

KEYNOTE ADDRESS BY MINISTER JOHN STEENHUISEN

AFASA LEADERSHIP AND PARTNERSHIP CONFERENCE

26 NOVEMBER 2025

President Mthembu, members of the AFASA National Executive, provincial leadership, partners from across the value chain, distinguished guests, and fellow South Africans.

Thank you for inviting me to join you under the theme, *“Working Together for Agricultural Prosperity”*. It is a theme that speaks directly to one of my seven priority areas, which is Partnerships for Growth. Nothing of meaning in agriculture can be achieved alone. It is a sector that rewards collaboration, trust and long-term relationships, and the work AFASA continues to do in building these relationships is invaluable to the country.

This conference takes place at a time when smallholder and emerging farmers are becoming more central than ever to the future of South African agriculture. They represent the energy and the entrepreneurial drive that our rural economy needs. Yet they still face barriers that make it difficult to compete fairly. Many operate on communal land without formal title, which prevents them from using land as collateral. Many face high transaction costs, inadequate extension support and poor infrastructure. Smallholder farmers account for between 5% and 10% of national output, not because of a lack of talent, but because they have never enjoyed the same enabling environment as large commercial enterprises.

If we are serious about building an inclusive agricultural sector, then these structural barriers must fall. Rural roads must be fixable. Infrastructure must be reliable. Ports and railways must facilitate trade. Municipal services cannot be allowed to collapse under the weight of corruption and maladministration. The Government of National Unity understands this, and as I have said repeatedly, growth in agriculture is the single most powerful way to drive employment in rural communities. But we cannot grow if businesses cannot move goods, or if power and water supply undermine profitability. Addressing these systemic issues remains a priority, not only for my department, but for Government as a whole.

Despite these pressures, 2025 has given us reasons to be hopeful. Across the country, farmers have shown resilience and determination. Furthermore, Government has been working to support that spirit with tangible action. During the 2024/25 financial year, we allocated R1,7 billion to support more than 6 000 farmers. This investment was coupled with a deliberate focus on supporting smallholders through job creation, with 3 000 jobs targeted as part of this package. Through Ilima/Letsema, a further R488 million was dedicated to assisting more vulnerable households in food production, creating more than 9 000 jobs. These are not abstract numbers. They represent households that can now grow their own food and farmers who can expand, hire and invest. Of course, this is only a drop in the bucket, but we intend to build on this momentum and use agriculture as an engine for economic growth.

We are working to make financial assistance more accessible to young agripreneurs and to ensure that young farmers have the market linkages needed to build viable enterprises. This includes support for global GAP accreditation and programmes designed to provide technical assistance, equipment and infrastructure that can unlock real opportunity.

Empowerment is not only financial. It is also about mindset. One of the programmes I am most proud of is the Smallholder Empowerment and Promotion Programme, or SHEP. It teaches farmers to plan for markets rather than hoping markets will appear after harvest. Growing to sell, instead of growing and then selling whatever might be accepted, is a shift that changes incomes, confidence and long-term sustainability. The Jozini Smallholder Farmer Programme, launched earlier this year, is another powerful example. It has provided farmers with training, inputs and guaranteed market access through partnerships with the private sector. These kinds of models must be replicated nationwide.

Inclusivity also requires a modern regulatory environment that reflects the realities of the sector. That is why, a couple of weeks ago, I formally approved the inclusion of indigenous crops and medicinal plants as declared agricultural products under the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996). This is a R12 billion sector, rich in cultural heritage and economic potential, which has never enjoyed the policy attention it deserves. This recognition will unlock new opportunities for small-scale farmers, traditional healers and rural communities whose livelihoods depend on

these resources. It is one of the most important regulatory steps we have taken to broaden participation and stimulate rural economies.

The legislative environment is only one part of the picture. Another is biosecurity. South Africa's livestock economy cannot survive without a functioning animal identification and traceability system—and without decisive action against criminal syndicates who are bleeding farmers dry. Stock theft is no longer a side issue, particularly in rural communities where livestock farming plays a crucial role in economic stability and access to protein. The statistics speak for themselves. In 2023, more than 27 000 cases of livestock theft were reported. Cattle, sheep and goats accounted for nearly 90% of stolen animals. Losses exceeded R1,3 billion nationally, with Free State alone recording more than R183 million in losses. This means that a substantial number of families are losing their entire herds and communities are rapidly losing their sense of safety.

This is why we are taking decisive action. We are pushing for zero tolerance against perpetrators. We are working closely with the South African Police Service (SAPS) through the Rural Safety Strategy. We are strengthening inter-agency cooperation, pushing for harsh convictions and targeting illegal meat markets. We are investing in new technologies such as DNA profiling and biometric tagging, and I am working with the Red Meat Industry Services (RMIS) in its efforts to implement a livestock traceability platform. This aligns with my vision of developing a farm-to-fork protocol that guarantees transparency and traceability in livestock movement, which is essential for tackling stock theft and preventing the spread of infectious diseases such as Foot and mouth disease (FMD). These interventions are essential for protecting the livelihoods of farmers, the country's economy, as well as its food security.

Partnerships do not end at our borders. In September, I signed a Memorandum of Intent (MoI) with Brazil's Vice Minister of Agriculture and Livestock, Luiz de Alcantara Rua, which marks a new era of cooperation. This relationship strengthens joint work on trade, biotechnology and climate-smart agriculture and holds significant promise for emerging farmers who need new markets and technological support.

Skills development is another building block of bridging the divide between, as Wandile Sihlobo has termed it, South Africa's "Two Agricultures". More than 66 000 farmers

have received training this year, and more than 3 000 agricultural graduates have been placed through our internship programmes. These young people are entering the sector with the knowledge and passion needed to reshape it, and it is our responsibility to ensure that their energy is matched by opportunity.

If we want emerging farmers to grow, we must also unlock market access. South Africa has world-class trade agreements, from the African Continental Free Trade Area (AfCFTA) to the Southern African Development Community (SADC) and BRICS. However, the truth is that many smallholder farmers cannot access these opportunities because export protocols are complex, compliance is costly and working capital is scarce. We are working on reforming export regulations, simplifying procedures and providing targeted support to help smallholders enter high-value markets. Asia and the United Arab Emirates (UAE) are showing exceptional demand for South African produce, meat and niche commodities. To ensure that emerging farmers benefit, we must integrate them into export value chains rather than expecting them to find their own way.

Financial inclusion sits at the heart of all of this. Too many promising farmers are blocked from affordable credit, and too many are vulnerable to climate shocks that can wipe out a decade of progress. This is why blended finance must scale up. We need patient capital, guarantee schemes that allow banks to lend at lower risk, and climate-smart working capital that supports irrigation, drought-tolerant seed and cold-chain infrastructure. Finance must be paired with parametric insurance so that one failed season does not destroy a farm forever.

The data tells a compelling story. By June 2024, agribusiness loans from our four major banks had reached R255 billion, an increase of nearly R20 billion in a single year. Long-term loans and asset-based finance are rising, but specialised finance for small and medium enterprises (SMEs) has contracted. This is a warning sign. Capital is flowing, but not yet to those who need it the most. Without deliberate de-risking, smallholders will continue to be excluded while large enterprises consolidate. We cannot allow that to happen.

If there is a thread running through all of these priorities, it is partnership. Government alone cannot transform agriculture. The private sector, financial institutions,

commodity organisations and farmer associations must walk alongside us. We need joint investment, shared problem solving and a collective commitment to inclusive growth. The future of agriculture depends on collaboration, resilience and the willingness to see one another as partners rather than opponents.

AFASA plays a vital role in this ecosystem. You represent emerging farmers whose success is central to the future of our agricultural economy. I want to assure you that my ministry remains fully committed to working alongside you to build a sector that is growing, inclusive and globally competitive. We share a vision for a reshaped agricultural landscape where every farmer, regardless of scale, has a chance to thrive.

Thank you for the work you do and thank you for inviting me to be part of this important moment. I look forward to our continued partnership as we build a future of shared prosperity for South African agriculture.

Thank you.