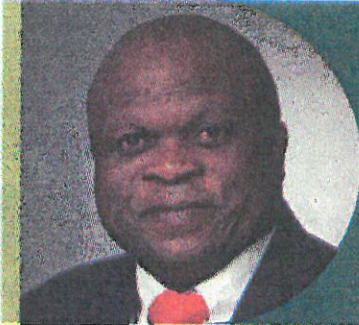




agriculture & rural development

Department:
agriculture & rural development
PROVINCE OF KWAZULU-NATAL



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Let's make agriculture our culture

An Address by the MEC for Agriculture and Rural Development in KwaZulu Natal on the Occasion of the KZN Master Plan Colloquium at Dube Trade Port. 16-17 November 2017

Leaders of Local Government in the province
House of Traditional leadership in the province
Farmer organizations
Non-governmental organisations
Institutions of Higher Learning
Officials of government from different Departments
And our guests invited for research paper presentations

It is with great excitement that today and tomorrow we are having this all-important Agricultural Master plan Colloquium for the province of KwaZulu Natal. It is important to me because this Colloquium is a launch pad for the beginning of a sustained process in achieving what I announced this year in my Budget Speech at the Legislature, that I want a provincial agriculture Master Plan for the province of KwaZulu Natal.

Ladies and gentleman, over a period of time, this Department has undergone numerous policy and programmatic changes with regard to agriculture. These policy and programmatic changes have been occasioned by the unfortunate reality of the high rate of leadership turnover at the level of MECs and Head of Department. This unprecedented leadership turnover has resulted into policy and programmatic disruptions as new political leaders and accounting officers tend to develop their own and sometimes throw the baby with a bathwater in abandoning the previous programmes and frameworks. The net result of this phenomena of policy and programmatic fluidity has been the suffering of service delivery in so far as poor households in farming communities are concern and farmer development in general. Consequently, the province is therefore lagging behind in terms of the unleashing of the agricultural potential in the province and turning agriculture into a critical sector for provincial economic growth. For the first time, we are embarking on a process to craft an agricultural framework that will forego any deployed political leader of the Department and Accounting officers for the Department. Anyone in the future brought to lead the Department, will not deviate from this framework and its core assumptions.

We have therefore concluded that we now need an overarching long range Master Plan for agriculture that will open new vistas for the province of KwaZulu Natal. Unlocking the agricultural potential in the province for both rural development and rural economy through viable enterprises is the most urgent imperative for the government. This Plan should not be a wish list that is unattainable but must be realistic yet measurable as a vision for people of the province with clear targets and milestones. In its vision it must articulate clear and ambitious but achievable objectives for agriculture in the province, spelling out with certainty that in the next five to ten years where will this province be, on agriculture; it must spell out clearly the expansion levels of agricultural enterprises both in upward and downstream.

The Plan must even pre-empt the growth of agricultural commodities and value chains in the province so that we level the playing fields as government towards those trends. But this Master Plan, in the overall, must re-imagined agriculture in the province as a backbone of our economy and a major contributor to the GDP. Ladies and gentleman, more importantly, this Plan will be anchored by the Agricultural and Rural Development Advisory Councils that we are going to establish as a Department. These Councils, will be key actors drawn from diverse backgrounds such as farmers in Communal land, Amakhosi, Local government leaders, and government players both from provincial and national representatives especially from land reform. The Master Plan will also provide the foundation for a Provincial Irrigation Infrastructure Plan. Already there is work being done with regards to the approach on mega irrigation strategy in the province.

We are insisting that the plan must be a product of extensive multi-sectoral stakeholder engagements and inputs. The final product must enjoy support from all the players such as farmers, Amakhosi, Local government, agriculturalists, religious bodies, civil society, NGOs and government. This buy-in of people of KwaZulu Natal to the Master Plan as theirs is very fundamental. In this regard I must express my appreciation that His Majesty the King endorses this process as a custodian of the land, and has in fact agreed to make a contribution to the success of this process. Ingonyama Trust under His Majesty is expected to play a critical role as we continue with consultative processes. The role of SALGA cannot be over-emphasized because of the integral nature of the work lying ahead and their IDPs especially in communal land.

The New Growth Path (NGP) as adopted in 2009 conceived of the agricultural sector as major catalyst for smallholder sector and job creation. The New Growth Path set the target of 300 000 smaller holder households and 145 000 additional jobs in the agro-processing. The National Development Plan (NDP) located agriculture at the centre of country's future growth. It set the target for almost one million new jobs that the sector must create by 2030 thereby offsetting the high levels of unemployment in the country. In its diagnostic report, the NDP recognizes that for the agricultural sector to catalyse development in the rural economy and broadly, it would first need:

• To transform the agricultural sector (change patterns and systems of ownership and control) because its current trajectory was that of job shedding and an increased monopolization across value chain.

Agriculture as means against Poverty, Job Creation and Economy

Many economists agrees that agriculture as a sector carries with it a great potential to ameliorate vicissitudes of poverty and unemployment, agricultural sector is seen as a salvation in the midst of despair in our economic growth trajectory. It is seen as one sector that carries with it a potential to create jobs when unemployment in the country has arisen to more than 27%; it is a sector that has been identified as one that will address poverty and food insecurity in the country thereby stemming the tide that Stats SA has recently reported on a shocking *Poverty Trends of SA Report* on poverty levels in South Africa. The main thrust of the report is that South Africa has more than 30 million people living in poverty. This number represent more than half of our population that is languished in poverty. Simply put, one in two South Africans is trapped in poverty. This report pointed out that rural population is the most affected by poverty. KZN ranks number three (68.1%) after Eastern Cape (72.9%) and Limpopo (72.4%) in poverty levels in the country. KZN Poverty share distribution to national poverty is 24.4%. The provincial Poverty head count is above 60% (people with income and consumption below poverty line). One in seven is food insecure with women and children being the most affected in the province.

It is from this basis that we have taken a decision to put food security as an overarching pillar of our programmes in the province. A lot of budget must go into food security so that we fight poverty and disease. Amongst many of our interventions we have introduced are:

- One-Household, One-Hectare.
- One-Household, One-Fruit tree.
- Indigenous goats provision programme.
- Indigenous chicken provision programme.
- Implements and mechanisation support programme.
- Grazing land, community and institutional garden fencing.

On the economic front, agricultural sector is seen as a critical player in our economy with its contribution to the GDP growing in a consistent rate. This potential places a huge burden to government as a custodian of policy instruments and programmatic trajectory that creates the enabling environment and levelling of fields for this to be possible. It means that as government, we must ensure that our programmes are geared towards stimulating more entrance of small holder farmers in the space and link them to markets. Our economy has just risen above the parapet of technical recession recently and this was because of agricultural sector that performed well in the first and second quarter. In its first quarter of 2017, agriculture contributed 12.8 percent to the GDP at a time when the economy contracted by 0.7 percent with many sectors registering a decline in their contribution. This percentage contribution is significant compared to 2.5 percent in previous years that agriculture has been registering in the GDP.

This sector performance, so much as to extricate the economy from the doldrums, was in many ways unexpected because of the devastating drought that has engulfed the sector for such a long period of time. The effects of the drought are still sitting with us but it is interesting that the unfolding recovery of the sector is beginning to impact in our GDP. According to Paul Makube, the Senior Agricultural Economist at FNB, "Recent forecasts showed that normal rainfall is expected for the 2017/18 crop season as the El Nino weather pattern has dissipated. The strength or weakness of the rand will influence agriculture's contribution to the economy in terms of import parity prices and export revenues"

Job creation and the generation of more food for the province and the country requires small holder farmers to be created in manifold. This is what New Growth Path directed us as far back as in 2009. The Master Plan will have to clear on the interventions in catalysing the growth of small holder farmers and various agricultural enterprises along commodity approach in various Districts of the province.

In this regard, creation of AgriParks for market access is very important. We have been slow in the creation of these AgriParks as a province and this should not be allowed further. We don't have luxury of time to theorize what need to be done and I hope this process we are undertaking with further give impetus into the AgriParks processes as integral into KZN Master Plan. Related to this, is our provincial government strategy, Radical Socio-Economic Transformation (RASET), which locates agriculture as a key economic game-changer for the province. As we proceed forward with the process of shaping the Plan, RASET must be a reference point.

Harnessing Youth Potential for a New Generation of Farmers

We cannot begin our imagination of such a forward looking Plan without locating the youth at the prime position of our target. Currently within the agricultural commercial ecosystem, there exists a generational threat to the maintenance and growing of agricultural activities and its downstream value chain. The established commercial farmers are aging in South Africa. An average farmer is 64 years of age and therefore in their sunset days, close to retirement. This farmer declining trend is not self-correcting as the younger generation is not entering the sector to compensate the retiring cohort. The net effect of this reality if not arrested with urgency and reversed, is that the agricultural sector will completely decline and the country will depend on imports for what it can produce for itself.

Government cannot be a spectator in the face of such a threat hoping that the sector will self-correct. As a Department of Agriculture and Rural Development in the province we are starting a programme we called "New Generation of Agriculturalists and Commercial Farmers" aimed at inspiring and drawing the youth and women to consider agriculture as a business and also as a sector with many career pathways. We are targeting youth and women who are already involved in the small scale commercial farming to support them with all the resources at our disposal to expand their agricultural activities and fast track them from the emerging farming position to higher levels over a period of time.

Investing into younger generation is advantageous as they possess age on their side to master the art and nitty-gritties of the sector. Again, youth have a strong factor of innovation arising out of their mastery of information technology. Agricultural sector is undergoing massive 4th industrial revolution alongside other sectors. It is youth of today that must be affirmed as authority and masters in the sector, taking it to higher pedestal.

It is this new generation of commercial farmers and agricultural professionals that must bridge the generational gap mentored by the senior commercial farmers, agro-processors, and other downstream value chain enterprises connected to the sector. We also need black industrialists within agricultural ecosystem to emerge. We need artisans who will maintain and fix complex machineries, implements, innovators of new technologies who will cause what is known as industrial information technology disruptions.

We are in an exciting age of agriculture where the sector is revitalized by technologies such as space-based technologies into what we call smart agriculture. Space-base technologies aid farmers in obtaining crucial information for planning such as optimising irrigation frequency to increase crops yields, weather patterns, early warnings on hazardous factors to crops and impending animal disease outbreaks. These technologies are ingratiated into smart cell phones, thereby allowing for flung farmers similar advantage. These are attractive wherewithal for the young generation. And so, key to our conceptualization of the Master Plan, youth must feature very strongly in our immediate, medium and long term interventions within the Plan.

Conclusion

There is no doubt that we are beginning a ground breaking process whose cumulative outcomes will materially and structurally reposition KwaZulu Natal as an agricultural province. This Plan must be ambitious in seeing agriculture as both a social leveller and an economic booster. Rural development will remain a pipe dream without harnessing that which stimulate the economic participation building enterprises in the rural communities and that which creates employment. The phenomena of urbanization can only be mitigated through sustainable livelihoods in the communal areas through economy. Because of land availability in rural communities, agriculture becomes an immediate sector to lead the way.

In this regard, I wish to thank all the guests invited today and tomorrow both as presenters and as contributors to the Colloquium sessions. I wish all of you, successful engagement!

Thank you.