

SPEECH DELIVERED BY MINISTER OF AGRICULTURE, DR IVAN MEYER, DURING BUDGET DEBATE ON VOTE 11, WESTERN CAPE DEPARTMENT OF AGRICULTURE.

Monday, 29 March 2021: Western Cape Provincial Parliament

Honourable Premier

Honourable Speaker and Deputy Speaker

Honourable Members of the Provincial Cabinet

The Honourable Leaders of the Opposition

Honourable Members of the Provincial Legislature

Special guests, the media, and members of the public

Honourable Speaker, when Premier Alan delivered his State of the Province Address, he inspired the Citizens with a message of hope. He gave them the undertaking that the Western Cape Government will lead from the front.

Today, Speaker, I have the honour of tabling a budget that inspires hope and leads from the front.

Speaker, I am privileged to be part of a sector that has and continue to bring hope to South Africa.

When Covid-19 and the hard lockdown hit us, Agriculture and the Health Sector, of course, that took steps to ensure the safety of agri-workers. It did so by making personal protective equipment available to agri-workers across this Province. Agriculture also embraced the call to ensure that food security was not compromised – the Sector led from the front.

Speaker, in 2020 South Africa's economy took a pounding.

There was, however, one Sector that stood out – Agriculture.

Agriculture continued to contribute positively to South Africa's GDP.

By doing so, the Sector inspired confidence in its ability to lead the Western Cape's economic recovery.

Behind this message of hope lies the hard work, unwavering commitment, tenacity and resilience of our agri-workers, farmers, producers, commodity organisations and exporters. To all of them a big thank you on behalf of this Government and the people of this Province.

THE STRENGTH OF THE WESTERN CAPE AGRICULTURE SECTOR

The combined contribution of agriculture and agri-processing in 2019 was R48.9 billion. In the past 10 years, the average annual real growth rate was at 4.3% in food processing GVA.

Hope is real in agriculture.

The agricultural sector created 22 000 jobs in 2019 and the food, beverages and tobacco sector added 12 000, a combined total of 34 000 jobs added for the year. What these figures tell us is that hope is real in Agriculture
Honourable Speaker.

The Western Cape Agricultural sector is dominated by the horticultural sector, which accounts for 47% of the Province's gross farm income. Livestock farming accounts for 37%, and field crops 16%.

The Cape Winelands accounts for 41% of gross farm income in the Western Cape, of which 60% comes from horticultural production.

The Overberg and the West Coast Districts also have horticulture as the main farm activity accounting for 46% and 43%, respectively. They together account for a further 37% of provincial gross farm income.

Speaker, the Cape Winelands is the biggest district by volume and agricultural output in South Africa.

Table grapes was the biggest agricultural export from the Western Cape in 2019.

Orange exports, however made a strong come-back with an export breaking season of 146 million cartons in 2020

Blueberry exports increased in real terms by 39% in 2019 and by 29% in 2020. **Honourable Speaker, this is a message of hope.**

The Department has continued to deliver its range of services during the Covid-19 pandemic - quite often with the sacrifice of the lives of officials, farmers, and agri-workers. During this period, we lost lives of farmers, agri-workers and my own staff in the Department of Agriculture

As part of our Covid-19 response, the Department:

- Provided advice and guidance through written motivations, ministerial letters, cabinet submissions, technical and economic research. The Department also monitored developments and constraints in the food value chains, updated Frequently Asked Questions (FAQs), developed a transport protocol for agri-workers and generated regular hotspot reports.

- 1300 participants have benefitted from the Wine Tourism Workers Support Stipend.
- As part of the process to establish lucerne on forty-eight plots at Ebenhaezer, irrigation water has been connected to the bulk water system at the first eight plots. Actual planting will take place during the planting season of April. **Hope is real in Agriculture.**

STRUCTURED TRAINING AND EDUCATION

Speaker, we must increase training opportunities for youth, women and the disabled to secure the sustainability of the agricultural sector.

The College offers formal training programmes at Higher Education and Training level, consisting of a Bachelor of Agriculture degree and a 3-year Diploma in Agriculture. The College also provides Learnership programmes and short skills courses. One hundred and sixty-seven (167) students graduated from these programmes at the end of the 2020 academic year. To date, 1 799 agricultural beneficiaries have benefitted from skills training.

In collaboration with Stellenbosch University, the Department expanded the Moodle platform's use to Diploma and Learnership students, allowing for a comprehensive blended learning approach across all our training offerings. It will be developed further to align teaching and learning with the fourth industrial revolution and opportunities.

The College is in the process of ensuring that the programmes within the Agricultural Skills Development programme aligns with the new Quality Council for Trade and Occupations (QCTO) systems and processes.

During 2020, students attended contact classes on a rotational basis based on the applicable lockdown regulations. Despite the challenge of Covid-19, the Elsenburg Agricultural College completed the entire academic year in 2020. This was mainly through the Moodle Platform and the commitment of our academic staff. **We did not allow Covid-19 to deprive us of the hope educations provides us.**

Speaker, today I am announcing that the Elsenburg Agricultural Training Institute will continue to offer formal and non-formal training. Training includes the B. Agric degree, 3-year Diploma in

Agriculture, a Certificate in Horse Mastership, a learnership programme to at least 550 students and skills courses to 1 500 participants.

Human Capital Development Programmes, including internships, bursary programmes, scholarship programmes, and Young Professional Persons programmes, are implemented to enhance the sector's skills development.

The future of the Elsenburg Agricultural Training Institute (Elsenburg College) remains under threat and is unclear.

I briefed the Western Cape Cabinet recently about the risks and I will shortly make an announcement in this regard.

RESEARCH

Smallholder producers' contribution to the Western Cape beef output is relatively small. The animals used for production are from many and varied breeds, including dairy cattle. As a sterling example of collaboration to address farmers' needs, the Department's Bull project empowers smallholder beef cattle. Farmers are annually provided with bulls of superior genetics to improve their livestock quality. Typically stud bulls are very expensive and therefore difficult for these farmers to come by. This project addresses that need.

This project started in 2016. To date, 41 bulls have been distributed to 26 smallholder farmers in the Overberg, Garden Route and West Coast districts. The bulls' recipients pay a nominal fee of R100/year for three years that the bull is on the farm.

Last year I handed over eight bulls to farmers from Genadendal – the place of hope.

The Department hosted a WOW day during November 2020 to highlight the latest innovations and technologies that the Department has developed for the Western Cape's agricultural sector. Fourteen innovations and technologies were presented, showcasing novel approaches to improved service delivery. The presentations were part of the drive to embed 4IR technologies within the Department's service delivery agenda. **These innovations prove that hope in agriculture is real. It is happening.**

FARMER SUPPORT AND DEVELOPMENT

Speaker our strategic intent is to increase the efficiency of farming business through diversification, partnerships, and more effective production systems, ultimately leading to an increase in the standard of living.

The Programme implemented 106 agriculture projects, both smallholder and commercial, for 2020/21 to the amount of R101.710m and, in doing so facilitated the creation of 325 permanent and 5 674 seasonal jobs. Furthermore, the Programme Agricultural Producer Support and Development, through its Extension and Advisory Services, has conducted 4 015 on-farm visits to farmers during the 2020/21 financial year. In response to the Covid-19 pandemic, a record 5 400 household gardens were established across the Province. Our One Home One Garden Policy supported household food production, thereby securing citizens' dignity. This project is bringing hope to communities across the Western Cape

Speaker, I would like to encourage citizens to start their household gardens to produce fresh, nutritious food for the household. We will continue to implement our One-Home-One-Garden policy in impoverished communities across the Province. An amount of R11.516m is ring-fenced for household and community projects. The strong partnership with Municipalities, NGO's, and Faith-Based Organisations will be strengthened so that more people can benefit from this initiative. We encourage communities to start harvesting rainwater for food gardens and thus reduce dependence on municipal water.

Speaker, connecting, with the miraculous world of plants gives an indescribable boost to personal mental and physical health and overall wellbeing.

Soon after Natsha Johannes was diagnosed with cancer she began the Garden of Hope on what used to be a dumpsite in Mitchell's Plain.

With her passion for agriculture, her passion for plants and her passion for vegetables, she together with her husband and the local community, showed that where there is passion, where there is dedication, where there is leadership, it is possible to make a difference in the community. **It is possible to plant the seeds of hope in your life.**

Speaker, today I announce that the Western Cape Department of Agriculture will implement a further 1 800 household gardens in impoverished communities across the Province. Agriculture is delivering on its message of hope.

Today, I further announce that the Department will continue to support our smallholder and commercial farmers by implementing 105 agricultural projects to the amount of R 104, m and facilitating the creation of 466 permanent and 1 097 seasonal jobs. All these will be supported through

partnership within the commodity approach, which remains our strategy for farmer support.

The partnership and collaboration with our commodity organisations has proven to be the driving force within this Programme. Hence, the positive outcomes of the land reform success in the Western Cape.

Speaker, as highlighted by the recent Ivan Cloete case, the National Government seems determined to destabilise the agricultural Sector.

Land appropriation without compensation and improper conduct of officials in the allocation of state-owned farms poses a huge risk to the agricultural economy.

The Ivan Cloete case further portrays DALRRD as being cruel and lacking empathy in dealing with real issues that affect lives and livelihoods.

The National Government must assure South Africans that land reform is not used to benefit politicians and their friends. It is unfair and unjust to do so at the expense of hard-working and deserving land reform applicants.

The bottom line is that DALRRD must not repeat Ivan Cloete's treatment.

Replacing productive farmers with politically linked individuals places South Africa's food security at risk.

Agriculture is an important sector of the economy of SA, and we cannot allow the state capture of farmland to continue.

RURAL DEVELOPMENT AND SAFETY

Facilitation and coordination of rural development initiatives in 8 regions of the Western Cape resulted in fifty-two structured engagements through the Regional Coordinating Committees. The Regional Coordinating Committees focus on holistically improving the socio-economic conditions, i.e. quality of life of communities living in rural areas, through a collaborative approach across Government, rural, and private sectors.

The Department has facilitated seven Rural Youth Interventions across the districts to address rural youth unemployment. The interventions provided life-skills training to the youth to realise their potential. The interventions focused on assisting rural youth focused on job-readiness, entrepreneurship, internships, and bursary opportunities. A total of 181 youth benefitted from these intervention.

The Department facilitates and implements four training and development projects targeting rural and agri workers throughout the Province annually.

The Technical Rural Safety Committee and the Inter-Ministerial Committee had various engagements with agricultural stakeholders in the Province, including the Department of Community Safety and SAPS.

Speaker, today I announce that the Western Cape Department of Agriculture has established a Rural Safety Desk.

The Desk provides a platform for farmers, agri workers, and agricultural stakeholders to log inquiries on rural safety matters.

We have also developed a Rural Safety Monitoring Dashboard. The aim is to capture and record all rural crime reported to the Department, provide spatial data on crime incidences and follow-up and referral to the relevant mandated authority. This initiative supports the provincial and ministerial focus on safety. Citizens can access the Rural Safety Desk through email Ruralsafety@elsenburg.com and contact number 021 808 5421.

MARKET ACCESS

Speaker, my stated intention is to increase agricultural exports by at least 5% over the next five years. During the 2020 financial year,

the Department augmented its support to the wine industry, especially for market development activities. More than R4 million went into various activities in the wine industry, including export promotion, domestic market access support and ethical trade. The Department spent R11 million on market access-related activities across multiple countries to increase agricultural product exports from the Western Cape. It is evident from this Sector's export performance that 2020 was a good year for agricultural exports, despite the COVID-19 pandemic, except for a few commodities that had a slight decline. Those include the wine industry, where export volumes declined to 319.2 million litres, also following 2019, which was also a challenging year for this industry because of drought. However, there were positive surprises as bulk wine volume increased by 3.7% to 181.5 million litres in 2020.

Further good news was that the value of our wine exports increased by 7.7% to R9.1 billion in 2020. The packaged wine export value grew by 8.3%. Bulk wine has also seen positive trading, with value increasing by 5% to R1.9 billion. Wine Export increased in developed and traditional markets in the EU, United States of America, and Canada. To increase our African market

footprint, the Department has added Kenya to markets such as Uganda, Ghana, and Angola.

In 2020, the Department continued with its ethical trade initiatives in partnership with the Wine Industry Ethical Trade Association (WIETA) and the Sustainability Initiative of South Africa (SIZA). The latter's focus was to expand to other commodities within and outside the horticultural Sector, such as fynbos and animal products like pork, wool/mohair, and poultry. SIZA is gradually becoming the primary social standard in the agricultural sector in South Africa. Its rigorous approach in getting international recognition is yielding positive results for market access.

Speaker, over the past six weeks, Western Cape table grapes producers have been harvesting table grapes. These have been marketed to China's wholesale and retail market under the South African Table Grape Industry's (S.A.T.I.'s) China Market Development Campaign.

The campaign is a strategic partnership between the Table Grape industry and the Western Cape Department of Agriculture and aims to increase market access for table grape producers. **Hope is real in agriculture.**

Speaker, the strategic intent is to enhance the agri-processing value-add in the Province from R17,4 billion in 2018 to R19.2bn in

2024. The Department has committed to fund a PhD student for three years to research halal studies to develop this industry's capacity. The opportunities that exist in the halal market are worth more than 3 trillion dollars globally. The research will directly benefit agri-processing, which is one of the strategic focus areas for the Department. The Department will further focus on developing additional skills for agri-processing through the Agrifutura project with the University of Stellenbosch. Further collaboration is also being explored with the Cape Peninsula University of Technology.

Agri-processing is a strategic priority. It is vital in job creation - 46% of people employed in the food, beverage and tobacco segment alone are women while 48% is youth. It is the only Sector that has been increasing jobs for the past ten years. During 2019, the Food, beverage and tobacco segment added 12 000 new jobs in the Western Cape.

Through fostering new relations with various partners, the Department aims to take agri-processing to the next level.

Speaker, today I announce that I will be launching the Agri-Processing On Wheels Project later this year. This initiative will expose rural communities to agri processing opportunities, which are jobs and sustainable food security. **Hope is real in agriculture.**

Speaker, as you are aware, the Western Cape Department of Agriculture, recently reported the outbreak of African Swine Fever (ASF), diagnosed at properties in Mfuleni.

As prescribed by the Animal Diseases Act, Act 35 of 1984, the Provincial Veterinary Services immediately activated a contingency plan and initiated measures directed towards arresting and controlling the spread of infection.

The South African Pork Producers Organisation (SAPPO) and the Cape of Good Hope Society for the Prevention of Cruelty to Animals (SPCA) continues to work closely with the Department in communicating and managing effective control of this disease.

Affected farmers were engaged and informed of facts concerning the diseases. Also, they were advised on the reasons for the interventions instituted. The WCDoA officials are assisting with implementing biosecurity

measures and the distribution of disinfectants and viricidal remedies to farmers.

In line with good international practise for diseases control, 240 animals were slaughtered with the industry role-players' assistance. Culled animals were safely removed and disposed of to ensure that no further spread and environmental contamination occurs.

Speaker, the pig industry in the Western Cape is the second-largest producer in South Africa, with production growing at an average annual rate of 3.7% over the past ten years. The Western Cape contributes 21% of the total national herd of 3.3 million pigs, making it an important contributor for growth and jobs, and this key for Western Cape's Economic Recovery Plan. The Department working together with the South African Pork Producers Organisation (SAPPO), is considering some support to affected farmers to ensure the curtailment of the disease and protect our market access for pork. The Department values the support that SAPPO has shown, and we remain encouraged by their willingness to help.

Speaker, we encourage all farmers to adhere to the rules in terms of the quarantine measures and ensure no movement of animals in the area to avoid disease flare-ups and perpetuation.

The Department would like to thank the farmers for their on-going support. We encourage them to remain vigilant, maintain heightened biosecurity measures and continue monitoring all affected areas to stop the spread of ASF in the Western Cape.

Speaker, I want to announce today that our Veterinary Laboratory was audited by South African National Accreditation Systems (SANAS) in November 2020 and was once again **granted unconditional accreditation and thereby retained its accreditation status for ten consecutive years.**

Speaker, today I announce that the Western Cape will be commissioning a Chemical Residue Testing facility housed in our Provincial Veterinary Laboratory. Honourable Speaker this will bring services faster to our clients. This service will offer real hope to our farmers.

CLIMATE CHANGE

Lead the agricultural Sector to become a low carbon, climate change resilient sector by advocating climate-smart production practices.

The Department supports irrigation agriculture with the Fruitlook project, which provides nine water use and crop growth data parameters via the Fruitlook web portal. Fruitlook enables farmers to use irrigation water optimally. At the same time, it reduces input costs and maximises crop production. The project is fully funded by the Department of Agriculture and generate data for all the main irrigation areas totalling more than 200 000 ha under irrigation in the Province. The information is generated from satellite data and updated weekly.

DISASTER RISK MANAGEMENT

At the beginning of the 2020/2021 financial year, the Department provided R10m worth of fodder support to 1 736 farmers situated in critically and extremely critically dry areas. The Department disbursed an additional R25m allocation to 1174 farmers in fodder vouchers. Many farmers indicated that without the support from Government, many would have had to close their

farming businesses. The drought-affected not only farmers but also the entire farming community. The farming community include the whole value-chain, workers and their families.

The Department allocates R6.7 million towards preventative maintenance work on the LORWUA canal in the 2021/22 financial year. Disaster support will continue to those livestock farmers in the most critical drought-stricken areas of the Province.

Speaker, we will promote healthy ecosystem functioning through strategically focused ecological infrastructure investment critical areas.

Sustainable Resource Use and Management has identified several Ecological Infrastructure interventions, which would assist the farmers in both the short and long-term. Ecological infrastructure projects promote naturally functioning ecosystems that deliver valuable services to people, such as freshwater, climate regulation, soil formation and disaster risk reduction.

These projects include:

- Implementing fencing projects.
- River stabilisation structures

- Clearing of alien vegetation.
- Rehabilitation of agricultural land damaged/destroyed by the drought and fires.
- Upgrading and maintenance of canal systems.
- Through stakeholder engagements, the Sustainable Resource Use and Management Programme has identified the design and installation of water pipelines as critical to mitigate the future threat of water scarcity in the Province.

One of our major ecological infrastructure projects (clearing of invasive alien plants) will create 1 000 green jobs, and 15 000 ha of agricultural land will be rehabilitated. The investment in environmental infrastructure is one of the most cost-effective interventions to increase water yield. The removal of invasive alien plants will improve water security and build resilience to drought. Indigenous vegetation will replace alien plants.

Building partnerships with various stakeholders that invest in ecological infrastructure projects ensure the sustainability of these projects. Furthermore, these partnerships contribute to developing the green economy based on sustainable harvesting and rehabilitation of the alien invasive resources.

Speaker one example is the Berg River. It is the most important river system in the Cape Town Metro and parts of Cape Winelands and West Coast District.

Speaker last week, I had the privilege to visit the Western Cape Department of Agriculture's (WCDoA) alien clearing project at Zonquasdrift located downstream of the Berg River in the Drakenstein Municipality, Cape Winelands. This project is part of the Department's interventions in building Climate Change resilience.

Speaker, protecting, maintaining, and restoring the Province's ecological infrastructure is a critical part of the work done by the WCDoA.

Firstly, the removal of Invasive Alien Plants (IAP's) that use excessive amounts of water will increase water available to the agricultural, domestic and industrial sectors.

Secondly, the overgrown invasive alien plants in the river stream causes severe soil erosion that increases water turbidity and water quality. Thirdly, invasive alien plants out-compete indigenous vegetation. Thus, their removal will directly impact the ecological infrastructure, which contributes to healthy and functioning ecosystems.

During my visit, I also met contractor and National Landcare winner as the best contractor in 2018, Linda Jansen.

She employs four teams consisting of 52 people to remove alien vegetation along parts of the Berg River.

With the Western Cape Department of Agriculture's Landcare Programme, Linda Jansen can reverse the damage caused to our ecological infrastructure.

Speaker, today I announce that during the 2021/22 financial year, a total of R7.8 million will be allocated to the erection of fences.

Speaker, fencing project allows for rotational grazing, which allow farmers to rest the veld and improve ecosystem functioning. As such, farmers can mitigate the impacts of climate change, i.e. droughts. Furthermore, the fences are jackal-proof which means an increase in off-take due to a reduced loss of animals due to predators. Some farmers have reported a rise in off-take of up to 400%. These projects will create employment in the rural areas where many agri-workers are unemployed because of the severe drought conditions.

The Preservation and Development of Agricultural Land Act (PDA) is currently before Parliament for approval. If approved, the Subdivision of

Agricultural Land Act no 70 of 1970 will be repealed. This development will significantly impact provinces as certain decision-making functions will be delegated to the provinces.

Delegating powers to provinces is what Premier Winde referred to in his SOPA.

Speaker we must facilitate and increase in agricultural production in a sustainable and climate-smart manner.

Speaker, today I announce that the Western Cape Department of Agriculture will implement the SmartAgri Management Improvement Plan in 2021.

In 2020 the Department completed a Diagnostic, Design and Implementation evaluation of the Western Cape Agricultural Sector Climate Change Framework and Implementation Plan (SmartAgri). Seven high-level recommendations were made to improve the plan and its implementation and to address the gaps. The Department will implement the Management Improvement Plan (MIP) of the SmartAgri during 2021.

The SmartAgri plan also focuses on vulnerable rural communities. The envisaged outcomes will also benefit these communities and contribute to building a resilient workforce on farms.

Prof Stephanie Midgley, world-renowned climate change expert, has been appointed from 01 January 2021 as Climate Change and Risk Assessment Scientist. She will lead the climate change research and capacity building drive of the Department. Her expertise in climate change and the agricultural Sector will undoubtedly take our Department and the Sector to new resilience levels.

Speaker, I am also proud to announce I will be launching three climate change booklets, transcribed, and translated into Afrikaans, English, and Xhosa.

The booklets emanate from the award-winning well-known, and first-ever radio series on climate change, Die Kwik Styg. The radio series received the 2020 Eco-Logic Gold Award: Category Climate Change. The booklets will be available in hard copy (limited) and online in e-booklet format with embedded radio technology. The reader will also be able to listen to the radio broadcast whilst reading the e-booklet.

The Department concluded the seventh round of the Alternative Crops Fund. It funded nine research projects to the value of R1.944 million. Alternative crops are climate-smart, high-value crops with high labour needs. The fund, launched in 2014, has already been supported to the amount of R13.115 million.

Speaker, it is now my pleasure to table the Western Cape Department of Agriculture's Budget of R909.086 million for the 2021/22 financial year.

It is a budget of hope and a budget that places Agriculture at the forefront of the economic recovery of the Western Cape.

I thank you.