Farmers still feeling the pinch after COVID-19

By Lindi Botha | 29 March 2024 | 7:00 pm

The effects of the COVID-19 lockdowns are still lingering in the agriculture sector as some businesses have closed permanently while shifts in market demand have influenced the operations of others.



Microgreen farmers have been decimated by COVID-19 lockdowns, and are one of the few industries that have not been able to recover. *Photo: Lindi Botha*

Research conducted by AgriSETA on the impact of *COVID-19* on agriculture showed that the horticultural sector had the highest percentage of businesses that were negatively affected by the lockdowns at 47%, followed by poultry, grains and cereals at less than 10% each. Smaller businesses suffered by far the greatest losses.

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The high percentage of job losses among those employed in small agricultural entities is largely attributed to farmers not being able to market their produce.

One industry that took a serious knock is microgreens, with several businesses closing their doors. Jaco Mynhardt, owner of the now closed company Tasty Microgreens in Johannesburg, was supplying microgreens to the hospitality industry before the COVID-19 pandemic.

But when businesses had to cease operations during the lockdowns, his clients disappeared overnight and he had to shut down the business.

Mynhardt told *Farmer's Weekly* that the microgreens were a side-line business and during the lockdowns his main business, shuttle transport, grew bigger.

"Once the lockdowns ended, I found that many restaurants had either closed permanently or changed ownership, and re-establishing those contracts was no longer an option. Microgreens are very labour intensive, so I found it more profitable to focus on my shuttle business."

Melanie du Plessis, owner of Bumblebee Organics in Sabie, Mpumalanga, was supplying microgreens to restaurants in the Lowveld before COVID-19. Her business shut down indefinitely during the lockdowns as demand from restaurants dried up.

She has however since pivoted to providing training, publishing an eBook, *A Beginners Guide To Microgreen Farming*, along with offering training courses and selling microgreen supplies.

The wine industry, which was affected to varying degrees, has mostly recovered, although consumption patterns have shifted. Phillip Retief, CEO of Van Loveren Vineyards in the Western Cape, said smaller wineries who had a big focus on tourism were more affected by the lockdowns than larger wineries whose income was more aligned towards wine sales.

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Both have however recovered, despite two smaller grape harvests over the past two seasons, and Retief expects that by the end of this year, income would have stabilised to pre-COVID-19 levels.

A trend that picked up speed during the lockdowns was the switch away from bottled wine to boxed wine, since the latter offers more value for money and could be stored for longer. Retief said the trend of boxed wine sales had continued and showed an upward trajectory going forward.

"There is a younger generation of wine drinkers that appreciates the convenience and value for money that wine in a box offers, while not being affected by the negative perception it has among older generations, who still associate boxed wine with low quality."

That restaurants have not recovered to pre-COVID-19 levels is also affecting the pork industry, whose sales have yet to recover. CP Kriek, managing director of <u>Taaibosch</u> <u>Piggery</u> in North West, said the biggest decrease in demand for pork during the lockdowns was as a result of the hospitality industry shutting down.

"People eat more pork at restaurants and events than at home, since bacon and processed pork products feature high on these menus. But post-COVID-19 restaurant-going patterns have changed. Many people can't afford to eat out, while others have warmed to the idea of at-home entertaining."

COVID-19 was one of a few blows dealt to the pork industry over the last few year, starting with the listeriosis crisis in 2018 to the ongoing Russian-Ukraine war. Subsequently, many farmers liquidated their herds, taking around 15 000 sows out of production since 2022.

Kriek however noted that pork production as a whole has not fallen as much as what was previously expected.