



Western Cape  
Government

Agriculture

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## Western Cape Agriculture Sector Profile 2021

**Western Cape Agricultural Sector Profile:  
2021**

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## EXECUTIVE SUMMARY

This report presents an annual update of the Western Cape Agriculture sector profile based on 2020 statistics. Whilst some of the data is updated annually, other data sources are less frequently updated and the information will remain as was in the previous year's version of the report. Furthermore, the real prices are reported in 2015 constant prices to adjust to the recent overhauling of the national accounts by Statistics South Africa (Stats).

The Western Cape (WC) is known for its unique climate, spectacular mountain views and well organised agricultural landscapes for producing mostly horticultural products. This province is home to almost 12% of the national population and its population has been increasing at a faster rate than the national level. In 2020, an additional 127 thousand people were added to the province. The three leading districts by population size are the City of Cape Town which accounts for 66%, followed by Cape Winelands at 13% and Garden Route (Eden) at 9%.

The outbreak of Covid-19 in 2020 resulted in major disruptions to the economy and many industries were negatively affected resulting in major job losses. The Western Cape real economy declined by 5.2% in 2020. The national and provincial agricultural sectors were resilient as they showed consistent positive economic growth throughout the first year of the pandemic. However, agriculture's positive performance was in part due to minimum restrictions imposed on it as an essential services sector and favourable rainfall conditions, especially in the WC which is still recovering from the impact of the drought.

Water levels based on the six major dams in the province have increased as a result of the good rainfall received. A sectoral breakdown by gross value added shows agriculture's contribution to the provincial economy increased by 0.5% in 2020. The combined annual growth rate for agriculture and agri-processing (Food, beverages and tobacco) was 2.6%, at a disaggregated level agriculture's annual growth increased by 14.21%, but food and tobacco declined by 5.28% and 3.98% respectively. The WC's share contribution to the national agriculture and agri-processing sector has slightly improved in 2020, following a slow and gradual decline over the past ten years. The WC's agricultural exports increased by 36% and imports by 28% per annum. Agri-processing exports also grew by 11% whilst the imports declined by 21% in 2020. On the contrary, agriculture's positive economic growth in 2020 did not entirely translate to more jobs created since primary agriculture employment



number declined by 15% jobs, but the Food Beverage and Tobacco sector experienced employment growth of 14%. Adult hunger sharply increased from 11.7% in 2019 to 16.98% in 2020 and child hunger from 11.06% to 12.09% respectively. However, the lowering of restriction levels, the accelerated vaccination programs as well as the increased knowledge of non-pharmaceutical interventions to reduce the spread of the virus have set the province on its path to economic recovery.

## 1. INTRODUCTION

Agriculture contributes to food security, employment and economic growth. In 2020, this sector was resilient amidst the Covid-19 pandemic whilst also offsetting some of the negative economic growth in other industries. The success of agriculture is crucial to achieving the Sustainable Development Goals (SDGs) and the realisation of the Constitutional right of every citizen in South Africa to have access to sufficient food.

Chapter six of South Africa's National Development Plan (NDP), which looks at an integrated and inclusive rural economy, further highlights agriculture's role in job creation, improving rural livelihoods and contributing to economic growth through increased output (NPC, 2011). The innovative use of old and new technologies to enhance the efficient use of natural resources and other factors of production is essential for the sustainability of the agricultural sector. With the support of effective institutions, policy certainty, as well as ethical public and private sector collaborations; this will attract the needed investment in the sector.

Agricultural economic statistics and market intelligence provide evidence-based insights essential for strategic planning and decision making. Hence, an annual update of the WC Agricultural sector looking at trends shaping the sector in the context of the economic and policy environment based on statistics in 2020.

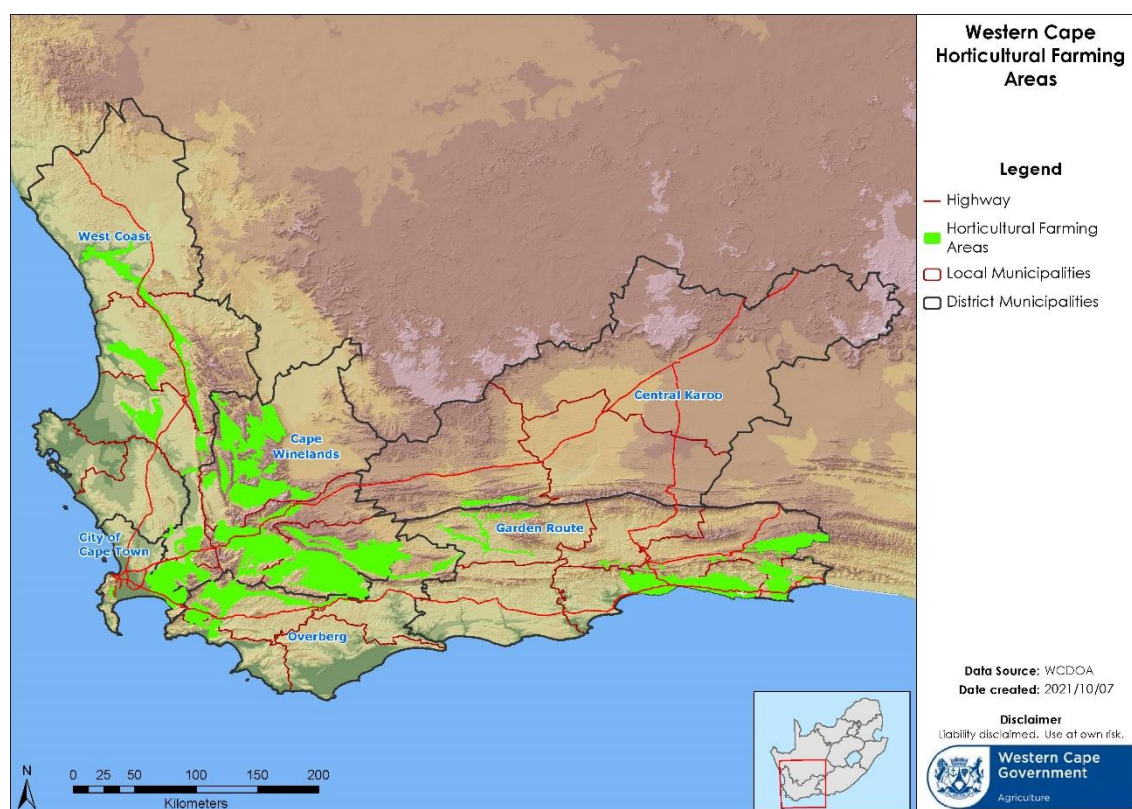
In light of the recent update of the national accounts by Statistic South Africa (StatsSA), through rebasing and benchmarking exercises, the size of the economy was upwardly revised by 11% in nominal terms, changing also the composition of the supply and demand side of the economic activities (StatsSA, 2021). The implications of this change limit the progressive comparison of absolute economic values used in this report to previous versions of the report. For purpose of uniformity in the sector, updated figures are reported in 2015 real prices.

A wide range of relevant topics is discussed in the report, starting with an overview of the province, followed by agricultural production trends, land-use change, trade, employment, subsistence farming, Investment, infrastructure, domestic markets, agro-tourism and water. The last section is a brief overview of the impact of the Covid-19 pandemic on the agricultural sector.



## 2. OVERVIEW OF THE WESTERN CAPE

The WC is one of South Africa's nine provinces, situated on the South West coast of the country (Figure 2.1). The province is made up of 25 municipalities grouped into six districts. The WC is markedly different from the rest of South Africa in terms of climate, its regions along the coast have a Mediterranean climate, while a semi-desert climate exists inland. It is a winter rainfall region with well-developed production and processing infrastructure that allows stable production of a unique mix of agricultural produce. The diversity of production reflects the diverse landscape of the province that features high mountain regions, lush valleys, coastal regions and semi-desert areas (Vink & Tregurtha, 2005). The WC is a dominant player in the horticultural sector. The road network infrastructure also plays a significant role in connecting various producers to markets and the transportation of agricultural products to ports facilitating exports and imports.

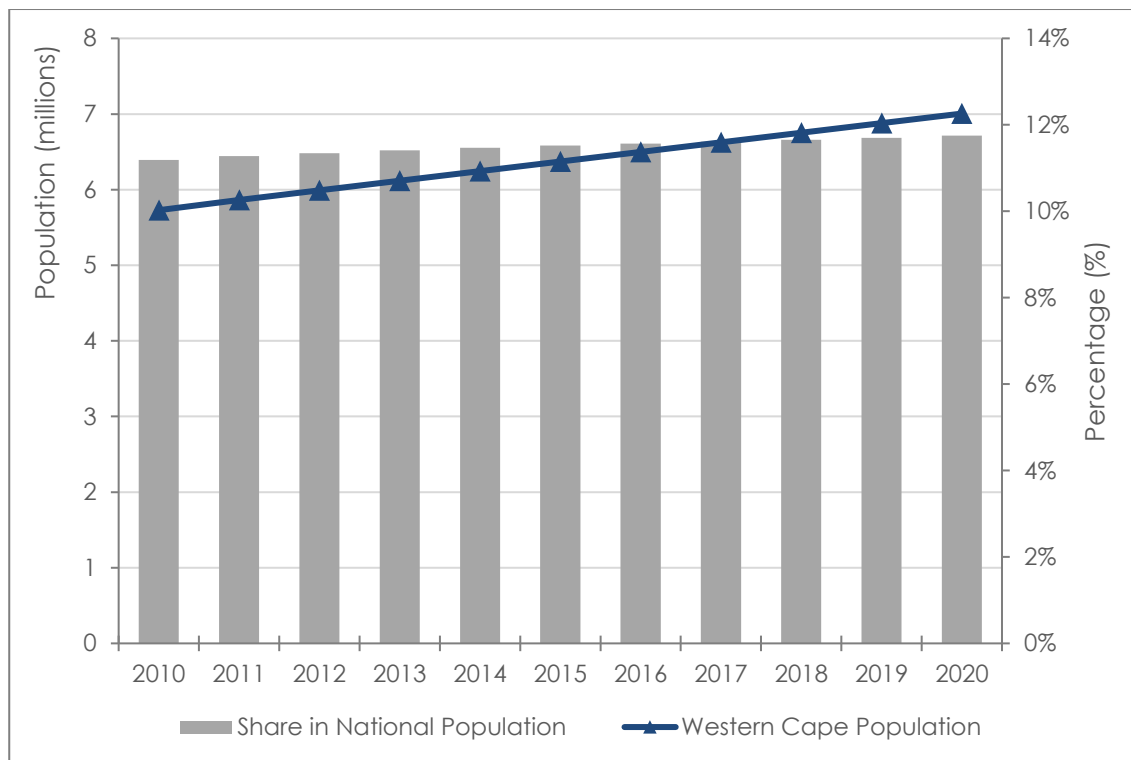


**Figure 2.1: Western Cape Province horticultural farming areas in South Africa**

Source: (WCDoA, 2020a)

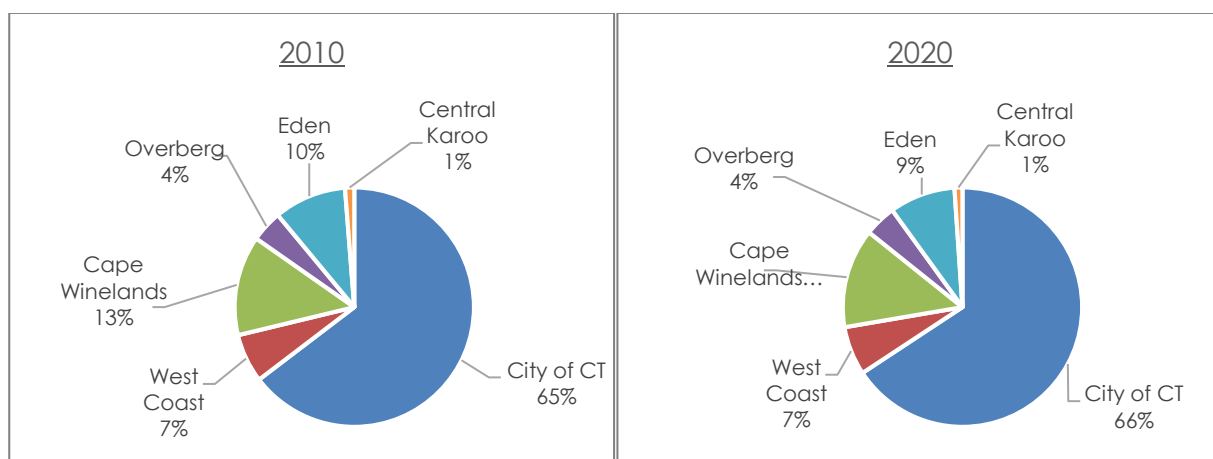
The WC's population increased by an additional 127 thousand people between 2019 and 2020 bringing the total population to 7 million, almost 12% of the national population. Figure 2.2 shows the absolute population of the province and the relative share of the national population for each year between 2010 and 2020. For the past decade, the national

population's annual average growth was (1.5%) lower than the provincial growth rate of (2%). The majority of the province's population resides in the Cape Town metropole area (66%) as illustrated in the regional break-down of the WC's population for 2010 and 2020 in Figure 2.3. The City of Cape Town has the fastest-growing population growing at 2% per annum over the past year and is responsible for 71% of the province's total population growth. Overall, the relative breakdown of the population has not changed significantly over the past decade, with Cape Town showing a growth of 1% and Eden declining by 1%.



**Figure 2.2: WC Absolute and Relative Population, 2010-2020**

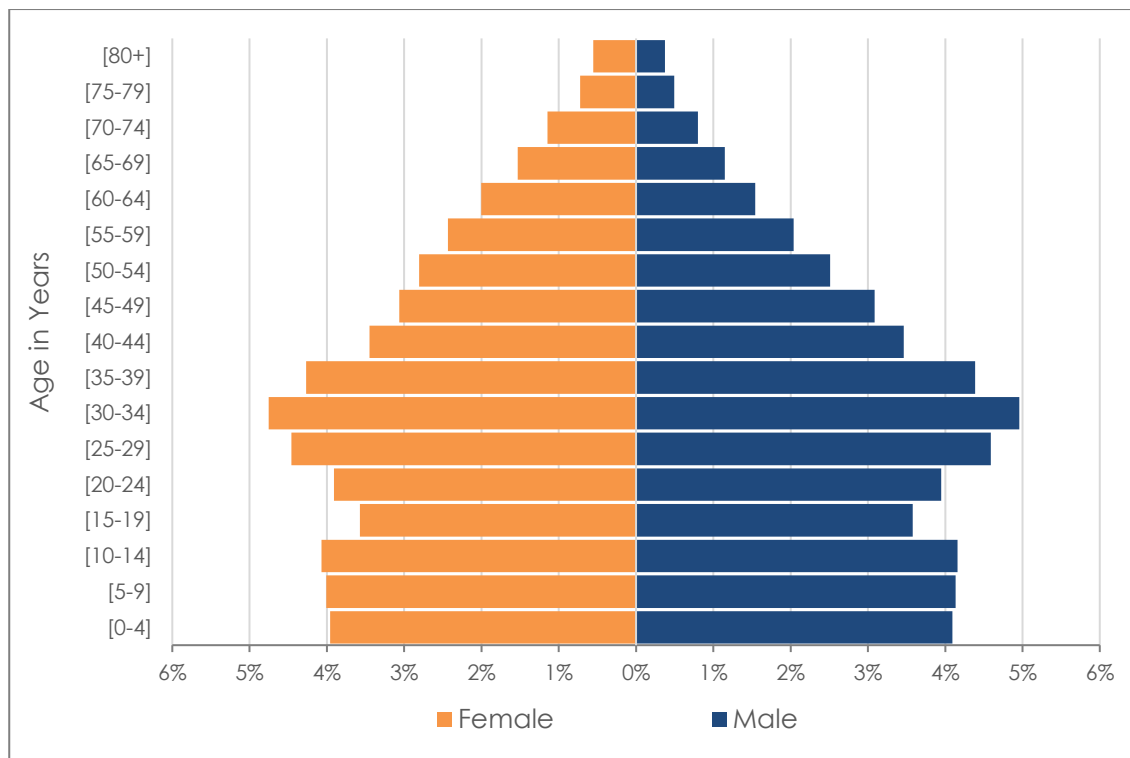
Source: (Quantec, 2021)



**Figure 2.3: WC Population by District, 2010 vs 2020**

Source: (Quantec, 2021)

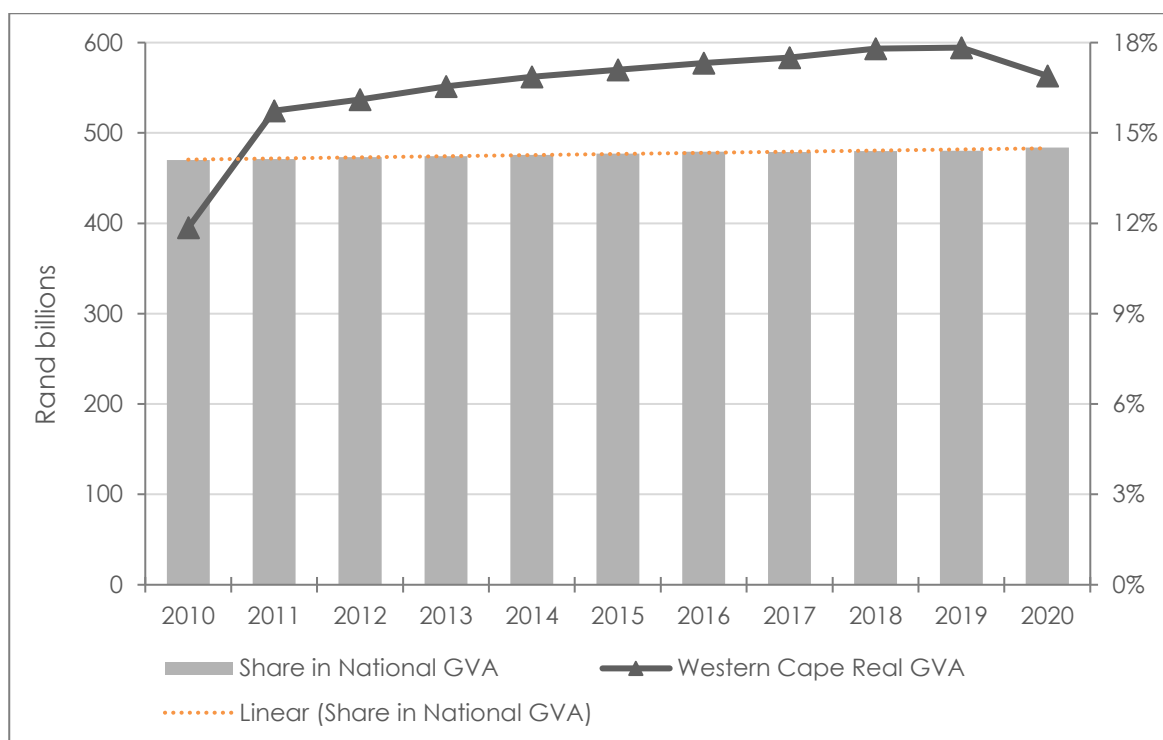
Figure 2.4 breaks down the WC population by age and gender for the 2020 period. The province has slightly more females than males, with the female share of the population standing at 51%. In terms of age groups, a large portion of the population fall between the ages of 25 and 34, these two cohorts together account for almost one fifth (19%) of the total population.



**Figure 2.4: WC Population by Age & Gender, 2020**

Source: (Quantec, 2021)

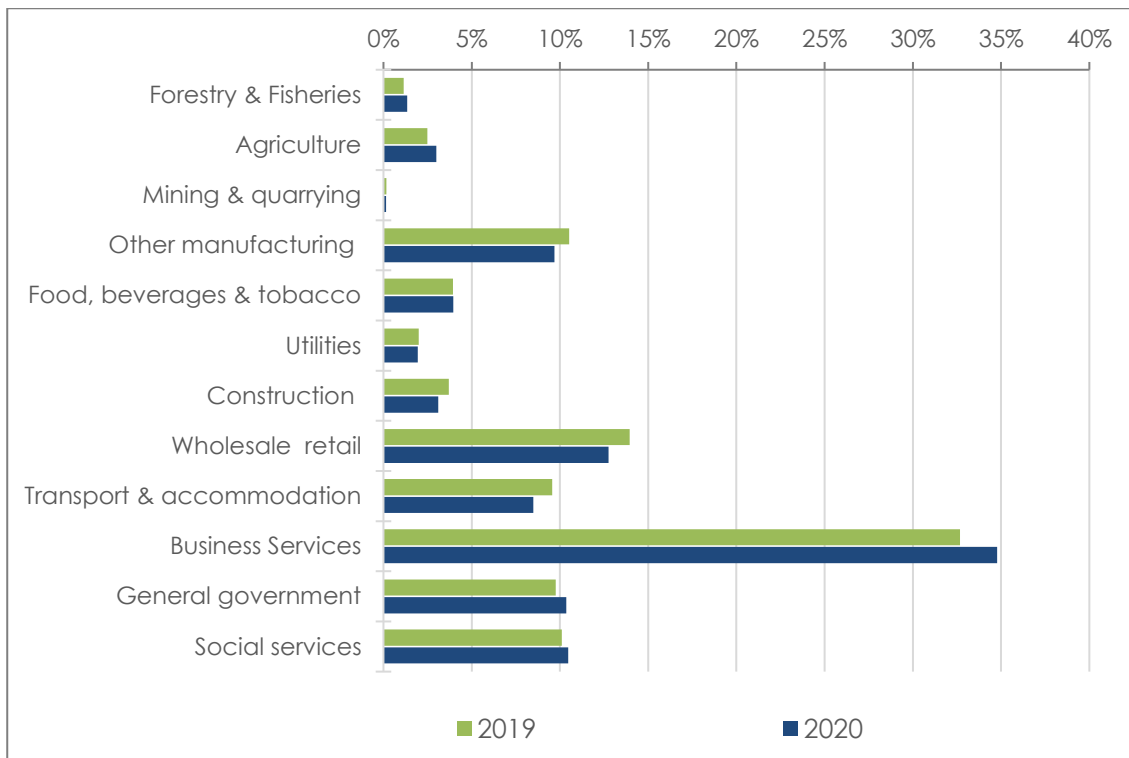
The WC's economy had been growing steadily since 2010, with 2019 breaking a run of eight prior years, and this decline continued into 2020. Between 2010 and 2020 real annual growth averaged 4%, but between 2019 and 2020 the provincial economy declined by -5.3% to reach a total of R563 billion (in 2015 prices). The WC's GVA is plotted for each year in 2015 prices in Figure 2.5, along with the province's share of total national GVA. The WC's economy has over the past decade grown more or less in line with national economic growth, resulting in a relatively slightly higher trend in the province's share in the national economy. However, it does appear as though (looking at a linear line), particularly in the past few years, the recent data show that WC's economy has been growing slightly higher than the national average resulting in a very slight upward trend in the national GVA share.



**Figure 2.5: Western Cape Real Gross Value Added (2015 prices), 2010-2020**

Source: (Quantec, 2021)

Figure 2.6 illustrates the WC sectoral breakdown by share contribution to the provincial economy. The largest sector in terms of contribution to the provincial economy is the business services sector which includes financial, insurance and real estate services. There was an increase in this share over the past year, from 32.7% to 34.8%. In general six sectors increased their share contribution to the economy compared to the previous year, these include General government (9.8% to 10.4%), Agriculture (2.5% to 3%)(excluding Forestry and Fisheries), Social Services (10.1% to 10.5%), Forestry and Fisheries (1.1% to 1.3%) and a very slight increase in the case of Food, beverages and tobacco (3.9%. to 4.0%). The exceptions are Mining and quarrying, Other manufacturing, Utilities, Construction, Wholesale& retail and Transport & accommodation.



**Figure 2.6: Sectoral Contributions to WC GVA, 2019 vs 2020**

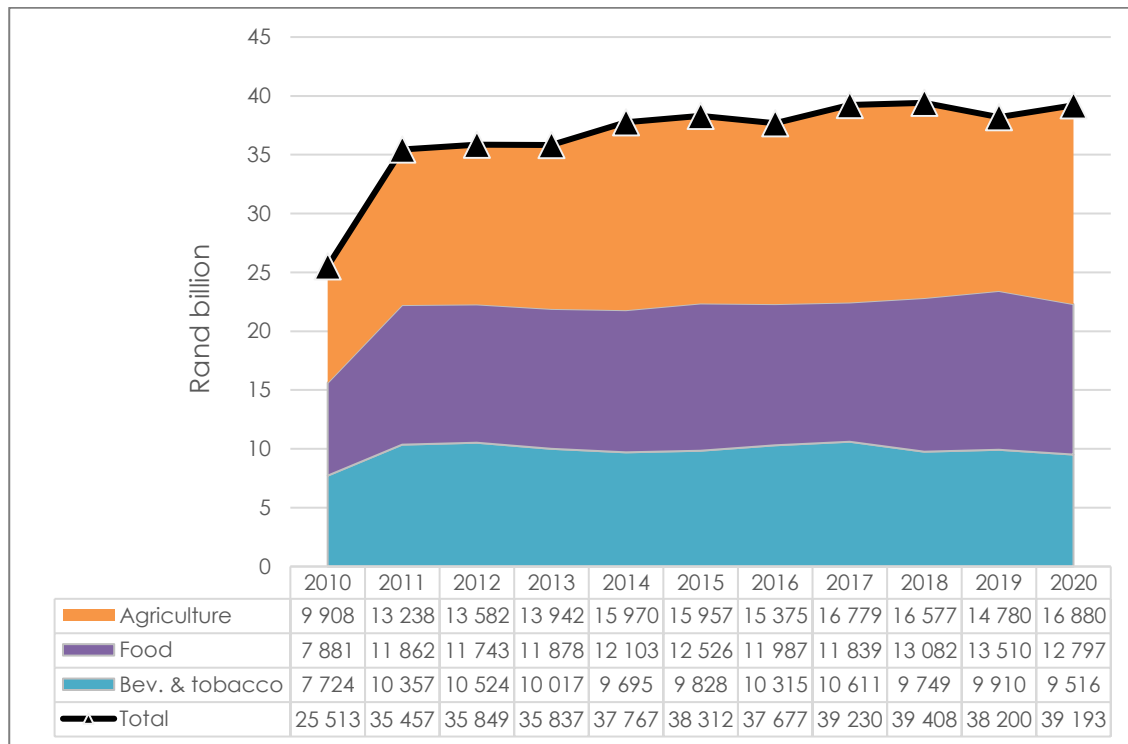
Source: (Quantec, 2021)

### **Summary Points**

- The Western Cape population continued to grow faster than the national average, adding 127 thousand people in 2020.
- Provincial GVA fell by -5% in real terms for the year signifying an economic contraction.
- The Business services sector continues to constitute the largest share of the Western Cape economy.

### 3. AGRICULTURAL PRODUCTION

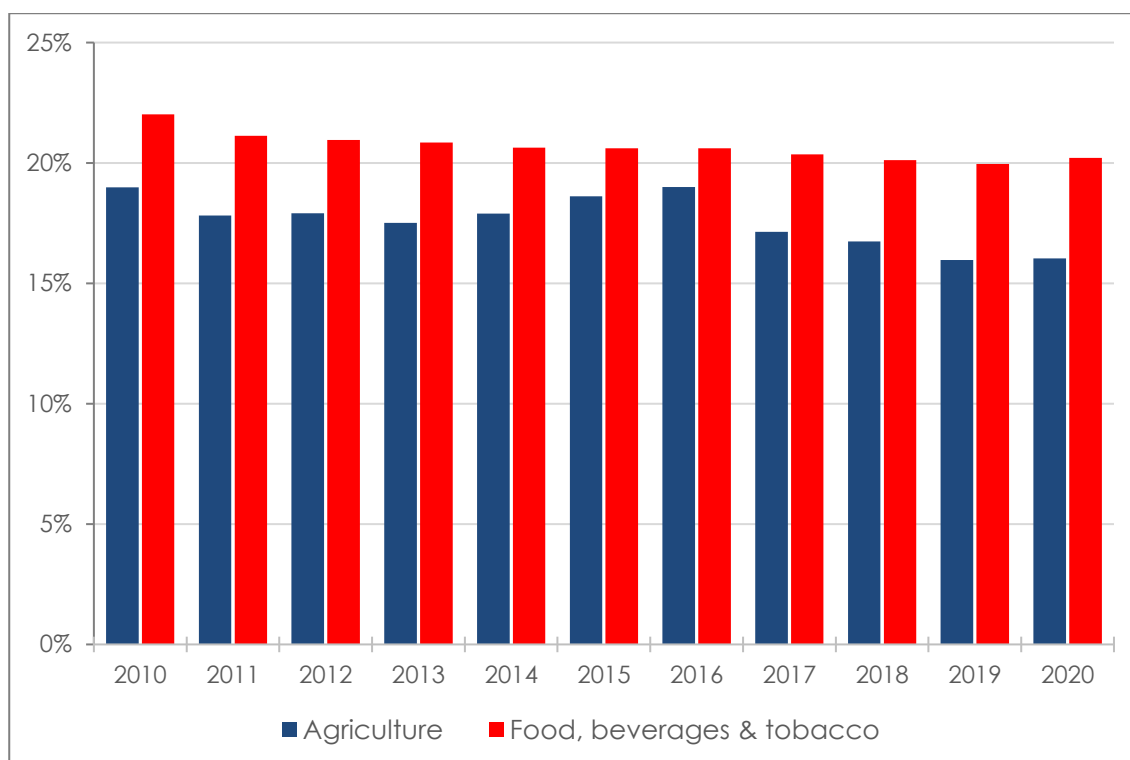
The agricultural sector experienced consistently economic growth in 2020 with GVA in the sector increasing by 14.21% to above R16 billion. However, there was real negative growth in both the food (-5.28%) and the beverages and tobacco sectors (-3.98%), but as can be seen in the combined graph in Figure 3.1, agriculture's growth was sufficient to offset the overall decline across the three sectors combined. In 2020, the combined GVA stood at R39 billion, 2.6% higher than in 2019 when expressed in real 2015 prices.



**Figure 3.1: Real GVA in Agriculture and Agri processing (2015 prices), 2010-2020**

Source: (Quantec, 2021)

The WC's agricultural GVA increased by an annual average growth rate of 5.4% over the past ten years. The province's share of national agricultural GVA represented in Figure 3.2, shows a decline over the past ten years but in 2020 the share increased by 0.06% compared to the previous year. The WC was disproportionately affected by the later impacts of the drought towards the end of the decade and now the outbreak of the Covid-19 pandemic from 2020. The growth in 2020 for the province was slower than the national level meaning the provincial share in agricultural GVA remained relatively low at 16.03%. Another interesting observation is made with regards to the province's share of national GVA in the food, beverage and tobacco (FBT) sector. As illustrated in Figure 3.2, the province's national share in 2020 reached the 20% mark following a drop in 2019.



**Figure 3.2: WC Share in Real National Agricultural and FBT GVA, 2010-2020**

Source: (Quantec, 2021)

The geographic distribution of agricultural and FBT GVA within the WC province in Table 3.3 has not changed significantly over the past year. The City of Cape Town's high share has been attributed to the significant amount of agriculture taking place in peri-urban areas around the city (Partridge, et al., 2019). Over the past year, this share even increased slightly from 18.06% to 18.07%. There was a decline in food processing GVA from the Cape Winelands (13.04% in 2019, 12.72% in 2020) but the West Coast experienced a slight positive increase (15.67% in 2019, 15.81% in 2020). There was also quite a significant shift in the concentration of beverage and tobacco products from Cape Winelands, where the share in activity fell from 16.94% to 15.60%; to the City of Cape Town, where the share rose from 62.97% to 63.57%. The WC is more dependent on horticultural production than the rest of South Africa. This is evident from Figure 3.4 which breaks down the gross farm income of the WC and the rest of South Africa into income received from horticultural activities, animal-based activities, field crop production and "other activities". For the rest of South Africa outside of the WC, animal-based agriculture accounts for more than half (56%) of farm income. A further quarter (25%) of income is related to field crop production and horticultural activities make up most of the remainder (18%). In contrast, whilst still, significant animal-based activities make up only 37% of gross farm income in the WC. Instead, the main

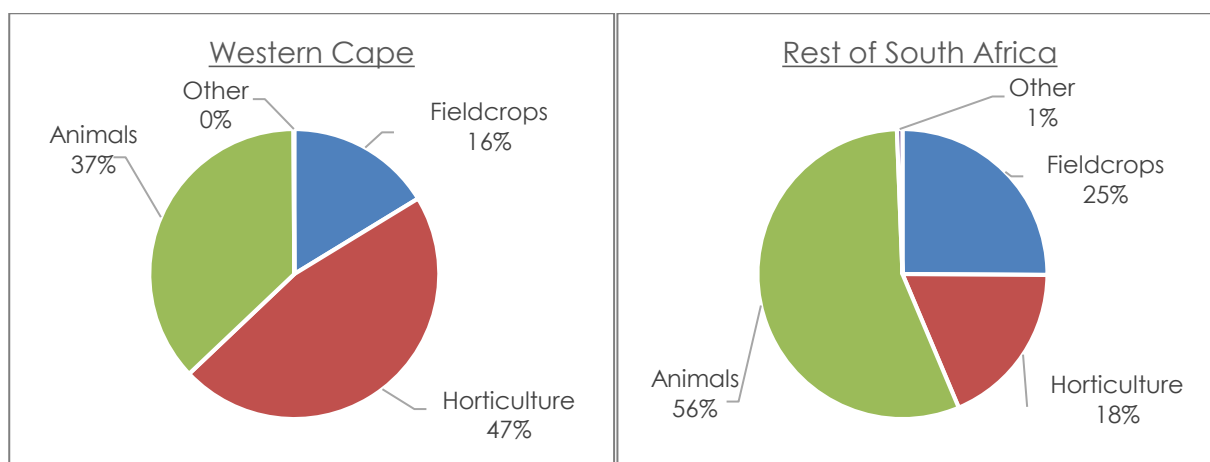


income source is horticultural activities which make up almost half of all income (47%). Field crops make a slightly less significant component of income in the WC, compared to what is observed at the national level.

**Table 3.3: Geography of WC Agricultural GVA, 2020**

<b>Regions</b>	<b>Agriculture</b>	<b>Food</b>	<b>Beverages &amp; Tobacco</b>
<b>City of Cape Town</b>	<b>18.1%</b>	<b>59.7%</b>	<b>63.6%</b>
City of Cape Town	18.1%	59.7%	63.6%
<b>West Coast</b>	<b>24.7%</b>	<b>15.8%</b>	<b>13.1%</b>
Matzikama	5.9%	1.1%	1.4%
Cederberg	3.7%	2.3%	0.6%
Bergrivier	6.3%	3.2%	0.7%
Saldanha Bay	1.6%	3.6%	6.1%
Swartland	7.2%	5.6%	4.2%
<b>Cape Winelands</b>	<b>33.4%</b>	<b>12.7%</b>	<b>15.6%</b>
Witzenberg	7.5%	2.4%	1.5%
Drakenstein	8.1%	3.6%	5.9%
Stellenbosch	4.8%	2.6%	4.4%
Breede Valley	7.7%	2.3%	2.0%
Langeberg	5.2%	1.9%	1.8%
<b>Overberg</b>	<b>10.4%</b>	<b>3.9%</b>	<b>2.7%</b>
Theewaterskloof	6.8%	1.6%	1.2%
Overstrand	1.1%	1.3%	0.9%
Cape Agulhas	1.0%	0.5%	0.3%
Swellendam	1.6%	0.4%	0.3%
<b>Eden</b>	<b>10.6%</b>	<b>7.8%</b>	<b>4.9%</b>
Kannaland	1.2%	0.4%	0.3%
Hessequa	2.0%	0.6%	0.3%
Mossel Bay	1.0%	1.3%	0.7%
George	3.3%	3.4%	2.4%
Oudtshoorn	1.9%	1.3%	0.7%
Bitou	0.6%	0.3%	0.1%
Knysna	0.6%	0.6%	0.4%
<b>Central Karoo</b>	<b>2.8%</b>	<b>0.2%</b>	<b>0.1%</b>
Laingsburg	0.6%	0.0%	0.0%
Prince Albert	0.6%	0.0%	0.0%
Beaufort West	1.5%	0.1%	0.1%

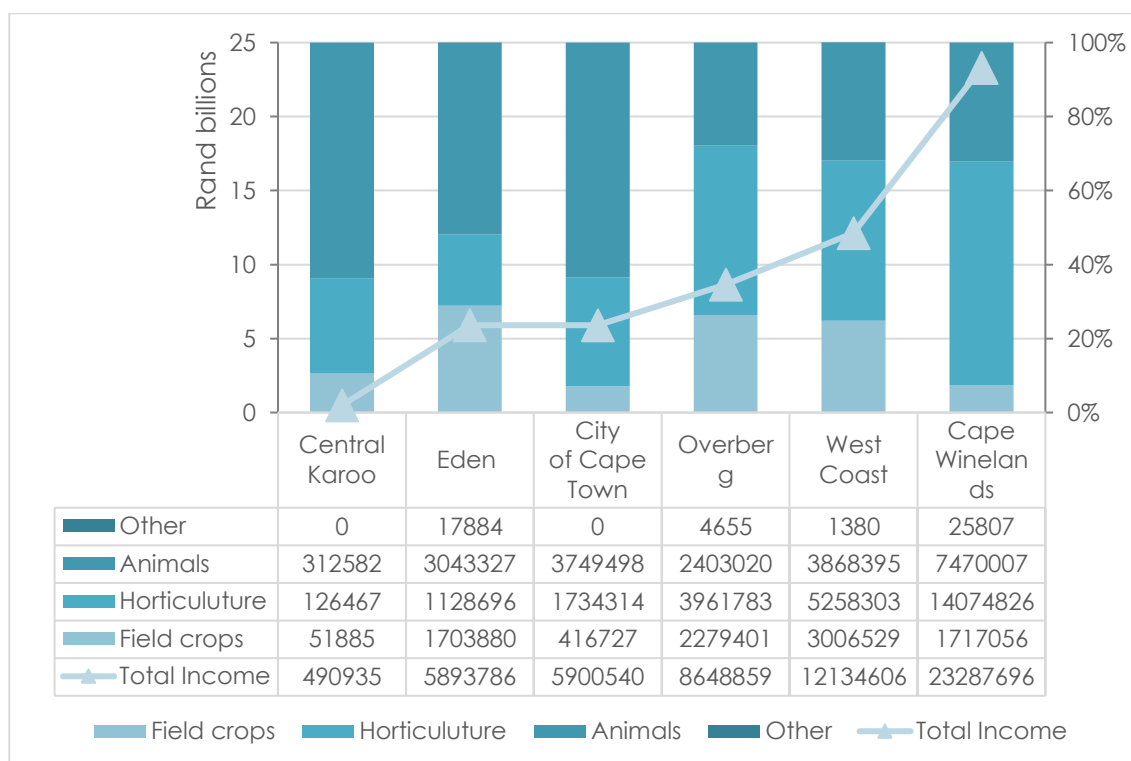
Source: (Quantec, 2021)



**Figure 3.4: Breakdown of Gross Farm Income, Western Cape vs Rest of South Africa, 2017**

Source: (Stats SA, 2020)

There are significant differences in the breakdown of farm income sources across the WC's different districts as shown in Figure 3.5. Animal-based agriculture makes up more than 60% of farm income in the Central Karoo and the City of Cape Town, and more than 50% in Eden. These are also the three districts with the lowest total farm income together accounting for only 22% of total farm income in the Western Cape. The Cape Winelands alone account for 41% of total provincial farm income, over R23 billion, and also has the highest share of income attributable to horticultural activities where it accounts for more than 60%. The other two districts, Overberg and the West Coast, also have horticulture as the main farm activity accounting for 46% and 43% respectively, and together account for a further 37% of provincial gross farm income.



**Figure 3.5: Breakdown of Gross Farm Income by District, 2017**

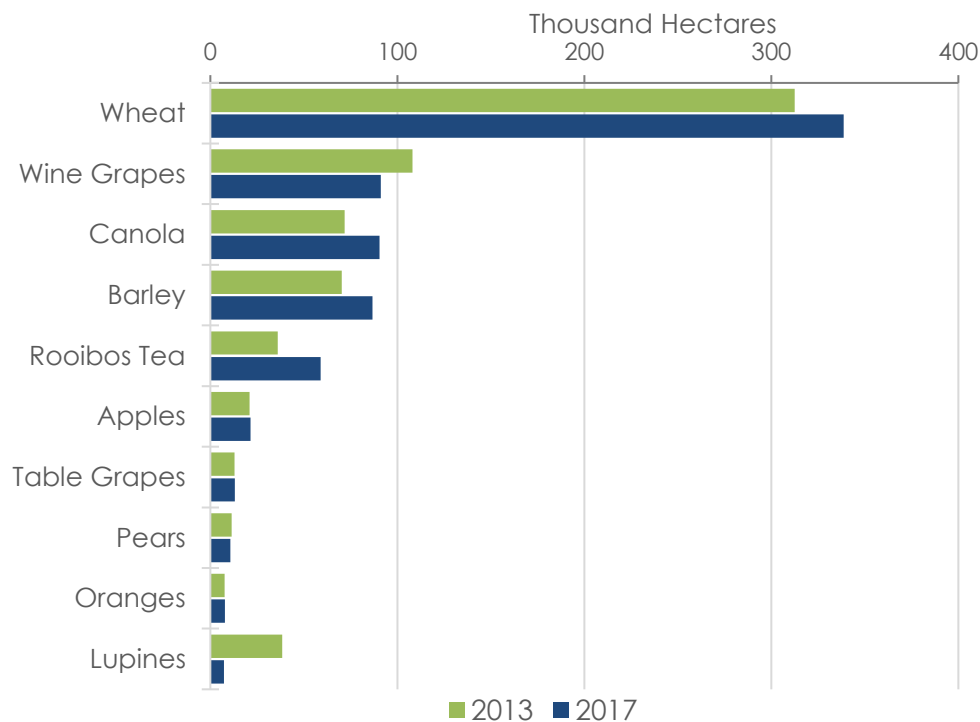
Source: (Stats SA, 2020)

### **Summary Points**

- The WC's Agricultural Sector grew by 14.21% in 2020.
- Negative real growth is observed in the province's FBT
- The continued relative decline in the importance of the WC in the national agricultural sector, but still a major contribution. However, FBT's national share showed grew to reach the 20% market in 2020 following a below drop in 2019.
- The WC is more dependent on horticultural production than the rest of South Africa.
- The Cape Winelands is a predominantly horticultural area, accounting for 60% of farm income in the district. It is also the main agricultural area in the province, accounting for 33.5% of provincial agricultural GVA.

#### 4. AGRICULTURAL LAND

In 2017, there were approximately 2 million hectares of land recorded as being under crop production in the WC. Of this, 338 588 hectares (17%) were being used for wheat. The remaining areas were farmed with the following top 10 crops in the province as shown graphically in Figure 4.1: wine grapes (91 221 ha), canola (90 523 ha), barely (86 670 ha), rooibos tea (58 996 ha), apples (21 512 ha), table grapes (13 095 ha), pears (10 711 ha), oranges (7 704 ha) and lupines (72 99 ha) respectively.



**Figure 4.1: Top 10 WC Crops by Area Planted, 2013 vs 2017**

Source: (WCDoA, 2018)

Table 4.2 shows the breakdown of areas under broad crop groups in the WC. Most of the province's grain crops, oilseeds and lupines are grown on the West Coast (35%) and the Overberg (30%). The West Coast also has the largest recorded area used to grow vegetables (36%), and almost the entire area used for producing tobacco, teas and hops (99%), mainly due to this being the major rooibos growing region. More than half of the province's orchards are located in the Cape Winelands district (57%). Table 4.2 below illustrates broad crop categories grown in each WC municipality for the 2017-2018 growing season.

**Table 4.2: Geography of WC Crops Planted, 2017**

<b>Areas</b>	<b>Grains, Oil Seeds, Lupines</b>	<b>Vegetables</b>	<b>Orchards</b>	<b>Tobacco, Teas &amp; Hops</b>	<b>Total</b>
<b>Cape Town</b>	<b>16 012</b>	<b>1 588</b>	<b>6 072</b>	<b>0</b>	<b>23 672</b>
City of Cape Town	16 012	1 588	6 072	0	23 672
<b>Cape Winelands</b>	<b>27 252</b>	<b>4 297</b>	<b>104 075</b>	<b>13</b>	<b>135 637</b>
Breede Valley	105	472	24 124	0	24 702
Drakenstein	16 300	435	18 354	8	35 098
Langeberg	2 754	386	23 470	0	26 610
Stellenbosch	150	155	15 001	0	15 306
Witzenberg	7 943	2 849	23 125	5	33 921
<b>Central Karoo</b>	<b>15</b>	<b>510</b>	<b>1 058</b>	<b>0</b>	<b>1 583</b>
Beaufort West	15	33	187	0	235
Laingsburg	0	329	328	0	657
Prince Albert	0	148	543	0	691
<b>Garden Route</b>	<b>78 284</b>	<b>2 594</b>	<b>7 540</b>	<b>633</b>	<b>89 052</b>
Bitou	1	4	110	5	121
George	1 140	1 122	2 952	467	5 681
Hessequa	70 810	100	783	4	71 697
Kannaland	2	353	2 759	20	3 134
Knysna	255	67	38	0	361
Mossel Bay	6 056	282	473	6	6 817
Oudtshoorn	21	666	424	130	1 242
<b>Overberg</b>	<b>199 002</b>	<b>401</b>	<b>20 814</b>	<b>97</b>	<b>220 315</b>
Cape Agulhas	66 878	4	377	58	67 317
Overstrand	2 022	59	1 296	37	3 414
Swellendam	60 283	92	3 001	1	63 377
Theewaterskloof	69 819	246	16 141	1	86 207
<b>West Coast</b>	<b>211 241</b>	<b>7 207</b>	<b>41 674</b>	<b>58 925</b>	<b>319 047</b>
Bergrivier	72 188	2 349	5 793	15 790	96 120
Cederberg	6 152	3 424	11 345	33 972	54 892
Matzikama	47	962	10 812	8 336	20 157
Saldanha Bay	23 660	57	42	806	24 564
Swartland	109 194	416	13 682	21	123 313
<b>Total Western Cape</b>	<b>531 792</b>	<b>16 087</b>	<b>180 175</b>	<b>59 668</b>	<b>787 722</b>

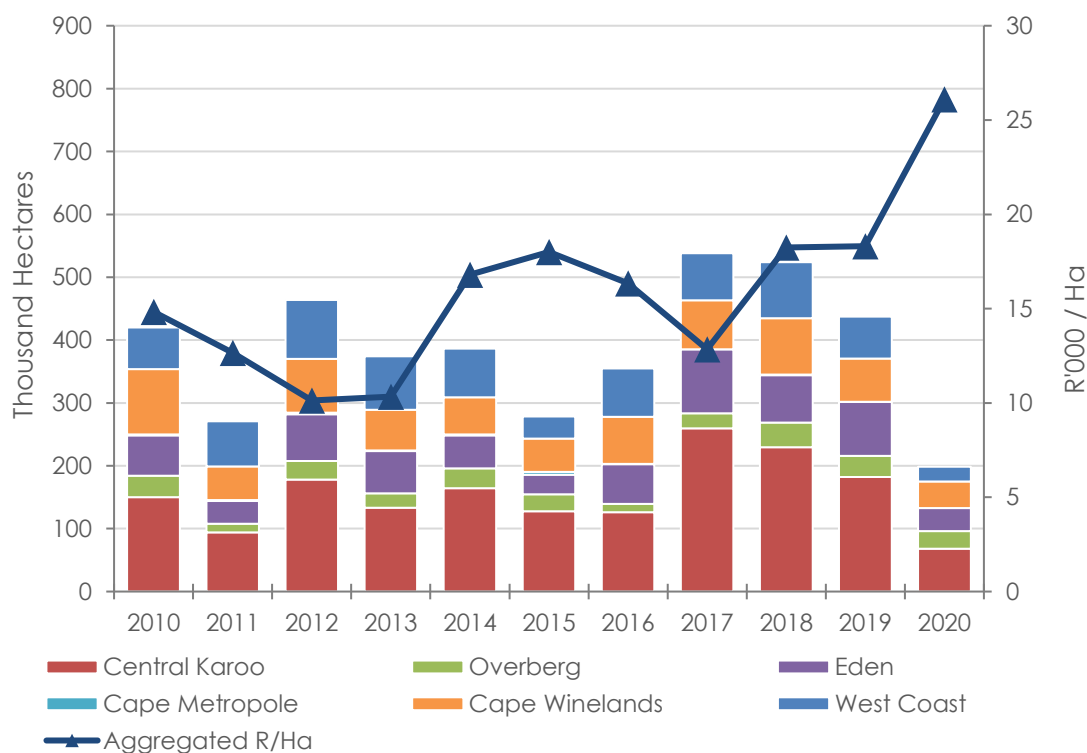
\* Note: Table excludes extensive grazing areas

Source: (WCDoA, 2018)

Data from 2010 to 2020 shows a decline in the number of agricultural land sales in the WC, but interestingly the high average prices per hectare were responsive to supply and demand factors. During the period of a limited supply of land in the market, the prices per hectare increased and likewise, low average prices during the years of increased supply. Figure 4.3 below shows the amount of land (ha) transferred through the private markets between 2010 and 2020, and the average price of the transactions (Rand per hectare,

converted into real 2015 prices). Due to the cyclic nature of the agricultural environment, with the weather being the main role player, demand for agricultural land will go up as there are good years and go down as there are bad years.

The drought of the last few years has pushed down demand for agricultural land, and as such also the price. Internationally and locally there has been a drive to move from cities to the rural areas due to the impact of Covid-19 and the remote working possibilities that opened up. Figure 4.3 shows that the total amount of agricultural land sold in 2020 was 198 433 ha, which is a decline of 45% when compared to the previous year. The Central Karoo accounted for 34% of the total hectares sold, followed by Cape Winelands at 21.3%, Eden at 18.5%, Overberg at 14.1%, followed by West Coast at 11.8% and Cape Metropole at 0.1%. Due to the limited supply of agricultural land in the market, the average price increased by 43% in comparison to the previous year. The total number of agricultural land transactions fell dramatically from a total of 778 in 2019 to 417 in 2020. Table 4.4 indicate a decline of 46% in land transactions. Eden remained the most popular area for the sale of land with the Cape Winelands in second place.



**Figure 4.3: Agricultural Land Transferred and Aggregate Value (2015 prices), 20010-2020**  
Source: (WCD0A, 2021b)

**Table 4.4: Number of Agricultural Land Transactions by District, 2010-2020**

	Central Karoo	Overberg	Eden	Cape Metropole	Cape Winelands	West Coast	Total
2010	84	114	256	20	254	153	881
2011	41	72	137	18	158	93	519
2012	101	117	284	29	213	155	899
2013	65	88	242	13	170	143	721
2014	65	118	249	33	174	127	766
2015	47	87	203	42	142	89	610
2016	50	87	325	24	211	143	840
2017	87	97	327	5	207	147	870
2018	79	147	324	10	224	150	934
2019	69	118	301	2	161	127	778
2020	21	64	149	7	113	63	417

Source: (WCDoA, 2021b)

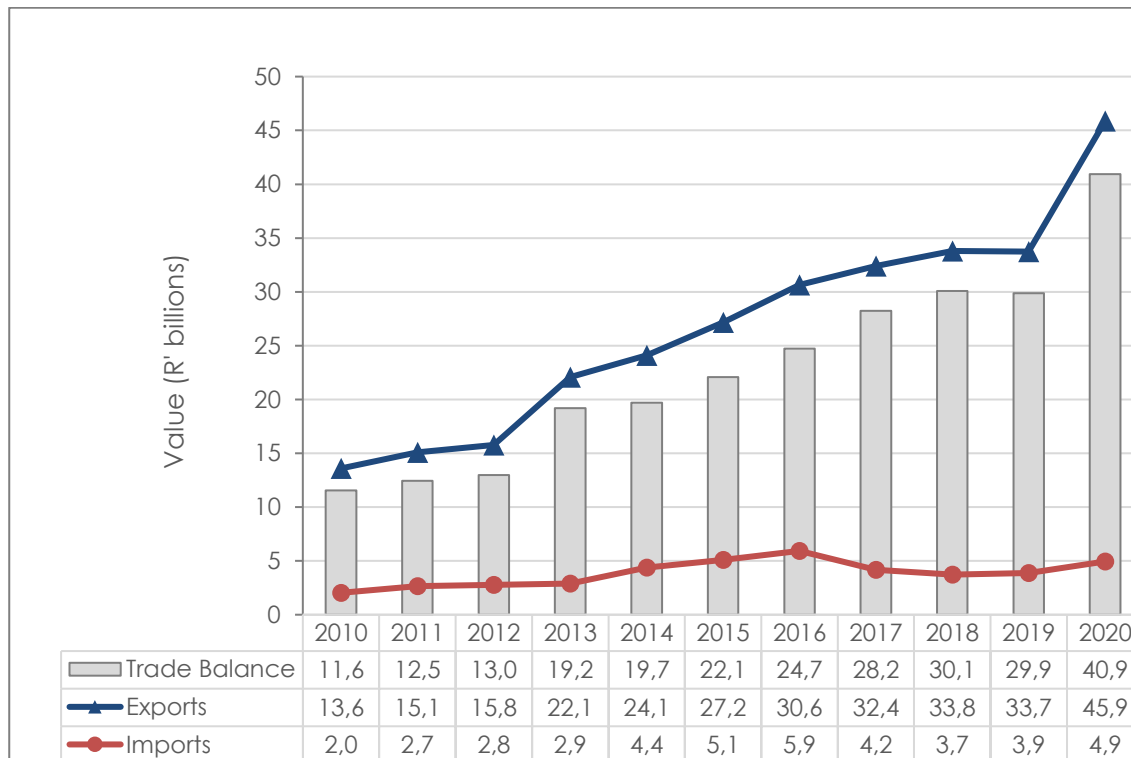
### **Summary points**

- In 2017 approximately 2 million hectares of agricultural land were under crop production in the province, with a significant share of the land used for wheat production (17%), followed by wine grapes, canola, barley, rooibos tea, apples, table grapes, pears and oranges.
- In terms of regions in the province, most of the grain crops, oilseeds and lupines are grown on the West Coast (35%) and the Overberg (30%).
- The West Coast also has the largest recorded area used to grow vegetables (36%), and almost the entire area used to produce tobacco, teas and hops combined (99%).
- More than half of the province's orchards are located in the Cape Winelands district (57%).
- There was a decline in both the average price of land and in the number of land transactions on the private market in the Western Cape for 2020.



## 5. AGRICULTURAL TRADE

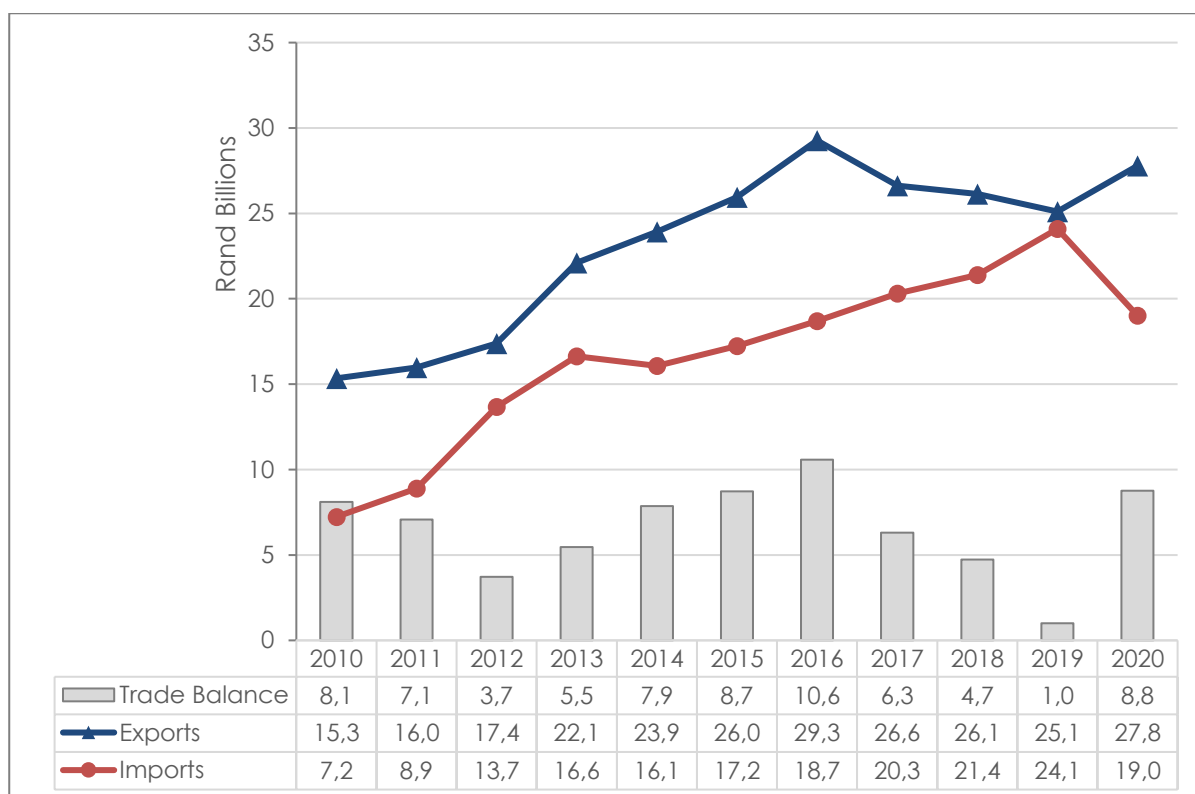
The WC agricultural sector is exports orientated and in the past ten years, despite a real decline in the economic output of the agricultural exports have grown strongly. At the same time, agricultural imports have remained relatively stable, which has resulted in a widening trade balance for the sector as seen in Figure 5.1 below. The last few years have seen an increase in agricultural exports. The WC agricultural exports totalled R45.8 billion in 2020, higher than the previous years and far higher than imports of R4.9 billion.



**Figure 5.1: WC Agricultural Trade, 2010-2020**

Source: (Quantec, 2021)

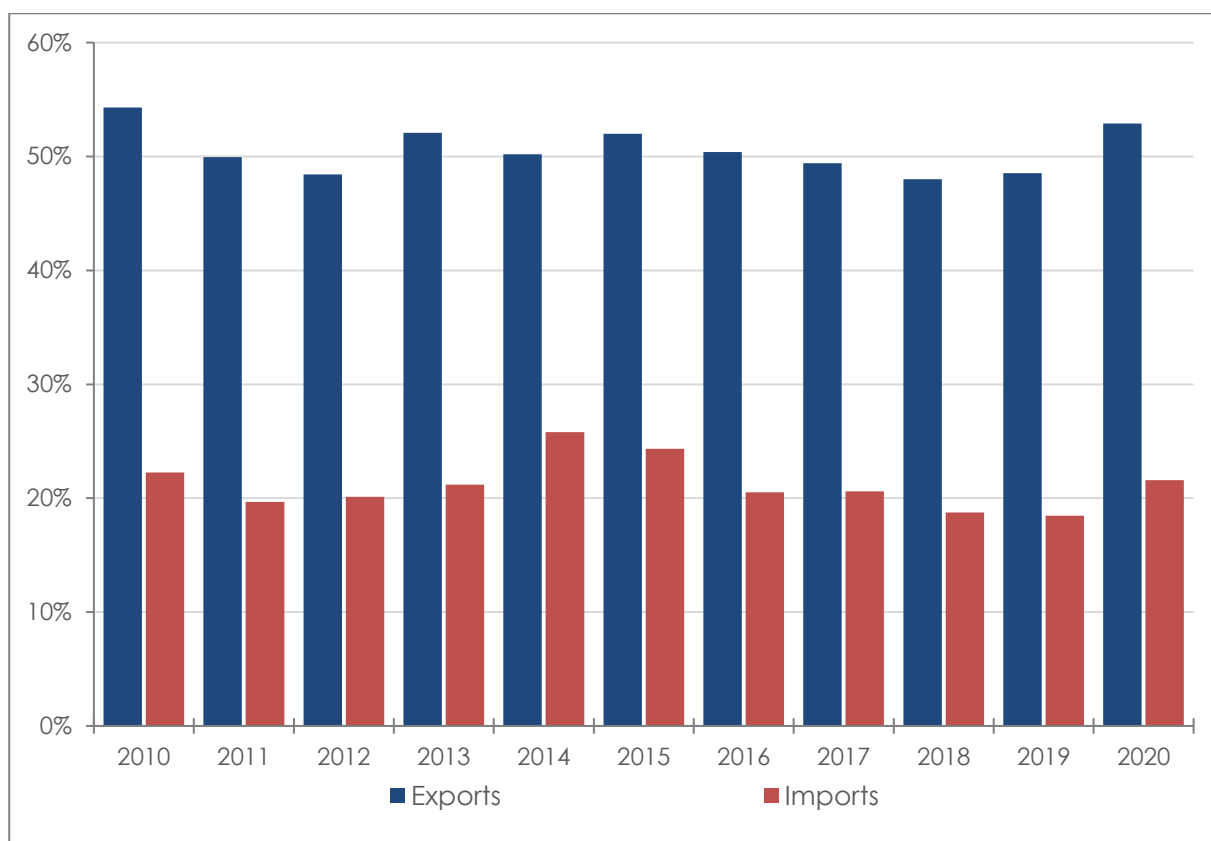
The FBT sector has shown positive economic performance in the past ten years. As shown in Figure 5.2, exports of FBT products grew strongly between 2009 and 2016, but imports of these products also grew resulting in a modest and relatively flat trade balance. Since 2016 there has been a continual decline in the value of exports until 2019, but in 2020 the export show an increase of 10.7% (from R25 billion to R27.8 billion) compared to the previous year. Whereas imports declined by 21% (from R24.1 billion to R19 billion).



**Figure 5.2: WC Food, Beverages & Tobacco (FBT) Trade, 2010-2020**

Source: (Quantec, 2021)

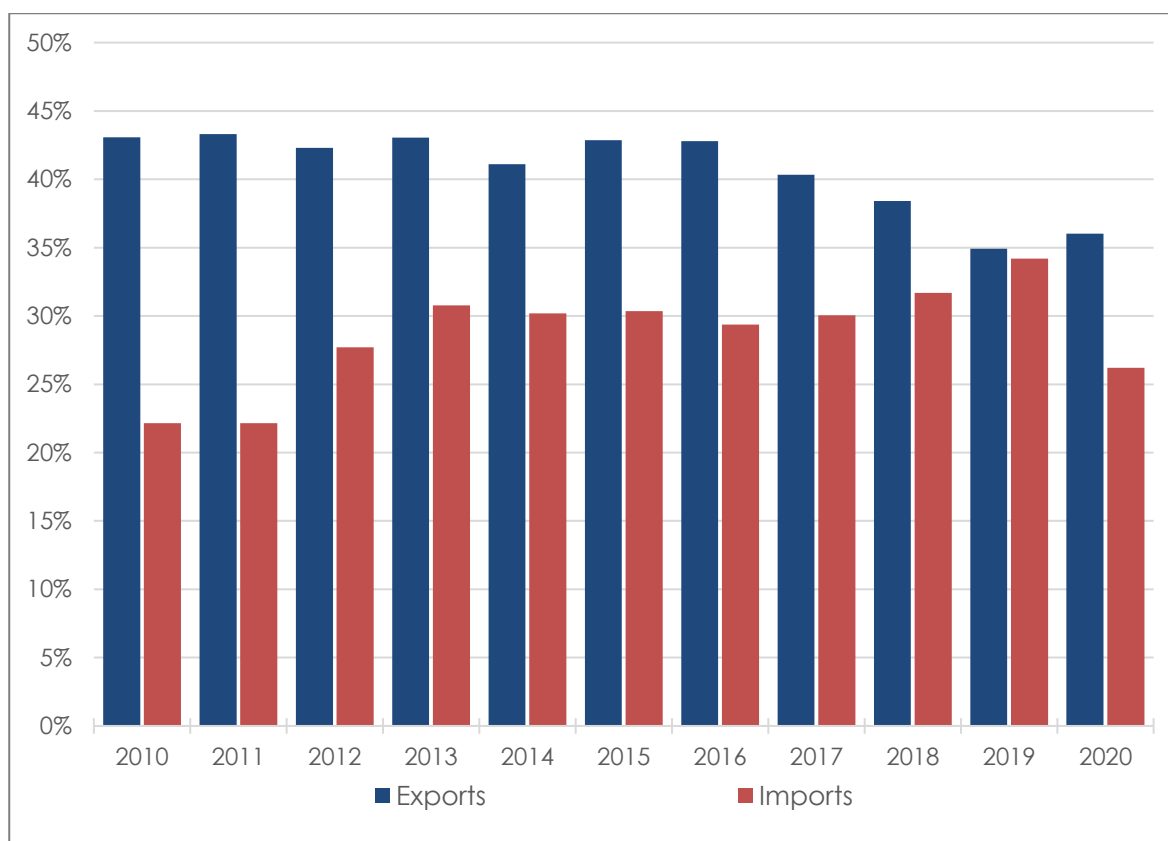
The WC's share in national agricultural exports increased by 4% (from 49% to 53%) from 2019 to 2020. This is slightly higher than the average over the past 10 years but still highly significant accounting for more than half of all South African agricultural exports. The province's share in national agricultural imports increased by 4% (18% to 22%) during the years 2019 to 2020. The WC's shares in both these trade flows are illustrated graphically in Figure 5.3.



**Figure 5.3: WC Share in National Agricultural Trade, 2010-2020**

Source: (Quantec, 2021)

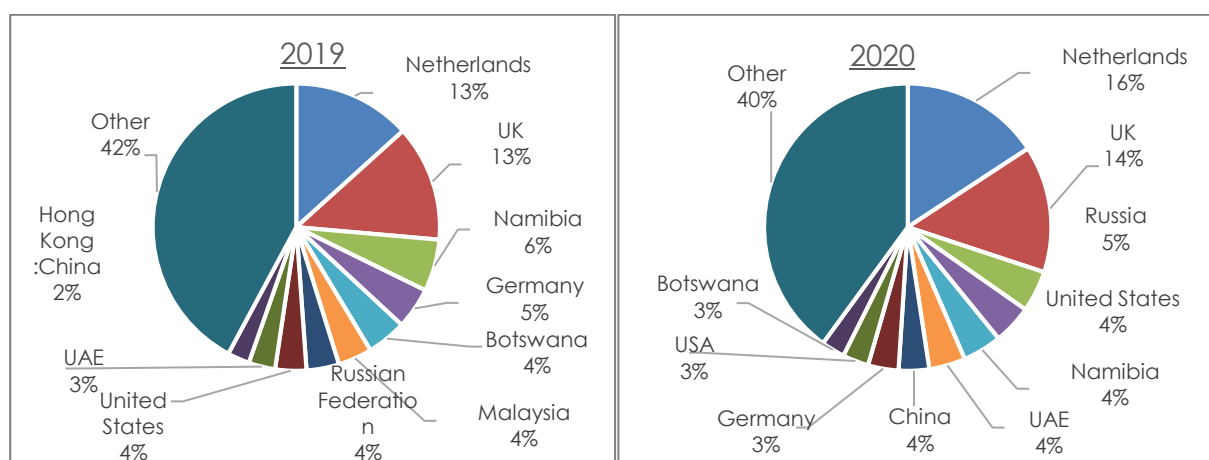
In 2020 the WC's share in national FBT exports stood at 36%, which is a slight improvement from the previous year by 1%, but overall for the past ten years this share has been declining from 43% recorded in 2010, 2013 and 2016. At the same time, the WC has become increasingly responsible for South Africa's FBT imports with the province's share rising from 23% in 2010 to 26% in 2020. The annual WC import and export flows for the FBT sector are provided in Figure 5.4.



**Figure 5.4: WC Share in National FBT Trade, 2010-2020**

Source: (Quantec, 2021)

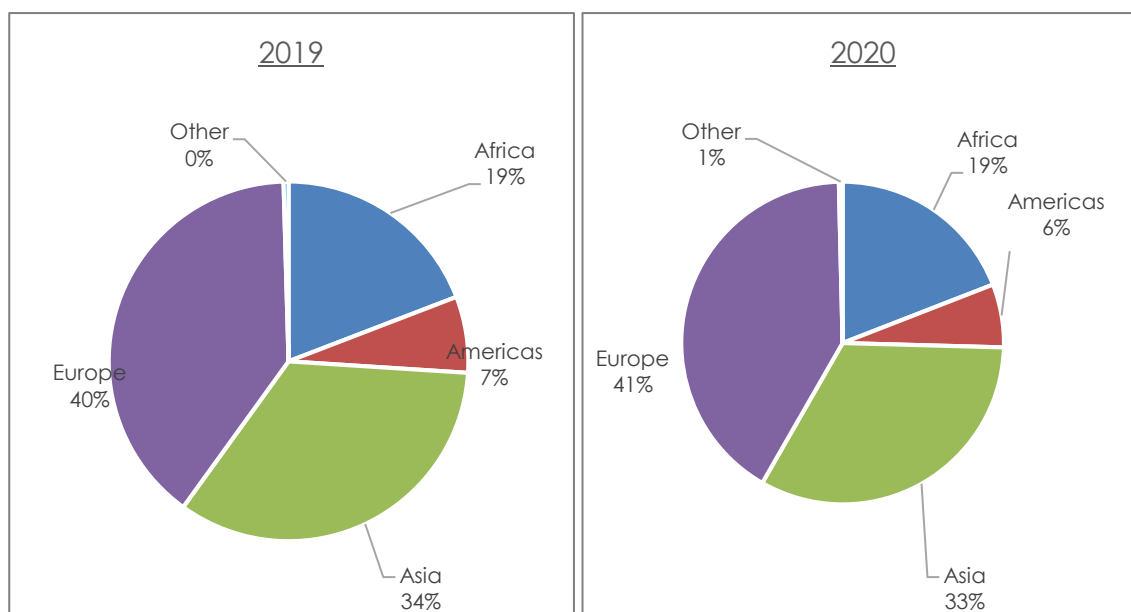
Figure 5.5 compares the top 10 export destinations for agricultural goods in 2020 with the breakdown of a year prior. The main three agricultural export destinations in 2020 were the Netherlands, followed by the United Kingdom (UK) and Russia. The combined share of exports going to these regions was 35%. Compared to 2019, only the Netherlands and UK managed to retain their relative positions but Russia replaced Namibia.



**Figure 5.5: WC Agricultural Export Destinations - Countries, 2019 vs 2020**

Source: (Quantec, 2021)

The share of WC agricultural exports to Africa remained at 19% in 2019 and 2020. Whereas, in other regions, it declined (e.g. Americas, Asia and Europe). The diversification of agricultural exports away from dependence on Europe toward markets in Africa and Asia had already been observed in the WC over the past decade (Partridge & Morokong, 2018). It is interesting to note in recent years the share of agricultural exports going to Asia has also now declined in favour of African markets. Despite becoming significantly less important in recent times, Europe remains the biggest agricultural export destination, accounting for 40% of all exports as shown in Figure 5.6 below.

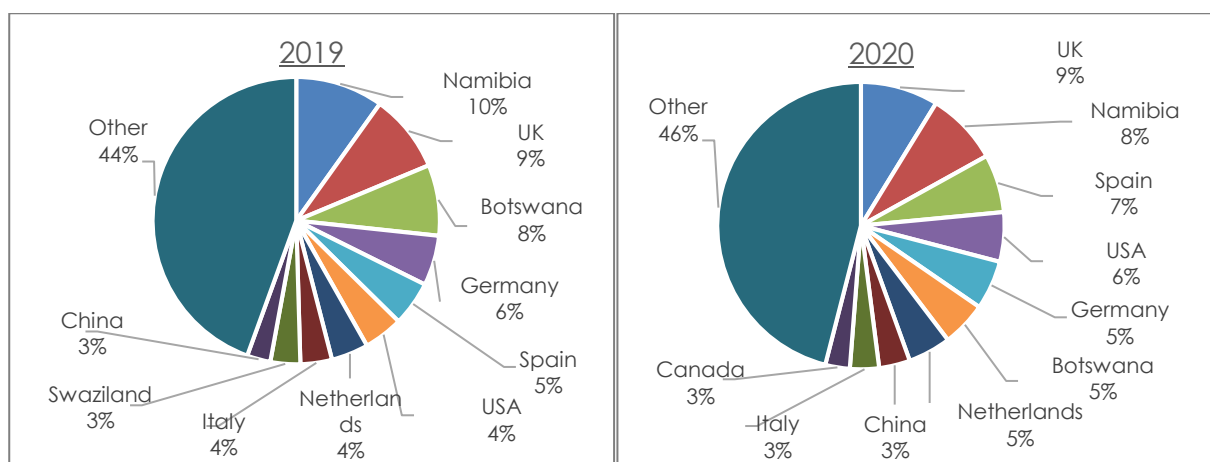


**Figure 5.6: WC¹ Agricultural Export Destinations - Regions, 2019 vs 2020**

Source: (Quantec, 2021)

In 2020, the WC top exports destinations for FBT products were the United Kingdom (UK) (9%), Namibia (8%), Spain (7%) and the USA (6%) as indicated in Figure 5.7. However, compared to 2019, it is evident that the UK took the lead from Namibia and Botswana which fell out of the top three destinations.

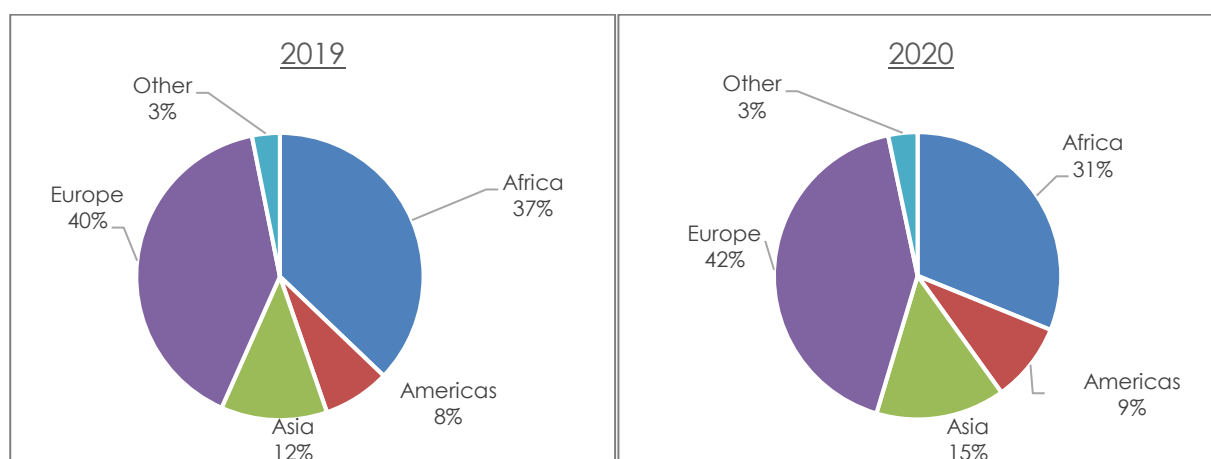
<sup>1</sup> \*These values reflects national exports by region, the Western Capa share to Africa is 9%, Asia 31% and Europe is 53%



**Figure 5.7: WC Top FBT Export Destinations - Countries, 2019 vs 2020**

Source: (Quantec, 2021)

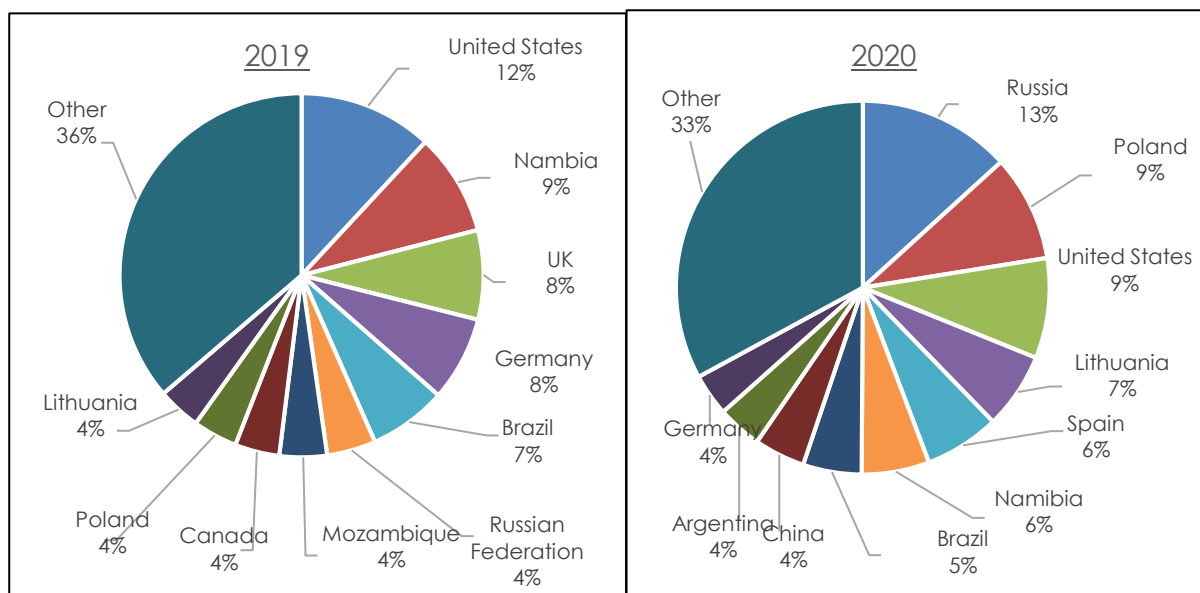
The regional breakdown of FBT exports did change significantly between 2019 and 2020 as can be seen from the graphical representation in Figure 5.8. Despite the decline, Africa remained the second major destination, accounting for 31% of all exports from the sector after Europe which accounted for 42% in 2020.



**Figure 5.8: WC Top FBT Export Destinations - Regions, 2019 vs 2020**

Source: (Quantec, 2021)

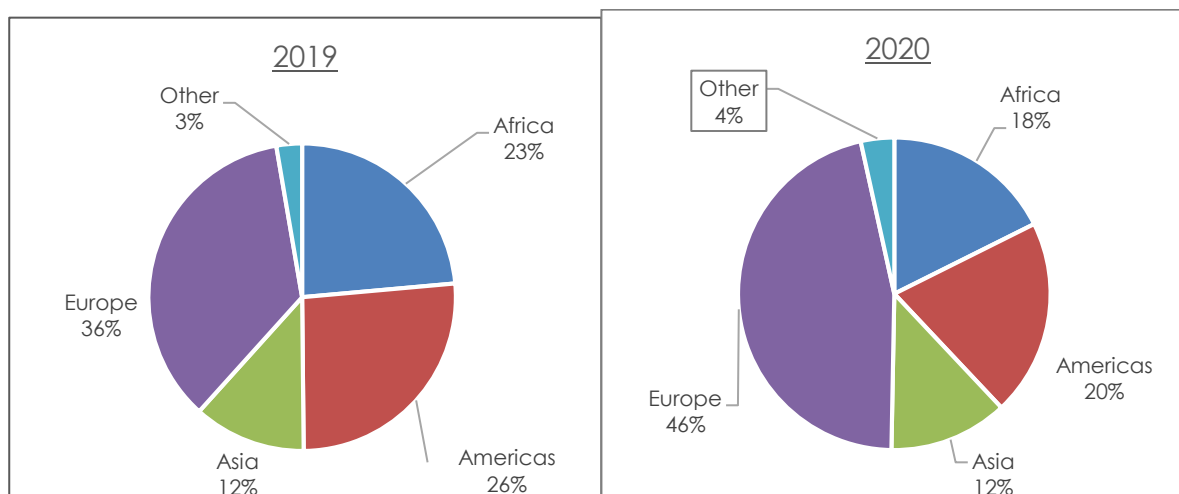
There was more volatility in the breakdown of agricultural imports into the WC during the period 2019 and 2020. As illustrated in Figure 5.9, in 2020 the WC's top imports origins by share value were Russia accounting for 13%, Poland and the United States (USA) each at 9% and Lithuania 7% to name a few. However, in comparison to 2019, there was a shift since the USA was leading at 12%, followed by Namibia at 9%, then UK and Germany each at 8%.



**Figure 5.9: WC Agricultural Import Origins - Countries, 2019 vs 2020**

Source: (Quantec, 2021)

In the past year, there was a slight shift in the regional breakdown of agricultural import origins into the WC in Figure 5.10. Specifically, there was a decline in the share of imports from Africa and the Americas, which in turn was made up by a rise in imports attributable to Europe. In 2020, 66% of imports came from both Europe and the Americas, with Europe's share increasing from 36% in 2019 to 46% in 2020. Whereas, Africa's share of imports declined from 23% to 18% in the respective years.



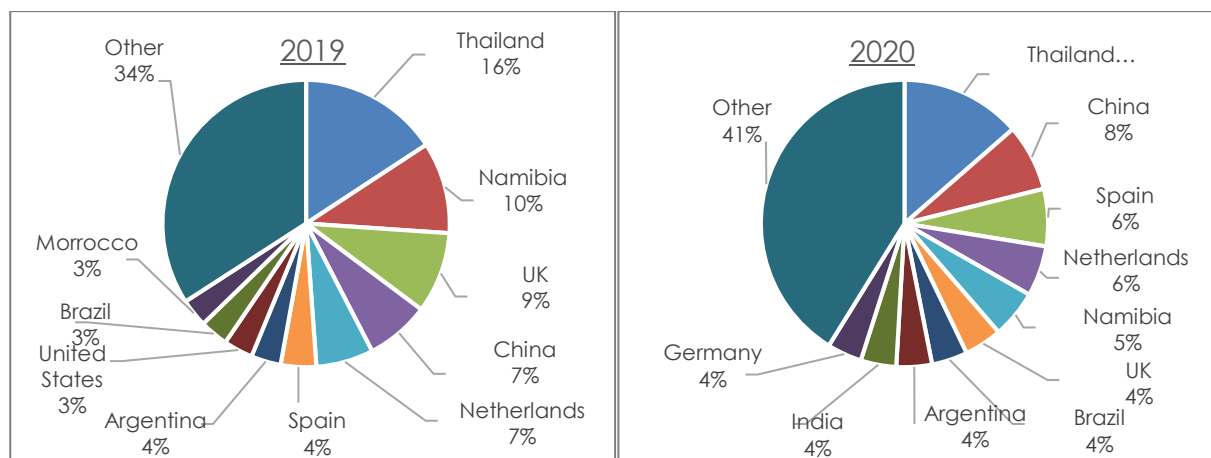
**Figure 5.10: WC Agricultural Import Origins - Regions, 2019 vs 2020**

Source: (Quantec, 2021)

The import origins of FBT products into the WC, broken down in Figure 5.11, the share changed from 2019 to 2020, although Thailand remained the biggest importer, accounting for 16% and 14% in 2019 and 2020, the imports from Namibia declined by 4% moving this



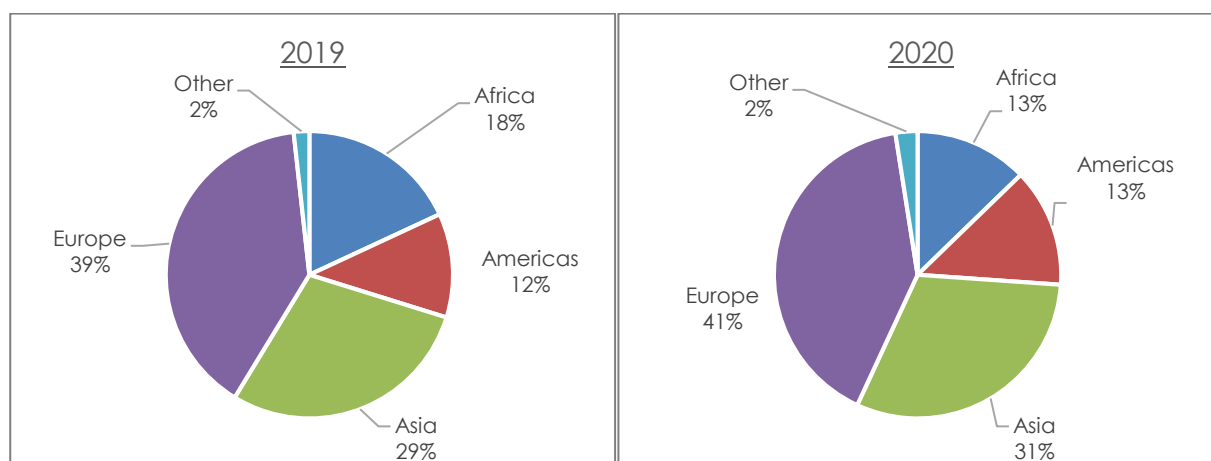
country in the second and Spain and Netherlands share increased by 2% and 1% respectively.



**Figure 5.11: WC FBT Import Origins - Countries, 2019 vs 2020**

Source: (Quantec, 2021)

The FBT imports origin markets are unstable and this is evident in the aggregated regional breakdown of import origins as shown in Figure 5.12. Europe remains the biggest regional importer, accounting for 41%, followed by Asia at 31%. But the WC share of imports from Africa decreased from 18% to 13% from 2019 to 2020.



**Figure 5.12: WC FBT Import Origins - Regions, 2019 vs 2020**

Source: (Quantec, 2021)

The performance of the export and import markets for the period 2019 to 2020 was largely affected by the Covid-19 pandemic and the lockdown regulations. As consequence, the disruption of international supply chains and the restricted movement of people during the initial months of the Covid-19 outbreak have negatively affected the movement of goods and services as well. A closer look at specific export products at the HS6-digit product level for agriculture and agri-processing products shows a broad range of agriculture and agri-

processing products. Specifically, all those products fall under codes HS01-HS24 (excluding HS03); HS41-HS48; and HS50-HS53. This high level of product specification allows for certain agri-processing products to be identified, including those under other manufacturing sub-sectors, such as textiles and furniture, where they could not previously be identified at aggregated product levels. For the rest of this section “agricultural” will be used to refer to all agricultural and agri-processing products. Table 5.13 shows the top 20 biggest WC agricultural exports by value for 2020 as well as the growth experienced in the past year. Oranges export were in the first position accounting for 12% of all selected agricultural exports in value terms and grew by 49% in 2020. Followed by fresh grapes which fell from first place in 2019 to the second biggest export product in 2020. With wine in the third place, followed by apples and another product ranking according to the value of exports. The fastest growth rates over the past ten years are provided in Table 5.14, along with the share in total WC agricultural exports. These products are ranked based on the highest growth in the past ten years. The top three products are residues of starch manufacture, seeds of herbaceous plants and crude oil soya-bean oil which grew by 229%, 168% and 114% respectively.

**Table 5.13: Biggest WC Agricultural and Agri Processing Exports by Value, 2020**

#	HS6	Description	Exports 2020	Share 2020	Real Growth 2019 - 2020
1	080510	Oranges	8 623 528 824	11.90%	48.64%
2	080610	Table grapes	7 347 831 204	10.14%	16.31%
3	220421	Bottled wine in a container holding 2 Litres or less	6 633 144 448	9.15%	14.99%
4	080810	Apples	6 146 311 617	8.48%	34.80%
5	080521	Mandarins	5 369 877 677	7.41%	79.65%
6	080550	Lemons	2 995 738 533	4.13%	67.91%
7	080830	Pears	2 995 738 533	4.13%	23.39%
8	081040	Cranberries, bilberries	2 010 687 779	2.78%	31.69%
		Wine of fresh grapes include. Fortified wines and grapes must			
9	220429		1 951 757 329	2.69%	6.21%
10	230120	Flours, meals and pellets of fish or crustaceans	1 679 804 310	2.32%	110.04%
11	240220	Cigarettes containing tobacco	1 587 148 935	2.19%	-3.65%
12	080540	Grapefruit, including pomelos	1 338 256 332	1.85%	18.11%
13	210690	Maize	941 724 292	1.30%	43.66%
14	080940	Plums and sloes	892 311 250	1.23%	17.42%
15	151800	Animal or vegetable fats & oils	747 609 956	1.03%	2565.68%
		Wine in containers holding >2Litre but not > 10 L			
16	220422		745 869 646	1.03%	32.24%
17	220600	Other fermented beverages	712 168 981	0.98%	-17.93%
18	200990	Mixed fruit juice	687 794 456	0.95%	-11.16%
19	080620	Dried grapes	655 922 476	0.91%	21.76%
20	080930	Peaches including nectarines	572 372 191	0.79%	31.08%
		Other agricultural exports	17 819 777 705	24.59%	-

Source: (Quantec, 2021)

**Table 5.14: Fastest Growing WC Agricultural and Agri Processing Exports, 2010-2020**

#	HS6	Description	Exports 2020	Share 2020	10yr Annual Real Growth
1	230310	Residues of starch manufacture and similar residues	23 015 702	0.03%	229.19%
2	120930	Seeds of herbaceous plants cultivated for their flowers	2 843 827	0.00%	167.60%
3	150710	Crude oil soya-bean oil, whether or not degummed	10 143 505	0.01%	113.62%
4	151311	Crude oil coconut oil	306 931	0.00%	110.46%
5	151411	Low erucic acid or colza oil	1 695 895	0.00%	110.04%
6	190430	Bulgur wheat	891 702	0.00%	89.45%
7	410411	Full grains, unsplit ; grain splits (2002-)	1 747 142	0.00%	89.03%
8	151329	Palm kernel and babassu oil and their fractions	68 769	0.00%	81.32%
9	520959	Woven fabrics or cotton, containing >=85% cotton by weight	159 899	0.00%	79.91%
10	521151	Plain woven fabrics of cotton, <85% cotton by weight	17 325	0.00%	79.46%
11	110630	Flour mean and power produce of chapter 8 "edible fruit & nuts"	5 422 447	0.01%	78.88%
12	240399	Chewing tobacco, snuff and other manufactured tobacco	34 407 183	0.05%	78.31%
13	510119	Greasy wool, includ. Fleece-washed wool	5 794 920	0.01%	77.50%
14	121140	Poppy straw, fresh or dried	1 316 412	0.00%	75.50%
15	010619	Live mammals (excluding primates, whales, dolphins)	11 368 520	0.02%	71.14%
16	121490	Swedes, mangolds, fodder roots, hay , Lucerne "alfalfa", clover	78 841 820	0.11%	67.74%
17	151800	Animal or vegetable fats, oils & other fractions	747 609 956	1.03%	63.71%
18	230210	Residues of maize or corn	1 771 324	0.00%	62.47%
19	080440	Avocadoes	383 657 623	0.53%	59.66%
20	170310	Cane molasses	47 092	0.00%	58.15%
Other agricultural exports			71 144 248 480	98.19%	

Source: (Quantec, 2021)

In Table 5.15 is the biggest WC agricultural imports by value and growth rate over a year, ranked by export value. The products in lead are wholly milled rice, wheat and meslin and prepared sardines among others.

**Table 5.15: Biggest WC Agricultural and Agri Processing Imports by Value, 2020**

#	HS6	Description	Exports 2020	Share 2020	Real Growth 2019 - 2020
1	100630	Semi-milled or wholly milled rice	1 960 529 309	7.38%	-17.41%
2	100199	Wheat and meslin	1 731 330 224	6.52%	59.89%
3	160413	Prepared or preserved sardines	945 169 685	3.56%	-11.21%
4	050400	Guts, bladders and stomachs of animals	927 228 724	3.49%	-12.96%
5	030353	Frozen sardines	703 839 671	2.65%	-31.70%
6	020714	Frozen cuts & edible offal of fowls	621 157 615	2.34%	-33.44%
7	200979	Apple juice, unfermented, brix value>20 at 20 °C	610 992 572	2.30%	-33.12%
8	220210	Water include. mineral and aerated	598 265 552	2.25%	11.55%
9	240220	Cigarettes	585 067 289	2.20%	-30.91%
10	150790	Soya-bean oil and its fractions	533 731 464	2.01%	>200%
11	220830	Whiskies	518 316 593	1.95%	-69.13%
12	230910	Dog & cat food	502 006 237	1.89%	29.13%
13	210690	Food preparations n.e.s	472 072 766	1.78%	65.12%
15	180690	Chocolate and other preparations containing cocoa	384 149 762	1.45%	71.63%
16	200969	Grape juice, incl. must, unfermented	362 894 714	1.37%	-34.57%
17	020712	Frozen fowls of species Gallus domesticus	360 513 540	1.36%	6.65%
18	151211	Crude sunflower seed or safflower oil	350 156 946	1.32%	6268.69%
19	151190	Palm oil and its fractions	332 723 374	1.25%	8251.50%
Other agricultural exports			13 345 235 129	50.22%	>200%

Source: (Quantec, 2021)

Again looking at the growth rates of agricultural imports regardless of the base amount, Table 5.16 shows that prepared meat or offal of bovine animals grew by 247%. This was followed closely by fresh melons and soya-beans oil which grew by 207.58% and 202.85% respectively.

**Table 5.16: Fastest Growing WC Agricultural and Agri Processing Imports, 2010-2020**

#	HS6	Description	Exports 2020	Share 2020	10yr Annual Growth
1	160250	Prepared meat or offal of bovine animals	8 829 622	0.03%	246.89%
2	080719	Fresh melons (excluding watermelons)	6 365 970	0.02%	223.32%
3	150790	Soya-bean oil and its fractions	533 731 464	2.01%	218.34%
4	021099	Meat and edible offal	17 661 408	0.07%	210.65%
5	110319	Groats and meals of cereals (excluding wheat and maize)	25 954 966	0.10%	165.08%
6	040900	Natural honey	121 370 020	0.46%	155.57%
7	520300	Cotton, carded or combed	7 794 623	0.03%	139.56%
8	060220	Trees, shrubs and bushes, grafted or not of a kind which bear edible fruit or nut	7 285 098	0.03%	121.28%
9	160249	prepared or preserved meat and offal of swine	25 316 429	0.10%	104.01%
10	071350	Dried, shelled broad beans	179 782	0.00%	96.45%
11	520299	Cotton waste (excluding yarn waste, thread waste and garnetted stock)	35 783	0.00%	93.35%
12	071420	Sweet potatoes whether or not sliced	972 154	0.00%	93.27%
13	010290	Live bovine animals (excluding cattle and buffalo)	4 202 150	0.02%	92.54%
14	080232	Walnuts shelled (fresh or dried)	5 910 557	0.02%	88.99%
15	160510	Crab, prepared or preserved (excluding smoked)	1 734 274	0.01%	87.24%
16	151190	Palm oil and its fractions	332 723 374	1.25%	79.90%
17	220429	Wine of fresh grapes, incl. fortified wines in container >2L (excluding sparkling wine)	15 223 099	0.06%	78.93%
18	520532	Multiple "folded" or cabled cotton year, or uncombed fibres	760 227	0.00%	78.06%
19	030549	Smoked fish, incl. fillets	13 994 752	0.05%	75.72%
20	021020	The meat of bovine animal, salted, in brine, dried or smoked	812 650	0.00%	74.95%
Other agricultural exports			25 440 404 440	95.74%	-

Source: (Quantec, 2021)

### **Summary points**

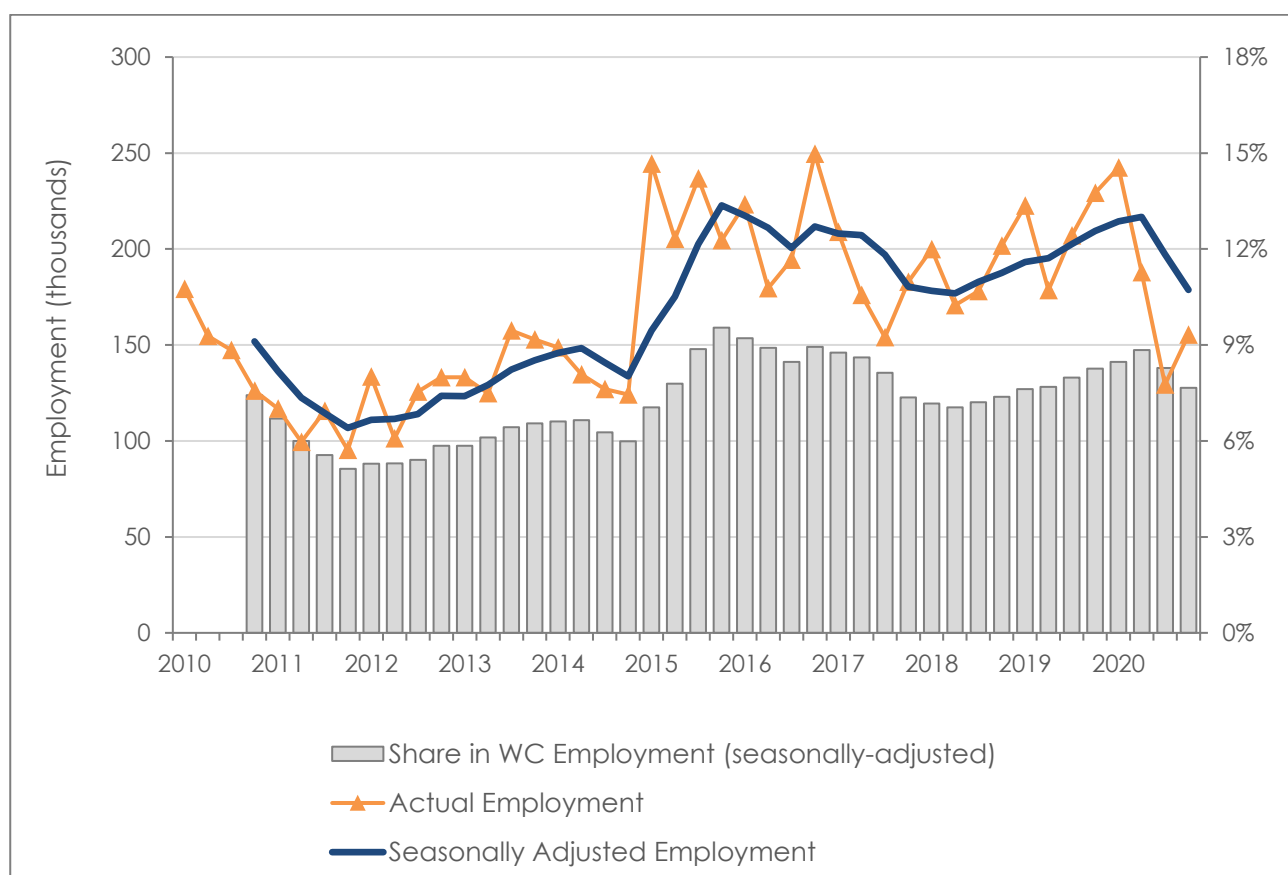
- WC is a net exporter of agricultural products and in 2020 agricultural exports totalled R45.8 billion, higher than the previous years and far higher than imports of R4.9 billion.
- The main three export destinations in 2020, were the Netherlands, the United Kingdom and Namibia. With a combined share of exports going to these regions at 35%.

- The share of WC agricultural exports to Africa remained at 19% in 2019 and 2020. Whereas in other regions it declined (e.g. Americas, Asia and Europe)
- Oranges export were in the first position accounting for 12% of all selected agricultural exports in value terms and grew by 49% compared in 2020. Followed by fresh grapes which fell from first place in 2019 to the second biggest export product in 2020.
-



## 6. AGRICULTURAL EMPLOYMENT

Figure 6.1 illustrates the seasonally adjusted employment numbers in the WC agricultural sector, measured by quarterly period moving averages. In 2020, the agricultural employment numbers decreased from 209 thousand to 178 thousand, showing a decline of 31 thousand jobs (-15% decrease). This also led to a decline in the agricultural sector's share in total WC employment, from 8.3% in 2019 to 7.7% in 2020.

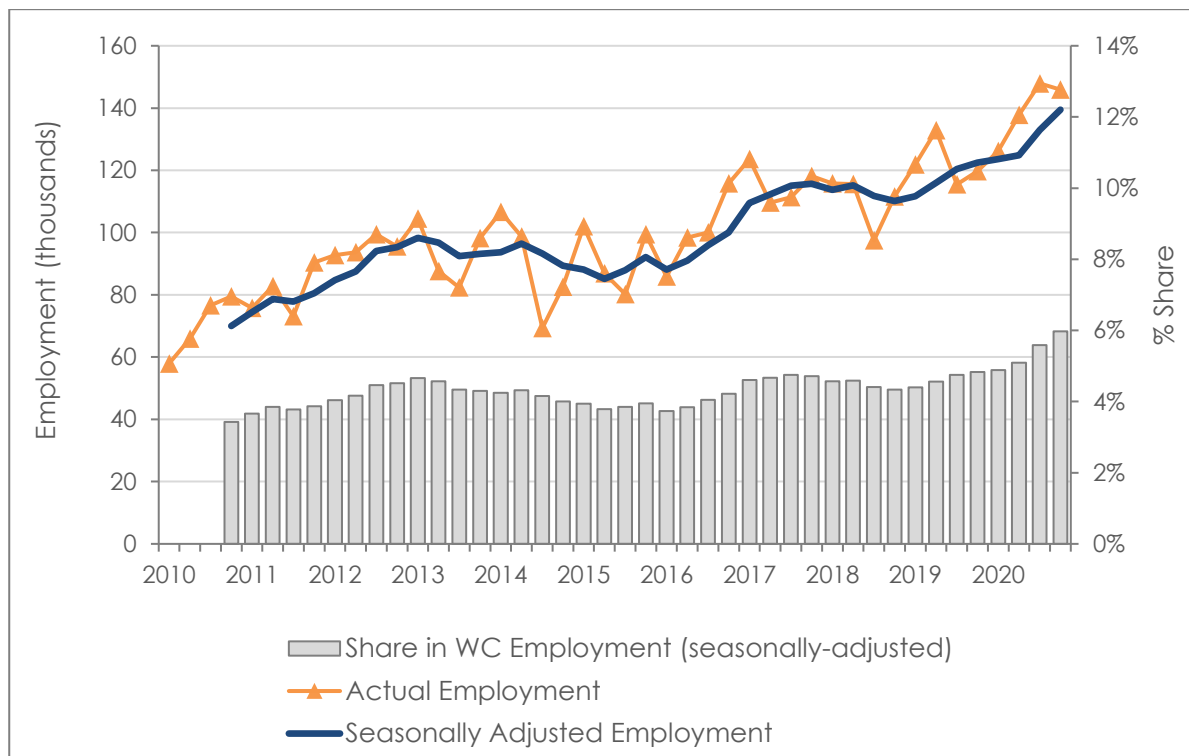


**Figure 6.1: WC Employment in Agriculture, 2010-2020**

Source: (Stats SA, 2021b)

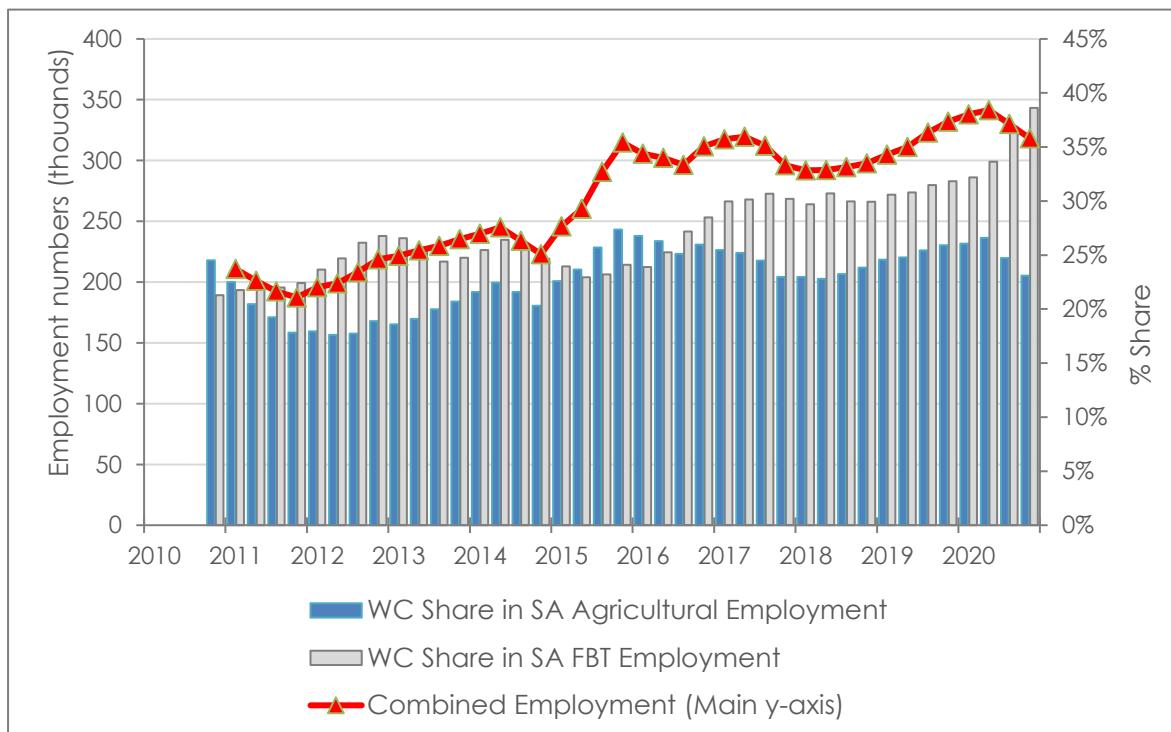
However, employment in the food, beverages and tobacco (FBT) sector increased in 2020. Seasonally adjusted employment in the sector, shown in Figure 6.2, increased from 122 thousand in 2019 to 139 thousand in 2020, an addition of 17 thousand jobs (13.9% increase). Again, this led to an increase in the share of the sector in total provincial employment, from 4.8% to 5.8%. The employment series in Figure 6.3, also illustrates the province's share of employment in the national agricultural and FBT sectors. An increase in FBT employment numbers was not sufficient to offset the number of job losses in primary agriculture, therefore, combined agricultural employment from the two sectors shows a decline of 4%. This is also reflected in the province share's contribution at the national level. In 2020, the WC's share

in national agricultural employment declined from 25.9% to 23.1%, and the province's share in national FBT employment significantly grew from 31.8% to 38.6%.



**Figure 6.2: Western Cape Employment in Food, Beverages & Tobacco (FBT) 2010-2020**

Source: (Stats SA, 2021b)



**Figure 6.3: WC Share in National Sectoral Employment (seasonally adj.), 2010-2020**

Source: (Stats SA, 2021b)

The overall decline in agricultural employment has a severe impact on the previously disadvantaged groups.

Table 6.4. In both the agricultural and FBT sectors, there was a decrease in employment of black<sup>2</sup> individuals bringing the share in the combined labour forces of the two sectors down from 93% to 84%. There was also a slight increase in the shares of both sectors' labour force made up of youth from 45% to 46% from 2019 to 2020. Whilst there was also a 0.2% decline in the share of the FBT labour force made up of women, significant losses in the agricultural sector meant that combined across the sectors, the female share in employment declined from 43% to 41%. Strong employment growth of 3.7% in the agricultural sector was realised for people living in rural areas.

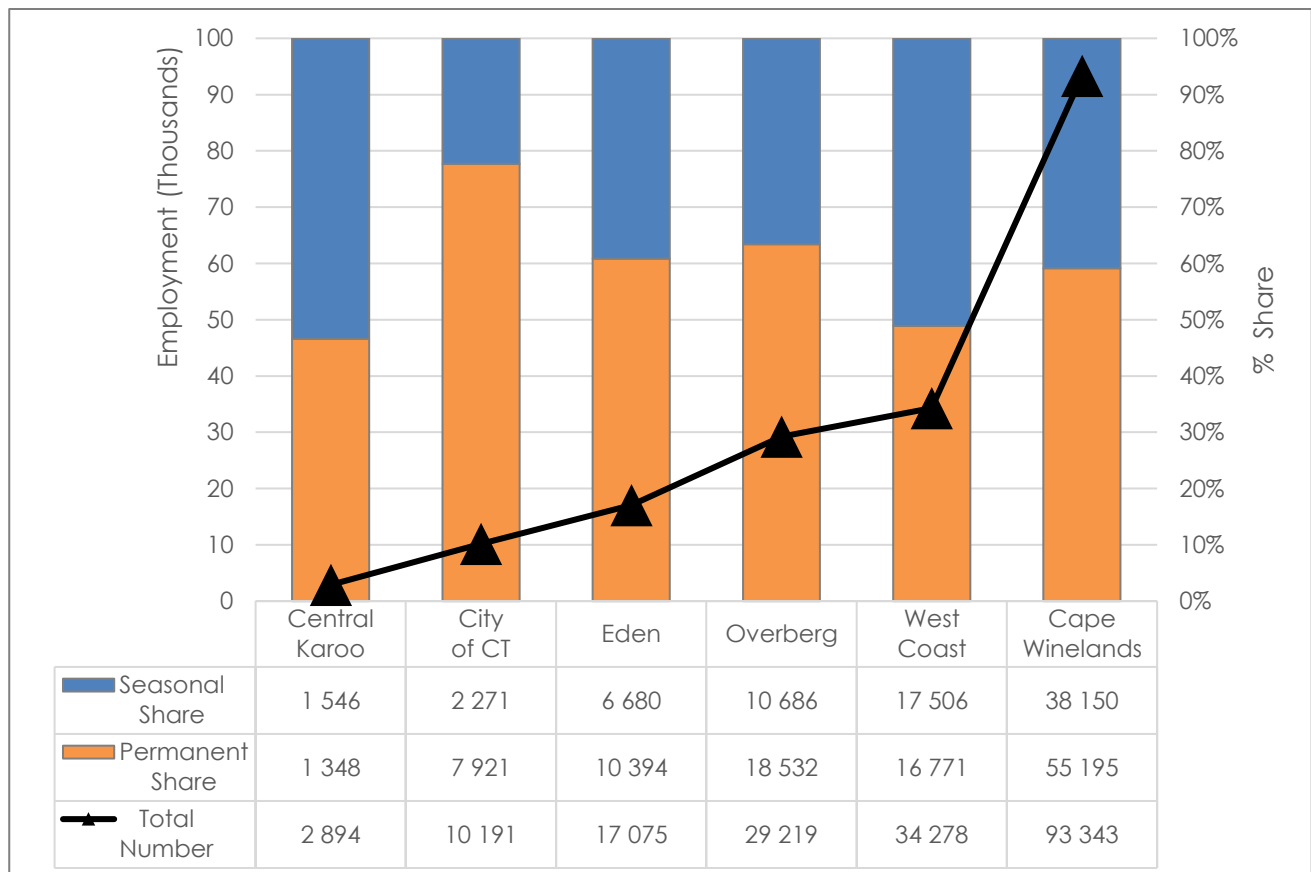
**Table 6.4: Demographics of Western Cape Agricultural Employment, 2019 vs 2020**

Sub-sector and year	Black	Female	Youth	Rural
<u>Agriculture</u>				
2019	93%	41%	45%	65%
2020	84%	37%	46%	69%
Relative Change	-9.1%	-3.6%	0.7%	3.7%
<u>Food, Beverages and Tobacco</u>				
2019	92%	47%	48%	1%
2020	85%	47%	44%	2%
Relative Change	-7.6%	-0.2%	-4.3%	1.2%
<u>Combined</u>				
2019	93%	43%	46%	42%
2020	84%	41%	45%	40%
Relative Change	-8.5%	-1.7%	-1.3%	-2.0%

Source: (Stats SA, 2021b)

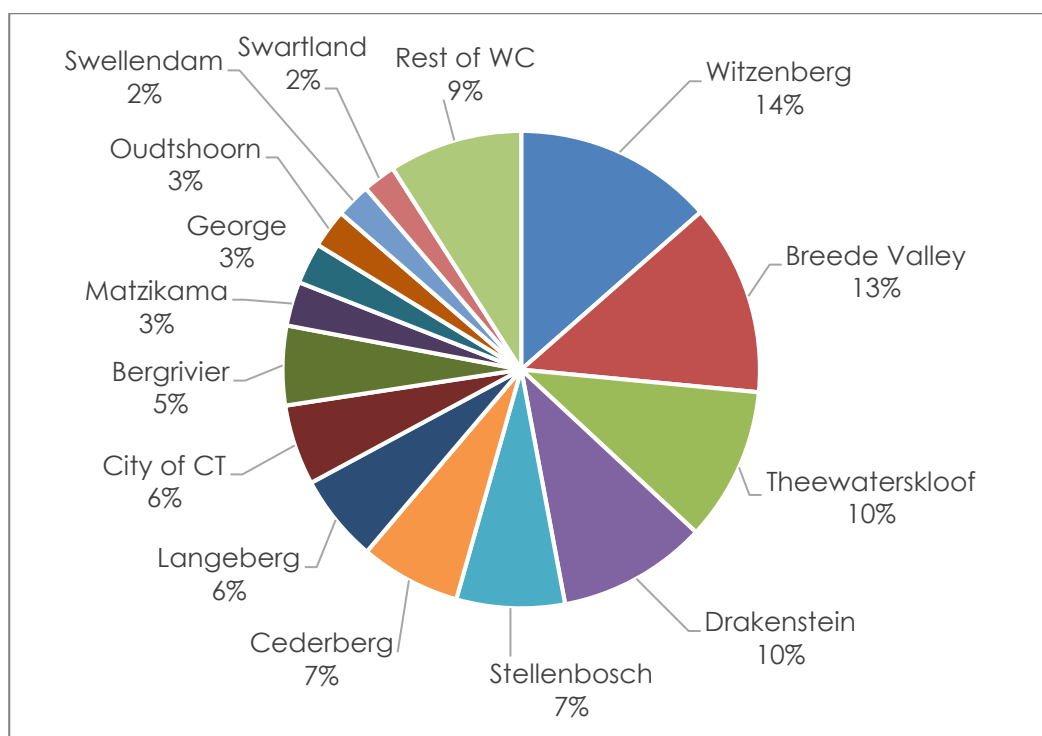
<sup>2</sup> "Black" is defined according to the Broad-Based Black Economic Empowerment (B-BBEE) Act of 2003 which states that "'black people' is a generic term which means Africans, Coloureds and Indians" (RSA Presidency, 2003, p. 4). The definition was amended in 2013 to include the qualification of being a South African citizen (RSA Presidency, 2014). The QLFS does not capture individuals' citizenship status so this analysis had to take the pre-amendment definition without the citizenship qualification

Figure 6.5 gives the breakdown of agricultural employees in the WC by district with the corresponding shares of employment being attributed to permanent full-time work and seasonal or part-time work. Almost half of all employees are located in the Cape Winelands District with the West Coast and Overberg districts combined accounting for an additional third. The share of seasonal or part-time employment varies across the districts from a low base of 22% for the City of Cape Town, to as much as 51% and 53% for the West Coast and Central Karoo respectively.



**Figure 6.5: Breakdown of Western Cape Commercial Agricultural Employees by District, 2017**  
Source: (Stats SA, 2020)

Looking deeper at the municipal breakdown of agricultural employment in the WC in Figure 6.6 reveals that Witzenberg is the municipality with the highest share of agricultural employment (14%), followed by Breede Valley (13%), both situated in the Cape Winelands District. The third biggest employer at the municipal level is Theewaterskloof in the Overberg District (10%).



**Figure 6.6: Breakdown of Western Cape Commercial Agricultural Employees by Municipality, 2017**

Source: (Stats SA, 2020)

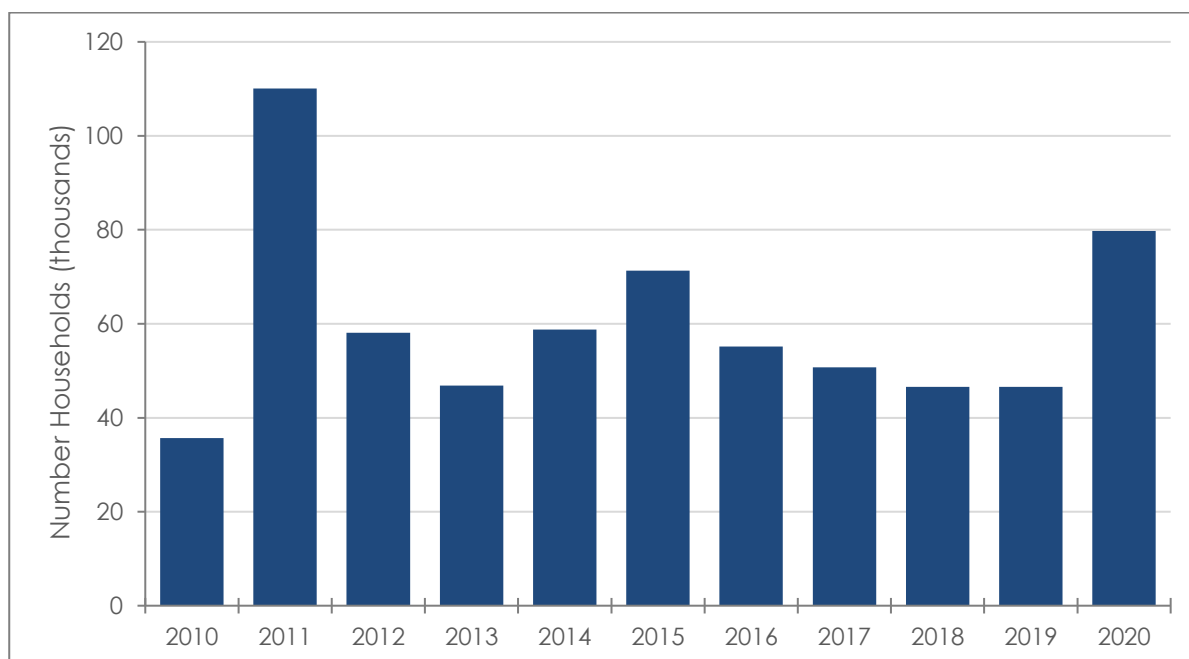
### **Summary points**

- Primary agriculture employment number declined by 15% (31 000) and the food, beverages and tobacco industries' employment went up by 14 % ( 17 thousand new jobs in 2020).
- There were decreases in the share of the combined agriculture and food, beverages and tobacco labour force attributable to black employees, females, the youth and rural dwellers.

## 7. SUBSISTENCE FARMING

Subsistence farming is an important part of livelihoods in both rural and urban areas, although rural dwellers are more reliant on it compared to their urban counterparts. Figure 7.1 shows the weighted number of households in the WC who were recorded as partaking in agricultural activities outside of paid employment for each year, between 2010 and 2020. Households, where agricultural activities were for leisure purposes only, were excluded so that the results show only those households farming for subsistence purposes or to sell their produce.

After four consecutive years of decline in the total number of households participating in non-commercial agricultural activities, 2020 saw an increase of 33 198 households. This is a significant increase of more than 71% to bring the total to 79 745. This is significantly higher than the number recorded ten years prior in 2010, 35 696, but still significantly below the 110 051 recorded in 2011.

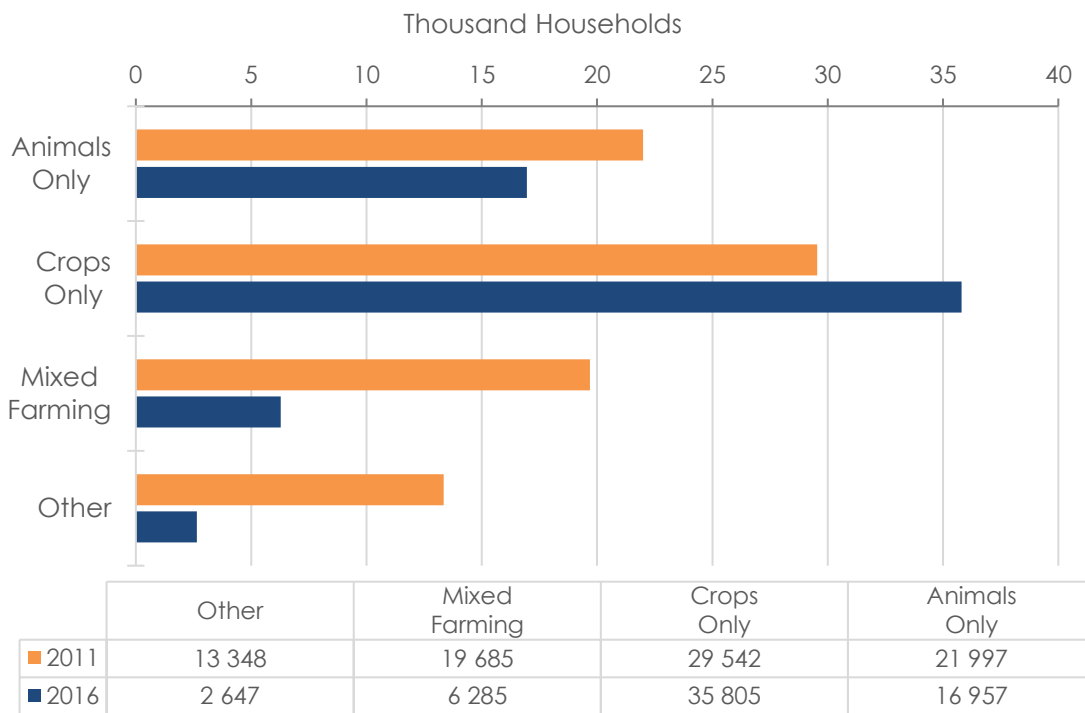


**Figure 7.1: Households Involved in Non-Commercial Agriculture, 2010-2020**

Source: (Stats SA, 2021)

When analysing Figure 7.1 above it is also important to consider the effect of the covid-19 pandemic and the good rainfall received since 2018, following the period of the drought and water restrictions. Figure 7.2 compares the number of households in 2011 and 2016 in each classification of specific agricultural activities undertaken. Over these five years, there has been a decline in the number of households only rearing animals and an increase in the number growing only crops. There was also a decline in the number of households that

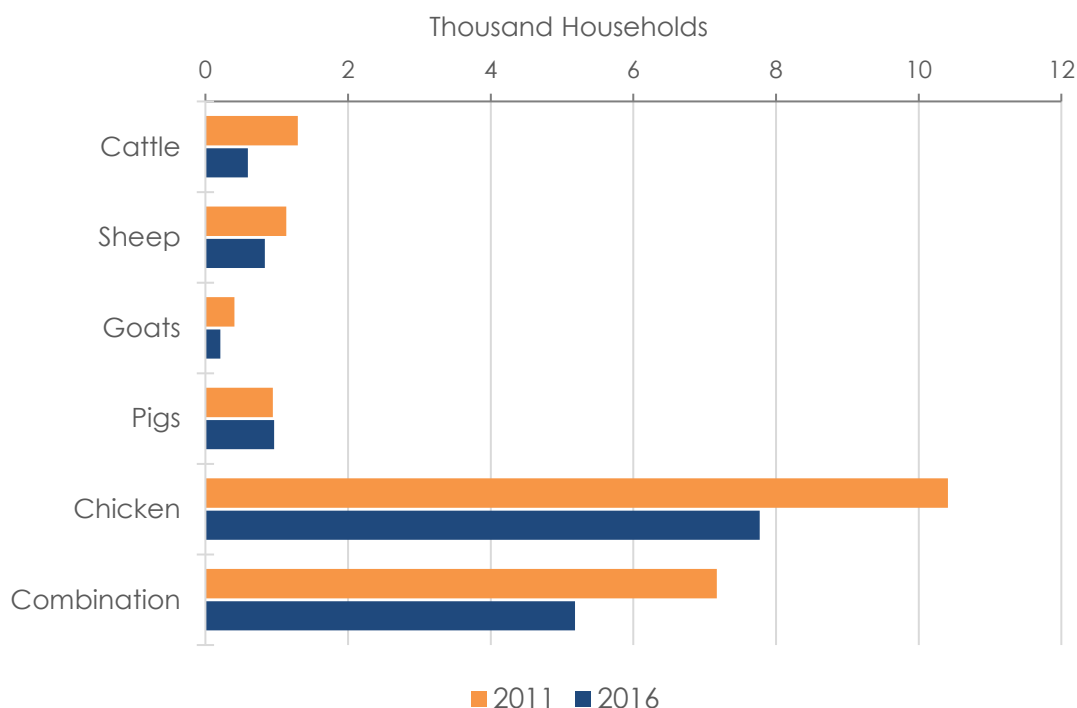
farmed with animals and grew crops, as well the number of households whose activities do not fall within one of the three aforementioned groups. In 2016, more than half (58%) of agricultural households in the province exclusively grew crops. This is a relative increase from a share of 35% in 2011.



**Figure 7.2: WC Agricultural Households by Activity, 2011 vs 2016**

Source: (Stats SA, 2016)

Focusing on livestock activities, broken down by type in Figure 7.3, the decline was almost uniformly felt across the different livestock options. Except for households farming pigs only, there was a very slight increase from 947 to 965 over the 5 years.



**Figure 7.3: WC Livestock Households by Livestock Type, 2011 vs 2016**

Source: (Stats SA, 2016)

The biggest net decline was in households rearing chickens which fell from 10 411 to 7 773 (a decline of 2 638 households). However, it should be noted that this is from a large base as even with this drop the share in total households with livestock stood at 50% in 2016. The biggest relative decline was in cattle farming where the drop from 1 294 to 597 households worked out to a drop of 54%. Whilst it is hard to pinpoint the exact reason for these changes the onset of the drought nationwide would be expected to play a role.

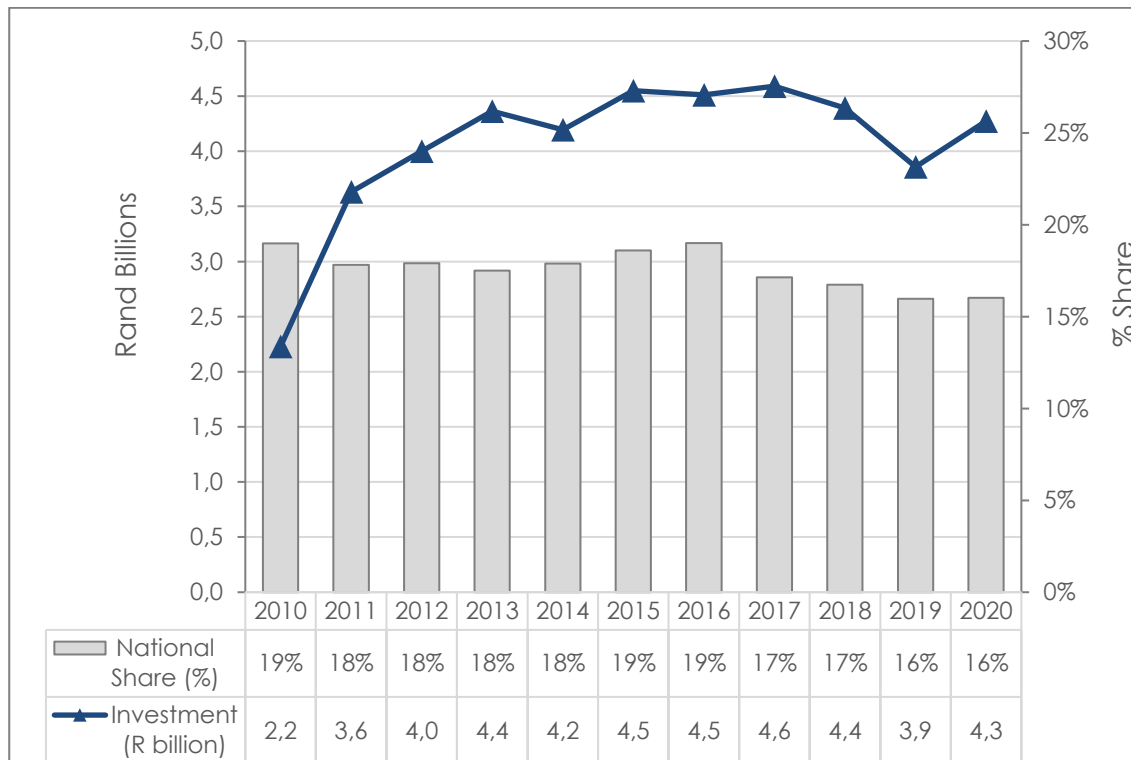
### **Summary points**

- Subsistence farming remains an important part of livelihoods in both rural and urban areas and in 2020 there was a significant increase of 33 198 households.
- This is an increase of more than 71% to bring the total to 79 745



## 8. INVESTMENT IN AGRICULTURE

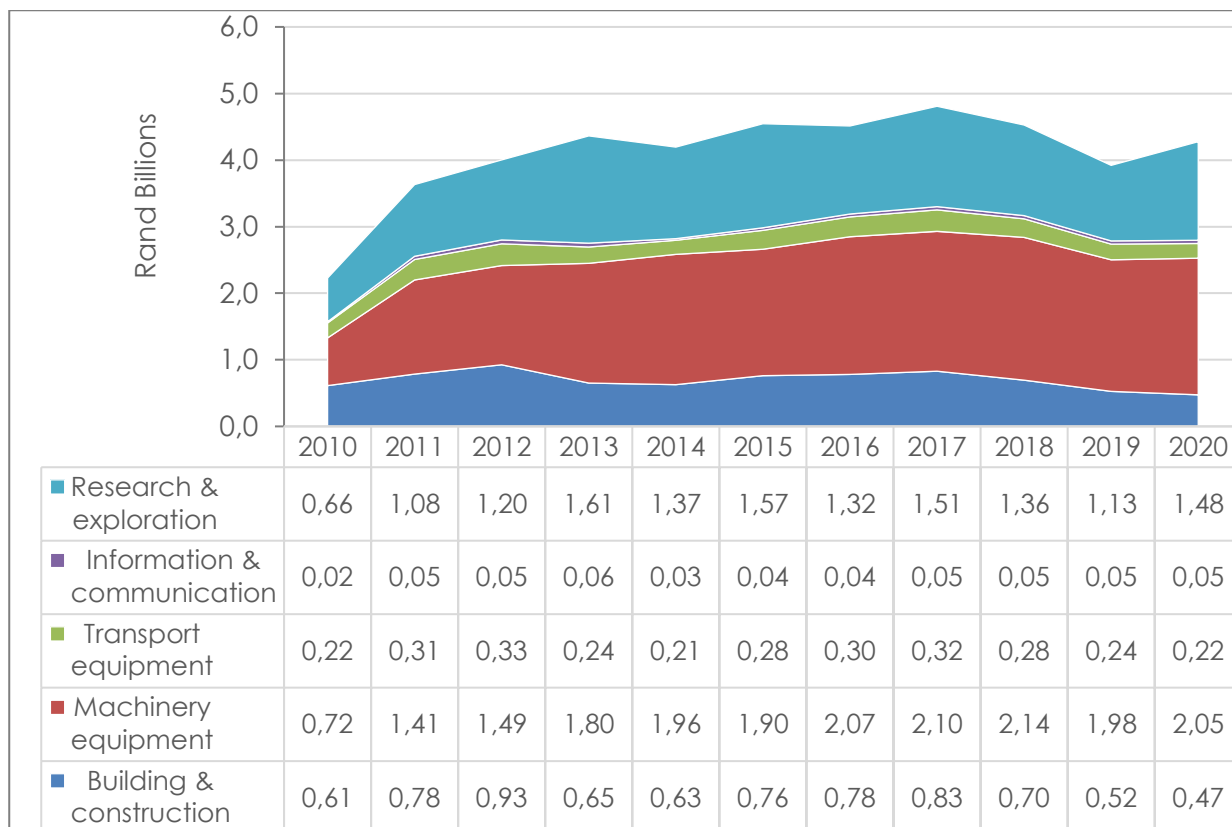
In real terms investment in the WC, agriculture went up by 10% to reach R4.3 billion in 2020 (Figure 7.1) and maintained a 16% share in national agricultural investment. This was down from the real equivalent of R3.9 billion in 2019 but lower than the R4.4 billion recorded in 2018.



**Figure 8.1: Real Investment (GFCF) in WC Agriculture (2015 prices), 2010-2020**

Source: (Quantec, 2021)

When investment in the sector is broken down by investment type as in Figure 8.2, there were increases across the board except for transport equipment and building & construction category where there was a real decline of 1.54% and - 9.5% respectively. The largest relative increase for the year was 36.45% in research and exploration in agriculture.



**Figure 8.2: Real Investment (GFCF) in WC Agriculture by Nature (2015 prices), 2010-2020**

Source: (Quantec, 2021)

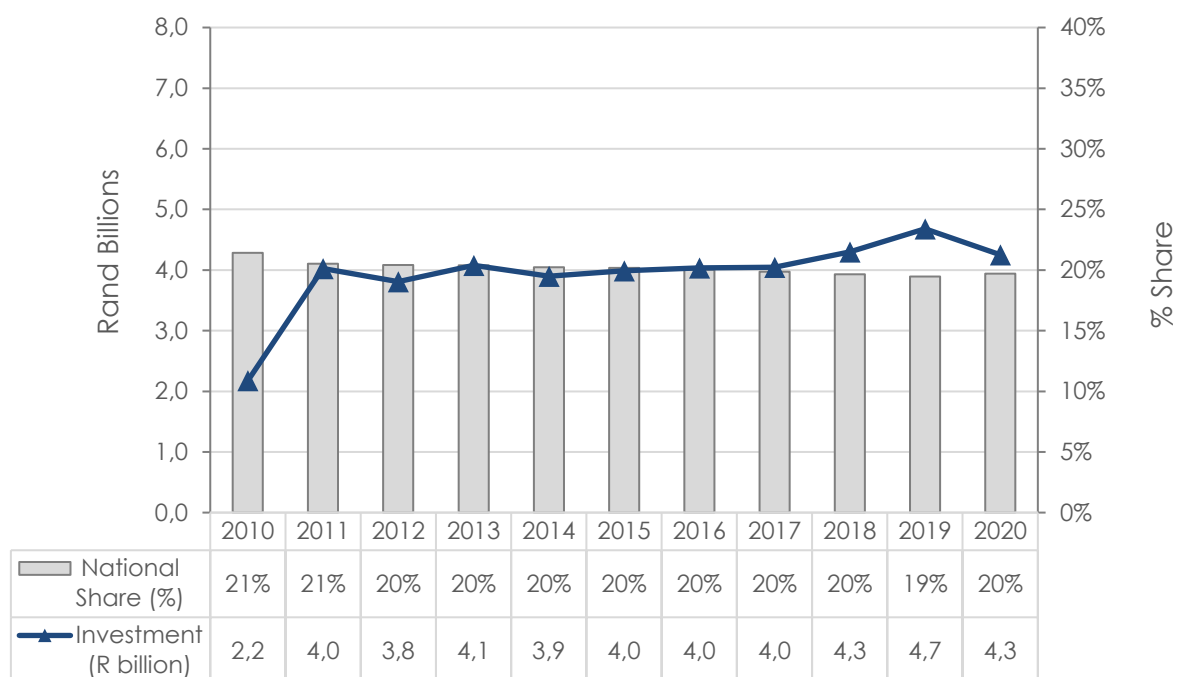
The municipal breakdown of agricultural investment in the WC is provided in Table 8.3. The majority of investment spending was in the Cape Winelands and the West Coast, accounting for 58.1% of the provincial total. Overall, the WC agricultural real investment grew at an annual average rate of 6.7% from 2010 to 2020. With noticeable growth in the City of Cape Town and West Coast districts 8.1% and 8.0% real annual growth per annum respectively.

**Table 8.3: Geography of Agricultural Investment (GDFI), 2010-2020**

Regions	2010		2019		2020		10y Annual Growth
	Rm	Share	Rm	Share	Rm	Share	
<b>City of Cape Town</b>	<b>356</b>	<b>16.0%</b>	697	18.1%	<b>773</b>	<b>18.1%</b>	<b>8.05%</b>
City of Cape Town	356	16.0%	697	18.1%	773	18.1%	8.05%
<b>West Coast</b>	<b>492</b>	<b>22.1%</b>	948	<b>24.6%</b>	<b>1 058</b>	<b>24.7%</b>	<b>7.96%</b>
Matzikama	103	4.6%	226	5.9%	<b>252</b>	5.9%	9.39%
Cederberg	87	3.9%	142	3.7%	<b>158</b>	3.7%	6.08%
Bergrivier	127	5.7%	241	6.3%	<b>270</b>	6.3%	7.85%
Saldanha Bay	27	1.2%	62	1.6%	<b>70</b>	1.6%	9.82%
Swartland	148	6.6%	277	7.2%	<b>308</b>	7.2%	7.63%
<b>Cape Winelands</b>	<b>1 324</b>	<b>59.4%</b>	1 290	<b>33.4%</b>	<b>1 427</b>	<b>33.4%</b>	<b>0.75%</b>
Witzenberg	171	7.7%	288	7.5%	<b>321</b>	7.5%	6.50%
Drakenstein	187	8.4%	313	8.1%	<b>346</b>	8.1%	6.36%
Stellenbosch	123	5.5%	189	4.9%	<b>207</b>	4.8%	5.36%
Breede Valley	193	8.7%	300	7.8%	<b>331</b>	7.7%	5.53%
Langeberg	130	5.8%	201	5.2%	<b>222</b>	5.2%	5.49%
<b>Overberg</b>	<b>262</b>	<b>11.8%</b>	405	<b>10.5%</b>	<b>445</b>	<b>10.4%</b>	<b>5.43%</b>
Theewaterskloof	172	7.7%	264	6.8%	<b>291</b>	6.8%	5.39%
Overstrand	26	1.2%	42	1.1%	<b>46</b>	1.1%	5.76%
Cape Agulhas	25	1.1%	38	1.0%	<b>42</b>	1.0%	5.49%
Swellendam	39	1.8%	60	1.6%	<b>66</b>	1.6%	5.36%
<b>Eden</b>	<b>252</b>	<b>11.3%</b>	412	<b>10.7%</b>	<b>454</b>	<b>10.6%</b>	<b>6.04%</b>
Kannaland	31	1.4%	47	1.2%	<b>52</b>	1.2%	5.46%
Hessequa	52	2.3%	78	2.0%	<b>85</b>	2.0%	5.03%
Mossel Bay	24	1.1%	37	1.0%	<b>41</b>	1.0%	5.59%
George	76	3.4%	129	3.3%	<b>143</b>	3.3%	6.46%
Oudtshoorn	44	2.0%	74	1.9%	<b>81</b>	1.9%	6.27%
Bitou	12	0.5%	23	0.6%	<b>25</b>	0.6%	7.66%
Knysna	13	0.6%	24	0.6%	<b>26</b>	0.6%	7.07%
<b>Central Karoo</b>	<b>62</b>	<b>2.8%</b>	<b>107</b>	<b>2.8%</b>	<b>118</b>	<b>2.8%</b>	<b>6.69%</b>
Laingsburg	14	0.6%	23	0.6%	<b>26</b>	0.6%	6.34%
Prince Albert	13	0.6%	24	0.6%	<b>26</b>	0.6%	7.08%
Beaufort West	35	1.6%	60	1.6%	<b>66</b>	1.5%	6.67%
<b>Western Cape</b>	<b>2 229</b>	<b>100%</b>	<b>3 859</b>	<b>100%</b>	<b>4 275</b>	<b>100%</b>	<b>6.73%</b>

Source: (Quantec, 2021)

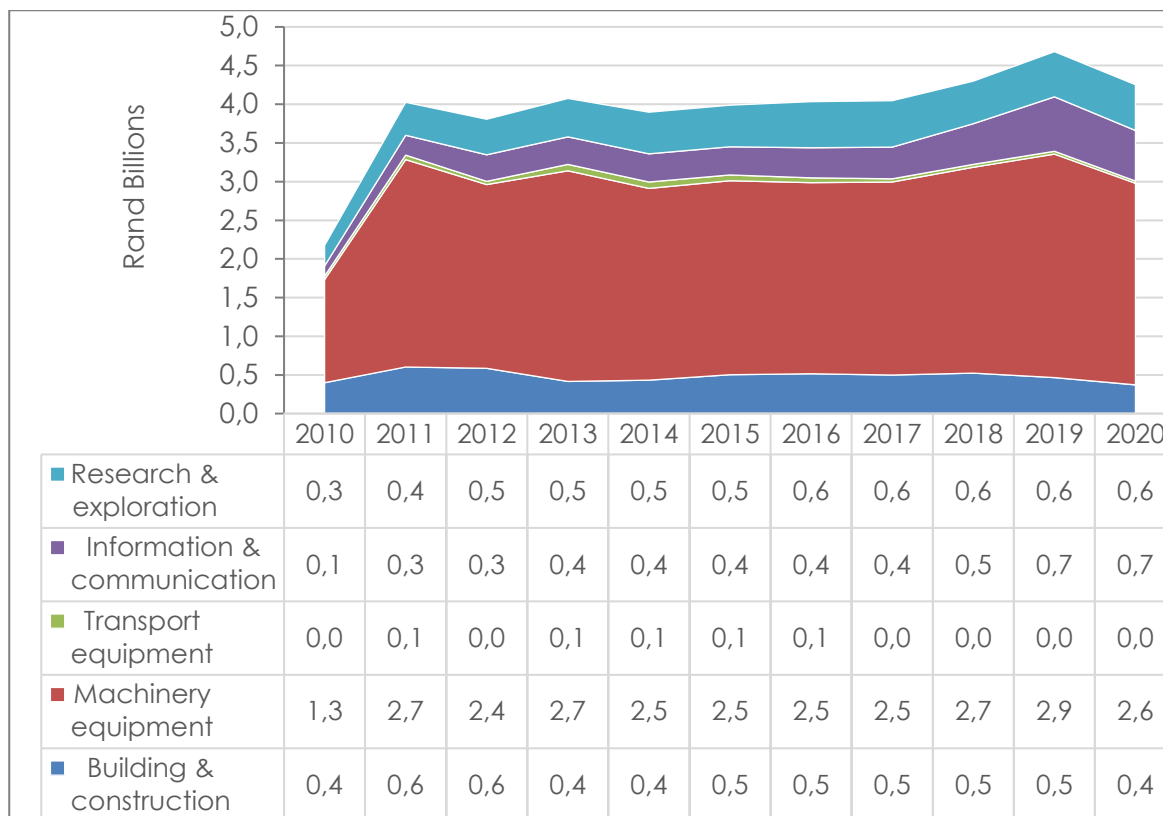
Real investment in the WC's FBT sector has declined by 9% in 2020 Figure 8.4. However, at the national level, the province's share contribution has bounced back to the 20% mark following a decline in 2019.



**Figure 8.4: Investment (GFCF) in Western Cape FBT and National Share, 2010-2020**

Source: (Quantec, 2021)

Figure 8.5 illustrates a decline in investment in the FBT sector with exception of Research and exploration which went up slightly by 0.97%. Investments in building and construction and machinery & equipment decreased in real terms by 20.3% and 1.5% respectively.



**Figure 8.5: Investment (GFCF) in Western Cape FBT by Nature, 2010-2020**

Source: (Quantec, 2021)

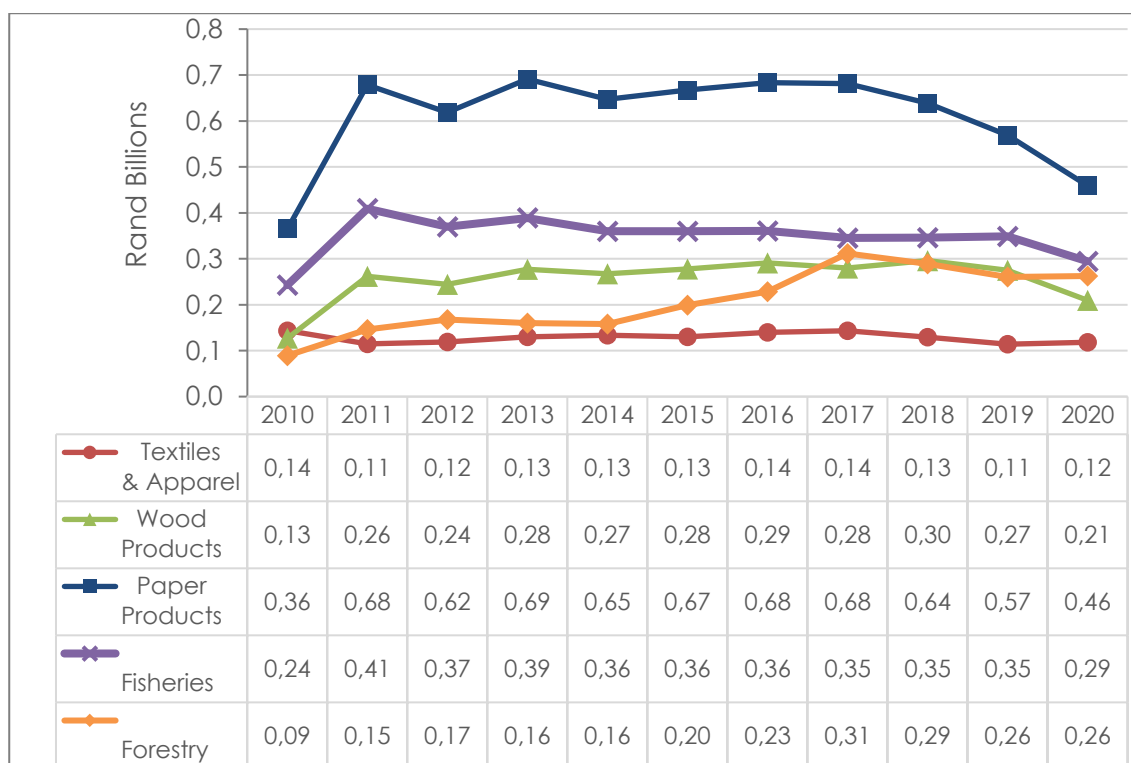
The geographic breakdown of FBT investment in the WC in Table 8.6 is in line with the distribution of products with a strong concentration in the City of Cape Town. Over the past decade, there has been a shift in the district shares of FBT investment away from the Cape Winelands in favour of the City of Cape Town, the West Coast and the Overberg.

**Table 8.6: Geography of FBT Investment (GDFI), 2010-2020**

	2010		2019		2020		10y Annual Growth
	Rm	Share	Rm	Share	Rm	Share	
<b>City of Cape Town</b>	<b>1 195</b>	<b>54.9%</b>	<b>2 849</b>	<b>58.3%</b>	<b>2 612</b>	<b>61.4%</b>	<b>8.14%</b>
City of Cape Town	1 195	54.9%	2 849	58.3%	2 612	61.4%	8.14%
<b>West Coast</b>	<b>272</b>	<b>12.5%</b>	<b>674</b>	<b>13.8%</b>	<b>618</b>	<b>14.5%</b>	<b>8.56%</b>
Matzikama	32	1.5%	60	1.2%	54	1.3%	5.41%
Cederberg	27	1.2%	73	1.5%	67	1.6%	9.62%
Bergrivier	37	1.7%	99	2.0%	90	2.1%	9.16%
Saldanha Bay	92	4.2%	217	4.4%	198	4.7%	7.95%
Swartland	83	3.8%	225	4.6%	208	4.9%	9.60%
<b>Cape Winelands</b>	<b>501</b>	<b>23.0%</b>	<b>684</b>	<b>14.0%</b>	<b>591</b>	<b>13.9%</b>	<b>1.67%</b>
Witzenberg	48	2.2%	95	2.0%	85	2.0%	5.86%
Drakenstein	177	8.1%	221	4.5%	190	4.5%	0.72%
Stellenbosch	142	6.5%	170	3.5%	144	3.4%	0.15%
Breede Valley	60	2.8%	105	2.1%	93	2.2%	4.50%
Langeberg	74	3.4%	93	1.9%	79	1.9%	0.65%
<b>Overberg</b>	<b>62</b>	<b>2.9%</b>	<b>158</b>	<b>3.2%</b>	<b>146</b>	<b>3.4%</b>	<b>8.91%</b>
Theewaterskloof	27	1.2%	68	1.4%	63	1.5%	8.77%
Overstrand	23	1.0%	52	1.1%	48	1.1%	7.75%
Cape Agulhas	6	0.3%	20	0.4%	19	0.4%	11.26%
Swellendam	6	0.3%	18	0.4%	16	0.4%	10.89%
<b>Eden</b>	<b>143</b>	<b>6.6%</b>	<b>308</b>	<b>6.3%</b>	<b>278</b>	<b>6.5%</b>	<b>6.88%</b>
Kannaland	11	0.5%	15	0.3%	13	0.3%	1.45%
Hessequa	9	0.4%	25	0.5%	23	0.5%	9.44%
Mossel Bay	25	1.2%	50	1.0%	44	1.0%	5.78%
George	61	2.8%	138	2.8%	125	2.9%	7.50%
Oudtshoorn	24	1.1%	49	1.0%	44	1.0%	6.31%
Bitou	4	0.2%	10	0.2%	9	0.2%	8.85%
Knysna	9	0.4%	22	0.4%	20	0.5%	8.62%
<b>Central Karoo</b>	<b>3</b>	<b>0.2%</b>	<b>7</b>	<b>0.1%</b>	<b>6</b>	<b>0.2%</b>	<b>6.73%</b>
Laingsburg	0	0.0%	0	0.0%	0	0.0%	4.57%
Prince Albert	1	0.0%	2	0.0%	2	0.0%	6.06%
Beaufort West	2	0.1%	5	0.1%	5	0.1%	7.04%
<b>Western Cape</b>	<b>2 176</b>	<b>100%</b>	<b>4 886</b>	<b>100%</b>	<b>4 252</b>	<b>100%</b>	<b>6.93%</b>

Source: (Quantec, 2021)

Several other industries are not exclusively agri processing but have elements that would be considered agri processing due to involving the transformation of agricultural products. Real investments into five of these sectors are provided in Figure 8.7. There were real increases in 2020 in investments in textiles and apparel (3.6%) and Forestry (0.94%). However, there were declines in wood products (23.90%); paper products (19.4%) and Fisheries (15.5%)



**Figure 8.7: Investment (GFCF) in WC Sectors with Connections to Agriculture, 2010-2020**  
Source: (Quantec, 2021)

### Summary points

- Investment in WC Agriculture increased in real terms in 2020 after declines in all types of investment aside from a significant increase in Research and Exploration, followed by Machinery & Equipment and Information & Communication.
- Most agricultural investments happen in the Cape Winelands, although there is convergence as the West Coast and City of Cape Town are catching up.
- After several years of decline, investment in food, beverages and tobacco fell in real terms for 2020 following positive growth in the previous year.

## 9. AGRICULTURAL INFRASTRUCTURE

Production infrastructure is concentrated in different areas based on agricultural production in the region. Looking at the breakdown of infrastructure by municipality in Table 9.1, it is clear that the Cape Winelands district is particularly well endowed in terms of infrastructure with the highest number of chicken batteries, homesteads, nurseries, piggeries and tunnels of all the districts.

**Table 9.1: WC Agricultural Production Infrastructure, 2017**

	City of CT	West Coast	Cape Winelands	Overberg	Eden	Central Karoo	WC Total
<b>Airfields</b>	7	39	21	20	16	26	129
<b>Chicken Batteries</b>	82	7	143	41	5	0	278
<b>Dams*</b>	1 154	3 159	4 494	4 857	6 215	2 613	22 492
<b>Feedlots</b>	4	7	5	11	18	6	51
<b>Homesteads</b>	1 201	9 191	13 958	6 315	3 697	3 159	37 521
<b>Nurseries</b>	30	17	64	26	8	2	147
<b>Piggeries</b>	8	18	31	7	3	1	68
<b>Shade Netting</b>	42	673	388	207	62	5	1 376
<b>Tunnels</b>	25	73	93	36	3	1	231

\* 2013 data used

Source: (WCDoA, 2018)

The West Coast is also well endowed with agricultural production infrastructure, particularly with regards to airfields and shade netting where the district's share in the provincial total stands at 30% and 49% respectively. Eden has the highest number of dams, largely due to the high number of dams in Hessequa and George municipalities, and the highest amount of feedlots.

Moving away from the infrastructure necessary for production to look at facilities where different agricultural products can be processed, Table 9.2 shows the number of various processing facilities at the district level. Again different facilities are concentrated in different areas depending on what is produced locally, highlighting how the development of agri processing facilities can aid in the development of local producers.

Once again, the Cape Winelands is very well set up with the highest number of pack houses, distilleries, fruit packers, cool chain facilities, olive cellars and unsurprisingly given the district name, wine cellars. The cellars have a particularly high concentration in the Cape Winelands which is home to 66% of the province's wine cellars and 66% of the province's



olive cellars. It should be noted that the facilities with high concentrations in the Cape Winelands are mostly aimed at processing fruit. The highest concentrated observed is in terms of tea processing facilities where 96% of all processing facilities are in the West Coast District. This is the only product with the highest concentration in the West Coast District. The City of Cape Town boasts the highest number of breweries (61%) and millers (42%). The Overberg has the highest number of silos (37%), although only slightly higher than Eden (30%). Eden itself has the highest number of crush pens/dip tanks (41%) and dairies (50%). The Central Karoo has the most abattoirs (25%), but again only slightly higher than Eden (20%).

**Table 9.2: WC Agricultural Processing Infrastructure (number), 2017**

	City of CT	West Coast	Cape Winelands	Overberg	Eden	Central Karoo	WC Total
<b>Abattoirs</b>	7	10	9	8	12	15	61
<b>Crush pens/Dip tanks</b>	65	426	162	372	975	381	2381
<b>Dairies</b>	23	35	41	118	215	0	432
<b>Pack houses</b>	5	135	294	176	39	34	683
<b>Silos</b>	5	15	8	34	28	2	92
<b>Brewery</b>	31	2	15	2	1	0	51
<b>Distillery</b>	2	0	5	1	1	0	9
<b>Fruit Packers</b>	3	37	115	36	1	1	193
<b>Cool Chain</b>	36	32	66	36	1	1	172
<b>Millers</b>	10	3	7	2	2	0	24
<b>Olive Cellar</b>	6	3	42	6	2	5	64
<b>Wine Cellar</b>	54	24	309	64	13	3	467
<b>Tea Processing</b>	0	72	1	1	1	0	75
<b>Other Facilities</b>	94	32	37	36	19	4	222

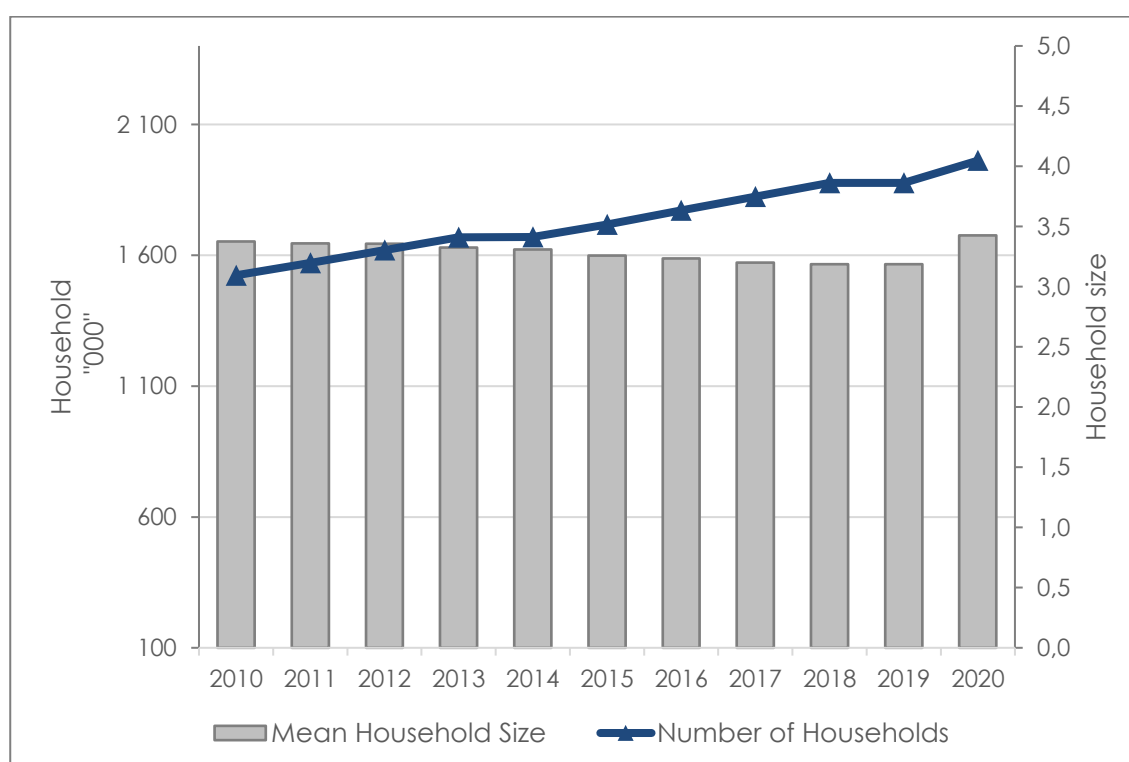
Source: (WCDoA, 2018)

### **Summary points**

- The Cape Winelands District is well endowed with agricultural production infrastructure when compared to other districts in the WC. It has the highest number of chicken batteries, homesteads, nurseries, piggeries and tunnels of all the districts.
- The Cape Winelands District is also the best endowed in terms of processing infrastructure with the highest of pack-houses, distilleries, fruit packers, cool chain facilities, olive cellars and unsurprisingly given the district name, wine cellars.

## 10. DOMESTIC MARKET

The number of households in the WC has increased as the population has expanded (see Section 1: Overview of the Western Cape). Figure 10.1 shows the number of households and average household size between 2010 and 2020 in the WC. In 2020, there was a recorded 1.96 million households in the province. The increase from only 1.5 million households in 2010 implies that each year on average an additional 43 815 households are added to the province. Between 2019 and 2020 there were an additional 84 571 households added. As the number of households has been increasing in the province, there has been a slight decline in the average household size from 2010 to 2019, but in 2020 there was a light increase. The data shows a trend in 2020 with the average household size increasing from 3.19 in 2018 to 3.43.

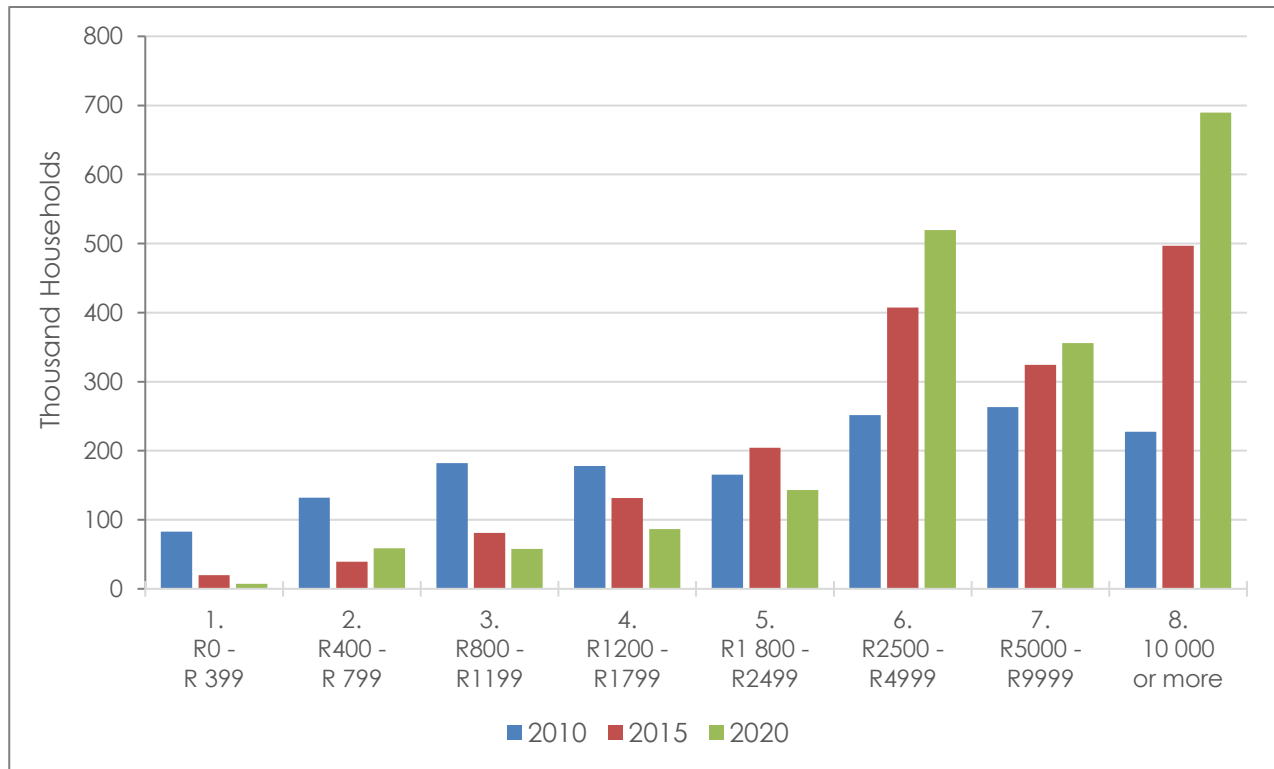


**Figure 10.1: Number of Households and Average Household Size, 2010-2020**

Source (Stats SA, 2021)

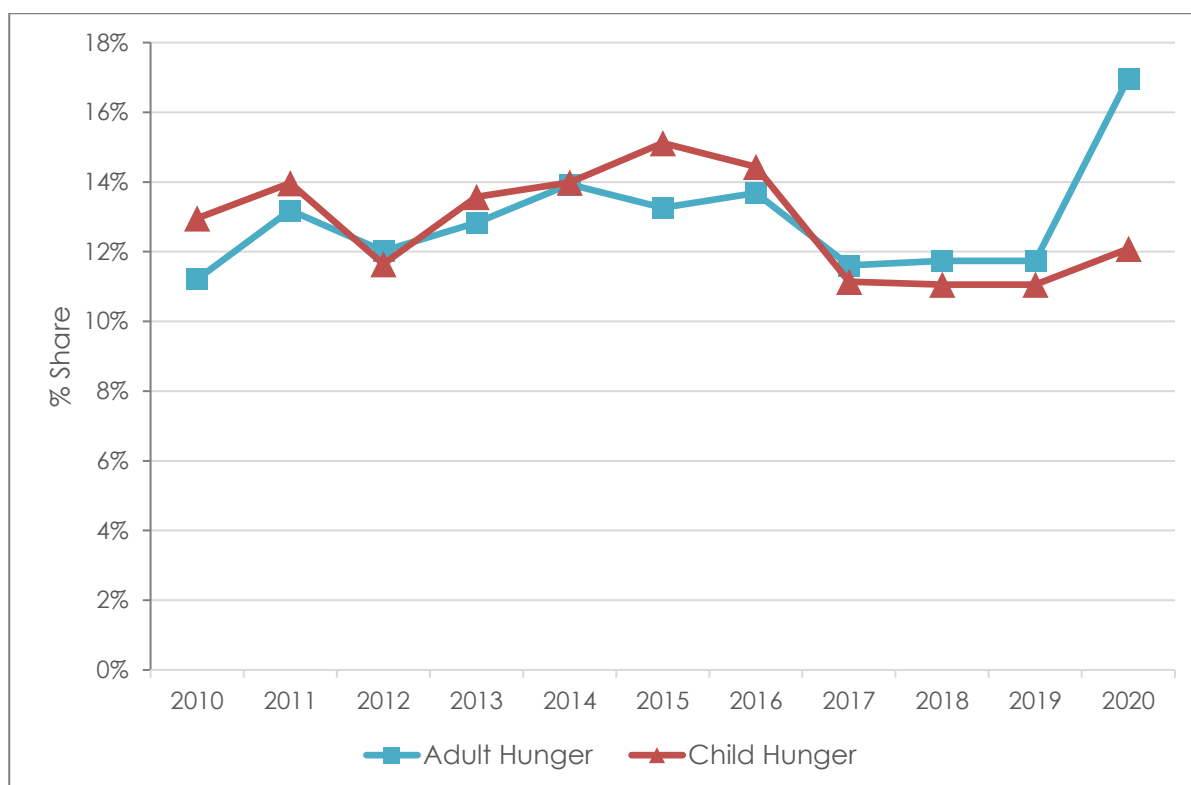
Figure 10.2 shows the number of households by their expenditure bracket for 2010, 2015 and 2020. Due to the data only being provided in brackets, no conversion could be made with regards to inflation so values reflect nominal monetary values and thus some upward movement is expected. However, this is still a positive sign of avoiding the very undesirable case where poor households are not able to increase their incomes as inflation causes prices to rise.

From a food security perspective, the proportion of the WC population experiencing self-reported hunger at least sometimes had been on the rise from 2008 up until 2014/2015 when it appeared to peak and then begin to decline (Partridge, et al., 2019). However, as indicated in Figure 9.3, the population experiencing adult or child hunger either “sometimes”, “often” or “always”, has sharply increased in 2020. Adult hunger increased from 11.74% in 2019 to 16.98% in 2020 and child hunger also increased in the same period from 11.06% to 12.09% respectively.



**Figure.10.2: Monthly Household Expenditure, 2010, 2015 & 2020**

Source (Stats SA, 2021)

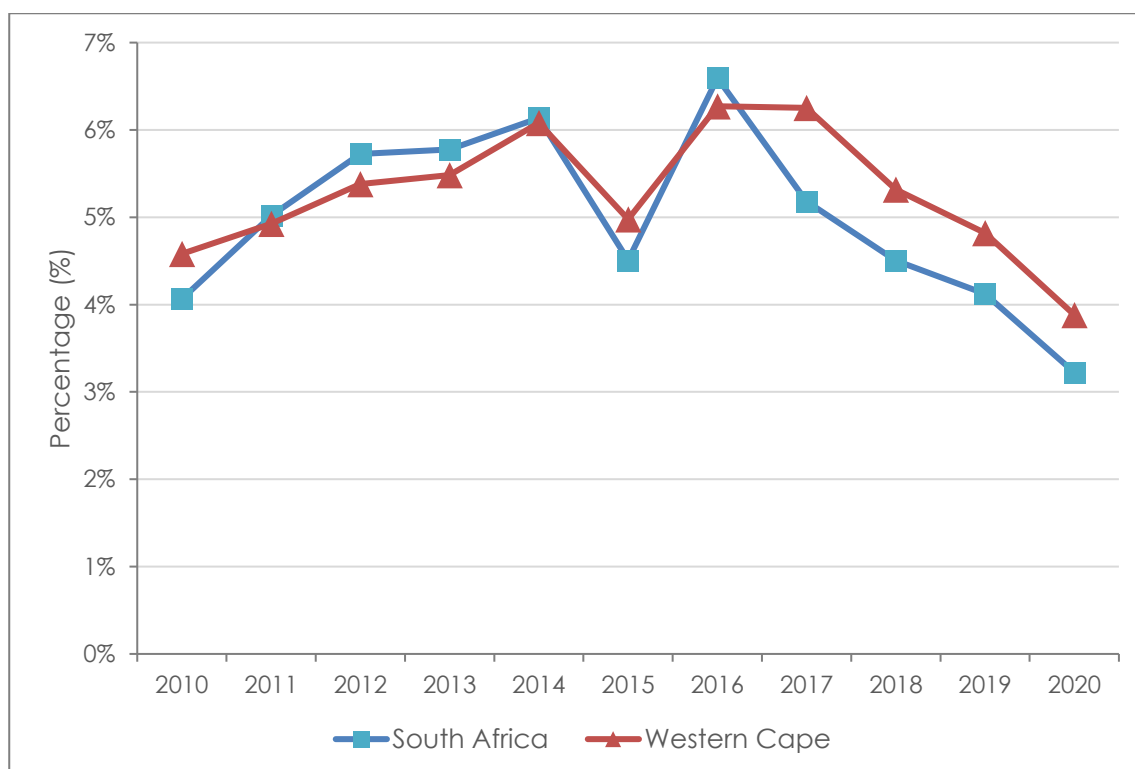


**Figure 10.3: Prevalence of Hunger in the Western Cape, 2010-2020**

Source (Stats SA, 2021)

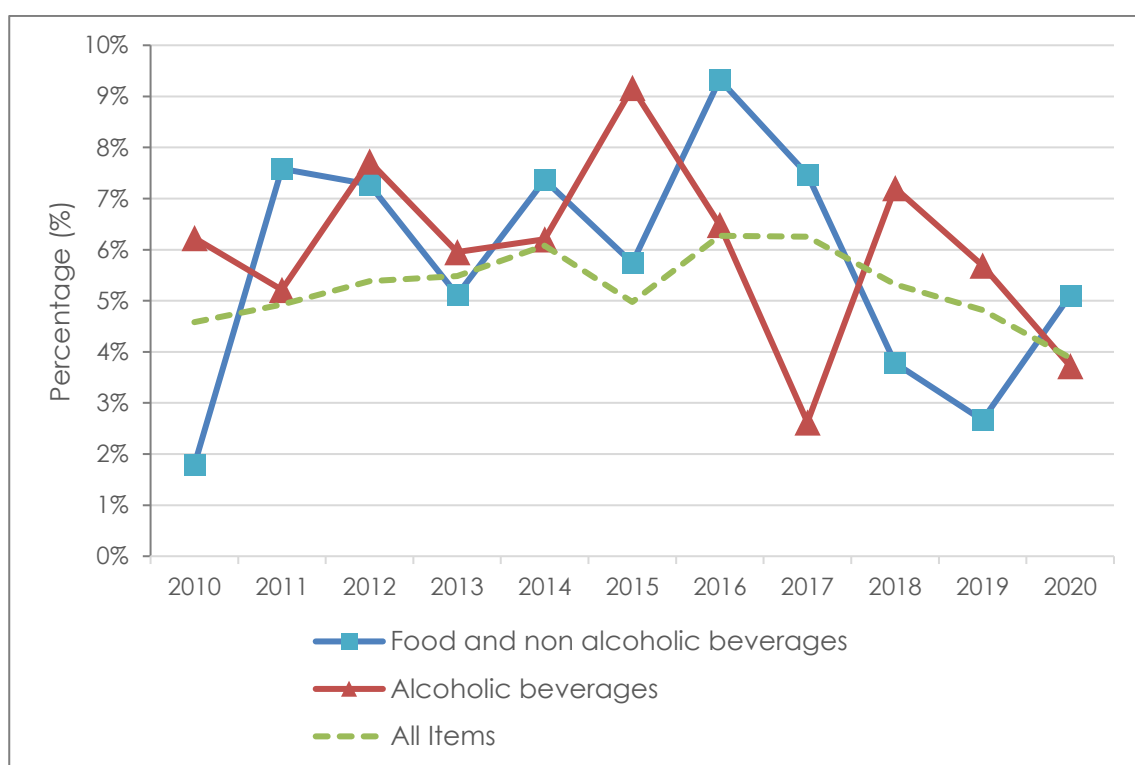
The WC inflation has moved along with national inflation over the past decade, as evident from the two overlaid series in Figure 10.4. There has been a slight divergence since 2016 with WC inflation exceeding national inflation for the past four years. In 2020, national inflation stood at 3.2%, whereas inflation for the WC stood at 3.88%. This could be determined by several factors ranging from global commodity prices, oil prices, increasing input costs and trading currency in the global market. Another factor could be the change in methods used by StatsSA in rebasing the indexes used to capture the CPI values. A Covid-19 impact on the average prices cannot be overemphasised. From 2015, both the national and provincial headline inflation showed a declining trend towards 2020.

Inflation for food and non-alcoholic beverages in 2020 was at 5.11%, significantly higher than both the national and provincial headline inflation reported below (see Figure 10.5). The average price of alcoholic beverages increased by 3.72% in 2020, lower than headline inflation and less than the 5.69% recorded in 2019. Both inflation series is shown in Figure 10.5.



**Figure 10.4: National and Provincial Inflation (CPI), 2010-2020**

Source: (Stats SA, 2021c)



**Figure 10.5: WC Food and Beverage Inflation (CPI), 2010-2020**

Source: (Stats SA, 2021c)

Observing the market price performance of the selected agricultural products, Table 10.6 reveals a significant amount of volatility in prices with large increases and decreases in

prices common at the commodity level. The prices provide average costs, calculated using weekly price data with linear interpolation. In 2020, there were particularly large average price increases for onions (96.4%), strawberries (17.7%) and peaches (14.8%) among others. A slight price drop in 2020 was observed for lemons (-4.6% to -3.7%).

**Table 10.6: Market Price Performance of Select Agricultural Products, 2016-2020**

	Annual % Change in Average Prices					5 Year Average
	2016	2017	2018	2019	2020	
WC CPI: Headline	6.3%	6.3%	5.3%	4.8%	3.9%	5.3%
WC CPI: Food & Beverages	9.3%	7.5%	3.8%	2.7%	5.1%	5.7%
Beef: Class A2/A3	4.3%	10.4%	20.6%	1.7%	4.5%	8.1%
Beef: Class AB2/AB3	6.6%	12.1%	22.8%	2.2%	5.2%	9.5%
Beef: Class B2/B3	7.6%	11.8%	24.2%	3.4%	5.8%	10.3%
Beef: Class C2/C3	11.0%	10.7%	28.9%	3.7%	3.6%	11.2%
Mutton: Class A2/A3	8.0%	9.5%	22.4%	1.9%	10.6%	10.3%
Mutton: Class AB2/AB3	7.4%	9.2%	22.3%	3.1%	3.6%	8.9%
Mutton: Class B2/B3	8.2%	11.9%	21.4%	10.3%	1.0%	10.3%
Mutton: Class C2/C3	10.3%	9.1%	22.9%	5.3%	6.3%	10.6%
Pork: Bacon	5.9%	6.7%	13.4%	-12.3%	4.9%	3.3%
Pork: Pork	10.4%	3.1%	11.4%	-7.6%	4.1%	4.1%
Pork: Sausage	10.3%	-6.1%	24.2%	-8.7%	21.3%	7.4%
Pork: Average	6.3%	6.8%	13.0%	-11.6%	11.6%	4.8%
Poultry: Frozen Class A	4.2%	0.3%	18.1%	0.0%	-0.5%	4.2%
Poultry: Fresh	15.8%	0.8%	16.0%	0.2%	-3.3%	5.6%
Wheat: Kansas City (Winter)	-9.2%	-0.8%	-9.7%	13.1%	34.9%	4.4%
Wheat: Minneapolis (Spring)	-9.2%	-0.8%	-9.7%	12.8%	35.3%	4.4%
Wheat: Safex	3.1%	10.1%	-5.1%	-4.7%	28.0%	5.6%
Lemons	0.2%	-5.7%	-2.4%	-5.7%	-4.6%	<b>-3.7%</b>
Oranges	-20.5%	66.4%	10.0%	-17.9%	14.4%	6.5%
Naartjies	12.6%	3.1%	1.9%	-19.0%	31.5%	4.8%
Apples	-9.6%	7.5%	1.2%	18.8%	-1.1%	2.9%
Pears	11.8%	2.9%	-7.9%	11.2%	9.1%	5.1%
Plums	-1.9%	70.6%	-26.7%	-3.6%	27.5%	8.6%
Peaches	28.9%	21.0%	-6.1%	16.0%	17.6%	<b>14.8%</b>
Strawberries	45.9%	21.9%	29.4%	-9.9%	8.8%	<b>17.7%</b>
Table Grapes	86.6%	33.8%	12.6%	-21.3%	-2.5%	<b>16.6%</b>
Onions	1475.1%	94.3%	-37.3%	30.4%	16.8%	<b>96.4%</b>
Potatoes	-19.8%	73.2%	-26.5%	7.3%	24.9%	6.5%
Tomatoes	3.5%	-3.2%	-0.9%	11.4%	2.0%	2.4%

**Source:** (WCDoA, 2021c)

### **Summary points**

- The number of households in the WC has increased as the population has expanded.
- The proportion of the WC population experiencing hunger has sharply increased in 2020.
- In 2020, national inflation stood at 3.22%, whereas inflation for the WC stood at 3.88%.

## 11. AGRI TOURISM

Table 10.1 shows the geographic spread of agritourism activities in the WC. For more general outdoor activities there is quite an even spread across the districts. These activities would include birding, camping, ecotourism, fishing, hiking and mountain biking. The exception is the City of Cape Town, where aside from ecotourism, there are far fewer of these general activities.

**Table 11.1: WC Agri Tourism Enterprises (number), 2017**

	City of Cape Town	West Coast	Cape Winelands	Overberg	Eden	Central Karoo	WC Total
<b>4x4 Facilities</b>	5	32	19	15	28	48	147
<b>Accommodation</b>	51	162	443	221	145	129	1151
<b>Birding</b>	4	49	44	38	26	49	210
<b>Breweries</b>	17	7	26	8	0	1	59
<b>Camping</b>	11	66	42	30	29	34	212
<b>Cellars &amp; Wine Shops</b>	16	5	109	20	4	3	157
<b>Conference &amp; Functions</b>	53	42	256	82	27	22	482
<b>Ecotourism</b>	24	38	47	43	41	53	246
<b>Farm Market</b>	9	7	21	15	3	1	56
<b>Farm Stall</b>	4	19	54	23	23	12	135
<b>Fishing</b>	10	34	50	45	29	23	191
<b>Hiking</b>	26	90	108	121	55	72	472
<b>Horse Riding</b>	8	10	55	24	17	22	136
<b>Mountain Bike</b>	13	49	89	89	45	55	340
<b>Ostrich</b>	2	0	4	0	3	0	9
<b>Picnics</b>	20	37	126	48	31	73	335
<b>Quad Bike</b>	2	10	13	13	8	17	63
<b>Restaurant</b>	53	42	256	82	27	22	482

Source: (WCDa, 2018)

The Cape Winelands has the highest district share in terms of numbers for 13 out of the 18 activities. The highest concentrations were for cellars and wine shops (69%), conference functions (53%) and restaurants (53%). The Central Karoo has the highest for four of the five remaining activities with a particularly high concentration in terms of 4x4 facilities (33%). The only activity where the highest concentration is not Cape Winelands or Central Karoo is



camping where the West Coast has the highest share (31%). It should be noted, however, that the West Coast also has the joint highest number of birding facilities with the Central Karoo (each 23%) and that the Overberg has the joint highest mountain bike trails with the Cape Winelands (26%).

### **Summary points**

- The Cape Winelands generally appear to have the highest amount of agri-tourism activities, especially concerning cellars and wine shops, conference functions and restaurants
- The West Coast is popular for camping and birding, the Overberg is popular for mountain biking.

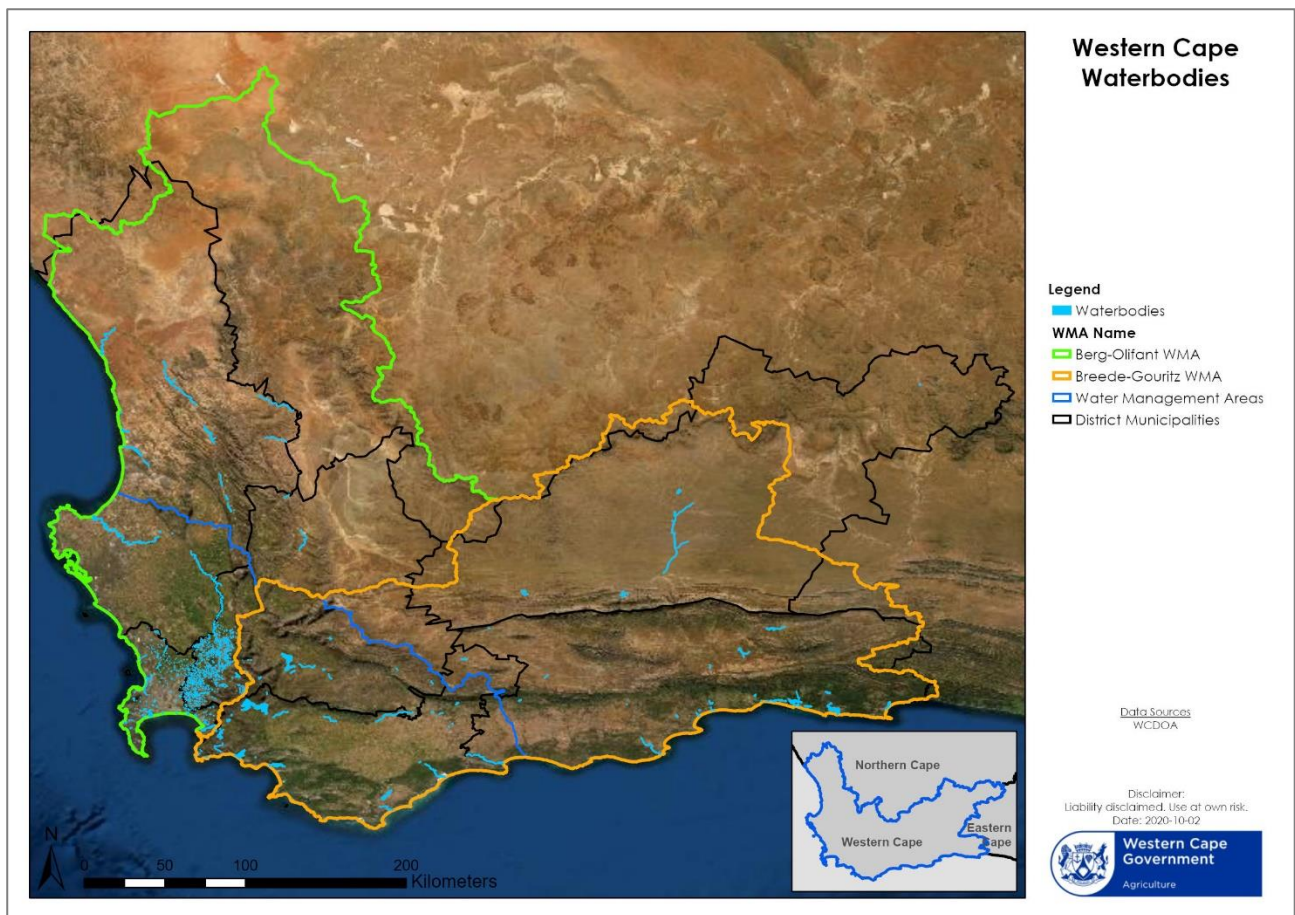
## 12. WATER

This section of the report provides an update on major Water Management Areas (CMAs) in the WC, the status of dam levels, water allocations, raw water tariffs and inspection status of various dams in the province.

Water is a critical natural input in agriculture and has become an increasingly scarce resource. Water resource drives economic growth and supports healthy ecosystems (World Bank, 2021; Adams, et al., 2018). The lack or poor management of water resources poses a major risk to economic growth, fighting poverty and sustainable development, especially if factors such as pollution, gaps in access to basic water supply and sanitation and increasing rainfall variability exist (World Bank, 2022). In 2018, the reliability of water supply and sanitation services per province were given in percentages and the WC ranked the highest with 87%, followed by Gauteng 85%, Free State (FS) 73%, and Northern Cape (NC) with 72% (DWS, 2020).

There are nine Water Catchment Management Areas (CMAs) in the country, and the four located in the WC Province are the Gouritz, Breede, Berg and Olifants Water Management Areas (WMA's). These are shown in Figure 12.1, along with the freshwater bodies inland. The Breede and Gouritz (Breede-Gouritz) WMAs have a full total supply capacity of 1 318.07 million cubic metres (Mm<sup>3</sup>) and the Berg-Olifants WMAs another 43.95 Mm<sup>3</sup> (DWS, 2020). Water bodies (e.g. rivers, wetlands etc.) are an important part of the agro-ecosystems.

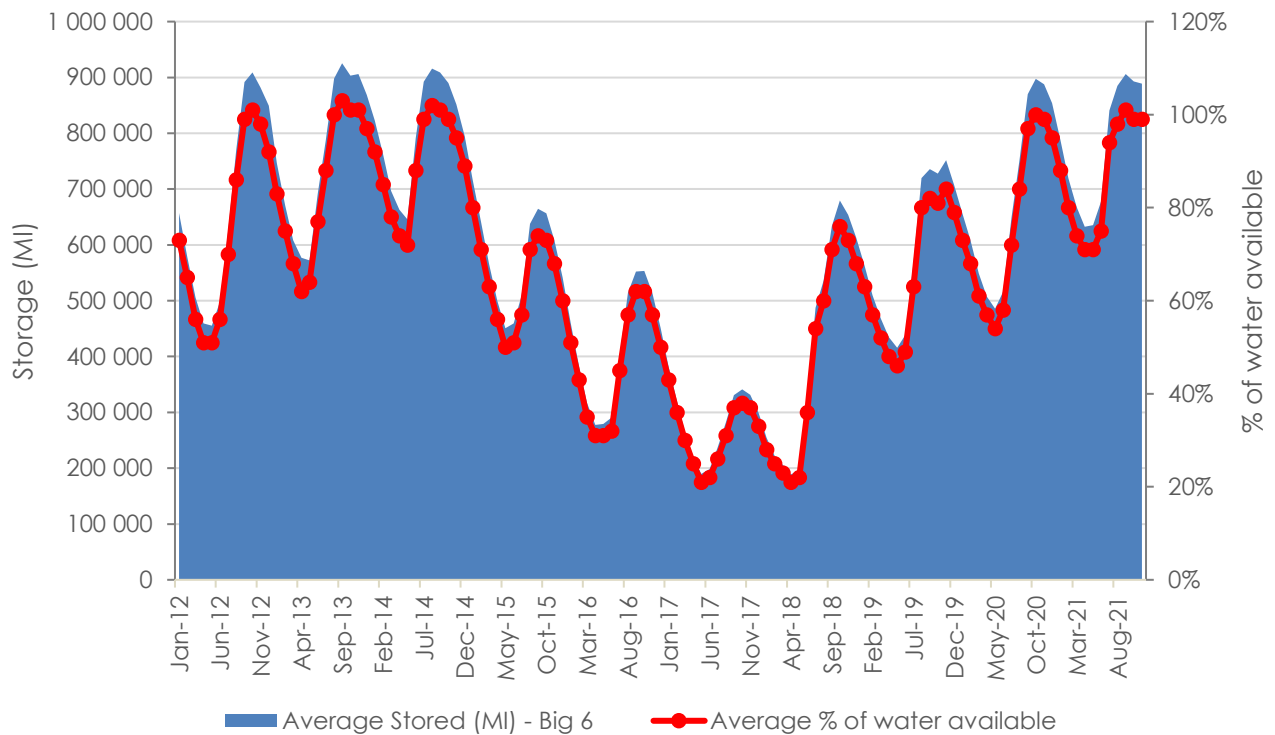
A large amount of water in the WC is supplied through the Western Cape Water Supply System (WCWSS). This infrastructure is an "integrated and collectively managed system of dams, pumps stations, pipelines and tunnels" (City of Cape Town, 2018, p. 15). The WCWSS also transfers water between dams and catchment systems. Regions supplied through the WCWSS include the City of Cape Town, Overberg, Boland, West Coast and Swartland. Domestic and industrial use accounts for 72% (390m<sup>3</sup> million) of annual water allocations from the WCWSS, 89% of which is for the City of Cape Town (347m<sup>3</sup> million). Going forward it is expected that the water allocations for the City of Cape Town will need to increase, whereas allocations for agricultural use, currently 186m<sup>3</sup> million, will not (DWS, 2019).



**Figure 12.1: WC Water Management Areas (WMA) and Fresh Water Bodies**

Source: (WCDoA, 2020a)

The WCWSS dam's water levels, based on the major dam levels, shown in Figure 12.2, show a significant increase from a low 54% to 101% in 2020 (City of Cape Town, 2021). This will boost agricultural production and accelerate the process of economic recovery from the impact of the drought.



**Figure 12.2: Percentage of WCWSS Major Dams' Bulk-Water Storage Levels, 2012-2021**

Source: (City of Cape Town, 2021)

From a total of 186 m<sup>3</sup> million allocated to agriculture, 31% supplies Riviersonderend, with a further 29% of the allocations going to the Upper Berg Irrigation Board and 14% to the Wynland Water Use Authority. The Upper Berg River Pumped Schemes account for a further 11%, as does the Lower Berg Irrigation Board. A detailed account of water allocations for agriculture in the WCWSS is provided in Table 12.3.

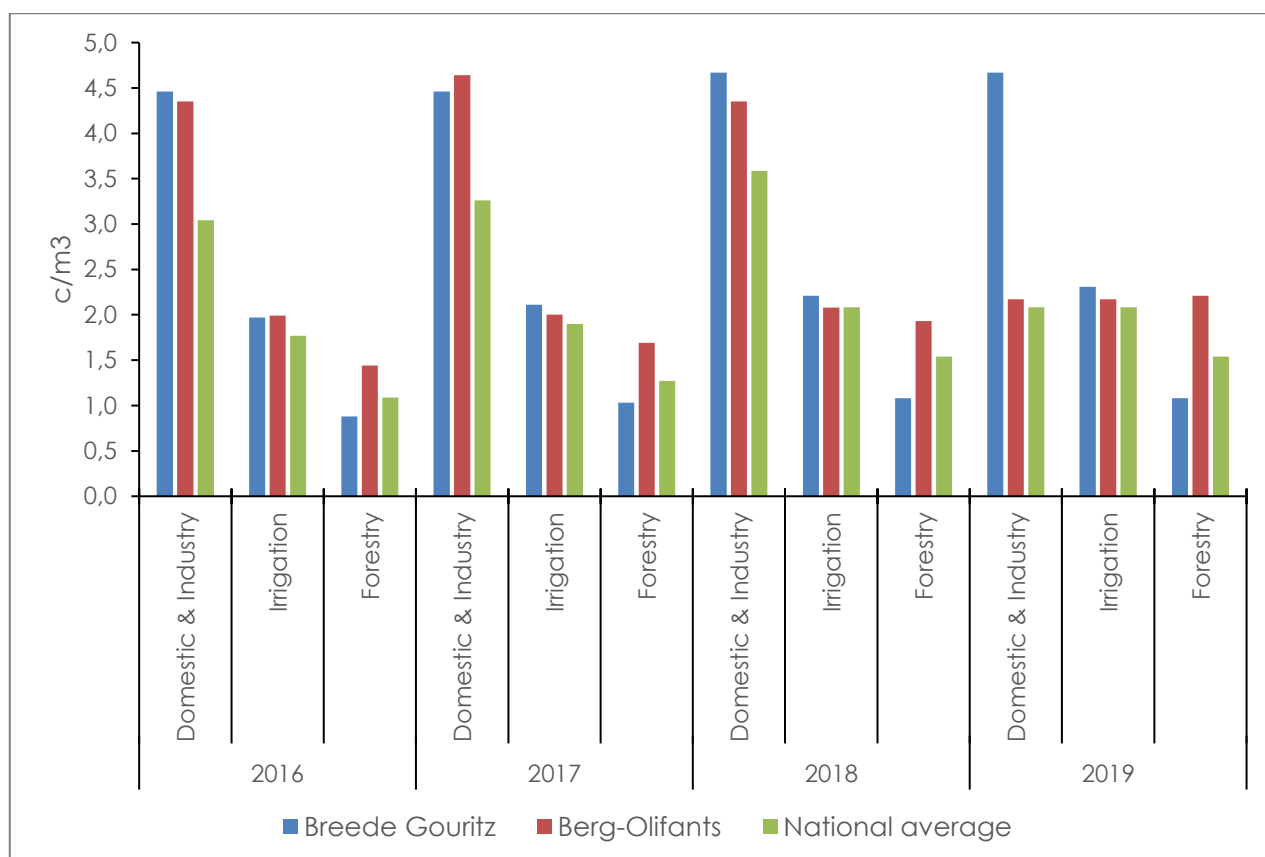
**Table 12.3: Water Allocations for Agriculture in the WCWSS, 2019**

System	Allocation (million m <sup>3</sup> /a)	Share
<b>Riviersonderend (Theewaterskloof Dam)</b>	<b>61.7</b>	<b>31%</b>
Zonderend IB	36.1	
Vyeboom IB	13.2	
Individual Irrigators	12.4	
<b>Wynland WUA</b>	<b>26.2</b>	<b>14%</b>
Stellenbosch IB	11.9	
Helderberg IB	11.6	
Lower Eerste River IB	2.1	
Industrial use	0.7	
<b>Banhoek Tunnel</b>	<b>1.8</b>	<b>1%</b>

<b>Upper Berg Irrigation Board</b>	<b>54.4</b>	<b>29%</b>
Sub-District 1	14.3	
Sub-District 2	21.5	
Sub-District 2	0.6	
Sub-District 3	18.0	
<b>Upper Berg River Pumped Schemes</b>	<b>21.1</b>	<b>11%</b>
Suid-Agter Paarl	3.5	
Simondium Pipeline	1.0	
Simonsberg	0.5	
Perdeberg	6.6	
Noord-Agter Paarl	3.6	
Noord-Agter Paarl	1.3	
Groenberg Ward 1 - Pipeline	1.1	
Groenberg Ward 2 - Pipeline	0.6	
Riebeeck Kasteel *	1.5	
Riebeek West Ward 1	0.7	
Riebeek West Ward 2	0.8	
<b>Lower Berg Irrigation Board</b>	<b>21.3</b>	<b>11%</b>
Lower Berg Irrigation Board	11.0	
Other licences	10.3	
<b>WCWSS Total Allocation</b>	<b>186.4</b>	<b>100%</b>

Source: (DWS, 2019)

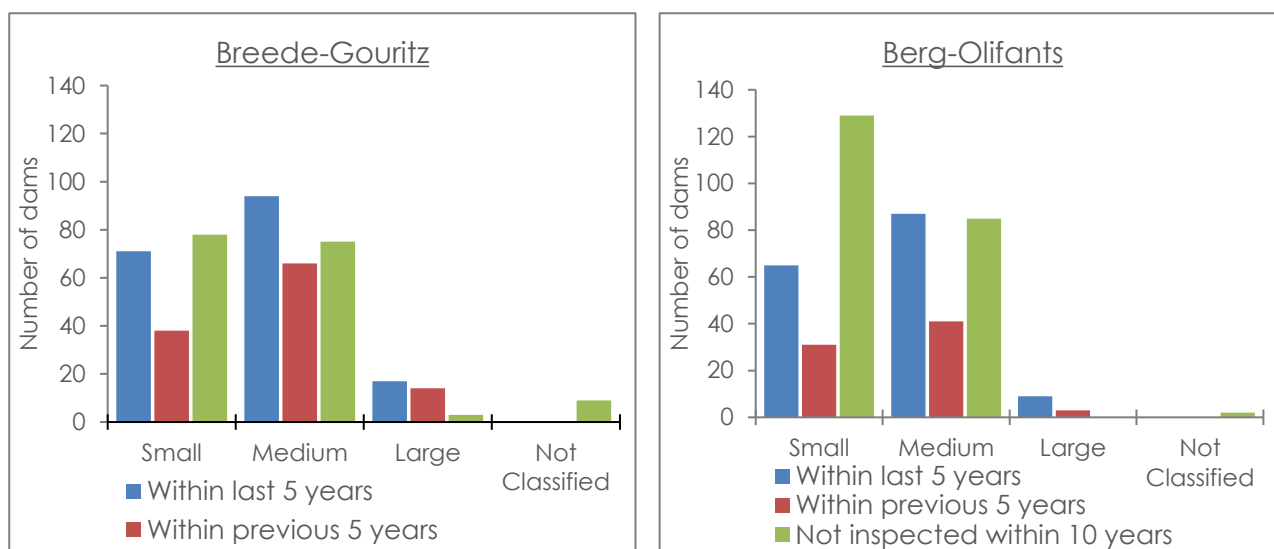
Figure 12.4, indicates the WC raw water tariffs charged for domestic & industry, irrigation and forestry for the period 2016 to 2019 (DWS, 2020). The irrigation water tariffs expressed in cents per cubic metre indicate the tariffs CMAs agencies charge Water Boards sourcing water from the Berg-Olifants and Breede-Gouritz. On average, the irrigation water tariffs have remained marginally higher than the national average throughout the period under review except for the year 2018. According to the DWS (2020), reducing information asymmetry in the water markets is essential to address concerns related to affordability, equity and fairness in raw water pricing. Ensuring the sustainability of Catchment Management Areas (CMAs) is also regarded as important.



**Figure 12.4: Western Cape Raw Water Tariffs and One-Year % change (2016-2019)**

Source: (DWS, 2020)

The Breede Gouritz WMA dam inspection status is based on 187 small dams, 235 medium-sized dams, 34 large dams and 9 unclassified dams. The results, displayed in Figure 12.5, show that 42% of the small dams were not inspected within 10 years. The rest of the dams (58%) were inspected within the last or previous 5 years. In the case of medium dams, only 32% of them were not inspected within 10 years, and the remaining 68% were inspected within the last or previous 5 years. The Berg-Olifants WMA dam inspection status is based on 225 small dams, 213 medium dams and 2 unclassified dams. It shows that 57% of the small dams and 40% of the medium dams have not been inspected within ten years. The remaining 43% of the small dams and 60% of the medium dams were inspected within the last or previous 5 years. In the case of large dams, 75% were inspected within the last 5 years and 25% in the previous 5 years.



**Figure 12.5: Status of Dam Inspection in the Breede-Gouritz and Berg-Olifants WMAs**

Source: (DWS, 2020)

The WC dam water levels have significantly improved since the 2018 drought due to good rains in the following periods. Alternatives and opportunities for water supply need to be looked at, current dam infrastructure needs to be maintained and fair water allocations, as well as behavioural changes, need to be implemented. The provincial raw water tariffs are still higher than the national tariffs with small margins.

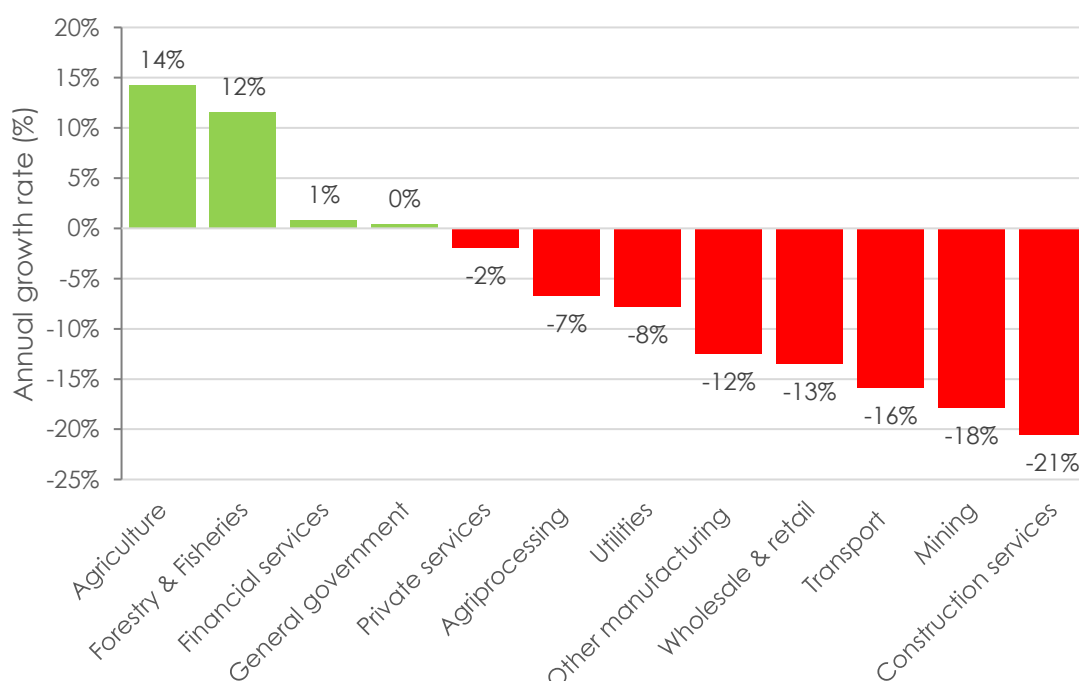
### **Summary Points**

- The WC dam water levels have significantly improved since 2018 due to good rainfall in 2020.
- The provincial raw water tariffs are still higher than the national tariffs with small margins.
- The majority of the provincial large and small dams have been inspected in the last five years.

### 13. SPECIAL FOCUS: THE IMPACT OF THE COVID-19 PANDEMIC ON THE AGRICULTURAL SECTOR

The outbreak of Covid-19 on the 5 of March 2020 in South Africa resulted in major disruptions to the economy and continues to pose a major threat to food security. The lockdown measures halted economic operations and the movement of people. Throughout this report, the impact of Covid-19 was evident as various sections were discussed, and it was evident that the Covid-19 pandemic has reversed gains made in employment, investments and food security. It also exposed the vulnerability of international supply chains and domestic food systems to the shocks, as well as the ability of various economic actors to cooperate during a crisis. Conflated with the prioritisation of selected industries as essential services and others as none services sectors, this contributed to the disproportional impact of Covid-19 on various industries.

Figure 12.1 below, illustrates the WC economic sectoral breakdown by annual gross value added growth rate in 2020. As indicated, the leading sectors in terms of positive economic growth were Agriculture at 14%, followed by Forestry and Fisheries at 12%, Financial Services at 0.8% and General government at 0.4%. Other sectors experienced negative growth and the worst affected in the province were Construction Services, Mining, Transport & accommodation, Wholesale & retail, Other manufacturing, Utilities and Agri processing.



**Figure 13.1: Western Cape sectoral breakdown by annual GVA growth rate in 2020**  
Source: (Quantec, 2021)



Table 12.2 below illustrates the real gross income from selected agricultural commodities ranked by value and also shows the annual growth rate (in 2015 prices). Under horticultural products, the vegetables generated high gross income, followed by citrus fruit, deciduous and other fruits, then viticulture among others. Most horticultural products show positive annual growth except nuts, subtropical fruits, flowers, rooibos tea and tea. Among the selected animal products, poultry meat had a high gross income, followed by milk, eggs and ostrich feathers. Selected field crops also show positive gross income generated in 2020 and most commodities show positive annual growth rates except for groundnuts and tobacco.

**Table 13.2: South Africa's agricultural gross income for selected agricultural products**

<b>Subsector and products</b>	<b>Value in rands (2020)</b>	<b>Annual growth rate (2019-2020)</b>
<b>Horticultural products</b>		
Vegetables	20 260 071	0.0%
Citrus fruit	18 381 459	6.0%
Deciduous and other fruit	17 919 740	6.0%
Viticulture	4 355 948	8.0%
Nuts	4 321 788	-8.0%
Subtropical fruit	3 449 848	-12.0%
Flowers and bulbs	1 390 881	-28.0%
Dried fruit	1 346 174	5.0%
Rooibos tea	594 500	-2.0%
Other horticultural products	253 588	1.0%
Tea	650	-24.0%
<b>Animal products</b>		
Poultry meat	40 694 682	4%
Milk	15 627 961	-1%
Eggs	11 297 762	4%
Ostrich feathers and products	586 787	103%
<b>Field crops</b>		
Wheat	35 393 871	33%
Oats	7 690 582	34%
Lucerne seeds	3 719 211	1%
Canola	1 780 742	54%
Grain Sorghum	981 121	61%
Groundnuts	549 668	-38%
Hay	423 136	24%
Tobacco	251 849	-40%
Barley	222 103	256%

Source: (DALRRD, 2021)

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