***Agriculture - Inspiring hope through growth and jobs and responding to the urgency of now.***

**Western Cape Government**

**Provincial Agriculture**

**BUDGET ADDRESS 2023**

**Minister of Agriculture**

**Dr IH Meyer**

**28 March 2023**

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

**Tuesday, 28 March 2023: 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

Farmers, agri-workers, producers and supporters of the agricultural sector

1. Agbare Speaker, ek gebruik graag die geleentheid om my spesiale gas by die Wes-Kaapse Wetgewer te verwelkom. Met haar kenmerkende kappie, draai sy haar roosterkoeke behendig om. Sy is een van Laingsburg se bekendste inwoners, en haar stalletjie lok toeriste en reisigers van oral. Agbare Speaker, ek is geëerd om die legendariese Tannie Poppie te verwelkom.
2. Honourable Speaker, in his SOPA on 16 February 2023, Premier Alan Winde called for **urgency and vigorous, positive action**.

3 Honourable Speaker, no sector understands **better the urgency of now** than the agricultural sector. This is because the sector deals with what we describe as the envelope of the possible – land, water and climate.

4 The magic happens when we bring together land, water, climate, people, and skills supported by market access, technology and capital.

5 Agbare Speaker, op 'n baie basiese vlak verstaan ​​ons almal dat daar 'n tyd is om te saai en 'n tyd om te oes.

6 Dit is om hierdie rede dat die bekroonde graanboer **Alfreda Mars**, wat vandag by ons aansluit, weet sy is in 'n wintergraanboerderygebied. Daarom kan sy nie in Julie begin saai nie.

7 Sy verstaan ​​ook dat sy gemengde boerdery moet toepas om winsgewend te wees. Om dié rede is sy ’n graan- en skaapboer. Eenvoudig maar diepsinnig.

8 Honourable Speaker, faced with the envelope of the possible, another element is always present in the agriculture sector. **It is the power of hope.**

9 Honourable Speaker, agriculture has been at the forefront of the economic recovery of the Western Cape. It will continue to do so for the foreseeable future.

10 Agriculture will continue **to inspire hope through growth and jobs, responding to the urgency of now.**

11 Agbare Speaker, **Landbouhoop beskaam nie**.

12 Die krag van landbouhoop word versterk deur onder andere, die sektor se handelsprestasie en sy bydrae tot die indiensnemingsgetalle in die Wes-Kaap.

13 Honourable Speaker, I feel the "**fierce urgency of now**" whenever I speak to a farmer, producer, or agri-worker.

14 I felt it when I met with Jannie Strydom, the CEO of Agri Western Cape and his President, Villiers Loubser. They spoke to me about the devastating impact of the electricity blackouts on the harvest, irrigation and cold storage facilities.

15 I felt it when I met with Anton Kruger, CEO of the Fresh Producers Exporters Forum. He told me about our exporters' challenges due to Russia's war on Ukraine.

16 I felt it when Justin Chadwick and his colleagues spoke to me about the impact of the inefficiencies of the Port of Cape Town and

17 I felt it when I visited Nooitgedacht Farmers Trust, a commercial egg production enterprise in Atlantis. Load shedding significantly impacts the profitability of his small farming enterprise.

18 Honourable Speaker, I am honoured to table a budget of R960.165 million. The Western Cape Government's three strategic objectives, **jobs, safety, and well-being, guides me as I table this budget today.**

19 My five ministerial priorities provide the required sharp focus - **structured education, training and research, farmer support and development, rural safety, market access and climate change.**

**ECONOMIC PERFORMANCE.**

20 Honourable Speaker, Agriculture & Agri processing contributes 11% to the GDP of the Western Cape.

21 The QLFS Q4 2022 statistics highlight that the agriculture sector employed 227 893 workers in the Western Cape, and the agri sector employed agri processing 236 002 workers in the same quarter of 2022.

22 Combined, the sector contributed 426 417 jobs in the Western Cape.

23 This is 78 666 (22,6%) more than in Q4 of 2021 and 105 651 (46,8%) more than in Q4 of 2014.

24 This means that the Agriculture sector employed 16.2% of the total number of people employed in the Western Cape.

25 Honourable Speaker, **Agriculture is inspiring hope through growth in employment, responding to the urgency of now**.

**UITVOER PRESTASIE**

**26** Agbare Speaker, Agbiz Hoof Landbou-ekonoom Wandile Sihlobo skryf dat Suid-Afrikaanse uitvoere in 2022 'n nuwe rekord van VS$12,8 miljard bereik het, 4% hoër as die vorige jaar.

27 Goeie nuus vir die Wes-Kaap is dat mielies, wyn, tafeldruiwe, sitrus, bessies, neute, appels en pere, suiker, avokado’s en wol in 2022 onder die top uitvoerbare produkte was.

28 Agbare Speaker, agt van die tien belangrikste uitvoerprodukte uit die Wes-Kaap het 'n landbougrondslag.

29 Vir elke 5% toename in landbou-uitvoer word 22 951 werksgeleenthede geskep.

30 Ses-en-sestig persent van die waarde van Wes-Kaapse landbouproduksie word uitgevoer.

31 Meer as 50% van Suid-Afrika se landbou-uitvoer het sy oorsprong in die Wes-Kaap.

32 Agbare Speaker, my Departement streef voortdurend daarna om ons dienslewering te verbeter. Ons sal dus 'n eksterne evaluering laat doen van die impak en implementering van ons marktoegang-ondersteuningsintervensies. Landbou inspireer hoop deur groei en werksgeleenthede, en reageer op die dringendheid van nou.

**SUSTAINABLE RESOURCE USE AND MANAGEMENT**

33 Honourable Speaker, the sustainable resource use and management programme provides agricultural support services to land users to ensure sustainable development and management of natural agricultural resources.

34 I am pleased that while we are doing so, we are also creating hope for our youth. For example, out of the 1204 jobs created during 2022/23, more than 50% were taken up by young people.

35 The Department will continue to support and strengthen the operations of the Lower Olifants River Water User Association. Through this, the Department can improve water surety in nine towns in Matzikama, serving a regional population comprising 73000 people, 860 farms and providing irrigation water to agriculture spanning 12000ha.

36 Honourable Speaker, **Agriculture is inspiring hope through growth and jobs, responding to the urgency of now.**

**AGRICULTURAL PRODUCER SUPPORT AND DEVELOPMENT**

37 The Western Cape Department of Agriculture will continue implementing the commodity approach as a strategy for farmer support across the agricultural value chains.

38 This partnership with commodity organisations strengthens the support rendered to land reform farmers.

39 Key to this approach is facilitating access to markets and mentorship support provided to land reform farmers by commodity organisations.

40 Honourable Speaker, successful land reform happens when farmers can access natural resources, skills, mentorship, technology, and markets and make money. This is what we do in the Western Cape.

41 Grain farmer **Alfreda Mars**, Table Grape Farmer **Warren Bam** and Citrus Farmer **Piet Smit** are with us today. They are living examples of the success of the Western Cape's Commodity Approach to land reform.

42 I am also pleased that our partnership with GrainSA will find expression in another edition of the Western Cape's most significant agricultural show, NampoKaap. Last year, **32 640** guests visited NAMPO Cape over four days to visit the more than 500 exhibitors. I look forward to welcoming Members of the Provincial Legislature to NampoKaap, Bredarsdorp, in Overberg Region in September 2023.

43 Their success underscores the Western Cape Government and the commodity organisations' commitment to fostering redress and equity through land reform. In line with the Department's strive for excellence and improved support to the farmers of the Western Cape, we will conduct an external diagnostic and design evaluation of the services needs of different farmer categories in the Province.

44 Honourable speaker, land reform success in the Western Cape is not just a matter of statistics but a well-considered initiative to make a difference in the lives of the people of the Western Cape. Therefore, as part of our continuous learning process this year, we intend to conduct an external impact and design evaluation of our services to land reform beneficiaries.

45 Land reform in the Western Cape showcases people with their stories of success, each **inspiring hope through growth and jobs and responding to the urgency of now.**

**VETERINARY SERVICES**

46 Honourable Speaker, the Veterinary team continues to expand the Rabies resilient footprint within the Province's densely populated areas. Vaccination campaigns will continue to ensure that Western Cape stays Rabies free and its citizens are protected. The campaign also promotes a heightened awareness of animal diseases and their risks to citizens.

47 Honourable Speaker, as announced last year, we have committed R23 million to revamp and refurbish the Provincial Veterinary Laboratory. I can confirm that work is progressing well and that the renovated facility will be inaugurated in November 2023.

48 Our Veterinary Public Health officials continue rendering comprehensive audits of food-producing outlets utilising the Hygiene Assessment Scheme [HAS] as the tool. Doing so reduces food poisoning, increases food shelf life, and improves public health.

49 Speaker, in line with my commitment to focus on biosecurity and animal health, I will host the inaugural **Western Cape Provincial Veterinary Services Week in September 2023**. The spotlight will be on the critical role that our veterinary service plays in promoting animal health and sustainable and profitable animal production enterprises.

50 Agbare Speaker, ek is erg bekommered oor die dreigende krisis wat veroorsaak word deur die nasionale regering se versuim om te voldoen aan die aanvraag na enstowwe vir vee.

51 Meeste enstowwe wat vir die vee in Suid-Afrika teen siektes moet beskerm, word by die staatsbeheerde onderneming Onderstepoort Biologiese Produkte Bpk geproduseer.

52 Agbare Speaker, die tekort aan entstowwe vir veediere kan 'n negatiewe impak hê op die vleis en suiwel voedselketting en die welstand van die betrokke diere. Dit kan, Agbare Speaker, lei tot 'n toename in die verspreding van siektes. Sonder bystand of verligtingsprogramme sal boere en diere eienaars verskeie wetlike vereistes noodgedwonge moet oortree.

**RESEARCH AND TECHNOLOGY DEVELOPMENT SERVICES**

53 Honourable Speaker, more than 100 young delegates attended the first Climate Change and Agriculture Youth and Young Researcher's Convention, successfully hosted in 2022, at Elsenburg. Given the event's success, another one will be presented in 2023.

54 Honourable Speaker, 150 delegates from 18 countries attended the Xth International Symposium on Irrigation of Horticultural Crops. SA showcased its expertise in irrigation farming to international visitors and scientists. I am happy to announce today that preparations are underway for the 9th World Congress on Conservation Agriculture to be held in June 2024 in Cape Town.

55 Honourable Speaker, the Western Cape Department of Agriculture commissioned the development of **the Western Cape Cannabis Framework and Implementation Plan (CanPlan) for the agricultural sector.** I am happy to announce that this plan has been finalised and will be released tomorrow, 29 March 2023. The plan identifies initiatives for the Department and other provincial departments and partners, laying the foundation for a supportive approach and linking into the National Cannabis Master plan pillars.

56 The agreement between the WCDoA and the State of California has led to various interactions on climate change and resource utilisation. Furthermore, the possible establishment of a **Mediterranean Agriculture Working Group on Climate change opens up new research and collaboration opportunities** for our Province. The WCDoA also intends to sign an MOU with the University of Stellenbosch School of Climate Studies in 2023. Given our Whole of Government and Whole of Society Approach, the Department of Local Government and the Department of Environmental Affairs and Development Planning will co-sign the MOU.

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**AGRICULTURAL ECONOMIC SERVICES**

57 Honourable Speaker, the Western Cape Department of Agriculture works tirelessly to strengthen land reform and domestic market access for our producers. One example is La Gratia, based in the Garden Route District Municipality, which attained a SA GAP certificate in June 2022. Apart from ensuring that the agri-business, La Gratia, produces safe food, the certification has led to a buyer issuing a letter of intent to purchase gooseberries valued at R712 000.

58 Another agri-business**, Heim Eggs Co-operative Limited**, has benefited from the Department's Financial Record Keeping Programme. When joining the programme, Heim Eggs Co-operative Limited had no financial records or financial statements. As a result, it also did not comply with statutory requirements such as UIF/PAYE, VAT etc. Today, Heim Eggs Co-operative Limited has a sound financial record-keeping system and complies with IUF/PAYE and VAT. The Director, Dorothy Josephs, is thrilled. She indicated that the business can now make sound financial decisions and has managed to access funding using the financial statements she received through the programme.

59 Honourable Speaker, **market access** is a critical variable in the growth of the agricultural sector and the Western Cape economy. For this reason, the Department coordinated export promotion platforms in countries such as **China, Angola, Ghana, Nigeria, Uganda, and Kenya** in 2022. The Department also led a delegation of 18 companies to Accra, Ghana. A highlight of this initiative is **Ubuntu Extra Virgin Olive Oil** which managed to secure a deal worth **R27 million**. Ubuntu Extra Virgin Olive Oil Ubuntu has benefited from the Department's product development, compliance and marketing support services provided by the AgriHub at Elsenburg.

60 Honourable Speaker, **Agri-Processing on Wheels** was launched in February 2022. As a result, approximately 238 existing and aspiring agri-processors have been capacitated on agri-processing initiatives.

61 Vanessa Faro, a food security beneficiary of the Department, is leasing less than 0.5 ha. She has established a garden to plant vegetables for home consumption and sells the surplus. She is unemployed and raising four children, depending primarily on the garden and income from her husband's part-time job. But, in her words, "**With the Agri-processing skills that I have acquired during the capacity building sessions at Elsenburg, I now know that I can move into developing new products using different processes that can help take my garden to a fully developed business."**

62 Honourable Speaker, market access will remain a focus for

the Western Cape, and we will continue to support the agri-processing sub-sector in rural areas by intensifying efforts of its Agri-processing On Wheels initiative.

63 Honourable Speaker, the worsening energy crisis is one of the most devastating sector challenges. As a result, attention will be given to energy issues to create awareness within the sector in collaboration With GreenCape. Honourable Speaker, following consultation with the Premier and the sector, my Department will host an Agriculture Energy Summit towards the end of June 2023.

**AGRICULTURAL EDUCATION AND TRAINING**

64 Honourable Speaker, attracting and equipping our youth to participate in the vibrant agriculture economy is critical. I was therefore pleased to receive an updated version of the Department's **Looking into the** **Future: 30 Careers in Agriculture** from the HOD, Dr Mogale Sebopetsa. I have asked my officials to provide Members with a copy of the publication. I also invite members to visit our exhibition downstairs in the Concourse. As a learning organisation, we continue to partner with others to strengthen our service delivery to the citizens of the Western Cape. Today I welcome and acknowledge the presence of Professor Danie Vermeulen, Dean of Natural and Agricultural Sciences, University of the Free State. Our partnership is in the area of agri-processing and extension and advisory services.

65 Agbare spreker, die Program: Hoër Onderwys en Opleiding (HOO) sal die Baccalaureusgraad in Landbou, 'n 3-jaar Diploma in Landbou en 'n Sertifikaat in Perdemeesterskap vir die 2023 akademiese jaar aanbied. Daar word verwag dat tagtig (80) studente aan die einde van die 2023 akademiese jaar sal gradueer. Kwalifiserende studente sal finansieel ondersteun word, en ten minste 25 beurse sal toegeken word.

66 Die Sub-program: Landbouvaardigheidsontwikkeling sal voortgaan om formele en nie-formele opleidingsprogramme aan te bied aan 'n totaal van 3 000 deelnemers regoor die Wes-Kaap by die hoofkampus sowel as die vier gedesentraliseerde sentrums, Clanwilliam, Oudtshoorn, Bredasdorp en George.

67 Agbare Speaker, Elsenburg Landbou-opleidingsinstituut (EATI) gaan voort om Landbou-opleiding en -opleiding (LOO) vir die jeug te verskaf deur die fasilitering van formele en nie-formele opleidingsprogramme. Die program bied 'n struktuur wat fokus op die holistiese ontwikkeling van ons studente, soos sport en nasionale en internasionale interaksie. Sport speel 'n belangrike rol in die algehele verbetering van 'n student, en verseker 'n goed gebalanseerde individu. Ons was dus opgewonde dat Sibabalwe Xamlashe, 'n B.Agric-student, deur hierdie benadering 'n kontrak met die Toyota Vrystaat Cheetahs onderteken het, om 'n professionele rugbyloopbaan in 2023 te begin.

As gevolg van ons internasionale interaksie het vier studente vanaf 27 Junie 2022 tot 08 Julie 2022 aan 'n internasionale studietoer na Nederland deelgeneem as deel van 'n ooreenkoms met die Universiteit Stellenbosch en die Nederlandse Universiteitstigting vir Internasionale Samewerking (NUFFIC) wat in Tuinbou spesialiseer. Die Voorsitter Stephanus Herholdt en Ondervoorsitter van die SR, Emma Claassen, sluit vandag by ons aan.

68 Elsenburg plays a vital role in educating the wine industry's wine-makers. Therefore, I am glad to confirm that the rehabilitation of the Elsenburg vineyards is continuing, and new cellar equipment is being procured for student training.

69 Honourable Speaker, I welcome **Nigel Klaasen**, Western Cape Agri Worker of 2022, who recently returned from the Netherlands and Germany. During a media interview on his return, Nigel said that the experience made him realise how competitive the global fresh produce value chain was. "I also learnt the significance of improving market share by staying relevant with the latest trends and technology," he said. As a result, Honourable Speaker Nigel Klaasen was inducted as a Western Cape Agri Workers Prestige Forum member in December 2022.

70 Our agri-workers are highly skilled. This was confirmed during my recent visit to **Haygrove Heavens** in the Overstrand in the Overberg region. Haygrove farming grows berries worldwide, with farms in the United Kingdom and South Africa. The main crops grown are strawberries and raspberries. I was, however, blown away by the skill displayed by the pickers who had just returned from spending time in the UK, outperforming their foreign peers. Haygrove is today represented by Managing Director, Sean Tager and Head of Finance, Anton Mönnig.

71 Honourable Speaker, the image of the agriculture sector and the well-being and dignity of agri-workers is close to my heart. It is for this reason that I developed the hashtag #fortheloveof agriculture. The Department will continue to enhance the image and socio-economic conditions of agri workers and their families.

72 Honourable Speaker, my actions are emboldened by my unshakeable confidence in my Department's excellent track record of support to the agricultural sector. My faith is further bolstered by the knowledge that our farmers, producers, commodity organisations and agri workers are not only dealers in hope. They are men and women who believe in putting the shoulder to the wheel. The agriculture sector is action orientated.

73 As I conclude, honourable Speaker, I make the following **key announcements**: Budget 2023/2024 allocates:

• R60.844 million to ensure operational support services to the Department, including human capital development and R5 million, which is earmarked for upgrading security services.

• R134.757 million to promote the sustainable use and management of natural resources. R38.628 million is earmarked for ecological infrastructure and R18.5 million for river protection works.

• R222.192 million towards producer support services, Earmarked allocations include the CASP of R113 568 million and Ilima/Letsema of R59 979 million

• R27.584 million to Casidra SOC LTD to support the Department with project and state farm management.

• R64.158 million to provide animal health services to prevent and control animal diseases. A further R2.5 million goes towards the upgrade of the Veterinary Laboratory.

• R103.261 million to improve agricultural production through research and technology development, focusing on mitigation and adaptation options for farmers in response to climate change.

• R42.996 million is set aside for research infrastructure, such as our research farms and support services.

• R31.706 million to provide production economics and marketing services to agri-businesses, with a further R7.656 million allocated to facilitating agri-processing initiatives to grow participation in the agricultural value chain

• R57.997 million towards education and training and agricultural skills development and

• R10.084 million to enhance the image and socio-economic conditions of agri workers and their families.

74 Honourable Speaker Premier Alan Winde and I recently attended Wesgro's inaugural Made in the Cape expo. The expo aims to ramp up support for Western Cape exporters, with 30 buyers from around the globe gathering in Cape Town in the first three days of March to meet with more than 300 exporters. What struck me, Honourable Speaker, is that we can do much more in our individual capacity to promote made-in-the-cape products. I, for example, use every opportunity to encourage ostrich meat. Not only does ostrich meat offer health benefits, but popularising ostrich meat or rooibos tea contributes to the economic growth of a uniquely Western Cape product. Cape Bobotie and ostrich meat were recently served the past weekend at lunch hosted for the King and Queen of Belgium.

75 Honourable Speaker, a Ministry and a Minister is as good as the support he gets from his family, ministerial staff and departmental officials. I am, therefore, incredibly grateful to my wife, Faeza and sons Ivan and William for their love and support, to my Head of Office, Marietjie van Jaarsveld, MLO Daniel Johnson, and Private Secretary Charmaine Devos, for their professional dedication. Zodwa Mdingi, Cleo Forsdike, Lesley-Ann Diergaardt and Nicolene Hill, thank you for contributing to the smooth running of my office and the Ministry of Agriculture.

76 My gratitude goes to HOD, Dr Mogale Sebopetsa; DDGs, Mr Darryl Jacobs and Dr Ilse Trautmann; and CFO, Mr Floris Huysamer and their teams for understanding the urgency of now. Thank you for your work to grow the Western Cape's economy and create jobs.

77 Honourable Speaker, it now gives me great pleasure to table the Western Cape Department of Agriculture's Budget of R960.165 million for deliberation in the House.

I thank you