

A sign of resilience as agriculture posts another year of strong exports in 2022

By Paul Makube

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After a relatively tough year of various challenges that impeded operations, agriculture showed signs of resilience and posted another year of strong exports in 2022. The latest export data showed a 4% year-on-year jump in foreign agriculture earnings to US\$12.8bn, a new record high underpinned by strong commodity prices.



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The year was characterised by trade distortions in terms of the imposition of uncompetitive phytosanitary measures on citrus from the EU (new rules on false coddling moth), global and domestic logistics challenges, inclement weather, rising interest rates, higher input costs, as well as outbreaks of the food and mouth disease (FMD) that halted exports although temporarily.

The outbreak of foot-and-mouth disease (FMD) curtailed exports with wool exports to China temporarily halted as it is a notifiable disease in terms of the World Organisation for Animal Health (OIE). SA's biggest citrus market unilaterally imposed new rules on False Codling Moth (FCM) despite rigorous control measures that were already in place that came at a huge cost to the producers.

The export outlook still points to high demand for quality and affordable agricultural produce as the global economy recovers. With shipping costs on the decline, expectations are for a rebound in export volumes in the year ahead.

Further opening of new export markets and digitally-enabled trade will undoubtedly have incredibly positive implications for the SA agri export sector and will enable it to continue building on the extraordinarily strong foundations it has set in place, particularly in recent years.

ABOUT PAUL MAKUBE

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