

Food & Water Security in South Africa WEEKLY MONITOR

4 February - 10 February 2017

Prepared by Augustus Consulting

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1.0 Key Weekly Trends, Themes and Issues

- **South Africa's food prices continue to rise above inflation, maize now costs 40% more than it did a year ago**
- **Vodacom launches ICT and mobile technologies to empower emerging farmers in South Africa**
- **South Africa's Khoisan community demand their land back as South Africa's land reform crisis deepens**
- **South Africa continues to be one of the biggest recipients of foreign direct investment**
- **Fall army worms threatens food security in South Africa**
- **Water crisis in North West sparks xenophobic violence amid persistent drought in South Africa**
- **The sugar tax debate rages on in South Africa**
- **South Africa's food value chain dominated by oligopolies, raising fundamental questions about food security in the country**
- **ANC announces that the South African government is planning a constitutional revolution to fast-track land reform, including considering land expropriation without compensation**
- **Foreigners disinvest from the JSE as political and economic uncertainty increases in South Africa**
- **Land demands by Philippi residents mirror the deepening land crisis in South Africa**
- **South Africa's government launches programme to tackle the threat of fall armyworms on the agricultural sector**
- **Armyworms ravishes African countries and could reach Asia**

- South African poultry farmers and workers dismisses the ANC proposal that government should buy ailing chicken farms
- Department of Agriculture, Forestry and Fisheries confirms the presence of armyworms in South Africa
- South Africa's business confidence index rises in January as a result of higher commodity prices
- Reports emerge that some unscrupulous school principals and suppliers are taking advantage of South Africa's National School Nutrition Programme, underfeeding kids in poor communities and pocketing money meant for the scheme
- Minimum wage can play an important role in reducing inequality and contributing to sustained development in South Africa
- South African Agricultural Machinery Association announces that the whole of 2016 sales fell by 11.3% to 5,855 units as drought caused uncertainty about crop yields
- South Africa's gross foreign reserves decreased by \$690m to \$46.7bn in January amid slow growth
- South Africa introduces a R20 per hour minimum wage
- Democratic Alliance blames the government for slow response to the fall armyworms outbreak in South Africa
- South African Social Security Agency expected to ask the Constitutional Court to extend the social grant payments contract of Cash Paymaster Services for another year.
- Numsa criticizes the new R20 per hour minimum wage in South Africa
- The Agricultural Research Council announces that the fall armyworm will never be eradicated in South Africa, adding that a pest control plan must be urgently implemented to limit outbreaks and damage to crops
- Grain SA announces that 85% of South Africa's maize crops may be able to resist the fall armyworm, which has devastated crops in neighbouring countries which do not plant genetically modified seed
- Cape Town families who were forcibly removed from prime land in Constantia nearly 50 years ago are one step closer to finally getting their land claim settled as land reform stalls in South Africa
- Minister of Agriculture, Forestry and Fisheries Senzeni Zokwana announces that this is the first time the fall army worm has been discovered in South Africa

- South African farmers to wait longer for fall army worm pesticide
- Cape Town still struggles with the legacy of South Africa's colonial and apartheid land dispossessions
- South Africa's Deputy President Cyril Ramaphosa concedes that R20 an hour minimum wage is not a living wage
- Deputy President Cyril Ramaphosa announces that it will take at least two years to bring wages, determined by sectoral agreements, on par with a proposed national minimum wage in South Africa
- The South African government announces that the R3500 minimum wage will be implemented by May 2018
- South African government made R2.5bn available for drought-stricken farmers last year
- South African government announces that it will take an aggressive approach towards land reform and redistribution this year
- South Africa records a 38% increase in foreign direct investment (FDI) inflows in 2016, though they remained at a relatively low level of \$2.4bn
- Pioneer Foods increases group turnover by 5.1 percent for the four months to January, mostly as a consequence of inflation amid persistent drought in South Africa
- South Africa's top winemakers have warned that the impact of the nationwide drought could affect the quality of the crop
- South Africa's manufacturing and mining output fell in December amid slow economic growth
- South African President Jacob Zuma confirms that the Expropriation Bill would be returned to Parliament for reconsideration on the basis that the proposed law might not pass constitutional muster
- Net 1 UEPS Technologies assumes it will continue operating South Africa's social grant payment system on existing terms and conditions for the remainder of its financial year
- Astral Foods Poultry, a major company in South Africa's poultry sector presents research that shows that the industry is efficient
- South Africa likely to see a slight decline in foreign capital inflows in 2017, with confidence remaining weak and foreigners not likely to commit to significant investment in the country in the present uncertain economic and political environment

- **South Africa's mining and manufacturing sectors saw significant contraction in the last quarter of 2016 and there are fears the poor performance could continue into the first quarter of 2017**
- **Tzaneen Dam wall extension in Limpopo set to start soon as part of a plan to address long-term water needs**
- **Shops in North West looted in Itsoseng water protest as the drought crisis in South Africa deepens**
- **The Democratic Alliance in eThekweni has called on the municipality's water department to put more effort into improving their turnaround time in responding to leaks and burst pipes as South Africa's ailing water infrastructure struggles amid a stubborn drought**
- **South African metros issue more than 1 300 tickets over water misuse as the persistent drought takes its toll**
- **South African government urged employ technical experts to tackle crisis in rural water supply**
- **The City of Ekurhuleni thanks residents and businesses for making an effort to meet water savings targets**
- **The Department of Water and Sanitation announces that South Africa is still operating under drought conditions despite rising dam levels**
- **Cape Town Mayor De Lille phones some businesses and government departments on their high water consumption as dam levels sink to all-time low**
- **'Biochar,' a type of charcoal made from eucalyptus trees could provide the solution to South Africa's polluted water**
- **Bloemhof water crisis persists amid drought in South Africa**
- **City of Cape Town is closing several public pools for most weekdays in a desperate bid to save water as drought crisis deepens**
- **Cape Town announces a crackdown on splashing and surfer shorts at the city's swimming pools in a bid to save water as the fierce drought bites**
- **Department of Water and Sanitation announces that the average dam levels across South Africa have increased slightly and are up 0.6 percentage points compared to last year**
- **World's top mining companies meeting in South Africa warn that assets will be stranded and investors will walk away unless they deal with water scarcity in key mining regions such as Africa, Australia and Latin America**
- **Northern Cape residents struggling to access water amid severe drought in South Africa**

- **South African government announces that it is working to ensure bulk water supply to support economic growth**
- **South Africa's Hawks in search for suspects linked to defrauding Amatola Water board of R2.2 million**

1.1 Food Security

1.1.1 South Africa's food prices continue to rise above inflation, maize now costs 40% more than it did a year ago

On 3 February, *Eyewitness News* reported that on average, maize meal now costs 40% more than it did a year ago, while the price of oranges has increased by more than 70%.¹

1.1.2 Vodacom launches ICT and mobile technologies to empower emerging farmers in South Africa

On 3 February, *SABC News* reported that Vodacom Business Chief Officer, Vuyani Jarhana says the launch of the ICT and mobile technologies will create a platform that links the emerging farmers with established retailers in the agriculture industry.²

1.1.3 South Africa's Khoisan community demand their land back as South Africa's land reform crisis deepens

On 3 February, *ANA* reported that members of the Khoisan community in the KwaZulu-Natal capital city of Pietermaritzburg called on government to swiftly address their plight and accord them equal status with other population groups- such recognition should come in the form of land and equal opportunity, including the recognition of their language.³

1.1.4 South Africa continues to be one of the biggest recipients of foreign direct investment

On 3 February, *IOL Business* reported that South Africa continued to be one of the biggest recipients of foreign direct investment (FDI) in 2016, despite global economic growth remaining weak, according to two reports.⁴

1.1.5 Fall army worms threatens food security in South Africa

¹ Food prices continue to rise above inflation, says NAMC, Lindsay Dentlinger, *Eyewitness News*, 3 February 2017, <http://ewn.co.za/2017/02/03/food-prices-continue-to-rise-above-inflation>

² ICT to empower EC farmers, Makhaya Komisa, *SABC News*, 3 February 2017, <http://www.sabc.co.za/news/a/204ab4004ff02b69a132f12890c6dd6e/ICT-to-empower-EC-farmers-20170302>

³ "We are Griqua, stop calling us Coloureds.", ANA Reporter, 3 February 2017, <http://www.iol.co.za/news/politics/we-are-griqua-stop-calling-us-coloureds-7593410>

⁴ SA scores with foreign investment, Wiseman Khuzwayo, *IOL Business Day*, 3 February 2017, <http://www.iol.co.za/business-report/economy/sa-scores-with-foreign-investment-7591664>

On 4 February, *SABC News* reported that crop-ravaging Fall Army Worms have been positively identified in the Limpopo province as well as the North West, both major maize-producing regions.⁵

1.1.6 Water crisis in North West sparks xenophobic violence amid persistent drought in South Africa

On 4 February, *SABC News* reported that some foreign nationals in Itsoseng near Lichtenburg in the North West, live in fear and say they no longer feel safe, after their shops were looted, during a violent service delivery protest- residents allege they've been drinking unhygienic water for years.⁶

1.1.7 The sugar tax debate rages on in South Africa

On 5 February, *City Press* reported that Members of Parliament (MPs) this week gave short shrift to the sugar industry's resistance to the proposed 20% sugar-sweetened beverages (SSB) tax.⁷

1.1.8 South Africa's food value chain dominated by oligopolies, raising fundamental questions about food security in the country

On 3 February, *Mail & Guardian* reported that in South Africa's food value chain, oligopolies exist in almost every link- from seed to store, just a handful of players control much of each market.⁸

1.1.9 ANC announces that the South African government is planning a constitutional revolution to fast-track land reform, including considering land expropriation without compensation

On 3 February, *Mail & Guardian* reported that the government is planning a "constitutional revolution" to fast-track land reform, including considering expropriation without compensation.⁹

1.1.10 Foreigners disinvest from the JSE as political and economic uncertainty increases in South Africa

On 6 February, *The Citizen* reported that investors behave as if a credit downgrade has already happened- foreigners are disinvesting from the JSE at an ever-increasing rate.¹⁰

⁵ Fall army worms a threat to food security, *SABC News*, 4 February 2017,

<http://www.sabc.co.za/news/a/6700d8804ff1f042be9dff2890c6dd6e/Fall-army-worms-a-threat-to-food-security-20170402Fall-army-worms-a-threat-to-food-security-20170402>

⁶ Some foreign nationals live in fear in N West, Sellwane Khakhau, *SABC News*, 4 February 2017,

<http://www.sabc.co.za/news/a/5fe867804ff3bba19d44dd2890c6dd6e/Some-foreign-nationals-live-in-fear-in-N-West-20170402>

⁷ Sugar Tax: A bitter debate, Steve Kretzmann, *City Press*, 5 February 2017, <http://www.fin24.com/Economy/sugar-tax-a-bitter-debate-20170203>

⁸ Big Food raises a big question, Lisa Steyn, *Mail & Guardian*, 3 February 2017, <http://mg.co.za/article/2017-02-03-00-big-food-raises-a-big-question>

⁹ ANC plans 'constitutional revolution' on land, Dineo Bendile, *Mail & Guardian* 3 February 2017, <http://mg.co.za/article/2017-02-03-00-anc-hits-warp-speed-on-land>

¹⁰ Why foreigners are bailing out of the JSE, Ciaran Ryan, *The Citizen*, 6 February 2017, <http://citizen.co.za/business/business-news/1418439/foreigners-bailing-jse/>

1.1.11 Land demands by Philippi residents mirror the deepening land crisis in South Africa

On 6 February, *Business Day* reported that the absence of adequate municipal services means that a population the size of Knysna has been left substantially to its own devices.¹¹

1.1.12 South Africa's government launches programme to tackle the threat of fall armyworms on the agricultural sector

On 6 February, *Business Day* reported that confirmation of the pest outbreak brings greater certainty to farmers, while experts tone down threat to SA.¹²

1.1.13 Armyworms ravishes African countries and could reach Asia

On 6 February, *Bloomberg* reported that the fall armyworms that have ravaged corn fields from Ghana to South Africa since arriving on the continent last year could spread to Asia and the Mediterranean, a research body said.¹³

1.1.14 South African poultry farmers and workers dismisses the ANC proposal that government should buy ailing chicken farms

On 6 February, *The Mercury* reported that for poultry farmers and workers, the offer to buy ailing farms - struggling under the weight of cheap chicken imports - was something of an empty gesture.¹⁴

1.1.15 Department of Agriculture, Forestry and Fisheries confirms the presence of armyworms in South Africa

On 6 February, *IOL Business* reported that the Department of Agriculture, Forestry and Fisheries (DAFF) has received confirmation that the recent pest infestation to crops across Limpopo and North West provinces is in-fact the Fall Armyworm.¹⁵

1.1.16 South Africa's business confidence index rises in January as a result of higher commodity prices

On 7 February, *Eyewitness News* reported that Sacci says business confidence increased last month as a result of higher commodity prices.¹⁶

¹¹ Giving land to Philippi residents a first step to redress, Dennis Webster and Edward Molopi, *Business Day*, 6 February 2017, <https://www.businesslive.co.za/bd/opinion/2017-02-06-giving-land-to-philippi-residents-a-first-step-to-redress/>

¹² State launches programme to make armyworm fall, Colleen Goko, *Business Day*, 6 February 2017, <https://www.businesslive.co.za/bd/national/science-and-environment/2017-02-06-state-launches-programme-to-make-armyworm-fall/>

¹³ Armyworms could reach Asia, Matthew Hill, *Bloomberg*, 6 February 2017, <http://www.iol.co.za/business-report/markets/commodities/armyworms-could-reach-asia-7634515>

¹⁴ Offer to buy farms nothing to crow about, Kamcilla Pillay, *The Mercury*, 6 February 2017, <http://www.iol.co.za/business-report/companies/offer-to-buy-farms-nothing-to-crow-about-7632295>

¹⁵ Armyworm confirmed, Ilanit Chernick, *IOL Business Report*, 6 February 2017, <http://www.iol.co.za/business-report/markets/commodities/armyworm-confirmed-7633152>

1.1.17 Reports emerge that some unscrupulous school principals and suppliers are taking advantage of South Africa's National School Nutrition Programme, underfeeding kids in poor communities and pocketing money meant for the scheme

On 7 February, *The New Age* reported that some unscrupulous school principals and suppliers are taking advantage of the National School Nutrition Programme, underfeeding kids in poor communities and pocketing money meant for the scheme.¹⁷

1.1.18 Minimum wage can play an important role in reducing inequality and contributing to sustained development in South Africa

On 7 February, *Business Day* reported that a national minimum wage can play an important role in reducing inequality and contributing to sustained development in SA.¹⁸

1.1.19 South African Agricultural Machinery Association announces that the whole of 2016 sales fell by 11.3% to 5,855 units as drought caused uncertainty about crop yields

On 6 February, *Business Day* reported that South African Agricultural Machinery Association says for the whole of 2016 sales fell by 11.3% to 5,855 units as drought caused uncertainty about crop yields.¹⁹

1.1.20 South Africa's gross foreign reserves decreased by \$690m to \$46.7bn in January amid slow growth

On 7 February, *Business Day* reported that SA's gross foreign reserves decreased by \$690m to \$46.7bn in January, according to data from the Reserve Bank released on Tuesday.²⁰

1.1.21 South Africa introduces a R20 per hour minimum wage

On 8 February, *Fin24* reported that Deputy President Cyril Ramaphosa signed the R20 per hour minimum wage agreement between labour, business and government on Tuesday.²¹

¹⁶ SA business confidence index rises, Ray White, Eyewitness News, 7 February 2017, <http://ewn.co.za/2017/02/07/sa-business-confidence-picks-up>

¹⁷ Feeding scheme ripped off, The New Age, 7 February 2017, <http://www.thenewage.co.za/feeding-scheme-ripped-off/>

¹⁸ Minimum wage helps SA skirt development traps, Hansjörg Herr, Business Day, 7 February 2017, <https://www.businesslive.co.za/bd/opinion/2017-02-07-minimum-wage-helps-sa-skirt-development-traps/>

¹⁹ Tractor sales drop 17.8% to 478 units in January, Dominic Preuss, Business Day, 6 February 2017, <https://www.businesslive.co.za/bd/companies/land-and-agriculture/2017-02-06-tractor-sales-drop-178-to-478-units--in-january/>

²⁰ SA's foreign reserves start the year with a dip, Pericles Anetos, Business Day, 7 February 2017, <https://www.businesslive.co.za/bd/economy/2017-02-07-sas-foreign-reserves-start-the-year-with-a-dip/>

²¹ Ramaphosa signed R20/hr wage agreement – Fedusa, Matthew le Cordeur, Fin24, 8 February 2017, <http://www.fin24.com/Economy/Labour/News/breaking-ramaphosa-signed-r20hr-wage-agreement-fedusa-20170208>

1.1.22 Democratic Alliance blames the government for slow response to the fall armyworms outbreak in South Africa

On 7 February, *News24* reported that “gross negligence” by the agriculture department led to the late registration of False Armyworm vaccines in February, the DA said on Tuesday.²²

1.1.23 South African Social Security Agency expected to ask the Constitutional Court to extend the social grant payments contract of Cash Paymaster Services for another year.

On 8 February, *News24* reported that The SA Social Security Agency (Sassa) is expected to ask the Constitutional Court on Wednesday to extend the grant payments contract of Cash Paymaster Services (CPS) for another year.²³

1.1.24 Numsa criticizes the new R20 per hour minimum wage in South Africa

On 7 February, *Fin24* reported that implementing a deal to pay workers a minimum hourly rate of R20 would be the final nail in the coffin for the workers struggle in South Africa.²⁴

1.1.25 The Agricultural Research Council announces that the fall armyworm will never be eradicated in South Africa, adding that a pest control plan must be urgently implemented to limit outbreaks and damage to crops

On 8 February, *Eyewitness News* reported that a report by the Agricultural Research Council (ARC) says the fall armyworm will never be eradicated in South Africa, adding that a pest control plan must be implemented to limit outbreaks and damage to crops.²⁵

1.1.26 Grain SA announces that 85% of South Africa’s maize crops may be able to resist the fall armyworm, which has devastated crops in neighbouring countries which do not plant genetically modified seed

On 8 February, *Eyewitness News* reported that Grain SA says that more than three-quarters of South Africa’s maize crops may be able to resist the fall armyworm, which has devastated crops in neighbouring countries which do not plant genetically modified seed.²⁶

²² Agriculture dept to blame for slow False Armyworm response – DA, James de Villiers, *News24*, 7 February 2017, <http://www.news24.com/SouthAfrica/News/agriculture-dept-to-blame-for-slow-false-armyworm-response-da-20170207>

²³ Sassa expected to ask ConCourt to extend invalid grant payment contract, Iwan Pijoo, *News24*, 8 February 2017, <http://www.news24.com/SouthAfrica/News/sassa-to-ask-concourt-to-extend-invalid-grant-payment-contract-20170208>

²⁴ R20 per hour for workers is an insult – Numsa, *Fin24*, 7 February 2017, <http://www.fin24.com/Economy/r20-per-hour-is-an-insult-numsa-20170207>

²⁵ Fall Armyworm: ‘Pest control plan must be implemented’, Barry Bateman, *Eyewitness News*, 8 February 2017, <http://ewn.co.za/2017/02/08/fall-armyworm-pest-control-plan-must-be-implemented>

²⁶ Grain SA: 85% of SA’s maize crop may survive armyworm, Barry Bateman, *Eyewitness News*, 8 February 2017, <http://ewn.co.za/2017/02/07/85-sa-maize-crop-may-survive-fall-armyworm>

1.1.27 Cape Town families who were forcibly removed from prime land in Constantia nearly 50 years ago are one step closer to finally getting their land claim settled as land reform stalls in South Africa

On 8 February, *SABC News* reported that eight Cape Town families who were forcibly removed from prime land in Constantia nearly 50 years ago are one step closer to finally getting their land claim settled.²⁷

1.1.28 Minister of Agriculture, Forestry and Fisheries Senzeni Zokwana announces that this is the first time the fall army worm has been discovered in South Africa

On 8 February, *SABC News* reported that Minister of Agriculture, Forestry and Fisheries (DAFF) Senzeni Zokwana says it is the first time the worm has been discovered in South Africa.²⁸

1.1.29 South African farmers to wait longer for fall army worm pesticide

On 8 February, *SABC News* reported that farmers will have to wait a little longer before they can get a pesticide to control the fall armyworm destroying maize in the SADC region.²⁹

1.1.30 Cape Town still struggles with the legacy of South Africa's colonial and apartheid land dispossessions

On 8 February, *News24* reported that a group of private land owners in Cape Town want the government to buy them out of the sprawling settlement of Marikana, because evicting 60 000 people would be disastrous, the Western Cape High Court heard on Wednesday.³⁰

1.1.31 South Africa's Deputy President Cyril Ramaphosa concedes that R20 an hour minimum wage is not a living wage

On 8 February, *Fin24* reported that Deputy President Cyril Ramaphosa said the R20 an hour minimum wage agreement is not a living wage.³¹

²⁷ Cape families to receive land back, Sisanda Nkoala, *SABC News*, 8 February 2017, <http://www.sabc.co.za/news/a/36650c004ffe6089a7c2af2519165aae/Cape-families-to-receive-land-back-20170802Cape-families-to-receive-land-back-20170802>

²⁸ "No need to panic over the Fall armyworm", *SABC News*, 8 February 2017, <http://www.sabc.co.za/news/a/b54e43804ffe8a3f81468b2519165aae/No-need-to-panic-over-the-fall-army-worm-20170802No-need-to-panic-over-the-fall-army-worm-20170802>

²⁹ Farmers to wait longer for fall army worm pesticide, Witness Tiva, *SABC News*, 8 February 2017, <http://www.sabc.co.za/news/a/fa2e35004ffe1c6c82d28b2519165aae/Farmers-to-wait-longer-for-fall-army-worm-pesticide-20170802>

³⁰ Buy occupied private land to avoid second Marikana, court hears, Jenni Evans, *News24*, 8 February 2017, <http://www.news24.com/SouthAfrica/News/buy-occupied-private-land-to-avoid-second-marikana-court-hears-20170208>

³¹ Ramaphosa concedes R20 is not a living wage, Matthew le Cordeur, *Fin24*, 8 February 2017, <http://www.fin24.com/Economy/ramaphosa-concedes-r20-is-not-a-living-wage-20170208>

1.1.32 Deputy President Cyril Ramaphosa announces that it will take at least two years to bring wages, determined by sectoral agreements, on par with a proposed national minimum wage in South Africa

On 8 February, *Eyewitness News* reported that Deputy President Cyril Ramaphosa says it will take at least two years to bring wages, determined by sectoral agreements, on par with a proposed national minimum wage.³²

1.1.33 The South African government announces that the R3500 minimum wage will be implemented by May 2018

On 8 February, *SABC News* reported that by May 2018, all workers in South Africa will have to earn a minimum of R3500 a month.³³

1.1.34 South African government made R2.5bn available for drought-stricken farmers last year

On 9 February, *South African Government News* reported that about R2.5 billion was made available to farmers last year as the country experienced a severe drought, says President Jacob Zuma.³⁴

1.1.35 South African government announces that it will take an aggressive approach towards land reform and redistribution this year

On 9 February, *South Africa Government News* reported that government will take an aggressive approach towards land reform and redistribution this year. This was announced by President Jacob Zuma who delivered the 2017 State of the Nation Address during a Joint Sitting of the two houses of Parliament on Thursday.³⁵

1.1.36 South Africa records a 38% increase in foreign direct investment (FDI) inflows in 2016, though they remained at a relatively low level of \$2.4bn

On 10 February, *Fin24* reported that South Africa saw a 38% increase in foreign direct investment (FDI) inflows in 2016, though they remained at a relatively low level of \$2.4bn, according to the latest Global Investment Trends Monitor of the United Nations Conference on Trade and Development (UNCTAD).³⁶

³² Some workers could wait longer for national minimum wage, Lindsay Dentlinger, *Eyewitness News*, 8 February 2017, <http://ewn.co.za/2017/02/09/some-workers-could-wait-longer-for-national-minimum-wage>

³³ Govt to implement R3500 minimum wage by 2018, Glorious Sefako-Musi, *SABC News*, 8 February 2017, <http://www.sabc.co.za/news/a/cda955004000041ebb78bf777350442c/Govt-to-implement-R3500-minimum-wage-by-2018-20170802>

³⁴ R2.5bn made available for drought-stricken farmers, *South African Government News*, 9 February 2017, <http://www.sanews.gov.za/south-africa/r25bn-made-available-drought-stricken-farmers>

³⁵ Government to focus on land reform in 2017, *South African Government News*, 9 February 2017, <http://www.sanews.gov.za/south-africa/government-focus-land-reform-2017>

³⁶ SA foreign direct investment jumps 38% in 2016 – Unctad, Carin Smith, *Fin24*, 10 February 2017, <http://www.fin24.com/Economy/sa-foreign-direct-investment-jumps-38-in-2016-unctad-20170209>

1.1.37 Pioneer Foods increases group turnover by 5.1 percent for the four months to January, mostly as a consequence of inflation amid persistent drought in South Africa

On 10 February, *IOL Business* reported that Pioneer Foods increased group turnover by 5.1 percent for the four months to January, mostly as a consequence of inflation.³⁷

1.1.38 South Africa's top winemakers have warned that the impact of the nationwide drought could affect the quality of the crop

On 10 February, *IOL Business* reported that the country's top winemakers have warned that the impact of the nationwide drought could affect the quality of the crop.³⁸

1.1.39 South Africa's manufacturing and mining output fell in December amid slow economic growth

On 10 February, *IOL Business* reported that South Africa's manufacturing and mining output fell in December, data showed on Thursday, but a recovery is expected this year as business confidence picks up and commodity prices rise.³⁹

1.1.40 South African President Jacob Zuma confirms that the Expropriation Bill would be returned to Parliament for reconsideration on the basis that the proposed law might not pass constitutional muster

On 10 February, *Business Day* reported that President Jacob Zuma confirmed on Thursday night that the Expropriation Bill would be returned to Parliament for reconsideration on the basis that the proposed law might not pass constitutional muster.⁴⁰

1.1.41 Net 1 UEPS Technologies assumes it will continue operating South Africa's social grant payment system on existing terms and conditions for the remainder of its financial year

On 10 February, *Business Day* reported that Net 1 UEPS Technologies assumes it will continue operating SA's welfare payment system on "existing terms and conditions" for the remainder of its financial year, it said in its interim results statement on Friday morning.⁴¹

³⁷ Inflation buoys Pioneer Foods income, *IOL Business Reporter*, 10 February 2017, <http://www.iol.co.za/business-report/companies/inflation-buoys-pioneer-foods-income-7694358>

³⁸ Wine makers hit by drought, Joseph Booyesen, *IOL Business Report*, 10 February 2017, <http://www.iol.co.za/business-report/companies/wine-makers-hit-by-drought-7692953>

³⁹ Adverse data knocks SA mining stocks, Wiseman Khuzwayo, *IOL Business Report*, 10 February 2017, <http://www.iol.co.za/business-report/economy/adverse-data-knocks-sa-mining-stocks-7692644>

⁴⁰ Government to press on with land reform, says Zuma, Bekezela Phakathi, *Business Day*, 10 February 2017, <https://www.businesslive.co.za/bd/national/2017-02-09-government-to-press-on-with-land-reform-says-zuma/>

⁴¹ Net 1 'assumes Sassa contract will remain in place', Robert Laing, *Business Day*, 10 February 2017, <https://www.businesslive.co.za/bd/national/2017-02-10-net-1-assumes-sassa-contract-will-remain-in-place/>

1.1.42 Astral Foods Poultry, a major company in South Africa's poultry sector presents research that shows that the industry is efficient

On 10 February, *Business Day* reported that Astral Foods, the big bird of the JSE's poultry sector, has presented research to dispute suggestions that SA's poultry industry operates inefficiently.⁴²

1.1.43 South Africa likely to see a slight decline in foreign capital inflows in 2017, with confidence remaining weak and foreigners not likely to commit to significant investment in the country in the present uncertain economic and political environment

On 10 February, *Business Day* reported that SA is likely to see a slight decline in foreign capital inflows in 2017, with confidence remaining weak and foreigners not likely to commit to significant investment in the country in the present uncertain economic and political environment.⁴³

1.1.44 South Africa's mining and manufacturing sectors saw significant contraction in the last quarter of 2016 and there are fears the poor performance could continue into the first quarter of 2017

On 10 February, *Business Day* reported that the mining and manufacturing sectors saw significant contraction in the last quarter of 2016 and there are fears the poor performance could continue into the first quarter of 2017.⁴⁴

1.2 Water Security

1.2.1 Tzaneen Dam wall extension in Limpopo set to start soon as part of a plan to address long-term water needs

On 4 February, *News24* reported that the extension of the Tzaneen Dam in Limpopo is set to start as part of a plan to address the long-term water and sanitation needs.⁴⁵

1.2.2 Shops in North West looted in Itsoseng water protest as the drought crisis in South Africa deepens

On 3 February, *African News Agency* reported that ten people were arrested after at least six shops were looted in Itsoseng near Lichtenburg following violent protest, North West police said on Friday.⁴⁶

⁴² Poultry industry is efficient, say experts, Marc Hasenfuss, *Business Day*, 10 February 2017, <https://www.businesslive.co.za/bd/companies/2017-02-10-poultry-industry-is-efficient-say-experts/>

⁴³ Uncertainties in SA 'may curb capital inflows', Hilary Joffe, *Business Day*, 10 February 2017, <https://www.businesslive.co.za/bd/economy/2017-02-10-uncertainties-in-sa-may-curb-capital-inflows/>

⁴⁴ Fears over contraction of two key sectors, Sunita Menon, *Business Day*, 10 February 2017, <https://www.businesslive.co.za/bd/economy/2017-02-10-fears-over-contraction-of-two-key-sectors/>

⁴⁵ Limpopo dam wall extension to start soon, Neville Maakana, *News24* Correspondent, 4 February 2017, <http://www.news24.com/SouthAfrica/News/limpopo-dam-wall-extension-to-start-soon-20170204>

1.2.3 The Democratic Alliance in eThekweni has called on the municipality's water department to put more effort into improving their turnaround time in responding to leaks and burst pipes as South Africa's ailing water infrastructure struggles amid a stubborn drought

On 3 February, *African News Agency* reported that the Democratic Alliance (DA) in eThekweni has called on the municipality's water department to put more effort into improving their turnaround time in responding to leaks and burst pipes.⁴⁷

1.2.4 South African metros issue more than 1 300 tickets over water misuse as the persistent drought takes its toll

On 5 February, *Huffington Post South Africa* reported that some dams are looking better but the drought is not over yet.⁴⁸

1.2.5 South African government urged employ technical experts to tackle crisis in rural water supply

On 6 February, *Business Day* reported that funds have been allocated to tackle the problem but municipalities lack the right people for the job.⁴⁹

1.2.6 The City of Ekurhuleni thanks residents and businesses for making an effort to meet water savings targets

On 5 February, *ANA* reported that the City of Ekurhuleni on Sunday thanked residents and businesses for making an effort to meet water savings targets.⁵⁰

1.2.7 The Department of Water and Sanitation announces that South Africa is still operating under drought conditions despite rising dam levels

On 7 February, *Eyewitness News* reported that the Water and Sanitation Department says while dam levels continue to rise, the country is still operating under drought conditions.⁵¹

⁴⁶ Shops looted in Itsoseng water protest, Molaole Montsho, African News Agency, 3 February 2017, <http://www.iol.co.za/news/crime-courts/shops-looted-in-itsoseng-water-protest-7601236>

⁴⁷ eThekweni water department in hot water, Lindi Masinga, African News Agency, 3 February 2017, <http://www.iol.co.za/news/south-africa/gauteng/ethekweni-water-department-in-hot-water-7593136>

⁴⁸ Metros Issue More Than 1 300 Tickets Over Water Misuse During Drought Restrictions, Staff Reporter, Huffington Post South Africa, 5 February 2017, <http://www.huffingtonpost.co.za/2017/02/05/metros-issue-more-than-1-300-tickets-over-water-misuse-during-dr/>

⁴⁹ State must employ technical experts to tackle crisis in rural water supply, Ian Palmer, Business Day, 6 February 2017, <https://www.businesslive.co.za/bd/opinion/2017-02-06-state-must-employ-technical-experts-to-tackle-crisis-in-rural-water-supply/>

⁵⁰ Ekurhuleni thanks residents for water saving efforts, ANA Reporter, 5 February 2017, <http://www.iol.co.za/news/ekurhuleni-thanks-residents-for-water-saving-efforts-7621530>

⁵¹ SA still operating under drought conditions despite rising dam levels, Kgomotso Modise, Eyewitness News, 7 February 2017, <http://ewn.co.za/2017/02/07/sa-still-operating-under-drought-conditions-despite-rising-dam-levels>

1.2.8 Cape Town Mayor De Lille phones some businesses and government departments on their high water consumption as dam levels sink to all-time low

On 6 February, *Business Day* reported that Cape Town mayor hits the phone lines to query businesses and government departments on their high water consumption as dam levels sink to all-time low.⁵²

1.2.9 'Biochar,' a type of charcoal made from eucalyptus trees could provide the solution to South Africa's polluted water

On 8 February, *News24* reported that a type of charcoal made from eucalyptus trees could provide the solution to South Africa's polluted water.⁵³

1.2.10 Bloemhof water crisis persists amid drought in South Africa

On 7 February, *The New Age* reported that after years of raising concerns about dirty water, Ngaka Modiri Molema district municipality residents remain with the same challenge of having to use dirty and unhygienic water.⁵⁴

1.2.11 City of Cape Town is closing several public pools for most weekdays in a desperate bid to save water as drought crisis deepens

On 8 February, *News24* reported that the City of Cape Town is closing several public pools for most weekdays in a desperate bid to save water, it said on Wednesday.⁵⁵

1.2.12 Cape Town announces a crackdown on splashing and surfer shorts at the city's swimming pools in a bid to save water as the fierce drought bites

On 8 February, *AFP* reported that Cape Town on Wednesday announced a crackdown on splashing and surfer shorts at the city's swimming pools in a bid to save water as the fierce drought bites.⁵⁶

⁵² Heavy water users get it in the ear from De Lille, Aphiwe Deklerk, *Business Day*, 6 February 2017, <https://www.businesslive.co.za/bd/national/2017-02-06-heavy-water-users-get-it-in-the-ear-from-de-lille/>

⁵³ 'Biochar' could help clean SA's polluted water, Iwan Pijoo, *News24*, 8 February 2017, <http://www.news24.com/Green/News/biochar-could-help-clean-sas-polluted-water-20170208>

⁵⁴ Bloemhof water crisis persists, Charlotte Hlangwane, *The New Age*, 7 February 2017, <http://www.thenewage.co.za/bloemhof-water-crisis-persists/>

⁵⁵ Public pools in Cape Town close due to water crisis, *News24*, 8 February 2017, <http://www.news24.com/SouthAfrica/News/public-pools-in-cape-town-close-due-to-water-crisis-20170208>

⁵⁶ Cape Town pools crack down on splashing, *AFP*, 8 February 2017, <http://www.news24.com/Green/News/cape-town-pools-crack-down-on-splashing-20170208>

1.2.13 Department of Water and Sanitation announces that the average dam levels across South Africa have increased slightly and are up 0.6 percentage points compared to last year

On 8 February, *News24* reported that average dam levels across the country have increased slightly and are up 0.6 percentage points compared to last year, the Department of Water and Sanitation said on Wednesday.⁵⁷

1.2.14 World's top mining companies meeting in South Africa warn that assets will be stranded and investors will walk away unless they deal with water scarcity in key mining regions such as Africa, Australia and Latin America

On 7 February, *Reuters* reported that the world's top mining companies warned on Tuesday that assets will be stranded and investors will walk away unless they deal with water scarcity in key mining regions such as Africa, Australia and Latin America.⁵⁸

1.2.15 Northern Cape residents struggling to access water amid severe drought in South Africa

On 8 February, *SABC News* reported that there is no potable water in Winserton and Gong Gong in the Northern Cape.⁵⁹

1.2.16 South African government announces that it is working to ensure bulk water supply to support economic growth

On 10 February, *Sowetan Live* reported that government is working to ensure bulk water supply to support economic growth, President Jacob Zuma said in his state of the nation address on Thursday.⁶⁰

1.2.17 South Africa's Hawks in search for suspects linked to defrauding Amatola Water board of R2.2 million

On 9 February, *African News Agency* reported that the Directorate for Priority Crime Investigation (the Hawks) in East London on Thursday, said they are in search for suspects linked to defrauding Amatola Water of R2.2 million.⁶¹

⁵⁷ Average dam levels up slightly – DWA, Iwan Pijoo, News24, 8 February 2017, <http://www.news24.com/SouthAfrica/News/average-dam-levels-up-slightly-dwa-20170208>

⁵⁸ Water scarcity tops list of world miners' worries, Reuters, 7 February 2017, <http://ewn.co.za/2017/02/08/water-scarcity-tops-list-of-world-miners-worries>

⁵⁹ N Cape residents struggling to access water, Puleng Modupe, SABC News, 8 February 2017, <http://www.sabc.co.za/news/a/e0c337004ffdaf7a3a0af777350442c/N-Cape-residents-struggling-access-water-20170802>

⁶⁰ Government takes steps to ensure bulk water supply, Bekezela Phakathi, Sowetan Live, 10 February 2017, <http://www.sowetanlive.co.za/news/2017/02/10/government-takes-steps-to-ensure-bulk-water-supply>

⁶¹ Suspects wanted for R2.2m fraud of water board, Manyane Manyane, African News Agency, 9 February 2017, <http://www.iol.co.za/news/crime-courts/suspects-wanted-for-r22m-fraud-of-water-board-7683869>

2.0 Daily Infographics: Global food prices surge amid changing climate patterns

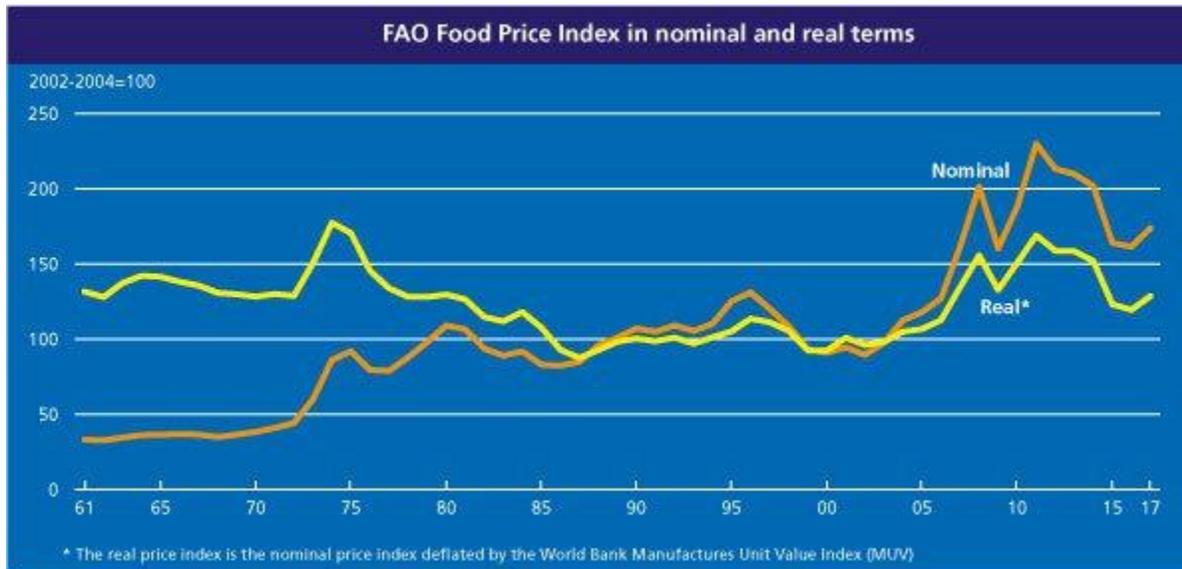


Figure1. Global food prices surge amid changing climate patterns (Source: FAO)

3.0 Overall Assessment

- ❖ The persistent drought in South Africa is increasing levels of food and water insecurity in the country
- ❖ The fall armyworm invasion of South Africa poses a serious threat to food security in South Africa amid a stubborn drought, slow economic growth and increasing political uncertainty in the country
- ❖ The unresolved land crisis in South Africa is increasingly becoming a major threat to food security in the country as pressure mounts on the government to decisively deal with the land issue
- ❖ Water conservation efforts in South Africa need to be intensified in order to translate water saving into a national culture
- ❖ The Government of South Africa is urged to declare the drought a national disaster in order to effectively mobilize more domestic and international support for drought relief efforts for struggling farmers in the country