



agriculture & rural development

Department:
agriculture
& rural development
PROVINCE OF KWAZULU-NATAL

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SPEECH BY MEC FOR AGRICULTURE AND RURAL DEVELOPMENT, MR CYRIL XABA TO THE PROGRESSIVE PROFESSIONALS FORUM ON THURSDAY, 25 JUNE 2015

Members of the Progressive Professional Forum

Ladies and Gentlemen

The maxim of your organization that is displayed at the top of your webpage is and I quote: "An idea long overdue"

KwaZulu-Natal has a new strategy and implementation plan for transforming the agricultural sector in the province. I believe this is an idea that has been long overdue. However, we needed the building blocks in place or the correct alignment of government policies and mandates.

The KZN Strategy for Agrarian Transformation, is a blueprint to practically implement the National Development Plan, the Provincial Growth and Development Strategy, the Agricultural Policy Action Plan and other government policies. All of these in essence, are geared to growing jobs in the agricultural sector and building an inclusive rural economy.

My confidence in the strategy was expressed in my budget speech delivered earlier this year. My opening lines were: "Agriculture in this province is poised to emerge from the shadows to become as President Jacob Zuma said in his State of the Nation Address, a catalyst for economic growth."

This is an ideal forum to discuss the new strategy because it is built on the premise that agriculture is science and that agriculture is business. Our future farmers are being developed to be technical experts, business savvy and to be entrepreneurs – in other words, progressive professionals.

In my budget speech, I said that getting young people involved in farming is one side of our plans going forward, the other is to unleash the potential of small scale farmers.

YOUTH & FARMING

Young people are the key to unlocking the agricultural potential in our province. South Africa has a young population. According to Stats South Africa, about 66% of the total population are below the age of 35. In KwaZulu-Natal, the majority of our population also live in the rural areas, hence the imperative to grow the rural economy.

To add to the mix, the country has a predominantly white and ageing population of commercial farmers. The average age of the white commercial farmer today is 63. The aim of the KZN Department of Agriculture and Rural Development (KZN DARD) going forward is to create an enabling environment for new entrant black farmers.

There are a number of projects on the go in this regard. The Department is working on forming a partnership with an organization called Future Farmers, on a program where aspiring young black farmers get mentorships both in this country and abroad. Young Black farmers like Sifiso Ntshiza who has been on the program is already mentoring other youngsters. It is similar to the maxim we used in our struggle days when we said, "each one teach one."

On Friday, there is going to be a gala dinner and graduation ceremony in Pietermaritzburg to welcome back 15 KZN farmers who spent the past ten months studying at an Agribusiness College in Denmark. They received training in modern livestock and running commercial operations. The graduates were selected from Land Reform farms and the project was facilitated by the Agribusiness Development Agency and the KwaZulu-Natal Government. It is to run for the next three years with more young people going to Denmark to be trained as agricultural entrepreneurs. Funds have been provided by the Department of Agriculture and Rural Development (DARD).

Last Friday the Deputy Minister of Agriculture, Forestry and Fisheries, General Bheki Cele launched an innovative legacy project in which 200 young people will be mentored to become part of the Forestry industry. Minister Cele called for a radical transformation in the sector and urged big business to support the new entrants, in ensuring that they become economically active in the forestry space. The project is part of the build up to the World Forestry Congress that takes place in eThekweni during September this year.

Taking agriculture to the Youth involves long-term plans, starting at primary school level to change the image of farming. Given our country's history, most young people view agriculture as work for laborers. Our plans involve career guidance to make the learner aware of the professional aspects as well as the business and scientific nature of the sector. The MEC for Education and myself have agreed to collaborate on introducing agriculture as a subject to more schools. Earlier this year I introduced a revitalization grant for the four agricultural schools in the province. The grant will assist in the provision of equipment and other infrastructure to improve the quality of agricultural education and practical training. It will make provision for skills upgrading as

well as for agro-processing and agribusiness management to be offered as courses.

UNLEASHING THE POTENTIAL OF SMALL HOLDER FARMERS

According to the last census, KwaZulu-Natal has the highest percentage of subsistence farmers in the country. These farmers are described as emerging farmers and a question I have always asked is: for how long are they going to be emerging and when are they going to emerge?

The Strategy for Agrarian Transformation in the province aims to create an environment that will allow small-scale farmers to enter the commercial sector by way of access to finance, skills and technology. More importantly, it is about support in terms of transport, storage and access to markets.

The strategy is about maximizing the utilization of agricultural land in the province and ensuring support for land reform projects so that valuable agricultural land does not lie fallow. It is also about extending the value chain and creating the space for farmers and people living in rural areas, to get involved in agro-processing or secondary agricultural activities.

A key element of the new strategy is that we have taken the commodity approach which is in keeping with the National Agricultural Policy Action Plan (APAP). This means working with commodity organizations such as the South African Sugar Association, Grain South Africa, Forestry South Africa as well as the livestock, poultry, piggery, subtropical fruit and wool industries among others.

Districts will concentrate on the commodities that have the best chance to be grown profitably in that area. This will allow small and big farmers to pool resources and carry out joint ventures. Small-scale farms can come together and use their land to plant one commodity and later share the dividends from its sale. In this way they will achieve economies of scale.

In our partnerships with the commodity organizations, we have asked for the implementation of small-farmer development programs aimed at equipping farmers with the right technology and training to become commercially successful. We have also asked the commodities to give specialist training to the department's own extension officers so that in each district we have extension officers who are experts on the dominant commodities grown in that area. We see the commodity organizations as a crucial link to give small-growers access to markets.

We are taking the business model further. KZN DARD has come up with a robust set of policies for funding agricultural enterprises. The department will continue to invest substantially in community agricultural enterprises where grain and livestock potential remains untapped. However, gone are the days when the department will throw money at projects that are not viable. Only business

enterprises that are financially sound and that show sustainability will be supported so as to ensure value for money.

I have presented a broad overview of the strategy, but to show that we mean business we have worked out a five-year implementation plan that is further broken down into an annual operation plan. It is about growing jobs and most importantly it is about using agriculture not just to enhance the provinces economy but for rural development transformation as set out by the National Development Plan. The strategy is also in keeping with the objectives of the Progressive Professional Forum it is about the distribution of economic ownership and control that is representative of the population. In other words, growing the numbers of black farmers within the commercial sector. The strategy is ongoing and is open for refinement and adaptation. In the discussion that follows, I welcome your questions and your input. I believe it is a topic ideally suited for intellectual debate in this professional forum.

I thank you



MEC for KZN Agriculture and Rural Development Mr Cyril Xaba, accompanied by the Mayor of Umhlathuze Local Municipality Clrr Mduduzi Mhlongo, arriving at the Progressive Professionals Forum Dialogue



MEC Cyril Xaba addressing the Progressive Professionals of Uthungulu District



MEC Xaba together with the Mayor of Umhlathuze Local Municipality Clrr Mduduzi Mhlongo and Mr Mthembu, guest speakers at the Progressive Professionals Forum