

Impact Assessment of Plum Research Investments in South Africa

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Abstract : Numerous studies have been conducted, and the evidence has been unambiguous showing that investing in agricultural research and development increases productivity. Continued investments in agricultural research have led to the development of over 26 successful plum cultivars since 1980 at the Agricultural Research Council's (ARC) Infruitec/Nietvoorbij in South Africa, and more continue to be developed to meet the specific needs of both producers and consumers. Yet very little is known about the returns on any of these research initiatives. The objective of the study was determine the economic impact of plum research investments at the ARC-the main plum breeding research organization in the country. The rate of return to plum research is estimated by estimating parameters in plum production and expressing research investment as an explanatory variable. The marginal rate of return is then determined to be 14.23 per cent. The rate of return to investment being this high is indicative of an under investment in plum research.

Keywords : Agricultural research investments, productivity and rate of return, plum

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