



AGRICULTURE DROUGHT REPORT

2018/2019



We develop the South African Agricultural Industry.
Ons ontwikkel die Suid-Afrikaanse Landbou Industrie.



Executive summary

Agri SA, a federation of agricultural organisations, was established in 1904 as the South African Agricultural Union and consists of nine provincial and 26 commodity organisations as well as 43 corporate members.

Agri SA conducted a survey of our members to accurately assess the impact of the drought on farming and job creation. This is done to understand the impact and how to respond best.

Key findings:

- Since January 2018, the agricultural sector shed 31,000 jobs in provinces severely affected by the drought and lost approximately R7 billion (turnover) due to drought.
- 70% of respondents indicated that they struggle financially and that they find themselves in a weak financial position.
- Over 50% were reported to have communicated the need to retrench farm workers as a result of prevailing and long-term drought conditions.
- Approximately two-thirds of the respondents reported severe to critical stress levels of groundwater and surface water.
- The general condition of pastures was reported to be worse than expected, which also increases the risk for veld fires.
- More than 50% of respondents also indicated some form of depression, anxiety or other behavioural health issues experienced by members.
- A big concern identified, is the lack of maintenance of water infrastructure and proactive planning in areas where towns are reliant on boreholes for their water supply. Should towns run out of water this can result in social unrest.

Urgent discussions are scheduled with government, financial institutions as well as agribusinesses to determine how best to assist farmers and farmworkers in drought-stricken areas. Discussions will also be scheduled with CoGTA, Department of Water and Sanitation and the National Disaster Management to discuss the looming water crisis in specific areas due to lack of forward planning and general maintenance of water infrastructure.



Introduction

Agri SA compiled an electronic survey to get an overview of the current drought situation in South Africa. The drought survey was sent to all its affiliate members throughout the month of December 2018 and part of January 2019.

Survey

By the time of compiling this report, Agri SA received 23 submissions from respondents. Together the participating provincial agricultural organisations represent approximately 18,000 producers across South Africa. This does not necessarily include farmers that are only members of the 25 affiliated commodity organisations.

Submissions were received from the following organisations which constitute a representative sample of the agricultural landscape in South Africa:

Agri Eastern Cape	NW RPO
Agri Gauteng	RPO Kwa-Zulu Natal
Agri Klein Karoo	RPO KZN
Agri Northern Cape	RPO Southern Natal Region
Agri NW	South African Table Grape Industry
Agri Western Cape	Tim Ralfe
Free State Agriculture / Vrystaat Landbou	Tlaskgaming Farmers Organisation
Kwanalu	VB Cattle Company
Mpumalanga Agriculture	Vinpro
Mpumalanga RPO	Vryheid RPO Council member
NW RPO	W.F. Pretorius
Limpopo Agriculture	

Support

From the results, it is clear what kind of support is needed. Financial and fodder support were by far the most urgent support required from respondents. Support for boreholes was third, whilst emotional support followed shortly. Our qualitative analysis indicates that 173 Municipalities out of 278 have been reported to be affected by the latest drought occurrence. This represents 62% of all municipalities affected by drought.



Only three municipalities were reported to have excess fodder available for donations. These were Swellendam Local Municipality (WC), Theewaterskloof Local Municipality (WC) and Mkhondo Local Municipality (Mpumalanga).¹

See annexure A for the provincial breakdown.

Impact

- Approximately 70% of the respondents with livestock as their main commodity, indicated that water availability is currently at severe stress levels.
- Water availability for domestic, municipal and industrial uses seems to be at moderate to severe stress levels.
- Approximately two-thirds of the respondents reported severe to critical stress levels of groundwater and surface water availability.
- More than 80% of respondents reported that the current drought scenario had a negative impact on local recreation or tourism-revenue based activities.
- The level of fodder availability is very limited.
- 70% of respondents indicated that they struggle financially and that they find themselves in a weak financial position.
- Support from financial institutions was more evenly ranked across different support levels, but with the highest weighting on average to non-existing support levels.
- The general condition of pastures was reported to be worse than expected, which also increases the risk for veld fires.²
- Over 50% were reported to have communicated the need to retrench farm workers as a result of prevailing drought conditions.
- More than 50% of respondents also indicated some form of depression, anxiety or other behavioural health issues experienced by members.

See Annexure B for questionnaire responses.

¹ Theewaterskloof Local Municipality and Swellendam Local Municipality were both reported to be affected by the drought but have excess fodder available for donations.

² The groundwater or surface levels and number of wildfires results were inconclusive.



Drought status outlook for the first quarter of 2019

Province	Current Drought Status	Rainfall Status	Runoff Status	Dams Status	Groundwater Status	Drought Outlook
Eastern Cape	Severe	Very low	Very Low	Low	Moderately Low	Critical
Free State	Severe	Very low	Very Low	Low	Moderately Low	Critical
Gauteng	Stable	Normal	Normal	Moderately High	Moderately High	Stable
Kwa Zulu Natal	Below normal	Moderately Low	Low	Moderately Low	Low	Conditions to worsen (if future rains are insufficient)
Limpopo	Moderate	Moderately Low	Moderate	Moderately Low	Moderately Low	Conditions to worsen (if future rains are insufficient)
Mpumalanga	Moderate	Normal	Normal	Normal	Normal	Stable
Northern Cape	Severe	Very low	Very Low	Low	Very low	Critical
North West	Severe	Very low	Very Low	Moderately Low	Very Low	Critical
Western Cape	Below normal	Low	Very Low	Low	Moderately Low	Conditions to worsen (if future winter rains are insufficient)

As reported by Agri SA affiliates

Although not all provinces might have overall drought conditions or declarations, drought is a phenomenon which varies both spatially and temporally. Throughout South Africa, we experience several different climates and rainfall seasons. Rainfall is greatest in the eastern parts of the country and decreases westward. Rainfall patterns also differ from east to west with the eastern parts receiving summer rainfall and the western parts receiving winter rainfall. Some parts of the country receive extremely low rainfall with the north-west part of the country being semi-arid in nature. Due to the variable conditions throughout the provinces, even though some provinces may have an improving drought outlook, it does not necessarily mean that all areas within the said province are improving. As seen on the Annexure A, our provincial organisations have listed several municipalities which are in dire need of help.

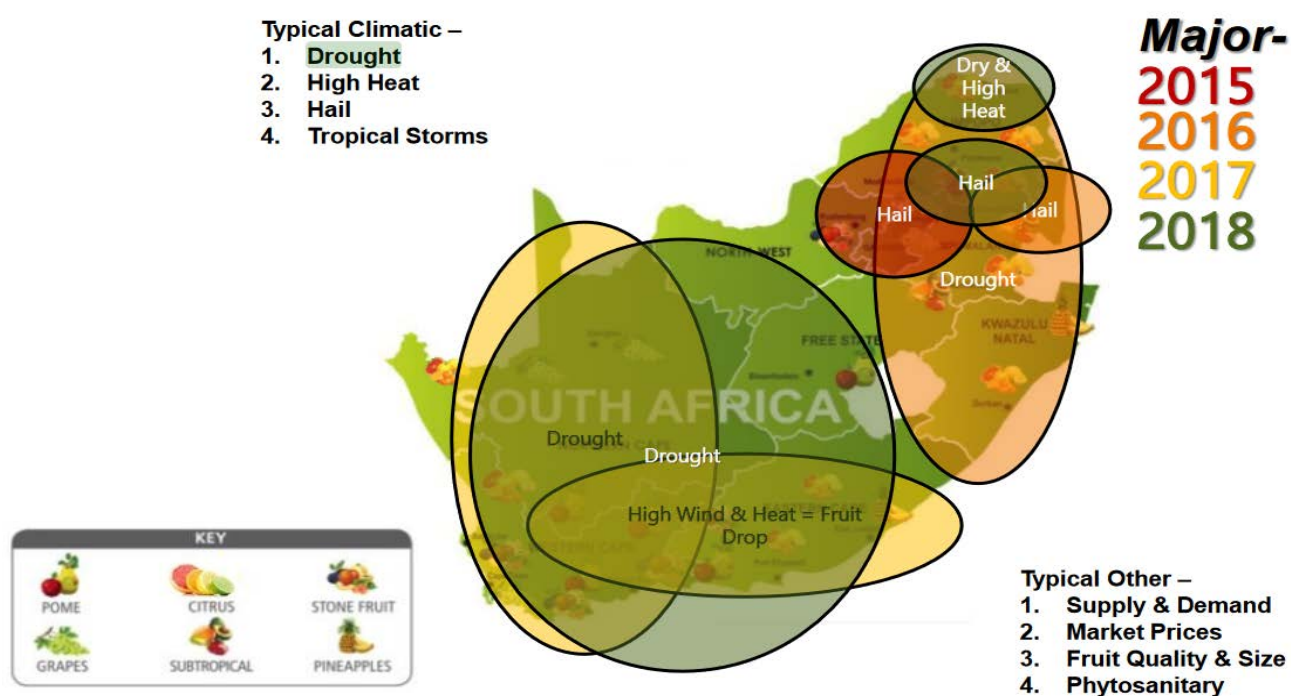


Impact of drought on pome and stone fruits³

Sales	Cumulative volumes	2017/18 (kg)	2018/19 (kg)	Volume difference	% change
Stone fruits	Week 40-49 (2018)	5 593 294	4 962 945	-630 349	-11%
Pome	Week 1-49 (2018)	13 784 724	13 036 654	-748 070	-5%

Source: Hortgro

Factors Affecting Production



Source: Citrus Grower's Association

The decrease in the production of grapefruit during 2017/18 season was also due to the drought conditions in the Western Cape.⁴

³ Information in this section was compiled by Agri SA Center of Excellence: Economic and Trade and does not come from the electronic survey conducted.

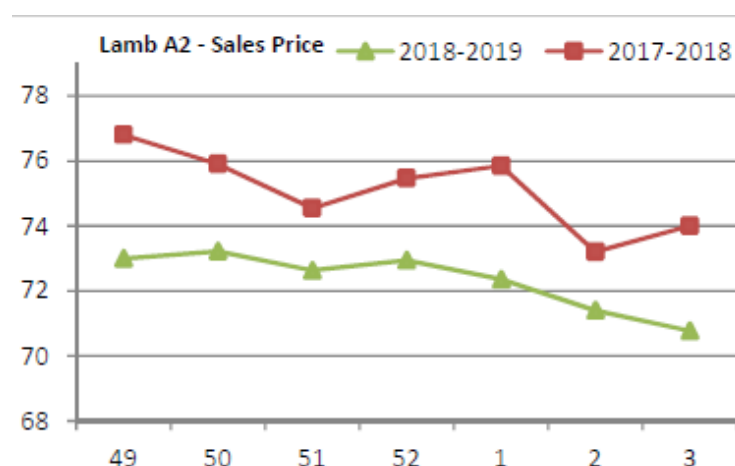
⁴ South Africa Fruit Trade Flow, Issue No. 31: September 2018, National Agricultural Marketing Council



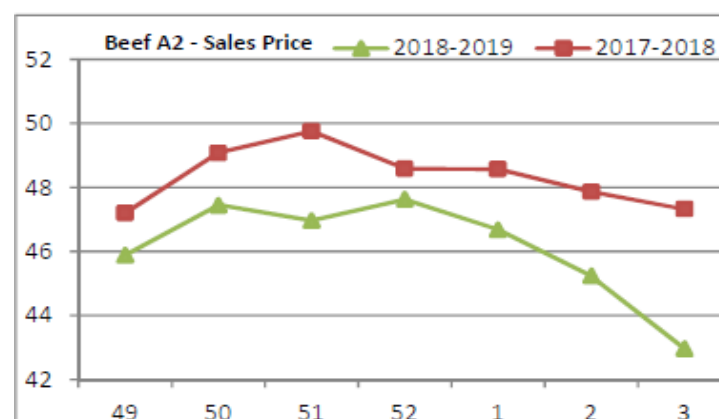
Impact of drought on apricots⁵

	Normal Year	2016-17	2017-18	2018-19
Ha (Apricot)	30.00 Ha	30.00 Ha	30.00 Ha	30.00 Ha
Yield / Ha	30.00 Ton	8.00 Ton	5.00 Ton	3.00 Ton
Total Ton	900.00 Ton	240.00 Ton	150.00 Ton	90.00 Ton
R / Ton	R3 400.00	R3 400.00	R3 400.00	R3 400.00
Gross Income	R3 060 000.00	R816 000.00	R510 000.00	R306 000.00
Loss of Income		R-2 244 000.00	R-2 550 000.00	R-2 754 000.00

Weekly producer prices of A2 lamb carcasses⁶



Weekly producer prices of A2 beef carcasses⁷



⁵ Information received from Apricot farmer

⁶ Information received from RPO

⁷ Information received from RPO



Devastating images



Impact of drought on food inflation in South Africa

Local grain plantings for the new season and the disastrous impact of an El Niño weather in summer rainfall areas, might have an impact on food inflation later during the year. A better than projected maize crop will obviously mitigate food inflation. A watchful eye must be kept on the oil price, exchange rate and on any other political factors (election outcomes, policy uncertainty, etc) that might drive food inflation upwards.



The way forward

- Urgent discussions are scheduled with government, financial institutions as well as agribusinesses in the next two weeks to determine how best to assist farmers and farmworkers in drought-stricken areas, especially farmers that are experiencing successive years of severe drought.
- The agriculture sector needs the following to sustain its long-term viability:
 - Financial assistance
 - Extending production loan terms
 - Extending of credit
 - Provide bridging capital
 - Distribute fodder
 - Distribute humanitarian aid and other forms of assistance.
- The persistent drought in specific areas of our country and the recent outbreak of Foot and Mouth disease (FMD) that led to the loss of our FMD free zone status, can place tremendous pressure on food inflation and food security. Everything must be done in our power to ensure the long-term sustainability and profitability of our farmers.
- Promote the Agri SA Drought fund and collaborate with various stakeholders to assist farmers and farm workers with immediate drought relief.
- Hopefully, this report will focus attention on the hardships farmers in drought-stricken areas are experiencing and that it will inspire collective action to support farmers and farm workers in dire need.

Approximately R3 billion is needed in government assistance for the next financial year



Agri SA Drought Disaster Fund

Cash donations received since November 2015:	R18,3 million
Fodder donations received since November 2015:	Tonnes of bales, bags of maize, etc
Diesel donation received since November 2015:	R1,5 million-rand worth of diesel from Total
Number of commercial and emerging farmers assisted:	15 974 farmers

Our sincerest appreciation to the thousands of individuals and many corporates who've assisted the Agri SA Drought Disaster Fund thus far. We again appeal to the public and the business sector to support the Agri SA Drought Disaster Fund

Agri SA Drought Disaster Fund

The Agri SA Drought Disaster Fund ensures that farms remain in production and that jobs and food security are protected.

Agri SA | Bank: **ABSA** | Account Type: **Cheque**
 Account Number: **40-6854-0775** | Branch Code: **632 005** | Reference: **RAMP**

Agri SA Droogterampfonds

Die Agri SA droogterampfonds verseker dat plase in produksie bly en dat werkseleenthede en voedselasekerheid beskerm word.

Agri SA | Bank: **ABSA** | Tipe Rekening: **Tjek**
 Rekeningnommer: **40-6854-0775** | Takkode: **632 005** | Verwysing: **RAMP**

Fund is annually audited by Ashton CA (SA) Group



Media links on Agri SA's assistance to farmers

- Agri SA: Droogtehulp steeds krities nodig: <https://www.youtube.com/watch?v=n-Eu5FFhzGo>
- 30-truck convoy delivers feed to drought-stricken farmers
<https://www.farmersweekly.co.za/agri-news/south-africa/30-truck-convoy-delivers-feed-drought-stricken-farmers/>
- <https://www.son.co.za/Nuus/Suid-Kaap/weldoener-vervroeg-varkeboere-se-krismis-20181212>
- <https://www.youtube.com/watch?v=Pz7AVEk2xSg>
- CCTV Africa "South Africa Drought: Community initiative helps provide grass to farmers": <https://www.youtube.com/watch?v=qFxsvXSQB5A>
- "Agri SA distributing food, fodder and water to destitute communities in Northwest 2": <https://www.youtube.com/watch?v=Pz7AVEk2xSg>
- "Agri SA assisting with the baling of 10 000 bales of fodder destined to destitute farmers": <https://www.youtube.com/watch?v=AidabahsVPA>
- SABC "AgriSA and SAGE Foundation launched a drought relief project" <https://www.youtube.com/watch?v=HTwQBIS6hSA>
- "Piketberg Drought Relief with AgriSA & Sage Foundation" <https://www.youtube.com/watch?v=yHUO-sko8nE>
- SABC "AgriSA donates aid to drought stricken farmers" <https://www.youtube.com/watch?v=92K1vSD2GzU>
- Espresso show "The Grass Hope Project" <https://www.youtube.com/watch?v=Q73EhYfZGec>
- Morning Live "Operation Hydrate, Project Hope Grass bring relief to drought victims" https://www.youtube.com/watch?v=y_a45eNkeZw
- Agri Magazine June/July 2016 issue https://issuu.com/agrisa/docs/web_agri_june_2016/1?e=21572872/36889207
- Agri Magazine April/May 2016 issue https://issuu.com/agrisa/docs/web_agri_april_mei_2016/1?e=21572872/35952604
- Shocking drought in Freestate, South Africa 2015": <https://www.youtube.com/watch?v=gDMiYfTFboQ>



Annexure A

- 27 Municipalities from KwaZulu Natal were reported to have been affected by the latest drought. Notable mentions are Abaqulusi Local Municipality, Dr Nkosazana Dlamini Zuma Local Municipality, eDumbe Local Municipality, Mthonjeni Local Municipality, Nongoma Local Municipality and Ulundi Local Municipality.
- Two municipalities from Limpopo, Elias Motsoaledi Local Municipality and Ephraim Magale Local Municipality were reported to experience drought.
- Fifteen municipalities from Mpumalanga were reported to have been affected by the drought. Govan Mbeki Local Municipality, Lekwa Local Municipality, Msukaligwa Local Municipality, Pixley ka Seme Local Municipality, Steve Tshwete Local Municipality, Thaba Chewu Local Municipality, Thembisile Hani Local Municipality and Victor Khanye Local Municipality were reported more than once by different respondents.
- 17 Municipalities from the North West province were reported to have been affected by the drought. Kagisano Molopo Local Municipality, Madibeng Local Municipality, Maquassi Hills Local Municipality, Naledi Local Municipality were reported more than once.
- !Kheis Local Municipality, Dawid Kruiper Local Municipality, Dikgatlong Local Municipality, Emthanjeni Local Municipality, Gamagara Local Municipality, Ga-Segonyana Local Municipality, Hantam Local Municipality, Joe Morolong Local Municipality, Kai !Garib Local Municipality, Kamiesberg Local Municipality, Kareeberg Local Municipality, Karoo Hoogland Local Municipality, Kgatelopele Local Municipality, Khâi-Ma Local Municipality, Magareng Local Municipality, Nama Khoi Local Municipality, Renosterberg Local Municipality, Richtersveld Local Municipality, Siyancuma Local Municipality, Siyathemba Local Municipality, Thembelihle Local Municipality, Tsantsabane Local Municipality, Ubuntu Local Municipality, Umsobomvu Local Municipality were the 24 municipalities reported from the Northern Cape.
- 25 Municipalities from the Western Cape were identified as affected by the drought survey submissions. Municipalities that were reported more than once are Bergrivier Local Municipality, Breede Valley Local Municipality, Cape Agulhas Local Municipality, Cederberg Local Municipality, Langeberg Local Municipality, Oudtshoorn Local Municipality, Swellendam Local Municipality, Theewaterskloof Local Municipality and Witzenberg Local Municipality.¹⁸
- Agri Gauteng did not specify the municipalities. They experienced late rains which resulted in late planting of crops and hail damage in some areas.
- In the Eastern Cape, sixteen municipalities were reported to experience severe drought. They are Amahlathi Local Municipality, Blue Crane Route Local Municipality, Buffalo City Metropolitan Municipality, Dr Beyers Naudé Local Municipality, Emalahleni Local Municipality, Enoch Mgijima Local Municipality, Great Kei Local Municipality, Inxuba Yethemba Local Municipality, Kouga Local

¹⁸ Some of the above-mentioned municipalities were identified more than once by different respondents. It does not necessarily mean that they need more drought support than the other municipalities reported.



Municipality, Kou-Kamma Local Municipality, Makana Local Municipality, Ndlambe Local Municipality, Nelson Mandela Bay Metropolitan Municipality, Raymond Mhlaba Local Municipality, Senqu Local Municipality and Sundays River Valley Local Municipality

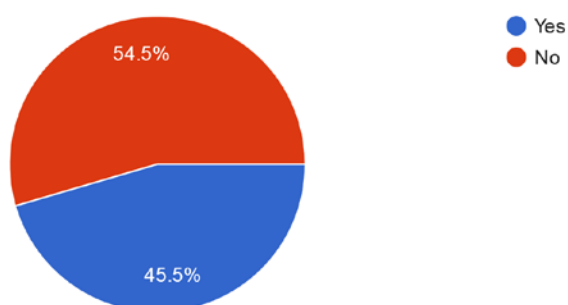
- Fifteen municipalities were reported severe drought in the Free State, namely Dihlabeng Local Municipality, Kopanong Local Municipality, Letsemeng Local Municipality, Maluti-a-Phofung Local Municipality, Mangaung Metropolitan Municipality, Mantsopa Local Municipality, Masilonyana Local Municipality, Matjhabeng Local Municipality, Metsimaholo Local Municipality, Mohokare Local Municipality, Moqhaka Local Municipality, Nala Local Municipality, Setsoto Local Municipality, Tokologo Local Municipality and Tswelopele Local Municipality.



Annexure B

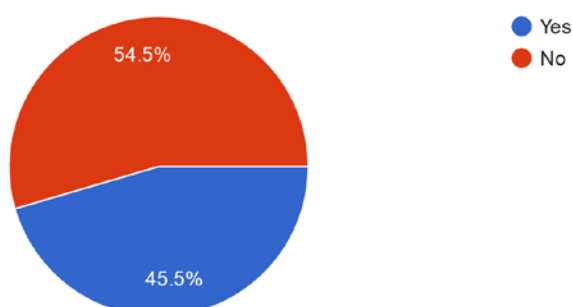
Have drought conditions improved in during past month (December 2018)?

22 responses



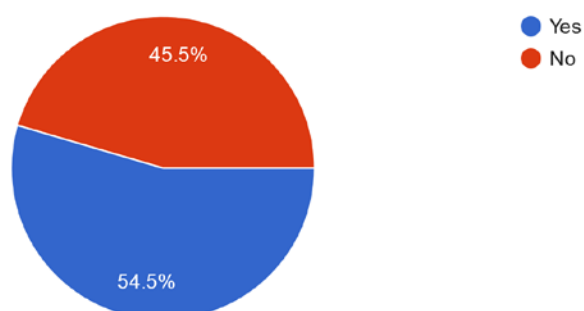
Have production expectations with respect to commodities improved in the past month (December 2018)?

22 responses



Did any significant rainfall occur during the province in the past month (December)?

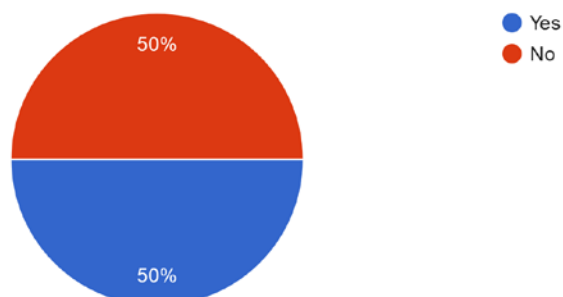
22 responses





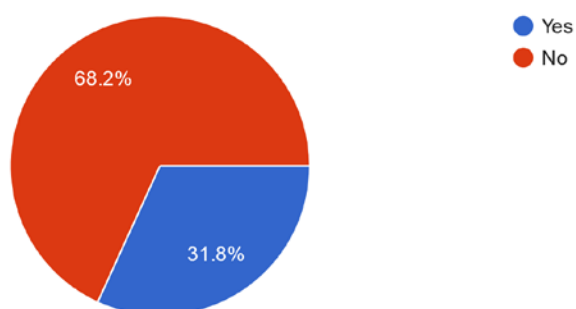
Did further planting of crops occurred in the province during the past month (December 2018)?

22 responses



Are you aware of any areas/individuals (farmers and farm workers) where humanitarian support is needed?

22 responses



Do you foresee a significant improvement in agricultural conditions should normal rainfall patterns prevail before 31 December 2018?

22 responses

