The Farmers' Chronicles

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Budget Vote 2026: Why Agriculture Is Moving Towards the Centre of South Africa's Growth Story

The agricultural sector is now moving towards the centre of South Africa's growth story, as evident from the recent Budget Vote 2026 in Parliament held in Cape Town on 15 May 2026. During the tabling, Minister of Agriculture John Steenhuisen and Deputy Minister Nokuzola Capa presented the details of the 2026/27 Agriculture Budget Vote 29, amounting to R7,5 billion.

In addition to large sums of money involved in the budget, what was more interesting was that the department's priorities clearly reflect a new era in which the department views itself as a key engine for economic growth, job creation, increased exports, improved food security and rural development. For the first time possibly in years, there seemed to be a sense of urgency from the national Department of Agriculture in its efforts to position itself and the agricultural sector as drivers of positive change. The timing of the Budget Vote could not have been better.

Over the last year, farmers, exporters, agricultural workers and agricultural researchers have experienced unprecedented levels of global uncertainty and rising production costs due to increased input costs and increasing pressure on the country's agricultural infrastructure. Despite experiencing severe challenges, the sector has shown great resilience. In fact, South Africa's

agricultural exports achieved a record high of R268,7 billion during the fourth quarter of 2025. This represents a year-on-year increase of approximately 9%. Additionally, the country recorded a trade surplus of R24,6 billion over the same period. Throughout the value chain, nearly 950 000 jobs were supported. These statistics are important because they contradict the previous assumption that agriculture is "too small" to contribute positively to the economy.

Primary agriculture accounts for approximately 2,8% of GDP. However, when considering the processing, logistics, retail, exports and other industries along the broader agricultural value chain, their combined contribution to GDP amounts to nearly 14%. Therefore, the impact of this "value chain multiplier" fundamentally alters the way we view and discuss agriculture. In addition to feeding people, agriculture drives local and regional economies through increased export earnings and jobs. To illustrate this point: the R1 billion allocated to Programme One: Administration reflects the administrative backbone of the national Department of Agriculture.

Many people find administration-related allocations to be technical and distant from day-to-day realities. Nevertheless, administration forms the foundation upon which governance systems, institutional management, coordination, oversight and operational support rest. Without effective institutions and policies, support programmes come to a standstill.

The delivery function weakens. While administration may not always be seen as exciting or visible aspects of agriculture, it is indeed vital to ensure that the department functions effectively. One of the clearest messages conveyed in the Budget Vote is that biosecurity can no longer be viewed as a secondary concern. Programme Two: Biosecurity, Research and Natural Resource Management received an allocation of R2,5 billion.

A substantial portion of this amount will be dedicated toward enhancing research capabilities, diagnostic capacity and export compliance systems. This funding is particularly timely given South Africa's ongoing battle with Foot and mouth disease (FMD). Approximately R494 million has already been spent toward combating FMD. An additional R1,6 billion remains allocated for continuing and expanding the national vaccination programme. CASP (Comprehensive Agricultural Support Programme) also contributed R120 million to combat FMD.

This effort is not merely aimed at controlling disease outbreaks. Rather, this initiative protects markets and preserves exports, ensures farmer livelihoods, and provides long-term sustainability for South Africa's livestock industry. Disease outbreaks can rapidly shut down export markets. In addition, disease outbreaks can erode confidence in an entire agricultural system. The department's commitment of funds signifies that

Government acknowledges the gravity of the threat posed by potential disease outbreaks. With R3,2 billion allocated for Programme Three: Food Security and Support, it speaks volumes about where Government believes its greatest responsibilities lie. Farmer support and extension services continue to play a pivotal role in improving productivity and enabling more inclusive participation by previously disadvantaged developing producers and groups in society. The goal is not solely focused on increasing food output; it seeks to strengthen agricultural value chains so that farmers can engage with greater relevance in the economy.

During the 2026/27 financial year, the department plans to provide training for 14 439 farmers. Of these trained farmers, 115 farming projects will receive mentorship support. Younger generations are also receiving attention in this regard. A total of 3 651 youths is projected to benefit from these interventions as well.

Training and mentorship programmes represent R92,2 million worth of investment. This is important because agriculture's future success rests largely on renewal. Transfer of skills, hands-on training experience and access to markets will ultimately determine if young farmers choose to remain within agriculture or opt out of it altogether. Government has committed R2,3 billion to support around 33 000 Black producers, 6 000 smallholder producers, 27 000 subsistence producers and 28 commercial producers and targets to create about 4 294 permanent jobs. Additionally, 58 000 vulnerable households across all nine provinces will be assisted to produce their own food through the food gardens programme to address hunger and food security. About 40 000 hectares of land will be put under grain, vegetable and fruit production. These numbers are not just abstract numbers; each represents a household fighting to survive, a producer attempting to increase their scale, or a rural community working to generate economic activity in an area with few opportunities.

Programme Four: Economic Development, Trade and Marketing has been allocated R924 million. This allocation supports initiatives such as expanding market access, removing tariffs and non-tariff barriers and enabling local farmers to sell into new, high value markets. If South African agriculture is going to grow, then its products have to be able to get out of the farm gate. It is now increasingly apparent that access to foreign markets via trade agreements, logistical arrangements and regulatory compliance systems is becoming a major determinant of agricultural profitability.

In many ways, this programme could be seen as supporting the long-term competitive position of agriculture. Producing food is only half of the story of growing an economy based on food production, while selling that food to the world at a profit is the other half. Most people don't pay much attention when Parliament debates the agricultural budget. This year's debate was

different. This time there appears to be a growing recognition that agriculture is in fact an economic driver that can generate employment, develop rural communities, increase export earnings as well as contribute to food security.

However, challenges remain. There will always be pressure on the infrastructure that farmers depend upon. The threat of biosecurity continues.

Rising cost pressures and uncertainty for many farmers persist. The trend, however, does matter. And right now, agriculture is no longer relegated to the fringes of South Africa's national economic conversation. It is becoming part of the mainstream.