

The Farmers' Chronicles

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Opening Markets: Why South Africa's Agricultural Attaché in the Middle East Matters

South African farmers are no longer worrying about how to grow crops, raise livestock or care for them. Today many South African farmers are struggling with the question: "Where do I sell my product?" Every day the possibilities of exporting to a particular country may shut down, prices may go up and down and new competitors may enter the market. If a farmer does not know if he/she can find customers, how to get to them and under what terms, then the difference between surviving and having a successful sustainable farm that creates jobs and grows is knowing where to sell your product and being able to count on getting paid. It is here that agriculture diplomacy plays a role, doing its job quietly but effectively.

The appointment of Mr Mpho Sekgala as South Africa's Agricultural Attaché to the Middle East countries, which include the Gulf States and some of the Levant countries is part of a strategy to maintain and expand current and potential opportunities for South African farmers to participate in one of the world's biggest and most important food importing regions. Mr Sekgala is based at the South African Mission to Dubai in the United Arab Emirate (UAE) to easily access all of the countries in the Gulf (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and UAE) and parts of the Levant (Lebanon, Syria, Jordan and Palestine). While the term "Agricultural Attaché" appears to be quite distant from daily life of the farmer (planting, harvesting, feeding, etc.), the action

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National Department of Agriculture

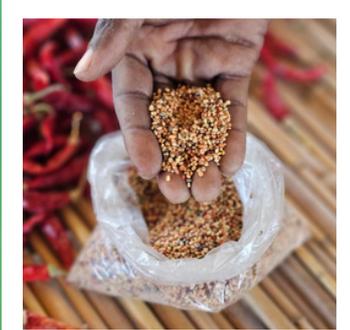


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of the attaché is practical and directly applicable. An attaché facilitates the opening of new markets, maintains and expands the existing markets and provides farmers with confidence to trade internationally. In general, agricultural diplomacy is misunderstood as just paperwork and protocol, however, it can directly influence whether exports occur without problems and at an acceptable rate or whether exports will stop completely.

Trade agreements, import requirements, health standards and certification systems are not theoretical concepts; they determine whether fresh fruit arrive at stores on time at the desired quality, whether meat shipments clear port inspections and whether food processors can plan with confidence. Mr Sekgala is positioned at the intersection of policy and practice. Among other things, he translates South Africa's trade obligations into practical market access. He resolves technical barriers, engages with relevant authorities in the importing countries and ensures that agreed upon systems operate as intended to allow for smooth, fair and safe trade. In summary, he facilitates the translation of the bilateral trade agreements and associated standards into working market access, and not merely the drafting of paper agreements that remain dormant. The Middle East has become one of the world's largest food importing regions. A few countries within this region rely heavily on imported food to satisfy a large

portion of their food needs, thus creating a reasonably consistent demand for reliable suppliers. There exists an opportunity for South Africa to establish mutually advantageous trade relationships with the region. Owing to climate-related disturbances, geopolitical changes and disruptions to supply chains, relying solely on a few export markets is rapidly becoming less advisable. Diversifying export markets is, therefore, both necessary and unavoidable.

At the regional level of the Middle East, South Africa already enjoys a strong diplomatic relationship with the Kingdom of Saudi Arabia and the Gulf states, including the Kingdom of Bahrain, the State of Kuwait, the United Arab Emirates and Jordan. The next step is to create and sustain the agricultural engagement that turns good will into long lasting trade relationships. Trust is one of the most important elements when it comes to trade and South Africa develops its own trust within the trade community through regular presence of a dedicated agricultural representative in the region.

It allows South Africa to be engaged with its trading partners and respond to any issues that could arise from the trade (for example, a disease outbreak, changes in regulations, disruptions in logistics, etc.) in time, as trade could stop overnight if South Africa does not address the issue quickly enough. In addition to being involved in resolving issues relating to market access, supporting the export companies and

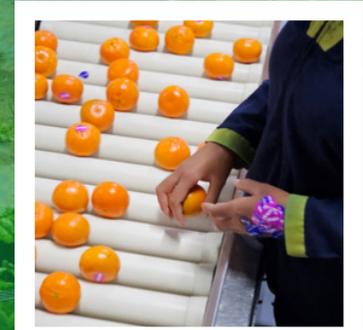


addressing the agricultural interest in relation to the broader diplomatic effort, Mr Sekgala works closely with relevant ambassadors or heads of missions, mission staff, relevant units in the National Department of Agriculture, the Department of International Relations and Cooperation, the Department of Trade, Industry and Competition, and leaders of the industry. The visibility, responsiveness and reliability of the agricultural sector, in particular, the level of preparedness in highly competitive markets, is a significant factor in determining whether South Africa is able to secure the opportunities or lose them.

To be successful in the areas of agricultural diplomacy and export programmes, both government and the agricultural community need to commit together to the success of this effort. Government has created an environment that allows for South African agriculture to succeed in global markets with its established production base, reliable inspection services, good physical infrastructure and organised agriculture industry. Maintaining compliance to international food safety, animal and plant health regulations, as well as technical standards will allow South Africa to continue being a trusted and reliable international trading partner. With more than two decades of experience in the national Department of Agriculture, Mr Sekgala places great emphasis

on "export-readiness." Through his work, he assists farmers and producers to understand the requirements of the importing country, the reasons for the requirements and how to meet the requirements while maintaining their sustainable practices. He also believes that the support for export-readiness goes beyond the traditional short-term workshops and/or information sessions. Mr Sekgala works to establish long-term capacity through collaboration with commodity organisations, regulatory agencies, research institutions, and training providers to develop those who wish to export.

While the focus is on the export of products, the Middle East offers a wealth of opportunities that extend beyond the traditional trade relationship. For the food and agricultural sector, collaborative research, technology transfer, education, training, and investment can enhance the resilience of the entire agricultural value chain. Opportunities exist in new emerging areas such as agroforestry or tree planting initiatives and in value added processing. If South Africa develops an effective industry-government led export programme and works collaboratively, it will produce more products for export to international markets and maximise the volume of its exports in the Middle East and elsewhere around the world. The increased agricultural trade generates numerous benefits beyond the



individual exporter. Agricultural trade contributes to employment opportunities in rural areas and strengthens the local economy. Additionally, agricultural trade contributes to employment opportunities in logistics, processing and other service-related industries. Due to the current nature of agriculture, there are inherent risks (climate variability and exchange rate volatility) which make a diversified and inclusive export market strategy a risk-reducing buffer for exporters when circumstances change and create an unstable income environment for their livelihoods.

Inclusive economic growth is not a random occurrence. To enable small and emerging farmers to become export-ready, they require support from multiple stakeholders, including national and provincial governments, extension services, industry organisations, and farmer associations. When farmers participate in structured forms of organisation, they can more easily combine their volumes, utilise common infrastructure and benefit more fully from export programmes and realise reasonable successes. Ultimately, the success of agricultural diplomacy is measured by tangible outcomes and not simply by the number of meetings that have taken place. Examples of tangible outcomes include sustained access to markets, increased volumes of exports, increased diversity of exported products, inclusion, contribution of agricultural exports to

the GDP and increased participation of farmers in export programmes. The competition for the Middle Eastern markets is extremely intense. Currently, all countries that are exporting into the Middle Eastern markets are as strategically focused and committed to these markets as South Africa. Therefore, South Africa cannot afford to be complacent regarding the continued engagement, coordination and preparedness of the agricultural sector in the region. Finally, agricultural diplomacy is designed to help farmers. For each opportunity to export generated by agricultural diplomacy, there is a team of individuals working in the background to negotiate fair terms, to resolve issues and to promote South African products internationally. However, to ultimately succeed, it is necessary for farmers to be prepared for the opportunity. Mr Sekgala's message to farmers is clear: continue learning about the agricultural industry and working through well-established associations or cooperatives, meet the export requirements and, when an opportunity presents itself, be ready to act on that opportunity.

Today, the global market recognises a farmer who is prepared and has a reliable track record of performance. Strong agricultural diplomacy based upon practical assistance to farmers will remain a crucial element for South Africa to maintain its ability to navigate the rapidly evolving international food system over time.