further enhance the state of agriculture for both smallholder and large-scale farmers.

“It is our duty to ensure smallholder farmers are not left behind in the Fourth Industrial Revolution,” said Mr Sunga. “We must therefore ensure that there is a strong digital infrastructure for smallholder farmers to access tools which empower them to make their own decisions about their farms and businesses,” he added.

About 3000 people - including leaders from politics, business and civil society - were expected to convene in Davos to examine “how can leaders be responsive to the genuine frustration of people left behind by globalised market capitalism in a responsible way that offers workable, fair and sustainable solutions,” said Mr Sunga.

The meeting focused on four key leadership challenges for 2017, namely: strengthening global collaboration, revitalising economic growth, reforming capitalism and preparing for the Fourth Industrial Revolution – a huge leap powered by the digital age, which is transforming the way people live and work.

This was done through a programme where more than half of the 400 sessions held focused on social inclusion and development.

Mr Sunga’s view on five innovations that will transform the lives of smallholder farmers can be seen on http://bit.ly/2IMvMwM

Agriterra conducts final assessment of SACAU

SACAU will undergo a final organisational assessment in preparation for the establishment of its “agri-agency” unit that will reside in the separation of its advocacy and development functions. The assessment will be held from 6th to 10th February 2017 in South Africa and will be conducted by Mr. Retger Lommerse the Team Manager Environment and Society at Dutch Fertilizer Organization ZLTO, a farmers’ organisation in the Netherlands, and Mr. Tjeevd Rijpma the Business Advisor at Agriterra based in Nairobi.

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The forecast brings an in-depth understanding of practices, systems and performance of SACAU and the services we are providing to our members. Apart from meeting the SACAU president and secretariat staff, the assessment team will also consult with management of AgriSA and the African Farmers Association of South Africa (AFASA) as well as selected stakeholders in the region. The team is expected to propose key initial activities as well as assumptions for the business plan at the end of the mission.
Chicken wars are getting personal in South Africa

The FAO’s Food Outlook estimates overall meat trade at 30.6 million metric tons in 2016, of which poultry was 12.7 million metric tons, an increase of 3.5 percent from the 2015 figures. Interestingly, in terms of volume, much of the increase in imported and exported poultry from 2015 to 2016 will have come from developing countries, which is likely to be the trend over the next few years as the developing countries populations continue to grow rapidly.

According to Poultry Trends, a statistical publication for the sector, developing countries would have at the end of 2016 imported approximately 38 times more metric tons of poultry meat than in the previous year compared to developed countries, driven by rising domestic consumption and low international prices, against the back of higher local production costs all leading to increased import demand. So what does this mean for the sustainability of the poultry industries in those latter countries?

This influx of poultry meat into developing countries has of course been the subject of some developing countries’ ferocity, with allegations of dumping being reported and consequent measures being imposed. In South Africa for instance, the Department of Trade and Industry (DTI) recently approved a 13.9 percent safeguard duty on imported European bone-in chicken.

This is following concerns from local industry stakeholders that the latter duty has not eased the strain on producers, resulting in plants being closed and workers retrenched. The figure of close to 40 percent is believed to have a better chance of leveling the playing field and allowing local producers to produce under more favourable conditions. Should this increase be approved, this will come as a relief for major local producers who are struggling to maintain profitability.

Cooperatives: agriculture’s building block for growth

The Netherlands’ agricultural sector is usually associated with high levels of efficiency and the resultant high agricultural output. This despite their small land area relative to other countries with similar demographics. Farmers have played a critical role in making the sector what it is now. According to Dr Kees Blokland, Managing Director of Agriterra, industrialisation in the Netherlands was driven by farmers through cooperatives. Dr Blokland was addressing delegates at the institution’s training course for new employees that SACAU also attended in December 2016.

“If farmers are better organised, they can enjoy the benefits of economies of scale and achieve more”

During this period, several agricultural institutions were visited, including a farmers’ organisation, a dairy company and a horticultural farm. The evidence of the gains made through better organisation by farmers was striking. For instance, the farmers visited and various interactions with other local industry players indicated that farmers today typically belong to more than one cooperative such as those dealing with inputs, finance and marketing – this irrespective of the size of the farms/operations.

Testament to the success of cooperatives in the country is Rabobank and FrieslandCampina, whose roots are banks founded by farmers and horticulturists in the late nineteenth century, and is now active in 40 countries in the world. FrieslandCampina, whose roots are also local dairy cooperatives founded by farmers, is one of the largest dairy companies in the world with offices in 32 countries and annual revenue of EUR11.3 billion.

If farmers are better organised, they can enjoy the benefits of economies of scale and achieve more. Of course, all other support mechanisms such as a conducive policy environment as well as efficient and functional markets need to be in place.
SACAU at the 6th AGCO Africa Summit

International leaders converged in Berlin, Germany for the 6th AGCO Africa Summit on 23rd January where respective leaders shared innovative approaches to further the development of the agricultural sector under the theme Organising Farmers of the Future. The President of SACAU, Dr Theo de Jager, was one of the speakers. He also participated in a panel discussion titled Aligning Agribusiness and Farmer Based Organizations as Co-Creators of Rural Wealth Through Agricultural Development.

The Summit afforded industry experts, political leaders and CEOs who hold a common interest in the development and transformation of African agriculture a platform to engage intensively.

Small-scale agriculture, rural wealth together with youth and Information Communication Technology (ICT) were among the topics of discussion.

Maximum value
SACAU CEO, Ishmael Sunga joined a panel discussion on Evolving Value Chain Strategies and Securing Maximum ‘Value’ for Farmers – Where next?

Mr Sunga strongly reiterated that “the future of farming lies in Information Communication Technologies for agriculture.” He also added that “the future lies in broad based infrastructure & efficient ways of organising farmers.”

Other participants included Amrita Cheema, Anchor and Journalist at Deutsche Welle Television; Hon. M Frank Mwe Di Malila, Vice Minister for International Cooperation (Democratic Republic of Congo); Elsie Kanza, Head of Africa (World Economic Forum); Berry Marttin, Executive Board Member (Rbobank) and more.

The AGCO Africa Summit started in 2012 and has positioned itself as an important institution for discussing critical issues affecting the development of Africa’s agriculture.

The summit did not only raise critical issues faced by the African agriculture sector, it also aimed to come up with solutions for the near and present future of the sector.

PULSES AND CLIMATE CHANGE

Whether in the form of droughts, floods or hurricanes climate change impacts every level of food production.

Climate change puts global food security at risk and heightens the dangers of undernutrition in poor regions.

Introducing pulses into crop production can be key to increasing resilience to climate change.

Food production, food security and climate change are intrinsically linked.

Why Pulses?

Pulses are climate smart as they simultaneously adapt to climate change and contribute towards mitigating its effects.

Intercropping has a higher soil carbon sequestration potential than monocrop systems.

Introducing pulses into crop production can be key to increasing resilience to climate change.

Food production, food security and climate change are intrinsically linked.

Pulses can fix atmospheric nitrogen and provide it to the soil through the nitrogen fixing nodules formed for synthetic nitrogen fertilisers and contribute in reducing greenhouse gas emissions.

65 million ha of pulses have contributed globally to fixating 3 - 6 million tonnes of nitrogen in soils.*

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Pulse-based cropping systems including pulses in crop rotations exploit symbiotic microbes to fix nitrogen, partly transferring it to subsequent crops, increasing their yields.

Pulses have a broad genetic diversity.

This diversity is a particularly important attribute because more climate-mitigated pulse varieties can be developed.

Pulses and agroforestry systems Growing pulses such as pigeon peas simultaneously with other crops, improve farmers’ food security, by helping them to diversify their nutrition and sources of income.

Pulses in animal nutrition When included in livestock feed, pulse by-products contribute to improve feed conversion ratio while, reducing greenhouse gas emissions at the same time.

Reduced methane emissions from ruminants.

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*FAOSTAT, 2014

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FARMING FUTURE LIES #ICT4ag SAYS CEO @ISHMAELSUNGA #AGCOAFRICA
Many are optimistic as the region is starting to move out of a very devastating drought experience over the past two years. The El Niño event which brought about the drought was the strongest recorded in the region. According to the World Food Programme (WFP), wetter than average conditions during January to March 2017 are expected over most of the areas affected by the drought. Some relief from the effects of the past two seasons is expected.

The La Niña event that followed El Niño was however very weak and outside what usually happens. The reality of the changes in climatic conditions is upon us already, and we need to brace ourselves for the effects of these changes in the near future. For the first time, the region’s temperatures are said to have increased by 2°C, twice the global temperature average. The +3°C increases are predicted to start in the 2030s, about 13 years from now.

A presentation by Professor Francois Engelbrecht of the Council for Scientific and Industrial Research (CSIR) pointed that these increases and related extreme events are expected to impact agriculture, energy demand and water security. The presentation was made at Vuna’s (a DFID-funded regional agriculture systems programme, implemented by Adam Smith International, working in the East and Southern Africa region) conference on climate change and transformational adaptation in the agricultural sector in east and southern Africa.

He also pointed out that “southern Africa is likely to become generally drier with frequent droughts” and that all models are predicting decreases in soil moisture.