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ON MY MIND BY WANDILE SIHLOBO

# WHAT CAN GOVERNMENT DO TO HELP OUR FARMERS?

Given an unbearably stretched fiscus, very little. But there are measures the state can take to ensure better biosecurity in the wake of three devastating disease outbreaks

**B**iosecurity breaches have become a significant global challenge. But few countries have had to deal with the intensity of these disease outbreaks – foot and mouth, African swine fever and avian influenza – almost simultaneously, as South Africa has had to do.

In 2022, about six of our nine provinces reported outbreaks of foot and mouth disease. These outbreaks weighed heavily on the cattle industry, since they led to the suspension of beef and livestock product exports to a range of markets for some time. Towards the end of the year, we learnt of the outbreaks of African swine fever, which put the pig industry under additional pressure.

These outbreaks also came at a time of high feed prices – maize and soybeans – worsening the farmers' fortunes. South Africa's biosecurity breaches, as seen in the recent outbreaks, signal some serious capacity challenges in farm biosecurity measures as well as in the country's veterinary and related support services, such as laboratories and vaccine production.

Then we have this year's ongoing avian influenza outbreak, where more than a hundred commercial poultry facilities have reported cases. We foresee major losses in parent stock for breeders of layers and in broilers. For this reason, there are now constraints to egg supplies, as evident in numerous retail shelves across South Africa. The egg supply constraints have also resulted in hefty price increases in some stores.

What will matter most is the duration of these higher prices, because it is only when they are sustained that they will start to skew the inflation basket. Fortunately, it's unlikely that they will persist if key interventions – such as allowing more imports and controlling the spread of the disease – are successful.

The current increases could be a temporary blip, which will probably reflect on only a few months' inflation figures. The

overall food inflation trend should then continue on its original trajectory, which is either a deceleration or sideways.

Also worth noting is that eggs have a lower weighting within the food inflation basket, at 0.4%, which means the impact may not be as pronounced in the headline inflation figure. Poultry products, which have a slightly higher weighting of 2.09%, have not increased at the retail level as significantly as eggs. Given that poultry product supplies are still relatively good and there are various trade measures such as import rebates under consideration by the International Trade Administration Commission, there should not be supply constraints over the foreseeable future.

Still, the price increases of eggs and the

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pressure on poultry producers have necessitated interventions from the government to help ease these challenges.

For example, it has agreed to permit imports of fertilised eggs to rebuild the flock of the parent stock, which has been ravaged by the disease. This process is under way, with import licences already issued to some producers.

Retailers have also persuaded the government to allow imports of egg powder and liquid eggs to support bakeries, thus reserving the limited table egg supply for human consumption.

Beyond these interventions, there are discussions about possible vaccinations to curb the spread of the disease. This issue is being considered by the department of agriculture, land reform & rural development, as well as the protocols that will guide vaccination should industry and regulators

agree to go ahead. The regulators are likely to assess such vaccines' efficacy, quality and safety before providing a view on the path forward.

So what can be done to help South Africa's farmers – who don't enjoy any of the subsidies that powerful nations such as the US, France or Germany dole out?

Beyond the current avian influenza challenge, the South African government and organised agriculture and industry bodies should work together closely to address the biosecurity challenges facing the country.

As climate change intensifies and disease is likely to be more prevalent, the agriculture department should consider earmarking a share of its annual budget for emergency purposes to deal with biosecurity.

These funds should be used under strict rules and in concurrence with the National Treasury only in the case of notifiable animal disease outbreaks. This will be necessary to control animal movements, procure vaccines, employ additional staff and compensate producers when animals must be culled, according to the World Organisation for Animal Health guidelines.

Veterinarians and animal health technicians will be critical for continued surveillance and monitoring, and to offer advice to farmers.

Also necessary is the repair and maintenance of international fences which, in their current state of disrepair, fail to keep wild animals and infected animals from neighbouring countries out of South Africa. Collaboration between the department of public works and the Treasury in this respect is critical.

Arguably, these are small measures in the context of the support received by farming industries in other countries. Ideally, one would argue that farmers receive some form of financial compensation for losses incurred after disasters such as this outbreak of avian flu, but there is no money for this.

The measures we have in place now are, realistically, the best options possible. ✕

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