

POLICY & BUDGET SPEECH 2020/2021

MEC
VR Shongwe



23 June 2020 , 14h00pm

LIVE STREAMING:



agriculture, rural development,
land & environmental affairs
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA



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2020/2021 POLICY AND BUDGET VOTE No. 5 BY MEC FOR AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS, MR. VR SHONGWE (MPL), 23 JUNE 2020

Honourable Speaker

Deputy Speaker and Chief Whip of the Majority Party;

Honourable Premier, Mrs Refilwe Mtshweni-Tsipane;

Honourable Members of the Executive Council;

Honourable Members of the Provincial Legislature;

Chairperson of the Portfolio Committee on Agriculture, Hon. TM Makaringe

Executive Mayors: District and Local Municipalities

The Chairperson of the House of Traditional Leaders and Traditional Leaders present;
The Director-General, Ms. SP Xulu;

The Acting HOD for the Department of Agriculture, Rural Development, Land and Environmental Affairs, Mr. LS Monareng; and Other Head of Departments;

African National Congress Acting Provincial Chairperson,
Mr. M Ndlovu and the rest of the leadership;
Representatives from Organised Agriculture;

Representatives from the Business Community;

Representatives of Labour Federations;

Distinguished Guests and Members of the Public;

Members of the Media;

Ladies and Gentlemen.



The agricultural sector's contribution to South Africa's Gross Domestic Product (GDP) declined gradually over the past years.

However, despite agriculture's reduced contribution to the country's GDP, the sector remains vitally important to the South African economy.

The spread of the Coronavirus has disrupted global economic activities to an extent not seen during peace times.

The Coronavirus pandemic will probably push our already fragile economy into deep recession.

The economic impact however, is already being felt as more people are depending on Government bailout in terms of food parcels.

Madam Speaker;

We table this budget vote at the backdrop of a very significant month in our calendar June, this month within which we pay tribute to the selflessness and resilience the youth of 1976 played in the struggle for the liberation of South Africa.

We continue to draw guidance and great inspiration from their sterling heroism.

We are also saddened by the rampant scourge of Gender Based Violence and femicide that disproportionately and negatively affect the lives of women and girls in our country.

We cannot as a society ignore these hostile environment women and children find themselves in.

We call upon all men to stand up against the abuse of the women and girls.

On the same vain Madam Speaker,

We are also extremely concerned by the spate of killings of our farmers and call upon our communities to mobilise against such a scourge.

Honourable Members;

During her State of the Province Address beginning of the month of February this year, the Honourable Premier Refilwe Mtshweni-Tsipane raised key programmes for the;

Department of Agriculture, Rural Development, Land and Environmental Affairs that the Province has set itself to radically bring about a sustainable and radical land reform, and

I will outline some of the key programmes and how they will benefit our people.



1. AGRICULTURAL MASTER PLAN FOR THE SECTOR

Madam Speaker, it gives us a great pleasure to report that the Department has in the last financial year, initiated the development of the Mpumalanga Agricultural Master Plan for the Sector.

This plan Madam Speaker, seeks to develop clear common multi-stakeholder coordinated milestones that will influence and direct the investment in the Sector, identify areas of competitive advantage and necessary resources that are needed for such development in the Province.

To date Madam Speaker, the plan is at a draft stage with clear milestones from stakeholders such as our farmers in their different levels including the Commercial Farmers, Traditional Authorities, key Government Institutions, and Academia and Research Institutions.

Careful attention was taken to ensure that the Mpumalanga Agricultural Master Plan is aligned and will form part to the National Agricultural Master Plan currently developed.

2. FOOD SECURITY

Phezukomkhono Mlimi

Madam Speaker, the task before us to ensure food security is huge and we are gearing ourselves to be equal to the task.

Although the resources at our disposal are limited, over the years we have learnt to use Smart Agricultural approaches and strategies to achieve more for less.

These we are doing by working closely with Commodity Associations, Organized Farming and other Private stakeholders.

As at end of the last financial year, the Department was able to over achieve on the number of hectares ploughed and planted, food gardens households supported.

The Department has planned to plough and plant **14 700ha**, support **487** food gardens, and **4 324** households supported with agricultural food production initiatives.

Our Zonda Indlala Programme that was introduced last financial year is taking shape and will be taking off the ground in a very significant way.

The Department will roll out Zonda Indala Programme that will see households in the Province benefiting from planting of fruit trees in their yards.

The Department has targeted to plant **20 000** fruit and nuts trees across the Province.

Through Smallholder Horticulture Empowerment Programme (SHEP), the Department will ensure that our farmers are improving their skills and knowledge base to get better quality and quantity.

Madam Speaker, the Department is encouraged by the work, which is happening in Stynsdorp village at the Chief Albert Luthuli Local Municipality where farmers are producing quality produce using this SHEP knowledge.

The Department will continue to support this proven agricultural system and replicate them throughout the Province

Masibuyele Esibayeni

In response to the completed and operational Mkhondo Agri-hub that has an abattoir, the Department is also increasing its animal production targets.

In the previous year, **14** sets of livestock were delivered to approved projects.

Madam Speaker, this year the Department increased the targets to **35** sets, which is more than 50% from the previous financial year.



The Department has just finished the Aquaponics project in City of Mbombela near the Mpumalanga International Fresh Produce Market.

This project will be introducing a very integrated way of farming fish and crop production.

The young farmers will be trained there and the Department can only expect multiplication of this project as they graduate.

This financial year, the Department is embarking on establishing three Aquaculture projects in Bohlabela, Nkangala and Gert Sibande.

Producer Database

The Department is in the verge of completing the Producer Database.

This exercise could have been completed in March 2020 however, the Covid-19 lockdown forced us to halt it for a while.

The Department is now resuming the producer registration and hopeful that the process will be completed in the second quarter.

This database assists in ensuring elimination of any error or duplication. Already before the lockdown, the Department had registered more than **15 000** producers.



3. JOB CREATION AND ECONOMIC GROWTH

3.1. Mpumalanga Young Farmer Incubation Programme / Fortune 40 Programme

Madam Chair, the Department continued with the implementation of the innovative Provincial Mpumalanga Young Farmer Incubation Programme / Fortune 40 Programme.

In the last financial year, the programme was intensified and some of the youth were trained and graduated in both the accredited and non-accredited agricultural and business development certification.

The Department hosted a graduation ceremony for learners who completed on 31 January 2020.

These **232** youth farmers were placed in twenty-six (**26**) of the Fortune 40 farms that are in full production of crop, livestock production and mixed.

The programme has managed to link twelve (**12**) of these farms to established markets that include retailers like Spar, Shoprite, Boxer, Wholesalers, Agri-hubs and other local markets.

This Programme continues to create the much-needed jobs for the youth, alleviate poverty and improve food security.

The Department is in the process of implementing the reviewed policy and strategy and that has incorporated the lessons learnt since its inception.

The programme will during this financial year, focus on establishing the recently graduated youth farmer entrepreneurs from the programme on their own farms and to be productive.

Emphasis will be on incubating more young people to be more active in their family owned farming activities and or from farms that have shown a decline in production due to lack of farming skills.

Further engagement will continue with Traditional Authorities, Department of Public Work, Roads and Transport and former Department of Rural Development and Land Reform to avail more land to be used in this programme for the growing number of young entrepreneurs in farming.



4. SUBSTANTIALLY EXPAND AGRICULTURE AND AGRO-PROCESSING SECTOR

4.1 Agri-hubs

Madam Speaker, the viability and success of farmers depend heavily on the availability of markets for them.

To that effect, the Department has initiated and established the programme of developing Agri-hubs in each District.

To date, the Mkhuhlu and Mkhondo Agri-hubs are operational and are servicing local farmers in the Gert Sibande and Ehlanzeni Regions. These Agri-hubs have been linked with several markets that include the local supermarkets and retailers, and national markets.

The Agri-hubs form a key and strategic part of the Provincial Government Nutrition Programme.

Madam Speaker, the Department is proud again to announce that the Mkhondo Agri-hub has an abattoir within it, which will be operationalized during this current financial year.

Farmers are being supported through Masibuyele Esibayeni Programme to enable them to supply to this abattoir.

Madam Speaker, this financial year the Department has planned to conduct a feasibility study for the establishment of the Nkangala and Nkomazi Agri-hubs. The construction thereof will commence thereafter.

4.2 Grain Milling

Madam Speaker, in the last financial year, the Department has initiated the drive to revitalize the existing community owned and/or small scale maize mills in the Province.

The Department has conducted an assessment of all the grain mills and implemented the recommendations.

To enhance and ensure full operationalization of mills, the Department appointed an Investor to identify and capitalize the community based grain mills that were noted to be in a state of being defunct or operating below economic minimum capacity.

This intervention and partnership will result in the significant expansion of grain production and market for the farmers.

In addition, the appointed Investor has committed to revitalize the commercial grain mill in Middleburg that was in a state of defunct. The mill is currently operational and has started to service the local and regional grain farmers.

The Department had also supported a mill in Dr JS Moroka Local Municipality with a tractor to drive the milling machine and for transportation.

The Province has planned to provide support to the two (2) mills, of the farmer owned milling enterprises focusing on Sorghum and Animal feeds.

The support will be to refurbish the infrastructures of the Sorghum Mills in Dr JS Moroka Local Municipality and City of Mbombela respectively.

The Department plans to facilitate that all community owned mills must have offtake agreements to supply the Government Nutrition Programme, Agri-hubs and the local and regional markets.

4.3 Dairy Plant

The Department had, in the last financial year, continued with its drive to establish the Dairy Processing Plant at Boschrand farm in the City of Mbombela.

To date, the Department has signed a Memorandum of Agreement with the Investor to construct the Dairy Processing Plant.

The Department provided the land for the construction of the plant and the cost for the construction will be borne by the Investor.

In addition, the Department has engaged with Milk SA for possible partnership to provide training and technical support to farmers who will in turn supply the Dairy Plant.

Through this programme, the livestock farmers will be enabled to supply milk direct to the plant irrespective of their production capacity.

The plant will also benefit the fruit farmers to supply fruit nectar that will be blended with dairy products.

Furthermore, the Department has planned to identify more potential dairy farmers to be provided with support and to be capacitated to fully participate in the dairy value chain.

The support will include the revamping of the milking parlours to enhance their production level.

4. Veterinary Service

Madam Speaker, to ensure the Province maintain its animal health status, the Department has continued to perform its routine disease management programmes including regular surveillance, vaccinations, inspections, movement control, export control, sample testing and primary animal health care.



The past year the Province was disturbed by the outbreaks of Foot and Mouth Disease (FMD) and African Swine Fever.

The first outbreak of FMD was recorded in the Southern part of Bushbuckridge in a village called Tsakane in November 2019.

The Department successfully controlled and eradicated it.

The second outbreak was in the Eastern part of Bushbuckridge near the Nature Game Reserves in March 2020.

This outbreak is currently being managed through movement restriction, vaccinations, regular inspections, and roadblocks at strategic points and times, surveillance and testing.

In the 2020/21 financial year, the department plans to procure more FMD vaccine to ensure the livestock in the Province is protected against the FMD.

Outbreaks of African Swine Fever were reported in the Province, in particular, Nkangala and Gert Sibande Districts.

The disease was managed and eradicated in Nkangala District and was also kept under control in Gert Sibande District through movement restriction and burial of infected carcasses.

The outbreaks in the Province did not have an impact in the export status of the Province as they occurred in the Protected Zone.

This financial year these services will be continued to ensure the disease is eventually eradicated.

Awareness campaigns on these diseases will be carried out through available media platforms to create awareness to communities of the diseases and what steps they should take to prevent, control and eliminate the diseases.

For this financial year, two (2) new dipping tanks will be established and six (6) dipping tanks refurbished throughout the Province.

5. AGRICULTURAL TRAINING

Madam Speaker, the Department is pleased to report that it is implementing various programmes that take into account all targeted groups namely Diesel Mechanics, and Graduates Programmes, Mpumalanga Rural Skills and Learnership Programme (MRSLP).

In the last financial year, the Department has provided accredited Tractor Mechanic training throughout all the Districts.

These youth Tractor Mechanics are providing full tractor maintenance and repairs to the departmental tractors.

In addition, the Department in collaboration with the National Skills Fund (NSF) has enrolled youth for a year qualification.

This programme, which is an AGRISETA, accredited Learnership and Skills Development qualifications targeting youth in the Province, will run for a period of three years.

Madam Speaker, to address the problem of unemployed Agricultural Graduates in the Province,

The Department has implemented a two-year graduate programme whereby unemployed Agricultural Graduates are placed on commercial farms to acquire skills in farm management and entrepreneurship to become farmers themselves instead of seeking employment.

The Department has also recruited some of the youth in the Province under the EPWP as ambassadors on clean environment within their local areas under the Zonda Insila Programme.

This financial year the National Skills Fund Programme has targeted **412** learners, this include eight Learnership amongst others the Tractor Mechanics, Abattoir Processing and Meat Examination.

The training will be hosted in Marapyane and Elijah Mango Farmer Training Centres as well as the Amsterdam and Pilgrim's Rest Environmental Centres.

The Department will continue to implement the Graduates' programmes, accredited and non-accredited agricultural training.

6. RESEARCH AND CAPACITY BUILDING

The Department worked in collaboration with the farmers, public and private sectors through the Mpumalanga Agricultural Research Committee (MARC) to strengthen agricultural research.

This led to revitalization of the Soil Laboratory at Nooitgedacht Research Centre to render a comprehensive service to farmers especially Smallholder farmers.

This will go a long way in addressing most challenges that these Smallholder farmers faced in terms of application of agricultural technology to increase their productivity.

The Department continues to upgrade its research and training facilities infrastructure in order to strengthen its research and skills development programmes.

The Department will be focusing more on research to develop more technologies required to intervene on the effect of the Climate Change.

This will respond to Climate Change challenges such as diseases and exotic pests that are emerging and threatens the sustainability of agricultural production, as the Department plans to increase the grain production; the capacity of the Soil Lab will be enhanced.

7. ENVIRONMENTAL SERVICES

The issues of Climate Change have become a reality in the country and Government has developed different strategies and interventions (Climate Change Adaptation and Mitigation Strategy) to assist in adapting and mitigating the negative impacts of Climate Change.

The issue of Air Pollution has contributed to these challenges. In ensuring the stringent implementation of the Provincial Climate Change strategies, the Department is in a process to finalize a Just Transition Chapter for Climate Change mitigation.



The Department continues monitoring of the five (5) Air Quality Monitoring Stations within the High Priority Areas (Nkangala and Gert Sibande District) for Provincial intervention in terms of reducing the pollution to acceptable levels for protection and improvement of human health and environmental quality.

Furthermore, the Greenest Municipality Competition is a tool that encourages municipalities to deal with issues of energy efficiency, water conservation, and waste management. Let me congratulate the City of Mbombela for winning the Greenest Municipality Competition for 2020.

The implementation of the Zonda Insila Programme also serves as a Climate Change intervention in reduction of Greenhouse Gases while promoting environmental protection and socio-economic upliftment.

The Department will be ensuring implementation of all the Climate Change strategies as developed.

The strategy will be adopted and rolled out throughout the Province.



To add to the five existing monitoring stations, the Department has conducted feasibility study on the construction of an air quality monitoring station in Ehlanzeni to monitor quality of the air and to detect possible pollutants and recommendations.

This station will be used to create data, which can then determine where a permanent station can be constructed in particular the Lowveld Region.

Madam Speaker, the Department will continue to advocate environmental rights in terms of Section 24 of the Constitution by strengthening compliance and enforcement on environmental legislation against anyone or industry that contravene the law through Environmental Management Inspectors (Green Scorpions) by issuing fines and/or institute criminal charges.

8. COMPREHENSIVE RURAL DEVELOPMENT PROGRAMME

Madam Speaker, the Department is still on course in resuscitating the implementation of the Comprehensive Rural Development Programme (CRDP).

This programme is intended to continue with the positive effect it had of changing the lives of the people who are mainly placed and depended on the rural economy.

Focus of this programme will be to coordinate and bring about comprehensive rural development initiatives that covers all aspects of the development of the person in the rural sphere.

The Department is concluding on setting up the structures that include all key stakeholders at Municipalities, Sector Departments, House of Traditional Leaders, NGO, Private Sector and others.

The Department will commence with the roll out and implementation of the CRDP once EXCO approve the implementation plan.

9. CONCLUSION

In conclusion, let me quote the words of the late Statesman Dr. Nelson Mandela in his famous book Long Walk to Freedom, open quote "The future is for those who believe in the beauty of their dreams", close quotes.

The Premier has clearly laid out the future of the Province and the Department will focus on implementation, implementation and implementation.

I would therefore like to thank our Honourable Premier, Mrs Refilwe Mtsweni-Tsipane, and Members of the Executive Council for their guidance and support.

Let me also express my appreciation to the Portfolio Committee on Agriculture, Rural Development, Land and Environmental Affairs, under the leadership of its Chairperson, Honourable TM Makaringe.

The team in my Department led by the Acting Head Mr. Lucky Monareng, thank you for the support and commitment and also to our external stakeholders, organized agriculture and farmers; let us continue working together to support our farmers.

My appreciation also goes to the African National Congress study Group under the leadership of the Chief Whip, Honourable FV Mlombo for the guidance and support they have given us.

And lastly, I want to thank my family, my wife in particular, for the reliable support I receive.

I hereby present the Vote to this august House to approve the 2020/21 financial year budget, which is allocated in nine programmes as follows:

1. Administration, **Two hundred and seven million, six hundred and fifty-two thousand rand. (R 207 652,000)**
2. Sustainable Resources Management **Seventy-one million, three hundred and ninety-five thousand rand (R71 395,000)**
3. Farmer Support and Development, **Five hundred and thirty-one million, four hundred and nine thousand rand, (531 409,000)**
4. Veterinary Services, **One hundred and sixty-four million, four hundred and twenty-two thousand rand (R164 422 000)**
5. Research and Technology Development Services, **Sixty-six million, two hundred and twenty-one thousand rand, (R66 221 000)**
6. Agricultural, Economics Services, **Nineteen million, five hundred and thirty-eight thousand rand (R19 538,000)**
7. Structured Agricultural Education and Training, **Thirty million, eight hundred and six thousand rand, (R30 806 000)**
8. Rural Development Coordination, **Thirty million and forty-seven thousand rand, (R30 047 000)**
9. Environment Affairs, **One hundred and forty-five million, one hundred and thirty-one thousand rand, (R145 131 000)**

I thank you.

