



**agriculture,
forestry & fisheries**

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

NATIONAL COUNCIL OF PROVINCES

BUDGET VOTE SPEECH

BY THE

MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES,

HONOURABLE SENZENI ZOKWANA (MP)

ON

19 JUNE 2015

Honourable Chairperson and members of the Select Committee on
Mineral Resources and Land,

Honourable Ministers,

Deputy Minister of Agriculture, Forestry and Fisheries, in absentia

Other Deputy Ministers present,

Members of the Executive Councils responsible for agriculture,

Members of Parliament,

Distinguished guests,

Ladies and gentlemen,

Good morning, sanibonani, molweni, dumelang, goeie more. It is a
privilege and an honour to present the Second Budget on Agriculture,
Forestry and Fisheries in the fifth democratic Parliament, Budget Vote
24.

Chairperson, this year, 2015, marks the 60th anniversary of the adoption
of the Freedom Charter during the Congress of the People on 26 June
1955 in Kliptown Soweto.

The Freedom Charter is one of the founding documents of our democracy, demanding inclusivity in its opening lines: "*South Africa belongs to all who live in it.*"

In an article in the June 1956 issue of *Liberation* headed "In Our Lifetime", former President Nelson Mandela described the Freedom Charter as "a beacon to the Congress Movement and an inspiration to the people of South Africa."

Honourable Members, we recently celebrated Africa Day, the day on which the Organisation of African Unity (OAU), the precursor to the African Union (AU), was formed in 1963. The African Union, comprising 54 member states, has brought together the continent of Africa to collectively address the challenges it faces, such as armed conflict, climate change and poverty.¹

Africa Day acknowledges the progress that we, as Africans, have made, while reflecting upon the common challenges we face in a global environment.

<http://www.africaday.info/about.html>

We have commemorated Youth Day on June 16. This was preceded by a Youth Month Launch in partnership with the people's team SANTOS in Cape Town on 01 June, followed by the commemoration at the Tsolo Agriculture and Rural Development Institute in partnership with Mthatha City FC on 13 June.

My department is taking youth mobilisation to the provinces and has dedicated targeted days identified during the month of June 2015 to promote and raise awareness on agriculture, forestry and fisheries as sectors of the future for the youth. On Saturday, 20 June, DAFF will commemorate the youth month through Career Expo in Groblersdal.

Honourable Members, please join me in giving youth in agriculture, forestry and fisheries hope and impress upon them that they hold the food security of South Africa and of Africa in their hands.

Honourable Members, the primary mandate of the Department of Agriculture, Forestry and Fisheries is to ensure food security.

Our mandate has been reinforced by the recommendations and targets in the National Development Plan (NDP), the New Growth Path (NGP), the Industrial Policy Action Plan (IPAP) and the Medium Term Strategic Framework (MTSF) outcomes.

In March 2015, Cabinet approved the Agricultural Policy Action Plan (APAP) and the Agriculture, Forestry and Fisheries Strategic Framework whose emphasis is on value chain development.

The 2015 State of the Nation Address identified nine priorities for economic growth, one of which is the “revitalisation of the agriculture and agro-processing value chain”. The Agricultural Policy Action Plan forms the basis of this priority.

The recommendations and targets are as follows:

- The NDP sees agriculture as having the potential to create 1 million jobs by 2030.
- Through the Fetsa Tlala Integrated Food Production Initiative, we have a target to deliver 1 million hectares by 2019.
- Supporting 300 000 smallholder producers by 2019
- Expanding hectares under irrigation to 2 million by 2030.

Honourable Chairperson and members, DAFF is responsible for the formulation of policy and regulations and creating an enabling environment. Our provincial counterparts are responsible for the implementation of these policies.

We are allocating conditional grants to realise these government objectives. We are also continuing to improve on our monitoring mechanism to ensure that these grants achieve the intended outcomes.

We acknowledge that it is not sufficient to provide smallholder farmers with land and capital alone. They must be empowered to manage their businesses effectively and profitably in a competitive and often hostile environment and as such, through these programmes that are implemented in provinces. We provide support to farmers in the form of farm infrastructure, production inputs, training and capacity building, market access and extension services.

Chairperson, in the past financial year, R2,3 billion was made available to support smallholder farmers through Comprehensive Agricultural Support Programme (CASAP) and the Ilima/Letsema Programme.

- In the Eastern Cape, 20 044 smallholder farmers were supported and 18 069 hectares were put under the production of maize;
- Altogether 9 943 farmers were supported in the Free State and 6 936 hectares of land were put under production;
- Gauteng supported 231 farmers and put 2 547 hectares of land under production;
- KwaZulu-Natal supported 7 306 farmers and put 12 789 hectares of land under production. The province also continued with the revitalisation of the Makhathini Irrigation Scheme in Indumo and Bululwane, among others;
- Limpopo supported 1 679 farmers and put 41 419 hectares of vegetables, maize and fruit, among others, under production;
- Mpumalanga supported 9 415 farmers and put 31 032 hectares of maize under production;
- Northern Cape supported 2 019 farmers and put 945 hectares of grapes, maize and vegetables under production. The province further revitalised 419 hectares of land in Vaalhaarts and constructed two overnight reservoir dams;

- North West supported 7 558 farmers and put 13 554 hectares of land under production, and lastly;
- Western Cape supported 2 759 farmers and put 3 526 hectares of vegetables, grapes and grains under production.

All of the above initiatives are in support of the Fetsa Tlala Programme.

The total value of Budget Vote 24 for 2015/16 is R6,383 billion, of which R3,700 billion (58%) is ring-fenced for transfers of conditional grants and parliamentary grants, broken down as follows:

In terms of conditional grants:

- R1, 651 billion has been allocated to CASP;
- R471 million to Ilima/Letsema;
- R66,4 million to the LandCare Programme.

The provinces are allocated funds as follows:

- The Eastern Cape will receive an allocation of R312 million;
- Free State R232 million;
- Gauteng R106 million;
- KwaZulu-Natal R295 million;
- Limpopo R312 million;
- Mpumalanga R216 million;
- Northern Cape R205 million;
- North West R245 million;

- Western Cape R196 million.

Chairperson and Honourable Members, we have set specific targets for the utilisation of the 2015/16 conditional grants:

- R678 million will be directed to the Fetsa Tlala Initiative, which will bring 128 000 hectares of land under production.
- A total of 511 projects across provinces, from both conditional grants, will be supported reaching about 27 000 smallholder farmers.
- 160 000 vulnerable households will be assisted to produce their own food through household food gardens.
- Approximately 31 000 decent jobs will be created in 2015/16 from these interventions.

Honourable Members, I can assure the House that due diligence was undertaken through the operations of the Pre-National Assessment Panel (NAP) and DAFF revised the planning and reporting criteria to improve the alignment of provincial business plans for the conditional grants to the new mandate.

Chairperson and Honourable Members CASP was subjected to an Impact Evaluation Study, and has shown that 84% of farmers who have been supported have access to markets, although only 13% access formal markets. We are currently in the process of linking smallholder farmers to markets. We appreciate the findings and recommendations of the report and we will be working with all stakeholders to develop the improvement plans.

Through CASP we have seen the establishment of infrastructure for production and marketing for smallholder farmers in the form of animal handling facilities, piggery structures, maize mills, feedlots, packhouses, storage facilities, abattoirs, and so forth. Farmers are being enabled to have resources that will enable them to run productive and viable enterprises.

In the Eastern Cape Honourable Chairperson, 20 shearing sheds were built in the 2013/14 financial year and the department partnered with the National Wool Growers' Association (NWGA) to train farmers and provide markets. The wool value increased from R5/kg to R35/kg, which was income in the pockets of subsistence producers.

We have sustained our on-farm conservation programme in the Nkomazi Local Municipality in Mpumalanga. Five landrace or local cultivars, namely watermelon, cowpea, bambara, pumpkin and sorghum, which were stored in the national gene bank, were given back to 10 farmers for propagation.

We have also reinvigorated our efforts towards the conservation of indigenous Speckle goat and Namaqua Afrikaner Sheep breeds, working with communities in the Joe Morolong Local Municipality in the Northern Cape. These are our efforts to preserve and perpetuate breeds and cultivars that are suited to local conditions.

In 2014/15, a total of 2 836 work opportunities were created by the LandCare Conditional Grant, while rehabilitating 33 000 hectares of range and cultivated land to ensure production. The target for LandCare in 2015/16 is to protect 16 000 hectares through various measures such as fencing of arable land and clearing of weeds and invader plants.

In an effort to correct the exclusion of small-scale fishers in the sector, the department developed the Small-scale Fisheries Policy in 2012; leading to the Small-scale Fisheries Implementation Plan and made the

necessary amendments to the Marine Living Resources Amendment Act in 2014 to reflect the regulation of small-scale fisheries. This programme will enhance transformation in the fisheries sector, benefitting the coastal communities in the four coastal provinces.

Subsequent to the expiry of long-term fishing rights that were allocated in 2005/6, nine expire in 2015, with extensions granted until February 2016 while the department prepares for the allocation of these fishing rights.

The appeals for the Fishing Rights Allocation (FRAP) 2013 has started during the month of May. A panel of experts to assess the appeals has been established. This work is anticipated to finish during the month of August 2015. The processes of allocating the rights that expire during 2015 of all ten sectors have simultaneously been running and will be completed in February 2016.

In October 2014, the Honourable President Jacob Zuma launched the Operation Phakisa Oceans Economy, which include the development of aquaculture both in the ocean space and on inland space. We are making progress in resolving the bottlenecks in the establishment of aquaculture enterprises. Altogether 23 projects have been prioritised as ready to implement and will be used as test cases to unblock the bureaucratic red tape in doing aquaculture enterprise development.

In terms of our legislative work, three Bills were approved by Cabinet in December 2014. Parliament is currently deliberating on the Plant Breeders' Rights Bill, Plant Improvement Bill and the Performing Animals Protection Amendment Bill.

In forestry, Cabinet recommissioned 21 000 hectares for plantation of forestry in the Western Cape and 2 000 hectares in Mpumalanga. This will come in handy in obviating the timber shortage and contributing to jobs in the country.

To conclude, I am proud to announce that South Africa will host the 14th World Forestry Congress from 7th to 11th September 2015 in Durban.

The World Forestry Congress is the largest and most significant gathering of the world's forestry sector, bringing together global interested parties and organisations from across the world, be it governments, multi-lateral agencies, NGOs, the private sector, scientific and professional bodies or simply persons with an interest in the sector. The congress has been held every six years since 1926, under the auspices of the Food and Agriculture Organization (FAO) of the United Nations (UN) and this will be the first time that it will take place on African soil.

I am confident that the country is geared up to host this prestigious event and to warmly welcome the delegates.

Chairperson, we are currently hosting a series of events in the build-up towards the congress. The Deputy Minister has held meetings in New York and Rome, to promote the forestry congress. Other national activities include the Forestry Indaba to be held in July, followed by the annual Arbor Week launch, which will be the final springboard before the congress.

Chairperson, we have decided that stakeholder mobilisation in the three sectors will not be done on a hit and run basis. I have already launched June Month as the Youth Month with the World Oceans Day, which was celebrated on 8 June under the theme of “Healthy Oceans, Healthy Planet”. We will conclude these events on 30th June

August Month will be a Celebration of the Women’s Month, which will include the Annual Female Entrepreneur Awards.

September has been set aside for the World Forestry Congress whose main event will be during the week 7th to 11th September .

October will be the Food Security Month, which includes the World Food Day as we emphasise the need to eradicate hunger.

I would like to take this opportunity to thank my wife and family for their support.

I would like to thank the Deputy Minister, General Bheki Cele for his agility and hard work. He was in Rome at the FAO Conference where

South Africa was recognised as being one of the countries that have made significant progress on the Millennium Development Goals.

I thank the Chairperson and members of the Select Committee on Mineral Resources and Land.

I also thank all nine MECs responsible for agriculture for the support and hard work.

I appreciate the department's Director-General, Edith Vries, her management and staff members in the department and the Ministry for their diligence and support.

Thank you.