

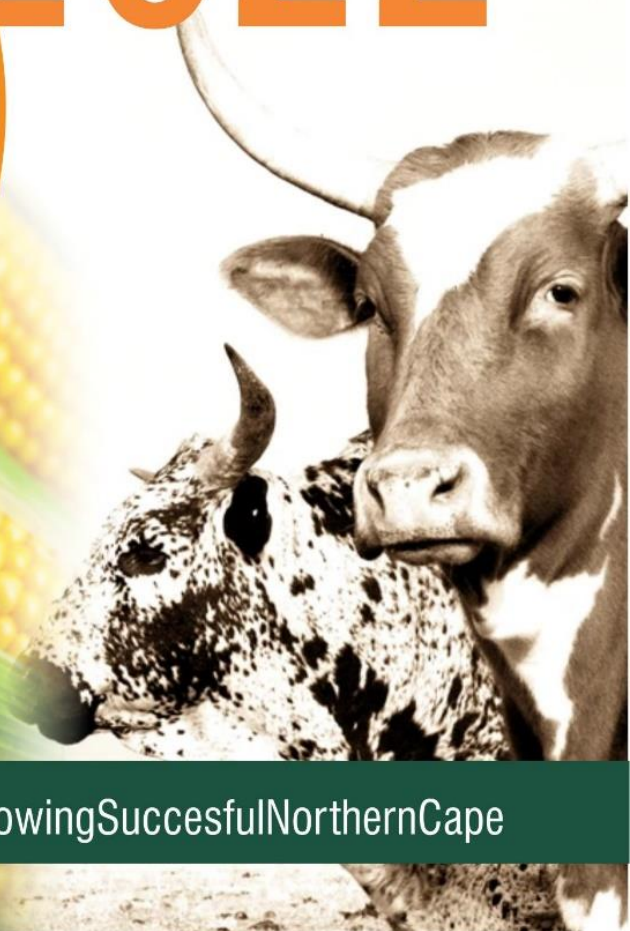


agriculture, environmental affairs,
rural development and land reform

Department:
agriculture, environmental affairs,
rural development and land reform.
NORTHERN CAPE PROVINCE
REPUBLIC OF SOUTH AFRICA

BUDGET 2022 VOTE 2023

21 JUNE 2022



#BuildingAModernGrowingSuccessfulNorthernCape



**ADDRESS BY MEC MASE MANOPOLE ON THE
OCCASION OF THE PRESENTATION OF THE
2022/2023 BUDGET VOTE 12**

**FOR THE
DEPARTMENT OF AGRICULTURE,
ENVIRONMENTAL AFFAIRS, RURAL
DEVELOPMENT AND LAND REFORM AT THE
KATHU COMMUNITY HALL**

**JOHN TAOLO GAETSEWE
DISTRICT**

21 JUNE 2022





**Madame Speaker and 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,
Our listeners at home,
Members of the media,
Ladies and Gentlemen,**

Madam Speaker, I am privileged to table the **2022/23** budget speech of the new Department of Agriculture, Environmental Affairs, Rural Development and Land Reform.

This year, on the 1st of April, the new Department turned one year since its existence.

We are a young Department, however, I can attest before this house sitting that, indeed we are on course because we are clearly aligned to the vision of the sixth administration of a *Modern, Growing and Successful Province*.

APPRAISAL AND REFLECTIONS

Madam Speaker, please allow me to pause and account for the work done by the department for the period under review.

The Department of Agriculture, Environmental Affairs, Rural Development and Land Reform hosted District webinars under the theme of ***“Repositioning Women in Agriculture, Rural Development, Nature and Conservation Sector to be trailblazers”***.





A series of District webinars and one provincial webinar under the mentioned theme, were conducted from July-August 2021 through virtual platform.

The main objective was to determine the barriers towards fundamental transformation and full participation of women in the sector.

We have learnt significant lessons from the series of webinars that the sector is confronted, with grim threats towards intentional transformational project, including active participation of female, youth and disabled persons.

The sector needs to position itself urgently to address the challenges and speed up the transformation agenda.

Given the identified barriers to transformation as identified by the Female webinars as mentioned, the Department was urged to call for discussions with farmers and stakeholders in the sector, hence the District Farmers Makgotla, the first of its kind by the Department, dig deep into the underlying issues and come up with solutions to the persisting challenges.

With all policies and programs at the disposal of the previously disadvantaged (PDI) farmers, the marginalized and the poor, transformation of the sector is slow with limited participation in the commercial space, formal markets in addressing the socio-economic challenges the province is confronted with.

Farmers in general are confronted with the following natural challenges;

- Severe Drought, locust outbreaks, veld fires.
- Climate Change,
- Flood waters and
- Biodiversity loss amongst other factors.

Farmers are also confronted with the specific challenges:

- Lack of funding
- Lack of access to land
- Lack of markets and
- Lack of access to water.





With the challenges of unemployment and food insecurity in the province, acknowledging these challenges, more emphasis is on agriculture to create jobs and produce food.

The development of the District Development Models (DDM) and the Special Economic Zones (SEZ) should provide opportunities elaborated in the context of the new which we are pursuing in the department.

Perhaps the central question is, how will the Northern Cape's Agricultural Sector respond to the above mentioned challenges?

The constructed answer needs to address the current challenges, considering the natural resources for production and all opportunities that currently exists and present itself to near realization both in the immediate and in the future.

Madam Speaker the District Farmer Makgotla satisfied the following fundamental areas:

- Determination and identification of the different agricultural development opportunities within each district and how the latest development programs can assist.
- Female Farmers are exposed to various challenges, relevant solutions to the problems were identified.
- Farmers across the province who are confronted with disastrous climatic conditions, relevant mitigation strategies were identified with alternative agriculture and modern agricultural technology to become part of the solutions.
- Farmers developed solutions to the challenges such as lack of water, funding, markets and access to land.

The District Makgotla created the valuable opportunity for farmers and stakeholders to engage and advice the Department on how best to address the challenges from their experiences.

The Department is in the process to develop a strategic documented vision with clear measurable solutions in addressing the challenges that results in the slow pace of transformation in the agricultural sector. The department is currently busy with different developmental initiatives which will be announced in due course including how best to tackle the challenges in the environmental sector.





1. Job opportunities created

Madam Speaker, about **256** work opportunities created for the **2021/22** financial year under the following programmes:

- Working on waste,
- Covid-19 screening,
- Barkly West Community Nursery,
- Schmidtsdrift Bush control and
- Through internship programs.

The following jobs will be created for the financial year **2022/23**, paid through the EPWP Incentive Grant. The total grant is **R3.9 million**. The program has created **181** work opportunities (106.93 FTEs) broken-down as follows:

- Working on the Coast – 20,
- People and Parks - 53,
- Cleaning and Greening of Community Parks – 80,
- Covid 19 screeners – 17,
- Barkley West Community Nursery – 11.

The program was implemented from the **1st April 2022** and it is anticipated to end on the **31st March 2023**.

Madam Speaker, about **406 EPWP work opportunities** under CASP & Illima/Letsema were created during the **2021/22** financial year:

- **383** Namakwa an Irrigation Projects in Onseepkans and Pella,
- **19** Manyeding Hydroponics Project in the John Taolo Gaetsewe District,
- **4** Waterbron Poultry Project in Frances Baard.

In the current financial year, about **550 EPWP (CASP & ILLIMA)** work opportunities will be created under the CASP and Illima/Letsema programs.





1. Agro processing projects for the current financial year

The Department will continue to support the rooibos project and raisin farmers with required agro –processing infrastructure where applicable and possible particularly as it relates to the South Africa Good Agricultural Practices (SA GAP) accreditation.

- **Abattoir in De Aar**

Madam Speaker, during the visit to the De Aar abattoir last year, we made a commitment that the Department will help the abattoir as best as it can to ensure that they remain in business by providing them with a permanent state veterinarian.

This is a requirement from the European Union that all export abattoirs must have a permanent veterinarian to render anti-mortem and post-mortem inspections failing which the export status will be suspended.

Madam Speaker, I am glad to announce in this house, that through Public-Private Partnership, we managed to get the service of a private veterinarian to assist at the abattoir. The private sector came on board and assisted government by providing the service of a vet to assist the abattoir, as we are in a process of appointing a veterinarian permanently- a process which will be finalised in this financial year.

The appointment will ensure that the abattoir remains registered for the lucrative export market to the European Union and current employment of personnel is guaranteed. The abattoir employs **33 (16 females and 17 males)** workers who are from De Aar and adjacent areas thus improving the employment rate within the Pixley Ka Seme district.

- **Vineyard production**

The South African raisin industry has developed a proud history over the century, producing arguably the best raisins in the world.

About **88%** of all of the country's raisins are grown here in the Northern Cape, using water from the Orange River for irrigation purposes.

The same region also accounts for approximately 3rd of the country's fresh grapes and 10% of the country's total wine production. In total, **50 000** permanent equivalent jobs are created with large investment in infrastructure to enable the sector to export and earn much needed foreign currency.





The **2020/21** and **2021/22** harvesting seasons have been very difficult, with both the Orange- and Vaal rivers being flooded due to above average rainfall upstream of the catchment areas.

Secondly, the region itself has experienced above average rainfall that have severely impacted production.

Increasing inputs such as double digit increases in electricity, fertilizer, pesticides, labour cost, etc. will play a significant role in the financial position of our raisin growers, also having an impact on the local economy.

2. Protecting our succulent and animals in the Province

Madam Speaker, the Northern Cape, in particular, the Namakwa District is extremely affected by the poaching of our endemic plants and reptiles.

In undertaking activities and heightening our community campaigns and partnerships aimed at the protection the Province's protected Fauna and Flora in the Namakwa District, about **R700 000** has been put aside for the **2022/23** financial year.

In order to give effect to the objectives of the National Response Strategy to address the illegal trade in South African Fauna and Flora, a Departmental working Group, comprising of the Research and Development, Biodiversity Management and Environmental Quality Management Units, will be established.

The establishment of a Working Group, will ensure engagements with Conservation South Africa (CSA), appointment of monitors and continued engagement and working together with the SAPS Stock Theft and Endangered Species Unit.

The purpose of the working group will further ensure the assumption of responsibilities for the 7 objectives identified in the strategy.

Community engagement forms an integral part of the anti-poaching effort and Conservation South Africa, (CSA), an NGO operating in the Namakwa District will be engaged as a strategic partner due to its proximity to the hotspot communities.

The Department will continue with its engagement with the South African Police Services in the management of cases reported and with its participation in Operation Phakisa to ensure a coordinated response to illegal activities reported.





Madam Speaker, funds will be made available to establish a nursery to ensure all our confiscated plants returns to the Province. So far, confiscated plants are being kept at locations outside the borders of the Province, and it is important to have it returned to its rightful habitat due to its endemic status and cultural value.

The Department will furthermore, partner with stakeholders to collect and conserve seeds of these endemic plants that are being poached to ensure we combat the risk of extinction of our plants. The seeds will be collected, treated and stored.

We will further explore and employ latest technology to conserve our biodiversity and continue to collaborate and work with stakeholders and law enforcement to combat the evil of poaching.

3. Our response to climate change/ecosystem when it comes to agriculture and biodiversity

Madam Speaker, the Northern Cape's biodiversity and ecosystems are increasingly under pressure from accelerated climate change, i.e. temperature increases, changes in rainfall patterns and so on.

In order to prevent further loss and degradation of natural ecosystems in priority biodiversity areas we will continue with the expansion of the protected area network.

The ongoing ecological monitoring on our provincial nature reserves will contribute to the generation of scientific knowledge to support climate change adaptation and mitigation, and facilitate strong links between science, policy and implementation to ensure that the best available science informs the biodiversity and climate change response strategy and action plan.

Through our community-based natural resource management and people and parks program we will endeavour to conserve natural resources by protecting and upholding the rights of communities in the conservation of our rich natural and associated cultural heritage resources.





4. Waste Management

Madam Speaker, in order for us to keep our environment clean, the Department will in this financial year, roll out waste management programs in the five Districts Municipalities of our Province.

This will go a long way in improving waste collection and disposal. This will be done by rolling out pilot household recycling initiatives, implementing community based waste collection services where waste services are not currently rendered. Provision of dustbins in parks and awareness campaigns.

5. Empowerment of Women, Youth and People with disabilities-Provincial Government's priority

Madam Speaker, our objective of empowering Women, Youth and People with disabilities in the agricultural sector- by assisting them to move from being communal enterprises into established commercial farming, is yielding positive results.

In the past financial year, the number of farmers supported or benefited from Conditional Grant, Comprehensive Agricultural Support Program (CASP) and the Illima/Letsema, has increased steadily. About **110 males, 57 women and 17 young people** have benefited from the program.

Due to Covid-19 pandemic, there were delays of implementation on projects from the previous year and this resulted in less farmers being supported. Both Youth in Agriculture RuraD and WARD structures are currently being revived so that there is better coordination and resource allocation.

In the current financial year, about **736 males, 376 women and 206 young people** from the **Pixley ka Seme, ZF Mgcawu and Namakwa Districts**, will benefit from the CASP and Illima/Letsema programs.

Furthermore, Madam Speaker, one of the beneficiaries of this programs, who has recently acquired a more than **5000 hectares** from the Government's Land Reform program is here with us this afternoon.

Mme Nomsa Toba, **please rise**, is also a Female Entrepreneur Award winner, who against all odds, managed to start a farming enterprise from a communal land- now she is ready to enter the commercial space to become one of the successful commercial farmers.





We wish her and many others all the best in their future endeavours.

Madam Speaker, through the Department's intervention, I can proudly report back to the house that, the Warrenton Super Chicken, is back 'on its feet again.'

The poultry corporative which **lies** on the N12 just outside of Warrenton has since 2002 not been able to generate any profit. It comprised of sixty (60) Shareholders, who were reduced to ten (10) due to its failure to make profit accounting to lack of governance in the company. Furthermore, the enterprise could not service the loan obtained from the Land Bank as it remained non-profitable.

Subsequent to the failure to service the loan issued by the Land Bank, in 2009, the Bank put the farm on auction to recover their money owed. As the Department, we rescued the situation by repaying the loan owed by Warrenton Super Chicken to the Bank. However, this did not change the non-profitability situation as the enterprise continued to plunge into more debt.

This year, we have intervened by appointing a Business Change Specialist to assist with a turn-around strategy to revive the poultry business and improve the economy of the area, especially with regard to food security, job creation and poverty alleviation in and around Magareng Local Municipality.

The specialist will also assist the business with legal and governance issues, secure a stable market access.

Madam Speaker, to-date 59 shareholders are permanently employed on the farm since February 2022 (19 Youth, 28 Female and 12 Male) who are paid a stipend of **R3 500** per month. This translate to a total of **290** household members that will benefit from the business.

6. Food security projects

Madam Speaker, about **R400 000** will be spent in the Pixley ka Seme District to lay dripper lines and irrigation system, pipes and fittings, pproduction inputs and equipping of solar pump

In **Frances Baard**, **R 797 100** will be spent in the current financial year to install layer houses, cages, plain egg holder, security fence, tank stand,





irrigation equipments, inputs, solar water pump, shade net & poles, drilling, testing and equipping of borehole.

In the ZF Mgcawu District, R650 000 will be used for the purchasing of office space and storage container/Wendy houses, production inputs, fencing, purchasing and construction of shade nets, production inputs, purchasing of hand plough machine, layer hens, a structure for **260 layer hens** and feeds

In Namakwa a mini aqua phonics system will be installed to the value of **R1.9million**.

Madam Speaker, the Vaalharts Revitalization Scheme has been identified as part of the Strategic Integrated Project (SIP19) projects in the country and seeks to revitalize the bulk water and water distribution networks. A revitalized Scheme will also have the benefit of minimized water losses which means the Taung portion of the Scheme can get its fair share of water for Irrigation.

The anchor for our Province remains the Ganspan area which will benefit mostly the emerging farmers wishing to enter the Pecan nuts industry. This however requires a feasibility study to be concluded in the current year for the Ganspan farmers to be properly included in the Revitalization plans.

Madam Speaker, the department has been allocated an amount of **R686.3** million for the **2022/2023** financial year. This allocation includes the funding of four conditional grants which amount to **R207.389 million**. Conditional grant funding makes up more than **30 percent** of the funding envelope of the department.

The overall allocation of the department increases by only **1.4 percent** when compared to the previous financial year of **2021/2022** but the budget allocations do grow consistently over the forthcoming MTEF period at an average of **2.3 percent**.

ADMINISTRATION – PROGRAMME 1

The Administration programme has been allocated **R198.130 million** for the **2022/2023** financial year. The purpose of this programme is to





manage and formulate policy directives and priorities, and to ensure there is appropriate support service to all other service delivery programmes. The budget of this programme has a nominal growth of less than 1 percent and a real decrease compared to the previous financial year of 2021/2022.

SUSTAINABLE RESOURE MANAGEMENT - PROGRAMME 2

The budget allocated to Programme 2 for the **2022/2023** financial year is **R27.439 million**. Included within this allocation is the LandCare conditional grant of **R7.825 million**. This programme has the responsibility to provide engineering support to farmers for sustainable development and management of agricultural resources. The conditional grant promotes sustainable use and management of natural resources through community based initiatives. In this regard, four projects are planned which will primarily focus on chemical removal of invader species, bush encroachment and awareness programmes.

AGRICULTURAL PRODUCER SUPPORT AND DEVELOPMENT - PROGRAMME 3

Programme 3 has been allocated a total budget of **R239.263 million** in the **2022/2023** financial year. This programme has the largest allocation of the department with **39 percent** of the allocated funds. This programme includes the budget allocations of the two principal conditional grants viz. Comprehensive Agricultural Support Programme (CASP) and the Ilima/Letsema Projects conditional grants. The CASP grant has an allocation of **R125.194 million** while the Ilima grant has an allocation of **R70.498 million**. Included within the CASP grant is a ring-fenced allocation of R27.248 million for the Extension Recovery Plan (ERP) that enables the department to expand and deepen Extension Services in the province.

VETERINARY SERVICES – PROGRAMME 4

The Veterinary Services Programme has been allocated an amount of **R49.159 million** for the **2022/2023** 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. The programme will continue to focus on the implementation and the monitoring of the





Compulsory Community Service for veterinarians and the Primary Animal Health programmes. In addition, abattoir monitoring, food safety campaigns and ensuring that the laboratory maintains its SANAS accreditation are key activities that will also be undertaken during the financial year.

RESEARCH AND TECHNOLOGY DEVELOPMENT SERVICES – PROGRAMME 5

The program has been allocated a budget of **R61.327 million**. This programme receives **13 percent** of the equitable share allocation of the department. The objective of the programme is to render expert and needs based research, development and technology transfer services impacting on development objectives.

AGRICULTURE ECONOMIC SERVICES – PROGRAMME 6

The budget allocated to the Agriculture Economics Services programme is **R12.325 million** which is **±3 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 programme for the **2022/2023** financial year is **R20.773 million**. We have included the Expanded Public Works Programme Incentive Grant in this programme with a budget of **R3.872 million** and this is a consolidated allocation for the Agriculture and Environment sectors.





ENVIRONMENT AND NATURE CONSERVATION – PROGRAMME 8

The department has allocated **R77.885 million** or 11 percent of its total allocation to this programme and the budget of this programme grows steadily over the MTEF period to just over **R82 million**. It has the responsibility to conserve and protect the natural environment so that society may prosper in a sustainable manner.

Conclusion

Madam Speaker, the Department has indeed been hard at work despite all mentioned and acknowledged challenges but we are on course and we will not disappear. In pursuit of the Provincial Vision a new construct, new narrative and a new story should be lived, experienced and shared.

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 led by Acting Head of Department, Rre Lerato wa Modise, for their dedication and effort.

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

I hereby table the **2022/23** budget of the Department of Agriculture, Environmental Affairs, Rural Development and Land Reform for the consideration of the house.

I thank you.



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