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## SPEECH BY KZN MEC FOR AGRICULTURE AND RURAL DEVELOPMENT THEMBA MTHEMBU AT THE MEETING WITH COMMODITY ORGANISATIONS

**DATE: 05 JULY 2016** 

## **VENUE: PUBLIC SERVICE TRAINING ACADEMY, GLENWOOD, ETHEKWINI**

Programme Director, Ms Lisa Del Grande

Representatives of Commodity Organizations

Members of organized agriculture

Senior General Manager for Corporate Services, Ms J Majola

General Manager for Agricultural Development Services, Mr Theo Van Rooyen

Staff of the Department

Ladies and Gentlemen

We are all aware of the old adage that change is the only constant in life. So here I am, the new MEC in the KZN Department of Agriculture and Rural Development. Thank you for attending this meeting so that we have an opportunity to meet.

Fortunately in government, there are other constants as well. These are in the policies, the mandates and the action plans going forward. We have the National Development Plan (NDP), the Provincial Growth Plan and in case of Agriculture the Agricultural Policy Action plan. These were the basis that guided the work of former MEC Cyril Xaba and he did a good job in laying down the groundwork for Agrarian Transformation. He needs to be applauded. My aim is to build on that.

I usually emphasise that I am deployed by the ANC, as was Cyril. We come from the same body governed by the same policies. Differences are dictated not by the fact that I am a communist, but by the conditions that exist at the time. The aim as always is to build a united non-racial South Africa. Having been the chairperson of the Agriculture Portfolio Committee in the KZN Legislature, since 2009, I believe I understand some the challenges within the sector.

I am also aware that there has been interaction between the commodity organizations and the Department, some of these relationships being more successful than others. My aim is to enhance those links so that all of us in the agricultural and rural development family are working as a united front to transform our sector.

For us to move forward, it is worth looking back to understand this imperative for agrarian transformation. We have to look back, as there is a tendency to move forward focusing only the positives, I usually say that this view is unbalanced. For us to find each we have to look at the whole picture.

Let me take you back to the ANC's Manguang Conference, when the issue first surfaced. Two very firm resolutions came out of that conference. The one was the need to build an inclusive rural economy and the other was for agrarian reform. In other words, the need to balance land transformation with production discipline to ensure food security.

A key resolution to come out of that conference and what guides us today is the need for economic transformation in the country. There was a call for radical transformation. The legacies of apartheid and colonialism continue to be reflected in the triple challenges of poverty, inequality and unemployment that remain entrenched in our society, particularly in the rural areas.

In other words, we cannot continue with island of wealth dotted around in a sea of poverty. Most often this is what our rural areas appear to be. There is the lush green commercial farm and right next door or across the way you will find the over-grazed donga-ridden plot of communal land.

We cannot have unemployed youth moving in droves into the cities looking for work, because there is nothing for them in the rural areas. Each time we look at the growing informal settlements in the cities, those of us in agriculture and rural development must see it as our failure.

Ladies and Gentlemen, just to stay with the past a moment longer, it was resolved in 2012 that Government could not carry out this economic transformation alone. This transformation would only be achieved by the united action of all South Africans working in a concerted manner to eradicate poverty, create full employment and reduce inequality. Government therefore committed itself to build strong partnerships with community organizations and social movements, with trade unions, with the business sector, youth, women and in the case of agriculture with commodity organizations and organized agriculture.

This commitment to work as a united front to transform the South African economy gets reinforced annually. For example, the Province held its annual Lekogtla earlier this year. This is where Departments are updated on what is happening and to re-enforce what needs to be done. What was said is of concern to all of you present here today.

In terms of agriculture and rural development, it was resolved the Province fasttrack facilitation of engagements between existing commercial agricultural enterprises and new entrants to the agricultural sector, thereby reducing the state's spending on unsustainable support programmes. As you have heard, it was a call for us as a Department to reach out to you as a sector.

Another Lekogtla resolution was for the KZN Strategy for Agrarian Transformation to be driven through the Agricultural Policy Action Plan. In other words, focusing on commodities and the varying geographical competitive advantages of all eleven districts in the Province. This call was for the focus to be on catalytic projects.

I always add another emphasis while we concentrate on the commodity approach, another thing you need to be serious about is promoting the culture of agriculture. You can do all these things but if there is no culture of farming, you are just putting seeds in the ground. I was speaking to the youth in Ulundi and I said I haven't seen the promotion of agriculture in our disadvantaged communities. Growing up for many rural youngsters, the only thing they want is to get out of their villages as quickly as possible. To others, there is the element of believing that being associated with agriculture implies backwardness. That is a mammoth challenge we all need to confront.

To refer back to the Lekogtla, The Province also re-enforced its commitment to:

- ensure that agriculture becomes a catalyst for economic growth in the province.
- Focus on the need for capacity building, mentorship and the facilitation of access to markets.
- The need to enhance food security intervention programmes
- The need to expand upstream agribusiness opportunities by strengthening and supporting the establishment of SMME's this includes secondary level cooperatives to own and supply production inputs and machinery.
- There was a firm commitment to enhance food security in line with the KZN Poverty Eradication Master Plan and to deal with issues of rural poverty.
- Engage with the Minister of Water and Sanitation to address the issue of water licensing and water allocations

So you can see that Government has always recognized that revitalizing agriculture and the agro-processing value chain can only be achieved by building a united agricultural sector. That is why I say to you we must not just speak unity, we must also be seen to be united.

Ladies and gentlemen over the past year we have been hard at work forging partnerships with academic and research institutions, with commodity organizations across government departments, with business, finance institutions and non- government organizations. However, this has been with varying levels of success and I understand that while some partnerships have been signed and sealed, others are still in the process of being established.

I understand that on Friday, 1st July 2016 there was a meeting of the Provincial Extension Coordinating Forum, where it was established that the Citrus Commodity Association will be taking on eight of our extension staff for specialist training. The South African Sugar Research Institute will offer specialist training to 28 of our staff and the National Woolgrowers Association will be training two specialists. In addition the National Woolgrowers Association in October will be training 62 livestock specialists and animal health technicians on what is known as "predation management." This is prevent animals preying on each other as occurs in times of drought when there is no water. These staff members in turn will be able to advise livestock farmers on proper livestock management.

I am excited that the specialist training of our staff by the commodity organizations is getting underway. This brings us closer to our resolution, ensuing from APAP to enhance the production of commodities in the different districts.

My invitation to you today, is to come to the party and become part of this economic transformation. Don't wait for the Department to approach you. Please bring your proposals, your business plans, show us your transformation agenda. If you have a strong vision and action plan on how to transform the sector and how to help the emerging farm, then get organized, mobilise and lobby. Our claim to fame as a country is that we had a peaceful transition because we had a negotiated settlement. We within the agriculture and rural development sector need to talk and negotiate our own transformation.

Please remember however, that at the heart of everything that we do is the upliftment of the poorest of the poor. Projects big and small need be linked to job creation and food security initiatives. We have to consider the marginalized for example, the farm workers, women who in KwaZulu-Natal remain the face of Poverty and that ticking time-bomb - as the experts often warn us — the unemployed rural youth. As former United Nations Secretary-General, Kofi Annan has warned that, "extreme poverty anywhere is a threat to human security everywhere."

Perhaps a logical area we can begin working together in earnest is in the implement the Agri-parks in our Province.

As you are well aware, the Agri-park strategy focuses on the clustering of agro-processing and agribusiness support infrastructure and services in a AgriHub in each District Municipality. The focus going forward will be on commencing implementation of the infrastructure plans in the identified agro-processing hubs and in the farmer production support sites. This will involve engaging with the private sector and leveraging your support for the strategy through partnerships that can open up funding, new markets and off take agreements. Think about how we can work together on this front and come up with proposals.

The Rural Development branch will also be providing accessible and relevant support to rural co-operatives and enterprises who are struggling to engage in the agricultural value chains. Support will include training and mentorship programmes, as well as the roll out of district located agribusiness one stop shops. This surely is an arena for cooperation.

Ladies and Gentlemen, the drought has shown us only too well that several obstacles lie in the path of achieving increased agricultural production in South Africa. These challenges are scattered across the entire spectrum of the agricultural value chain. There is the issue of climate change with its increasing threat to national and household food security. This threat is not just in the inability to produce sufficient food, but the fact that basic foods become unaffordable to poor households, giving rise to health issues like malnutrition. The Agriculture sector is also facing serious competition for the use of land and water as well as rising production costs. There are also the vagaries associated with being part of the global economy and the continuous adjustments that have to be made. Faced with all of this, neither the government nor the private sector can go it alone. We have to unite to transform our Agrarian Sector.

The Editorial in the Farmers Weekly on 2nd October 2015 said, and I quote: "Never before in the 21 years since South Africa's transition to a democracy has the ruling party placed so much faith in the contribution that agriculture can make to the country. The farming sector must get its house in order or run the risk of letting this opportunity to grow the sector slowly fade from the national agenda."

We have no choice but to work together if we want to grow the sector and ensure that agriculture becomes the catalyst for economic growth.

I Thank You.