

Honourable Speaker and Madame Deputy Speaker
Honourable Premier, Dr. Zamani Saul
Members of the Executive Council
Honourable Members of the Legislature
Leaders of Local Government
Traditional Leaders
Agricultural sector Partners present;
Distinguished Guests and People of the Northern Cape;
Members of the Media
Ladies and gentlemen

Madam Speaker, on behalf of the Department, let me take this opportunity and send a message of condolences firstly to the Mandela family, the African National Congress and the people of South Africa on the passing of Zindzi Mandela, the former Ambassador to Netherlands.

Zindzi Mandela's passing comes during the month in which the whole world, will be celebrating the life and times of her father and the father of the nation, President Nelson Mandela. This coming Saturday the whole world will commemorate his birthday by contributing 67 minutes towards a worthy cause.

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THE AGRICULTURAL ECONOMIC SITUATION

Madam Speaker, the year 2020 started with the economy in recession and declined further by **2%** in the first quarter. The outbreak of the novel Covid-19 has created more problems to the already ailing economy.

The pandemic brought the economy to near complete halt for two to three months, resulting in the epidemic draining available resources as the country is fighting to curb the spread.

Resources have been diverted to activities of combating and managing the disease.

Madam Speaker, Agriculture is an important sector of the economy in both developed and developing countries. In the Northern Cape, Agriculture is the second most important economic sector after mining and is the backbone of rural economies of the province. It is therefore important that the sector is protected.

The Department of Agriculture Land Reform and Rural Development in the Northern Cape has various farmers support programs, through which farmers are being assisted.

These programs are administered through various units of the Department. The support is mainly on smallholder producers as they remain the under resourced segment of the sector. The biased focus to smallholder farmers is because of the need to **transform** the sector. Transformation, is therefore required to increase the participation of black farmers, in particular smallholders in the sector.

Transformation is also in terms of increasing the participation of women and youth, as well as people with disability. Through transformation, an increased number of black smallholder farmers are afforded the opportunity to participate in the mainstream economy.

Vision of a Modern, Successful and Growing Province

The vision of a Modern, Successful and Growing Province can be achieved by modernizing economic activities including agriculture. This will drive the sector and province to **success**. A **successful** economy is an inclusive economy and therefore

smallholder farmers must be assisted to participate in the mainstream economy. Increased participation of smallholder operators will contribute to the transformation of the sector.

Madam Speaker, one of the known challenges experienced by farmers is **constraint access to markets**. Other factors include lack of transport and storage facilities as well as information. In order to assist farmers, break through the barriers, the Department is providing support to marketing services.

Export Markets

The marketing support provided intends to also open access to **export markets**. To this effect, farmers are assisted to acquire the South African Good Agricultural Practices (SA GAP) accreditation. This accreditation is meant to ensure food safety. In the 2019/20 financial year the Department has assisted **43 raisin farmers** in five farms located in the ZF Mgcawu district, to acquire the SA GAP certification.

The Department has also assisted **14 Rooibos Farmers** with the SA GAP certification. For the **2020/21**, the Department will be supporting **4 farms** consisting of various individual raisin farmers with SA GAP certification.

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While the Department will be assisting a new batch of farmers with the SA GAP accreditation, those that have been certified will be assisted to remain compliant as the certification can be withdrawn if the farmer is found to be defaulting.

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Cooperatives

Madam Speaker, the Department supports individual farmers and farmers who operate as a **cooperative**. In terms of cooperatives, communities are provided with information on how to form and run a cooperative.

The support provided by the Department is not limited to primary production. The entire value chain is of importance and therefore various levels of the value chain must be supported.

The Department will actively promote support for agro-processing initiatives. In the previous year raisin farmers were assisted with drying facilities. More Agro processing initiatives that need support will be identified and supported. The Agro processing sector has been identified as one of the sector that can contribute to job creation in the country.

Budget Allocations for 2020/21 financial year.

Madam Speaker, for the 2020/21 financial year, the department has been allocated an amount of **R559.9 million** which includes allocations from conditional grants amounting **R195.684 million**. This is an increase of 3.9 percent when compared to the previous financial year and carries through consistently in the MTEF at an average of 4.6 percent.

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SUSTAINABLE RESOURE MANAGEMENT - PROGRAMME 2

The budget allocated to Program 2 for the **2020/21** financial year is **R32.848 million**. This program provides the engineering support to farmers for sustainable development and management of agricultural resources. The program includes the allocation for the LandCare conditional grant of **R7,6 million**. The conditional grant promotes sustainable use and management of natural resources through community based initiatives. In this regard, four projects were planned which included equipping of boreholes, chemical removal of invader species and awareness programs.

Activities for land-care grant or 2020/21

Madam Speaker, the aim of the LandCare is to promote sustainable use and management of natural resources by engaging in community based initiatives that support the pillars of sustainability, food security, job creation and better well-being for all. In order to attain this objective, the LandCare program will be allocated conditional grant funding totaling **R7, 615 million**.

This allocation will be used to implement Community Based Natural Resource Management projects in various District Municipalities of the province.

Frances Baard, Pixley Ka Seme and Namakwa are districts that will receive support from this financial year's LandCare grant funding.

From these initiatives, **100 job opportunities will be created through EPWP program**. Beneficiaries of these job opportunities will receive training on occupational first aid, snake identification and snake bite first aid, safe handling and application of herbicides.

FARMER SUPPORT AND DEVELOPMENT - PROGRAMME 3

Honourable Speaker, Program 3 has been allocated a total budget of **R242.3 million** in the 2020/21 financial year. This program has the largest allocation of the department with 43 percent of all available funds. This program has the budget allocations of the Comprehensive Agricultural Support Program(CASP) and the Ilima/Letsema Projects conditional grants. The CASP grant has an allocation of **R122.9 million** while the Ilima grant has an allocation of **R61.6 million**.

Included in the CASP grant is a ring-fenced allocation of R24.740 million that enables the department to deepen Extension Services in the province.

Implementation of conditional grant (CASP & Ilima/Letsema)

The use of Comprehensive Agricultural Development Program and Ilima/ Letsema Grant continue to respond to the post settlement support to smallholder farmers to increase production, support food security initiatives, create jobs and transform the agricultural sector.

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- For the year under review, the budget for Comprehensive Agricultural Support Program and the Ilima/Letsema conditional grants will continue to be utilized for the support of farmers to increase production. These funds will be utilized to provide support to smallholder farmers with the provision of on and off-farm infrastructure as well as the provision of skills through training.
- The CASP allocation will be used mainly for on and off farm infrastructure. Department anticipate creating a minimum of 1 000 jobs from these initiatives.
- The Ilima/Letsema grant has an allocation that is used mainly for the following projects: Vaalharts Revitalization Program; Namakwa Irrigation Development Project (i.e On-seepkans Irrigation Development, Pella and Coboop).

Food security

Climate change, drought, increasing food price, unemployment and poverty possess a great challenge to a number of food insecure households.

The Department promote and support initiatives to enhance household food security through the Integrated Food Security

and Nutrition Program to implement urban agriculture and support community and institutional food gardens in collaboration with various Departments through the Balelapa Initiative (War on Poverty)

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Department will continue to promote establishment of household food gardens, backyard poultry farming to encourage households and communities to produce own food.

A total of **3 000** households will be supported with agricultural food security initiatives through supply of garden and poultry starter packs for rural communities.

Fetsa Tlala food production program

The increases in poverty and unemployment rate due to effect of drought have the potential to worsen the food security situation in the province and in the country and this calls for more expansion, acceleration and innovations of food security interventions.

Department continue to support crop Farmers with production inputs for production of grains (wheat & maize) as well as vegetables. Production inputs include seed, diesel and operational costs. Department intends to support 20 projects where 900 hectares of land will be planted mainly with grains (wheat and maize) under irrigation in Frances Baard, Pixley Ka Seme and ZF Mcqawu Districts as well as yellow maize and vegetables in Namakwa.

JOB CREATION THROUGH EPWP (Extended Public Works Program)

The Province is faced with high unemployment rate and poverty and this is affecting mostly young people, therefore the agricultural sector continues to create EPWP jobs during implementation of the CASP and ILIMA/LETSEMA program.

A total of **1 000 work** opportunities will be created mainly through infrastructure development on livestock farms and irrigation infrastructure.

This will be realized through construction on Livestock infrastructure in all five Districts, Vineyard Development in Namakwa and ZF Mcqawu Districts during pruning and harvesting season and Revitalization of irrigation infrastructure at Vaalharts Revitalization Project, during construction of overnight dams, installation of sub surface drainage system to address water loss caused by dilapidated and aging irrigation infrastructure.

VETERINARY SERVICES – PROGRAMME 4

The Veterinary Services Program has been allocated an amount of **R59.4million** for the 2020/2021 financial year to provide veterinary services to clients in order to ensure healthy animals, safe animal products and welfare of the people of South Africa.

Illegal slaughtering in the Province remains under control due to the surveillance initiatives by the Veterinary Public Health unit with all complaints being investigated. Routine visits to butcher-ies and other public institutions ensures that information is gathered fast and reliable, thus assisting in the efficient responses.

RESEARCH AND TECHNOLOGY DEVELOPMENT SERVICES – PROGRAMME 5

Program 5 has been allocated a budget of **R60.5 million**. This program receives 17 percent of the equitable share allocation of the department. The objective of the program is to render expert and needs based research, development and technology transfer services impacting on development objectives.

The persisting drought, in most of the province, is monitored by using modern and innovative technologies. In collaboration with partners, the program receives remotely sensed satellite derived data which is translated into images with comparative attributes. This is supported by drone based hyper-spectral imagery, which is utilized to track change in the vegetation vigor, density and species composition. This assists with information to support the disaster and risk management program.

The continuous absence of summer rains was exacerbated by higher than average temperatures. The magnitude of this drought affects almost the entire Province with only the eastern part John Taolo Gaetsewe and Francis Baard districts that received significant rainfall thus far. Rain events that did occur in Pixley ka Seme, ZF Mgcawu and Namakwa where erratic and large parts have received no rain thus far.

The drought has escalated to a current situation where more than 18 000 farm portions covering more than 25 million hectares are severely affected.

Animal production:

The on-going drought has severely affected the animal production farmers of the province with many losing or reducing the breeding stock to less than half their numbers. The animal production team will continue to focus their research on which animals are best adapted to our harsh environment. Research in collaboration with our partners will continue on the Tankwa goats.

AGRICULTURE ECONOMIC SERVICES – PROGRAMME 6

The budget allocated to Agriculture Economics of **R13.2 million** which is 4 percent of the available equitable share funds of the department. It has the mandates of facilitation of market access

for smallholder farmers and agribusinesses, support to existing cooperatives and establishment of new ones, conducting feasibility and viability studies for proposed projects, provision of agricultural information and statistics along with the overall economic assessment and analysis of the sector and reporting on the findings.

RURAL DEVELOPMENT - PROGRAMME 7

The Department will continue to coordinate pre and post settlement support to the beneficiaries of land reform. Landholding Institutions, farmers on Commonages, Women and farmers on Agricultural State Land will continue to be supported by the Department. The total budget allocated to this program for the 2020/2021 financial year is **R16.7 million**. We have included the Expanded Public Works Program Incentive Grant in this program with a budget of **R2.5million**.

The purpose of the program is to co-ordinate the intervention and contributions of all departments and institutions in rural areas to ensure that the land and agrarian reform and rural development mandate is achieved.

The Department will implement the Schmidtsdrift Bush Control project funded through the incentive grant from Department of Public Works. The objective of this project is to control 4000ha of *Senegalia Mellifera* (Black Thorn) in Schmidtsdrift. This will increase the carrying capacity of the grazing land, increase production for emerging farmers and thus improve the livelihoods of the farmers. **About 60 job opportunities** will be created for local people for a period of 6 months. The total budget of the project is **R 2.5million**.

Madam Speaker, The Kalahari Kid Corporation, Niewoudville Rooiboss and all other mega projects are receiving attention and are all under review. A policy directive, will be announced once all the necessary processes and consultations are completed

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Conclusion

Madam Speaker, we concur with the discussion document of Economic Transformation Committee of the African National Congress on Agriculture and Land Reform post-COVID-19.

The statement released by the ruling party notes that “the state should mobilize development partners, including the World Bank, the African Development Bank, the private sector and impact funders to contribute towards developing a thriving rural economy centered on agriculture.”

As the department we support this view. There is evidence that partnerships between the private sector and government have, in some cases, piloted successful programs to drive transformation.

Finally, let me also take this opportunity and thank my organisation, the African National Congress in affording me the opportunity to lead the department.

I will also like to express my appreciation to the Department’s team for their dedication and effort.

Let me also thank my dedicated team in the Ministry, for their hard work and commitment.

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I hereby table the 2020/21 budget of the Department of Agriculture, Land Reform and Rural Development for the consideration of the house.

I thank you.