

BUDGET

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Hon. Bongile Sithole-Moloi, (MPL)
MEC: Agriculture & Rural Development, KwaZulu-Natal



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KwaZulu-Natal Department of Agriculture
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KWAZULU-NATAL PROVINCE
AGRICULTURE AND RURAL DEVELOPMENT
REPUBLIC OF SOUTH AFRICA





BAYE DE !™

The King Goodwill Zwelithini
kaBhekuZulu

1948-2021

Sengathi "Ingonyama yamaZulu, ingalala ngokuthula!
Rest in Peace





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- Honourable Speaker, Ms. N Boyce
- Honourable Deputy Speaker, Mr. T Mthembu
- Honourable Premier, Mr. S Zikalala
- Honourable Members of the Executive Council
- Honourable Members of the KZN Legislature
- House of Traditional Leaders Chairperson, Inkosi Chiliza
- Religious and Traditional Leaders
- Mayors and Councillors
- Officials from the Department
- Sector Stakeholders
- Our citizens of KZN
- Members of the Media
- Ladies and Gentleman

Honourable Chairperson

Honourable Speaker, despite these high Covid19 prevalent times it gives me pleasure to address this august house, in these chambers once again, and to table my third Budget Policy Speech as the MEC for Agriculture and Rural Development. This budget policy outlines the Department's annual capital expenditure account.

It also unpacks the major plans by the Department in the 2021/22 financial year, moreover, I am humbled about the fact that we deliver this budget, in the 150th year of our late revolutionary mother of the Nation, Mama Charlotte Maxeke, who paved the way for our freedom. In one of her favourite speeches, Mama Maxeke once said, "This work is not for yourselves, kill that spirit of self, and do not live above your people but live with them. If you can rise, bring someone with you."

Honourable members, these wise words of Mama Charlotte Maxeke remind us of the task ahead, which is protecting the fundamental right to dignity of all our people and to guarantee them a decent life. As Government, we understand that there is no true freedom as long as poverty still exists amongst us.

In the spirit of Mama Charlotte Maxeke and other stalwarts who fought for this freedom, and as Government of the people, we echo their spirit that as long as our peoples freedom is sustained, they shall rise above poverty, which is why we declare poverty as

our number one enemy against the people. In preparation of this financial year's programmes, we sought inputs from our people as to how the programmes of the Department should be structured to best serve them.

I was inspired by Mr Thami Duma from Queensburgh who said, "MEC please strengthen one home one garden, especially, emakhaya where there is ample space and virgin lands. Many households have no gardens even if they have space to plant.

This includes, the prospects of goat meat which is in abundance in rural areas thus setting the basis for goat meat industry prospects with potential to build this industry and thus lay the foundation for rural economic base. Similarly, we appreciate the expression of Mr Sandile Biyase from Underberg, who said, "please give more support to young individual livestock farmers outside of co-operatives, especially, piggeries".

Honourable Members, I am happy to report to this house that our people directed the Department to focus its support, mainly on livestock programme during this financial year. Undoubtedly, livestock is a viable platform on which poverty can be reduced. Hence, we declare 2021/22 as the Year of Livestock production. The climatic conditions in the Province are favorable for livestock, with 82 percent of the agricultural land suitable for livestock production.

CONDOLENCES TO THE ROYAL FAMILY

Honourable Speaker, as the Zulu Nation we have suffered a grievous and immeasurable loss of His Majesty, The King Goodwill Zwelithini. Kwahlwa emini, isizwe sasala dengwane. Honorable Speaker, As the Agricultural sector we are poorer now without His Majesty, a nation's leader, prominent farmer and proud agriculturalist.

Isizwe siphinde safu olwembiza ngenkathi, kudlula emhlabeni uMtanenkosi obeyiBamba lobuKhosi buka Zulu, iNdlovukazi Mantfombi Dlamini-Zulu. Siyawazi amagalelo akhe kanye nabo bonke oNdunkulu beSilo ekuqhakambiseni amasiko kanye nokufundisa ngawo. Ngamagalelo abo, isizwe sinothile kakhulu. Indeed, the nation has lost yet another great leader in Ndlovukazi Mantfombi Dlamini-Zulu.

We pledge our support to the Office of the Premier and the Premier of the Province, Hon Zikalala for the continued support to the Royal Household during these challenging times of the Zulu Nations history and the Zulu monarchy. We are confident, that during this period of mourning, peace will reign and the Zulu nation will regain its strength soon.

The department of Agriculture and Rural Development looks forward to a continued partnership with the Zulu Monarchy in our quest of poverty eradication and food security initiatives. Nina baka Phunga no Mageba lalani ngenxeba. Dudu kinina baka Bhejane 'phume esiqiwini.



BUILDING AN ETHICAL AND CAPABLE DEVELOPMENTAL STATE

In his State of the Nation Address, the President of the Republic, His Excellency, Mr. Matamela Cyril Ramaphosa, announced that the country will focus on four critical priorities in this financial year, which include defeating the coronavirus pandemic; accelerating our economic recovery; implementing economic reforms to create sustainable jobs, drive inclusive growth, fight corruption and strengthen the State.

Taking into cognizance the President's Address, the Honourable Premier, Mr. Sihle Zikalala, accordingly, aligned his State of the Province Address to the President's Address by announcing that KwaZulu-Natal will further focus on five priorities, which are intensifying the fight against the Coronavirus, re-igniting economic recovery and job creation, building social cohesion, fighting crime and corruption.

He further added that the delivery of basic services, in particular water and building a capable and ethical developmental state will be a priority focus.



To that extent, and in line with the Premier's clarion call during the State of the Province, to "quicken the Tempo", the department was therefore duly mandated to drive agricultural development and economic recovery.

In his SOPA, the Honourable Premier stated that, "our provincial government will continue to support agriculture and small-scale black farmers to optimize the full potential of this sector".

The Honourable Premier announced that the Department will champion the following agricultural and rural development programmes - Agriculture and Agro-Processing Master Plan, establishment of Mega-Nurseries and Agronomic Seed Production, Agricultural Graduates Placement, Agri-Hubs and agricultural value chains.

In line with the Premier's pronouncements on priority programmes for the agricultural sector, the Department has a twin mandate to ensure food security for the impoverished families and communities, whilst empowering subsistence and smallholder commercial farmers. Indeed, Honourable Premier, you have given us marching orders and we are ready to oblige.

Siyabonga Ndunankulu, ukuthi ubeke abantu abahluphekayo eqhulwini kanye nokuqhubeka nokusebenzela abantu bakithi ukuguqula imboni yezolimo.

Honourable members, the Department has developed a policy to uplift smallholder producers in various agricultural value chains in order to increase the base of commercial farmers in the province. Among these value chains livestock is crucial for economic recovery, focusing on both **white** and **red meat**.



INSTITUTIONAL CAPACITY, GOVERNANCE AND ACCOUNTABILITY

Honorable Members, in the last financial year, I reported to this house that recruitment plans were disrupted by the COVID-19 Pandemic, with subsequent lockdown. We are pleased to report that through the use of virtual platforms and continued with the recruitment of some of the most critical posts for service delivery continuity. We have been able to fill the positions of 5 District Directors and 14 Local Agricultural Managers.

In order to bolster our Financial Services Branch, the Department has advertised forty-three (43) critical posts. In addition, the Department has recently advertised six (6) posts at SMS level, which includes two (2) Deputy Director Generals, three (3) Chief Directors and one (1) District Director. These posts will be finalised before the end of the first quarter of 2021/22 financial year. The filling of these posts will improve the performance of the Department and bring stability to the leadership and strategic management of the Department.

Honourable Members, last financial year, we reported to this House that we are committed to improving budget expenditure. I am pleased to report that the Department has successfully recorded an improved budget expenditure from 96.2% to 99.3%, which is an improvement of 3.1%. This is an indication that the turnaround strategy implemented in the organisation is yielding results, considering that the Department was sitting at 88.9% in 2018/2019 financial year.

SERVICE DELIVERY IMPROVEMENT

The Department of Agriculture and Rural Development has developed a service delivery model that promotes a culture of excellence. In 2020/21 financial year, the Department won three National Batho Pele Awards. Ms Priscilla Mzelemu from uGu District won the Gold Award for the Best Frontline Employee; Ms Hlengiwe Ngubane from Value-Adding section at Cedara won Gold award for the Best Operational Employee of the year and Ms Thabiso Tshabalala won a Bronze award in the category for the Best Operational Employee. These awards, honourable members, are a testament of the Department's commitment to the principles of Batho Pele, ensuring that our clients come first in the provision of public service.

Unqualified Audit Outcome

Honourable speaker, I am delighted that under these abnormal circumstances, The Department's turnaround strategy has yielded positive results. I am happy that the Department was able to achieve an unqualified audit outcome from the Office of the Auditor General for the financial year 2019/2020. This is an significant achievement in the Department's Turnaround Strategy.

For three consecutive years prior to this, the Department has received qualified audit outcomes, which had reflected to the decline of the systems of controls within the organisation. When the new leadership came in at the beginning of the sixth administration, a clear commitment to turn the Department around was put in motion.



Minister of Agriculture, Land Reform and Rural Development, Hon. Thoko Didiza

REPORT BACK: 2020/21 COMMITMENTS AND PLANS AHEAD

ECONOMY RECOVERY PLAN

Honourable Members, during the first wave of COVID-19, the people of this country suffered severe food supply shortage, as well as, drastic economic setbacks. As a result, the President declared agriculture an essential service.

This meant we had to work under very trying conditions to ensure as the sector that we feed the nation. As the third wave looms, the sector is ready to enhance food production and ensure continued food security in the province.

Honourable Speaker, in September 2020, the Provincial Executive Council adopted the KwaZulu-Natal Economic and Reconstruction Plan (KZNRP), which aims at boosting our economy. In ensuring the full implementation of this plan, the department has aligned all its programmes to this KZN Economic and Reconstruction Plan. Our strategic interventions for economic recovery plan includes white and red meat, cotton, wool, development of dairy infrastructure, which includes dairy cows, processing facilities, equipment, distribution and commercialization of goat value chains.

Honourable Speaker, as we have mentioned earlier, this is the Year of Livestock. We are committed to restore our economy through livestock programme and secondary commodities. Honourable members, as the Province of KwaZulu-Natal, we echo similar sentiments with Minister of Agriculture, Land Reform and Rural Development, Hon. Thoko Didiza, when she said, **"The contribution of black commercial farmers in our country's agricultural economy is still low, though they are steadily growing at 11 per cent in the livestock sector. The low levels of inclusion call for serious intervention from both the Government and other stakeholders in driving inclusive growth."**

This is the reason why we have declared this year as the Year of Livestock in order to unlock the livestock potential in KwaZulu-Natal. Once again Honourable Members, there is so much potential for livestock to contribute immensely in our economic recovery and growth.



FOCUSING ON LIVESTOCK PRODUCTION

Honorable members, as we have declared this year as the Year of Livestock, I have instructed my team to collect data of all livestock and existing infrastructure in the Province. According to the data that I have received, there are over 2.1 million communal cattle, about 1 million goats, over 325 000 sheep and huge number of poultry throughout the Province.

The value of the cattle and the value of the livestock amongst communal areas translates into billions of rand that remains untapped. Honourable speaker, as the Province of KwaZulu-Natal, we have not detected any strains of avian influenza, however, we have deployed our surveillance teams on the ground.



Honourable Members, I want to take this opportunity to urge youth and women of this province to participate meaningfully in the agricultural sector.

Undoubtedly, poultry is also a billion rand untapped industry that has the potential to revitalize the economic growth of the province. As part of giving, back 30% of the land and 50% of all agricultural funded projects to women and youth, we encourage them to take this opportunity to participate in the sector, which is why we are say, all hands on deck.

I have instructed my Department to capacitate Livestock Associations throughout the Province of KwaZulu-Natal. Currently, there are 53 Livestock Associations in the Province and I have said there is a need to involve the Livestock Associations in the rehabilitation programmes to create a sense of ownership and belonging.



LIVESTOCK RESEARCH

Honourable Speaker, animal production such as dairy, beef, sheep and goats that live off grazing is an important contributor to the economic recovery of KwaZulu-Natal. Livestock forms an integral part of African culture and heritage. Consequently, research and technology development into the sustainable utilization of this resource is critical.

The indigenous breeds of the province are better-adapted to produce and to endure the unpredictable climate changes. High value animal products such as dairy, wool and aquaculture also form an important aspect of livestock research.

The focal areas of the livestock research and technology development and training programme include the development of appropriate technology for the sustainable use of the natural resource base by livestock.

It will also entail evaluation of plant species adapted to the various areas of KZN suited for livestock production. The Department is also developing technical requirements for growing best pastures, genetic conservation and characterization of the various breeds of livestock indigenous to the province.

Honourable Speaker, I am pleased to report that the adaptation and development of technology appropriate to livestock production in KZN is underway in our Research Stations for dairy, beef, sheep, wool and goat production.

The technical requirements development for Nguni cattle is currently underway at Bartlow Combine, while the indigenous sheep are done at Makhathini, Dundee and indigenous goats at OSCA & Cedara. Specialist advice and training on livestock production

ESTABLISHMENT AND REHABILITATION OF DIPTANKS



Honourable Speaker, the Department is committed to ensuring proper animal health care through the establishment and rehabilitation of critical infrastructure such as dip tanks to support the development of a thriving livestock sub-sector. We have taken stock of over 2 000 operational dip tanks servicing in excess 2.1 million cattle in the communal areas within the Province of KwaZulu Natal.

We have committed ourselves to rehabilitate 544 dip tanks mainly in rural areas. We are in the process of building another sustainable model for maintenance and repair of dip tanks by Livestock Associations, this financial year.

As the MEC for Agriculture and Rural Development in the Province, I have had the opportunity to interact with livestock owners and realised that there is a need for extensive dialog about this sustainable model that is developed to support agricultural enterprises.

In its new model of implementation, the Department whilst responsible for the establishment of infrastructure will require commitment from livestock owners to ensure proper maintenance and repair of the facilities developed with government support.



LIVESTOCK VALUE CHAIN DEVELOPMENT / LIVESTOCK PRODUCTION PROGRAMME

Honourable Speaker, our province is well endowed with an abundance of natural resources suitable to support a thriving livestock based agricultural enterprises. It therefore has a competitive advantage over a number of other provinces for the development of a sustainable and economically vibrant livestock sub-sector. Importantly, the department will in the medium term framework focus on increasing production and productivity of communal and land reform farmers in order to create a conducive environment for the critical mass and through put required by the market.

The department will continue to support livestock farmers with initiatives aimed at improving market access. These will be in the form of auctions mainly for communal livestock farmers, improving traceability through animal identification and providing training on nutrition.

We will continue to provide livestock related infrastructure such as dip tanks, grazing camps, dam scooping and boreholes. The Department already has a programme in place to improve the livestock genetic pool, provide veterinary services and support through the supply of medicines and vaccines for their livestock.

Honourable Speaker, during the 2021/22 financial year, the department plans to support a total number of 49 livestock value chain enterprises. These will comprise of 23 beef projects, 11 poultry projects and 15 pig production projects at a total budget cost of R110 million.

A provision of R 37 Million has been made to support the supply of dipping chemicals, vaccines and other medicines as interventions targeting communal livestock farmers. Furthermore, the department will support over 3 400 producers in the Red Meat Commodity Value Chain as part of national transversal indicators.



COMMERCIAL OF GOAT FARMING AND IMPROVEMENT PROGRAMME



Honourable Members, under these trying conditions, I am happy to report that the Department within the livestock value chain programme will have a special focus on the commercialization on goat farming and communal beef improvement programme. The Goat Farming program seeks to improve the production of goats and goat meat including ancillary products in the Province. In implementing the programme the department will pilot in 5 Districts namely Umkhanyakude, Umzinyathi, uThukela, King Cetshwayo and Zululand.

This intervention will assist in improving goat population through enhanced animal husbandry, nutrition, health and market access. To date we have procured R3 million worth of veterinary medicines to initiate the programme. Furthermore, R5 million has been allocated in the 2021/22 financial year to roll out the programme. It is envisaged that 750 goat caregivers as part of dip tank assistance programme will be capacitated through structured training programmes to implement the programme.



COMMUNAL BEEF IMPROVEMENT PROGRAMME

Honourable Speaker, as we have mentioned that this is the year of livestock, I am happy to report to this house that the Department has a communal beef improvement programme. This programme seeks to improve the genetic potential of the communal beef herd through the introduction of artificial insemination and follow-up bulls with superior genetics.

Through the programme there will be selected beef heifers from the communal farmers which will be moved to a feedlot where they will be flushed and synchronized to prepare for Artificial Insemination.

In the 2021/22 financial year, R10 million has been allocated to commence the pilot programme at Umkhanyakude, uThukela and Harry Gwala districts. It is envisaged that the full implementation of the programme will result in the creation of 300 job opportunities in the long term.



WOOL IMPROVEMENT PROJECT

In 2020/21 Budget Speech, the department pronounced on the development of Wool Improvement Programme, particularly, focusing on Harry Gwala District. I am pleased to announce that the project has commenced and the department in 2021/22 will construct 6 shearing sheds which will be a conducive environment for the harvesting of wool by small-holder farmers similar to their commercial counterparts. To this end R4.5million has been allocated in 2021/22 financial year. The successful implementation of this project will help unlock R6 million revenue per annum supporting supporting 274 numbers of farmers.



PRIMARY ANIMAL HEALTH CARE AND CCS PROGRAMME

Honourable members, I am happy with the effort of my Department in providing Primary Animal Health Care through Compulsory Community Service (CCS) programme, but I have since noted that there is a serious lack of capacity and infrastructure to cater for a day-to-day animal care. I am disquieted when I see the challenges facing our people when it comes to animal health due to the lack of daily access in rural areas. Most of them are forced to take their animals to high cost private clinics.

Honorable members, I have instructed the Head of Department to devise a plan of establishing permanent township and rural areas vet clinics. These clinics will provide day-to-day veterinary services, including over the weekend support.

Honorable Speaker, currently, the Department is providing veterinary services in townships and rural areas through mobile clinics and the CCS programme. The Programme involves the deployment of newly qualified Vets to focus on disease prevention, rendering ambulatory services and providing education, especially, regarding responsible pet ownership, resource utilization and optimizing livestock production.

As Government, we recognize the critical shortage of qualified Vets. As a result, in the 2020/21 financial year, about 20 Compulsory Community Service (CCS) Vets were placed in the Department and there is a further 15 CCS Vets who assumed duty from the 1st March 2021. Through this intervention, our communities will receive much needed service provided by qualified personnel.



Agricultural Infrastructure



Fencing of Grazing land

Honorable Speaker, infrastructure remains the key enabler for agricultural growth and the unlocking of investment related to socio-economic agrarian transformation in the province.

Accordingly, the department will continue to support the establishment and maintenance of infrastructure such as diptanks, animal handling facilities, livestock dams, fencing of grazing camps, livestock watering systems (boreholes) and irrigation.

Honourable Speaker, In our bid to establish agricultural infrastructure, the Department will include advocacy for the improvement of general road network for seamless movement of agricultural produce.

It is unfortunate that the structural constraints as a result of apartheid architecture, excluded the majority of the black smallholders and subsistence producer from meaningful participation in the economy.

These farmers are constrained by the lack of marketing infrastructure, uncondusive road networks to marketing outlets, inadequate logistics to support distribution requirements for agricultural produce, and inconsistencies in the supply and the quality of produce.

Honourable Members, during my interactions with farmers in various Districts, they expressed great difficulties related to post-harvest distribution activities. Their major concerns were more about handling related losses, erosion of roads and inadequate access to the necessary storage and packaging facilities, including appropriate modes of transportation for agricultural produce.

In order to respond to the needs of our people, I am pleased to report that in the 2021/22 financial year, the department will provide support on the establishment of 118 agricultural infrastructure rehabilitation and 509 kilometres of fencing, which will be erected to enhance the use of agricultural land.

AGRICULTURE AND AGRO-PROCESSING MASTERPLAN



The Hon Premier in his 2021/22 SOPA said, "the department is at an advance stage in the development of an Agriculture and Agro-processing Master Plan, which is undergoing the alignment with the National Master Plan." The KZN Masterplan will be concluded when the National plan has been approved.

We welcome the interventions to speed up the process of finalizing of land, the appointment of extension officers allocated to provinces and efforts made towards the completion of the national Agriculture and Agri-processing Masterplan, as well as the Cannabis Masterplan.

In aligning with the national masterplan, the KZN masterplan advocates for the establishment of six prioritized commodity production schemes which includes the **Red meat, White meat, Grain, Horticulture, Sugarcane, and the Cotton Value Chains.**



These value chains will become priority areas of focus in the agricultural sector once all agricultural sectors have been engaged.

Honourable Speaker, I have instructed our technical teams to commence with unpacking of these value chains in order to determine areas of structural constrains that require strategic interventions by government. I would like to implore the Civic Society, Private Sector and Development Funding Institutions to partner with the department in the implementation of all strategic interventions identified in the Agriculture and Agro-processing Masterplan.

MENTORSHIP PROGRAMME

Honourable Speaker, the Department has successfully implemented a Mentorship Program, which aims at integrating new entrants, mainly women and youth enterprises at subsistence and smallholder farming level. The aim is to transform them into the commercial farmers and agro-processing enterprises. The department in 2020-21 successfully mentored 37 enterprises which mainly consist of women and youth subsistence and smallholder farmers from different districts.

In this new financial year, a budget of R3.7m has been set aside for the mentorship programme which will benefit 65 enterprises across the province, this will include an additional 15 enterprises at Mpofana Municipality.

SWEET POTATO VINES



Honourable members, as part of providing nutritious and accessible staple diet to our people, the Department has rehabilitated its Sweet Potato Vines as an integral part of the Horticulture seedlings programme. The Sweet Potato vines are produced in our Research Stations and distributed to communities as part of food security and nutrition interventions. No other crop has the potential to produce as high a level of nutrition with as low inputs as Sweet Potatoes.

These Sweet Potato Vines are drought tolerant, disease resistant, and can tolerate relatively low fertility soils with high soil acidity. I am excited to report that 3 Sweet Potato vines sites will be in full operation in this financial year.

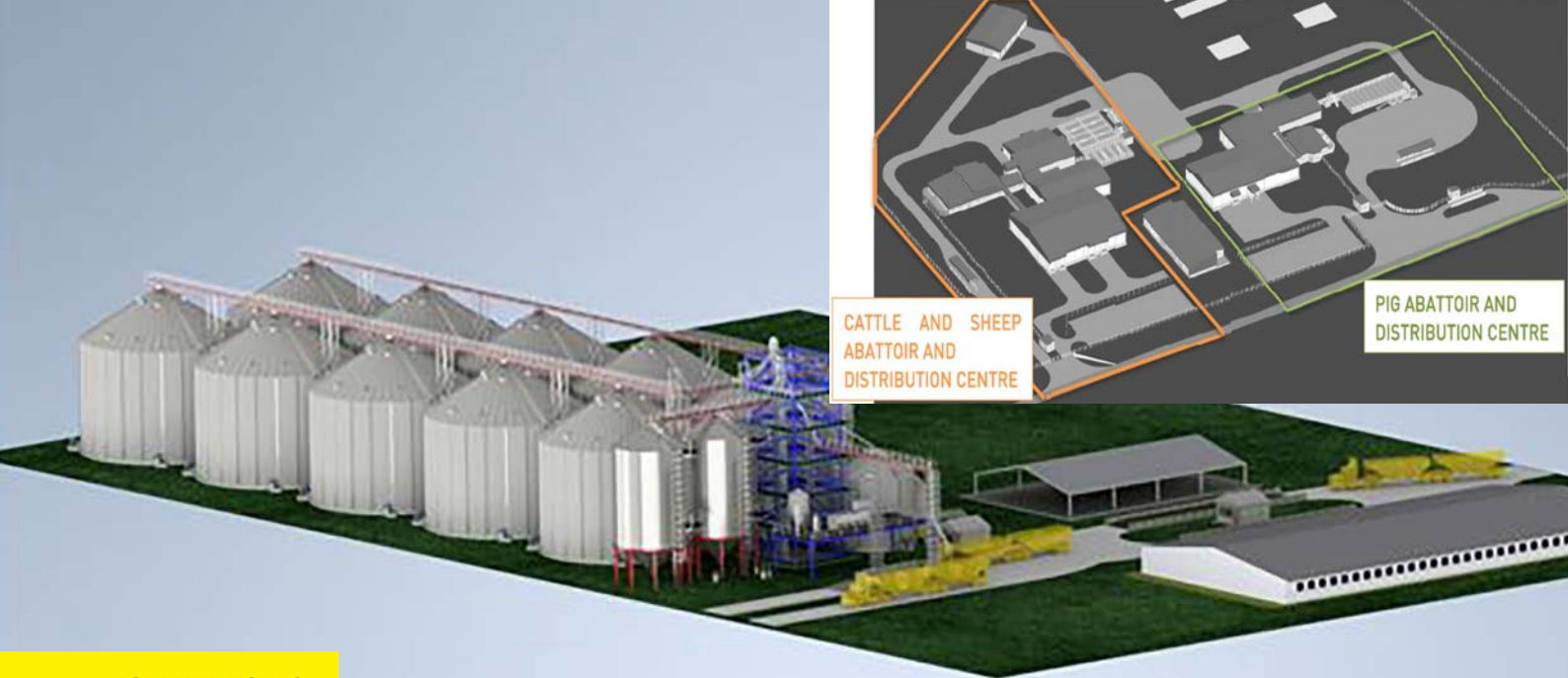
They are situated in Makhathini, Cedara and Owen Sithole College of Agriculture (OSCA) Research Stations. These vines will be distributed to food insecure households, early childhood development (ECD) centres, and community nutrition development centres run by the Department of Social Development.

ESTABLISHMENT OF MEGA-NURSERIES

As part of the Agriculture and Agro-processing Masterplan, the department will establish five mega-nurseries to produce seeds, seedlings and fruit trees in this 2021/22 financial year. These nurseries will produce a variety of quality seeds, seedlings and fruit trees for distribution to RASET farmers and for household consumption.

Another input sought from the public include Mr Sipho Sangweni from iNanda, who said, **“Mama siyacela nilekelele, ikakhulu, kuma tunnel projects e-youth, niwabeke eqhulwini ezifundeni zeTheku neLembe ngoba azinawo imihlaba eyanele yokwenza imisebenzi yezolimo.** Indeed Honourable members, I am pleased to announce that the department will fully operationalise the Makhathini Nursery. Two other new mega Nurseries will be built at Cedara and Dundee respectively, with a plan to expand in areas like iNanda, as requested by Mr Sipho Sangweni.





AGRI-HUB ZONES

Honourable Members, the Premier, during the State of the Province Address on 4 March 2020, announced the implementation of 4 Agri-Hubs in King Cetshwayo, uThukela, Harry Gwala and eThekweni districts. I am very happy to announce that the department has made major strides on the implementation of Agri-Hubs initiative.

The department has completed the planning phase, which include the establishment of Agri-Hubs Provincial Steering Committee, finalization of concept document, finalization of red meat business plant, identification of specific sites and sourcing the land.

Honourable Members, among the 4 districts, we have identified King Cetshwayo as a hub for fresh produce Uthukela and

Amajuba for Red meat, Harry Gwala for dairy and grain handling, uMgungundlovu and eThekweni for white meat production. All the sites for the proposed commodities are government-owned except for the Sunset Rest Farm, which is privately-owned. Currently, the Department is seeking the approval of the identified sites from relevant Executive Authority. These include Geo-tech analysis, environmental impact assessment (EIA) and consultations with the public and private sector.

Honorable members, these are all manufactured products that have the potential to employ Youth and the Disabled but have not been exploited as yet. We, therefore, call on our rural Municipalities to work with us to ensure these local rural industrial opportunities are unlocked.



MARULA FACTORY

Honourable Members, I am delighted to announce that the Marula Processing Factory at UMhlabuyalinga has been resuscitated and will provide 980 informal job opportunities for the very poorest and marginalised rural women living in Umhlabuyalingana and throughout Districts.

The Marula factory will take advantage of the fruit from 2 million amarula trees to produce world class jams and amarula oils and other products that are in huge demand by local tourists and international cosmetics industry.

Currently women from an initial 7 Wards have been supplying fruit for processing into Marula Pulp for Jam, pulp for alcohol, Kernel Crusher to manufacture Marula Oil and beauty products like soaps and lotions from the Marula plant. These Women are paid an amount of R 25.00 per crate, which is collected and delivered to the factory.



HORTICULTURE VALUE CHAIN

AGRICULTURE DEVELOPMENT SERVICES



Honourable Members, the triple challenges of poverty, inequality and unemployment continue to exacerbate the food insecurity situation, especially, for vulnerable households, hence the department has identified the horticultural value chain as one of its strategic pillars in the Agriculture and Agro-processing Masterplan.

This programme will promote the development of vegetable production and sub-tropical fruits such as macadamia, citrus, mango and amarula. The produce derived from this pillar of focus will be marketed through various platforms including Radical Agrarian Socio- Economic Transformation (RASET).

The programme provides an integral strategic drive and will enhance economic transformation, job creation and improved entrepreneurial activities especially within the previously disadvantaged farmers who are presented with an opportunity to be producers and not only consumers in the seed value chain.

The interventions of this value chain will include increased market access, extension support, and encouraging value addition to primary products, provision of capacity building to smallholder farmers, encouraging export of primary and processed products, as well as promoting partnerships with commodity organisations in order to ensure standard compliance, among others.

The Department has successfully concluded partnership agreement with Perishable Product Export Control Board (PPECB), which in 2021/22 financial year, will help facilitate the training of a total number of 25 small-holder farmers.



Through the Horticulture Value Chain, the Department of Agriculture seeks to maximize production in the existing irrigation schemes and strengthen the mechanization support. In the 2021/22 financial year, a total number of 15 horticulture related projects are planned for implementation at a budget cost of R21 million. The majority of these projects will be supporting the RASET Programme.

I am very thrilled to announce that the department has started the production of seeds in its four research stations including Makhathini Research Station, Cedara, Dundee Research Station and Kokstad Research Station.

In 2020/21 financial year, the Department has planted 9 hectares of Maize in Cedara and 16 hectares in Makhathini for production of seeds that will cover about 8 580 hectares of farmer land. About 61 hectares of Dry bean Seeds is planted in Kokstad and Dundee, and will cover about 2033 hectares of farmer land.



The Department intends to implement the first phase (Maize 36ha & Dry Beans 108ha) of Agronomic Seed programme in its full targeted capacity during the 2021/22 financial year. In 2021/22, Groundnuts and Potato seeds will also be planted as the first phase with a total target 40ha's.

INDIGENOUS AND MEDICINAL HERBS NURSERY

Honorable Members, the department has been inundated with requests from traditional healers and small-holder farmers to explore indigenous and medicinal crops such as umhlonyane, isibhaha, amatungulu and iboza.

The department is, therefore, planning the establishment of these pilot indigenous and medicinal garden in uMkhanyakude and uMgungundlovu districts. These herbs will go through a scientific analysis to establish the medicinal value and healing capacity.

The information obtained will be used to propagate other plants, especially those on the endangered list due to unsustainable harvesting in the wild.

HEMP AND CANNABIS PRODUCTION

Honourable members, since cannabis production has been legalized the department has been working with different stakeholders in enhancing research and identifying opportunities in the production of hemp and medicinal cannabis in terms of downstream beneficiation for local people.

Working relations have been forged with the Moses Kotane Institute, Cannagrow SA and Grafted Hemp Farms. The first planting is earmarked for uMkhanyakude District followed by King Cetshwayo, Harry Gwala, uMgungundlovu and uThukela.

The National department of Agriculture, Rural Development and land reform is in the consultation phase with the Cannabis master plan. Once this exercise has been completed, the province will develop its own master plan aligned to the National one.



GRAIN VALUE CHAIN

Honourable Members, the Department has identified the challenges engulfing rural farmers who own land. Farmers, especially in communal lands, are unable to till their land and to pay for the ploughing, planting, maintenance and harvesting of their lands. This results in arable land lying fallow and hence under-utilized.

Therefore, the department intervenes through the Mechanization Services programme to ensure that food production in KZN is practiced consistently. This programme facilitates a coordinated mechanization plan that supports the government's commitments towards poverty alleviation, food security and local economic development. The Department is working tirelessly to ensure a sustainable mechanization service. The Department provides a suite of mechanization services to support farmers, especially on larger tracks of land.

Through the Multi-Planting Season Programme, the Department of Agriculture provides a comprehensive land preparation service, which is inclusive of production inputs such as seeds, fertilizer and chemicals. Honourable Members, the Hon Premier of KwaZulu-Natal successfully launched an integrated Multi-Planting Season programme last financial year, in Harry Gwala District.

The Multi-Planting Season programme is a clarion call to all crop and vegetable farmers in the Province to begin planting. Ingakho sithi, 'Phez'komkhono! Honourable Members, the Department is on course with its multi-planting Season programme with over 18 000 hectares already cultivated supporting over 7 000 beneficiaries across the province. The department however experienced delays in the implementation of the programme due to heavy rains.

In the 2021/22 financial year, the department is planning to support over 10 800 producers to cultivate 25 000 hectares, majority of which will be channeled to the grain value chain. This programme, in support of the strategic areas of focus, remains a critical pillar for both household food security and the creation of links in the supply of feed for pig and beef production enterprises.

Recognising the suitability of KZN's natural resources for the production of grains and its competitive advantage, especially in the northern and inland parts of the province, the department will continue, over the medium-term, to promote the development of grain crops such as maize, dry beans and soya beans. The Department is targeting to support 23 000 hectares of land within the grain value chain.



Agrarian transformation remains one of the focal points of the department's programmes and its implementation should translate into the creation of sustainable black commercial farming enterprises.

The Premier of KwaZulu-Natal reinforced the February 2018 Cabinet Lekgotla resolution to assess all land reform farms in KZN. A comprehensive report projected a financial investment of R5.5 billion to resuscitate these farms.

CENTRES OF INNOVATION AND EXCELLENCE

4TH INDUSTRIAL REVOLUTION SMART AGRICULTURE

Honourable Members, our sector is growing technologically, therefore, it is imperative as government to keep up with technical agricultural advances. Honourable members, young people in our province have requested us to implement new agricultural technology which will not replace traditional job opportunities. In line with ensuring a modernised sector, the department is currently establishing mega provincial Centres of Excellence, including the support of the entire KwaZulu-Natal farming community to participate meaningfully in the agriculture value chain supported by the Centres of Excellence.

The Centres of Excellence will be situated in the following

Research Stations: Cedara, Dundee, Kokstad, Bartlow, Makhathini and OSCA; where they are geographically spread across the Province. These Research Stations have different agricultural commodities with different bio-resource groups.

The Department is intending to establish Smart Agricultural Centres by applying strategic developmental technologies and innovative mechanisms to empower, develop, skill (reskill and upskill) emerging and small-hold farmers into precision farmers that produce significant agricultural produce through the KwaZulu-Natal Centres of Excellence (KZN-CoE).

The KZN Centres of Excellence will primarily aim to transform, establish and operate successful agri-tech centres that supports the provincial agricultural value-chain with cutting edge technologies and innovations.

ASSESSMENT OF LAND REFORM FARMS

The Farmer Development Support (FSP) programme of the department will not be adequate to implement the findings of the resuscitation of these farms.

Cognisant of the fiscal challenges, the Department will reprioritize its programmes to commence with a phased in approach with implementation of the resuscitation plan.

However, there is a further need for additional financial to support the Farmer Development Support programme to ensure sustainable transformation of the agricultural sector. We are currently exploring innovative ways of achieving this, including public sector investment.



They will be established under a set of pragmatic principles guiding the provincial Smart-Agriculture and Precision Farming management for the KwaZulu-Natal farming community, which will improve technological expertise and scientific innovation in the agricultural sector.

To date, the Department has approved Terms of Reference for the Centre and an advisory body will be appointed in the first quarter of 2021/22. Furthermore, the Department will recruit an ICT Lead to drive the conceptualization and project implementation. The fourth industrial revolution presents an opportunity for the Department to reimagine its conventional research and development systems to emulate the trends in the global research technology space.

The Department of Agriculture will develop a plan for the conversion of Agricultural Research Centres in the province into centres of innovation and excellence based on the strengths of the fourth-industrial revolution.

Through the plan, the Department seeks to attract young and dynamic technology savvy agricultural Scientists to shape the future of the agricultural scientific research of the province through technology innovation systems.

LABORATORY INTEGRATED MANAGEMENT SYSTEM (LIMS)

To advance the quality and processes within Analytical Services using digital technology, the laboratories have sourced and are in the process of fully implementing the Laboratory Information Management System (LIMS). This system aims at improving processes flow, data integrity and eliminating the use of paper. Leading laboratories are using this system to improve their services, even to the point of allowing clients to receive regular updates on the progress of their samples.

SOIL FERTILITY RESEARCH



Improvement of soil health through Conservation Agriculture (CA). By investigating the effects of different CA technologies on the build-up of organic matter in soils, and on soil loss by erosion, the component contributes to the mitigation of climate change (through carbon sequestration); adaption to climate change by improving production with less water use (climate-smart); and more sustainable agricultural production systems to produce food for a growing population.



AGRICULTURAL COLLEGE

The Colleges plan to enroll 300 students and complete the curriculum for the 2021 academic year. The colleges have also embarked on providing qualifications at NQF levels 2-4 with learnerships in both Plant and Animal Production across these levels. In 2021, 120 students will be enrolled in the various learnerships. The colleges are actively trying to register as providers and assessment centres for the Quality Council on Trades and Occupations qualifications, with Owen Sithole registered as a provider.

The role of colleges extends beyond fulltime students. They also provide both accredited and non-accredited courses and agricultural training to farmers and participants of projects funded and supported by the Department.



YOUTH EMPOWERMENT INITIATIVES

Honourable Members, prior to the COVID-19 Lockdown we conducted a Youth in Agriculture and Rural Development Indaba, with an aim to support the establishment of a youth owned or managed enterprises that will encourage youth participation in the Agricultural sector and bridge the gap of aging producers while creating jobs.

This Youth in Agricultural Indaba was graced by the presence of the Honourable Premier, Mr Sihle Zikalala. The resolution from the Indaba programme was to develop a DARD youth empowerment strategy. Indeed, this was greatly achieved by the Department in the midst of the COVID-19. DARD Youth Empowerment Strategy ("Inkunzi Isematholeni") has been developed to address a number of issues raised by Youth and Women during Indaba.

UNEMPLOYED YOUTH GRADUATES

The Department currently runs an excellent programme that places unemployed graduates with commercial and land reform beneficiaries as well as agricultural enterprises in order to gain vital workplace experience. This will include, but is not limited to, the experiential training and on-farm mentorship of unemployed agricultural graduates towards better employability and entrepreneurial development.

The graduate development programme forms part of the various planned interventions of the KZNDARD for youth economic empowerment as well as sector transformation amongst women and people with disabilities. This graduate development programme hopes to see young agriculturalists exit with an entrepreneurial spirit and skills to step into the sector and establish their own enterprises.

Honourable members, I am pleased to report that 280 graduates were placed on farms and agricultural enterprises under the agricultural graduate development programme during the 2020/21 financial year. This financial year, the Department has an intake of 340 graduates that will benefit from this programme.

We are indeed increasing our pool of young agriculturalists. I previously indicated that, as part of sector transformation, we have to prepare the young generation to learn from our current farmers and to inject innovation and youth into the sector. I am excited to share that a further 295 unemployed graduates will be placed in our research stations for the production of agronomic seeds and seedlings over the MTSF period.



WOMEN EMPOWERMENT PROGRAMME

Honourable Members, the Department has realized that in order to achieve its mandate through agrarian transformation, the stimulation of comprehensive economic growth, food and nutrition, as well as the advancement of rural communities, it is vital to address issues of women within the sector in line with the UN Sustainable Development Goal No. 1, namely to eradicate poverty in all forms.

Women are the majority in subsistence farming within the sector and yet they remain at the periphery of the economy. Prior to the COVID-19 Lockdown I conducted a dialogue with women within the sector to engage with, and understand the issues experienced by women.



The primary objectives were transformation of the agricultural sector that is gender sensitive towards women, provision of a radical approach towards RASET and operation VULA for women co-operatives to access markets.

Indeed, from the dialogue resolutions, DARD Women in Agriculture and Rural Development Mainstreaming Strategy was developed to address transformation of the sector.



POULTRY VALUE-CHAIN

AGRI-BUSINESS DEVELOPMENT AGENCY

Agri-Business Development Agency (ADA) is undergoing restructuring in line with the Executive Council's resolution to amalgamate all DARD entities into one to ensure efficiency and improved service delivery entity. To this end, I am happy to report that one of our entities, Mjindi Farming (PTY) LTD at Makhathini under Mkhanyakude district has been deregistered. Its functions, assets and human resources have successfully incorporated under ADA.

A Joint Management Committee (JMC), which was appointed to spearhead the amalgamation of the entities consisting of a team of experts is at the final stage of concluding its work.

The department will retain its 62 percent shareholding and Ithala Development Finance will have 38 percent of its shareholding at iNtengwe. ADA will be will project manage the iNtengwe on behalf of DARD and Ithala because of the nature of this enterprise.

Natal Trust Farm will be deregistered and its functions and assets be transferred to ADA. ADA will assume a responsibility in this regard of operating a commercial mechanization lease programme.

Impende-Ntambanana entity will be deregistered as an entity of government as its reason for existence is not beneficial to the department.



Honorable members, ADA is taking over sizable agri-business functions as a result of the amalgamation process, hence a reason to redefine and restructure this entity to ensure commercialisation of black farmers, in particular in our province. To this end, an Agri-business bill is being crafted to ensure that the entity moves away from being a trust (which has its service delivery challenges) to either a schedule C or D in terms of the PFMA listing.

I am delighted, honorable members, to report to this house that our agency, the Agri-Business Development Agency (ADA), finalized the construction of two women-owned egg production facility, Amatshishi Oqobo and Nisawiz projects, last year. Honourable Speaker, these projects are currently producing and selling eggs to various market outlets. Due to the need to resuscitate the egg supply value chain, which collapsed before Covid-19, these projects are due for upscaling from 10 000 to 20 000 layer-chicken farms.

They will also link to main market and value adding industry partner, Nu Dawn eggs. Furthermore, ADA supported two other projects, which are Mansimu and Lunginhlanhla that are also poultry value-chain interventions. Each consist of infrastructure development, production inputs and mentorship as well as market access.

Honourable speaker, in a bid to develop black sheep farmers to a commercial level, ADA has started an intensive investment in sheep production, which is a mix of breeding and a feedlot for producing both meat and wool. This project will pilot this financial year, in Vryheid.

Furthermore, two other sheep production projects, which are Amakhosazane and uFahari will be implemented, this financial year. The sheep production project offers 1000 lambs in each funded project, which is inclusive of all intensive operation costing a total of R16m, over a period of two years.

Honourable Members, it is an established fact that the majority of our rural community are goat keepers. Taking into cognisance the abundance of this livestock and the potential spin-off of supporting the commercialization of goat farming among our black farmers, ADA will start its first goat production intervention,

this financial year. I am happy to announce that two goat production projects will begin full operations, this financial year. These are Ogagwini and Copper Sunset Farm and the goat production interventions will include the improvement of infrastructure and provision of production stock.

ADA is also supporting horticulture development through the provision of infrastructure. I am happy to report that in the past financial year, over 60 standard tunnels were established in 6 projects in the province and a total of 55 jobs were created during and post construction periods. These projects are Phesheya Farm, Elite Crop, KMD Essential Oils, Willow Hydroponics, KTZ Farming and Aqhamile Agri-Enterprise.

Honourable members, as part of provision of establishment of infrastructure, tunnels will be accompanied by relevant value processing equipment such as mobile cold rooms, tomato processing machine, potato sorters and infrastructure, inclusive of pack-house, as well as relevant capacity building for SA GAP certification to improve market access and production practices.

Two beneficiaries which are New Generation Seedlings Nursery and Phesheya Farm Indigenous Tree Nursery have both successfully started operations, with first harvests and sales commenced at the end of April 2021. We continue to urge all members of our communities who are passionate and skilled in agriculture to take advantage of the opportunities to expand on this value chain. Established nurseries have been linked to our vegetable producer project for their requirements for seedling at production stage.

Honourable speaker, as part of our KZN Agri-processing Master Plan, ADA is funding the establishment of a first global gap certified pack-house that will help move and market produce from nearby farms. This pack-house will be constructed at the River Valley Farm and will cost R8,3 million. River Valley will also be exporting its cherry pepper products for the first time in 2021 financial year. Therefore, the ADA intervention on the pack-house equipment and processing of cherry peppers will help the farm meet the standard of European markets.





JOB CREATION PROGRAMME

Since SA transformed into a democracy in 1994, the most important challenge to emerge is that of mass unemployment amongst the youth, rural women and the disabled. The COVID-19 pandemic has massively increased unemployment amongst these very segments of the country. Employment opportunities for new job seekers are very limited and so the National Youth Policy (2020) makes a call to create jobs in youth enterprises and self-employment in commercial agriculture.

Whilst agriculture remains an important source of employment, this has declined significantly over the decades to around 5.9% of national employment.

There has been a loss of 2.2 million jobs due to the COVID-19 pandemic. In the last year, formal agricultural jobs have declined by -13% in KZN from 162,000 to 141,000.

The decline is caused by more rapid economic growth in other economic sectors (causing agriculture to be a less attractive employer), increased mechanization, decreases in farming operations, market deregulation and very seriously, declining youth interest in agriculture.

The Honorable premier has call for a mass-job creation drive by all sector in the province, hence the establishment of a job creation war room. **As the department as well as our entity ADA, we have come with the following programmes over and above our normal programmes that will ensure mass job creation within the sector:**

- Train the trainer on crop and livestock unemployed graduates
- RASET Agro- logistic agents
- Veterinary service field: Redline maintenance, dip tank assistance, animal health technicians and livestock rangers
- Unemployed graduates seed and seedlings production
- Smart agriculture junior candidate scientists and drone operators
- Creation of black industrialist SMMEs producing barb wires, poles, animal feed and organic fertilizer.

This drive will see the department creating an additional 1800 jobs through is reprioritiation process to implement these innovative programmes, targeting youth, women and people with disabilities.

CONDITIONAL GRANTS

This grant is aimed at enhancing the capacity of the agriculture sector. It provides support to beneficiaries of land and agrarian reform programmes. It also provides revival of agricultural extension services, agricultural colleges infrastructure, sustainable natural resource, job creation, unlocking underutilized land and mechanization. The grant has seen severe cuts as a result of the outbreak of Covid 19, which means the department has to be innovative on how it supports farmers going forward including forming partnerships with the private sector. The conditional grants allocation is as follows:

- CASP Grant: R206,446 Million
- Ilima / Letsema: R73, 233 Million
- Land Care Grant: 12, 701 Million
- EPWP Integrated Grant to Provinces: R4, 647 Million

Total: R297, 027 Million



BUDGET VOTE

The Department hereby submit its budget vote for the three programmes as follows:

- Programme 1 – Administration – R641,100 million
- Programme 2 – Agriculture – R1 796,117 million
- Programme 3 – Rural Development – R83.085 million

• Total: Vote 3

Agriculture & Rural Development – R2 520,302 billion





CONCLUSION

Honourable Speaker, it is evidently clear that our action plans are in keeping with our turnaround strategy, which was presented here in the beginning of our term of office, is now starting to bear fruit. With focal elements being, improved audit outcomes; budget expenditure; service excellence awards and stability in management, the Department is indeed on a growing performance trajectory. Similarly, our ability to identify and support farmer development programmes is receiving a warm embrace from the agricultural community.

Our commitment to render effective and efficient services was evident, even during the lockdown period, the Department was able to operate as an essential service in food security. We even transformed our laboratories as sites of sanitizer production, which we shared with other institutions of government, thus saving the state some much-needed funds.

As I come to a close, I want to take my mental and spiritual flight to the continent of my birth Africa, and remind this house, that that Africa is our beginning and our ending. We owe a debt of gratitude to our forefathers and foremothers of our planet earth to this continent. And so, honorable members, our contribution to the development of our agrarian innovations should rid our whole land of famine. Therefore, ladies and gentlemen, let us constantly be reminded of the role and responsibility we face through this department.

I cannot close, without thanking the Premier, Hon. Zikalala, the Executive Council Members and all the honorable members for the great sacrifices they have made and continue to make during this time of Covid 19 in saving our people from this deadly attack. Your courage to serve the people no matter the conditions on the ground, and being united as a people of Africa, has indeed served us in good stead. Nenze ubuntu obuthandwa uNkulunkulu.

Yibambeni zinsizwa kanye nezintombi.

Our success in dealing with the milestones of the department cannot be achieved without a focused staff compliment, and I want to thank all of them, without paying particular attention neither to rank or file. Abasebenzi bomnyango ngibabopha ngabhande linye, ngithi nje kubo ngiyabonga. And again in this regard, I want to thank the Premier and the Portfolio Committee members led by the Chairperson Hon. Sibhidla-Saphetha for their guidance and support. The leadership of Unions for their contributions in keeping the whole team inside the fault lines, and the department's own Exco led by myself and the HOD Siza Sibande.

The Department has received generous and ongoing insight from the Portfolio Committee of Agriculture, SCOPA, Finance Committee and other oversight structures such as the Provincial Audit Committee. As we implement a concurrent function, we continue to be guided by the National Minister, the Honourable Ms. Thoko Didiza and her management team led by the Director General. To all of our stakeholders and the KwaZulu-Natal citizens, we express our profound appreciation for the support we receive and we believe that we can Grow KwaZulu Natal Together.

To Almighty God, our spiritual father in true letter and spirit, if you say yes, who can say No.

My family, my husband, the ANC leadership and all my comrades in general, I salute you for being my strength, and my shoulders to lean on.

"Phez'komkhono"
I thank you!





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BAYEDE !™

The King Goodwill Zwelithini
kaBhekuZulu

1948-2021

Sengathi "Ingonyama yamaZulu, ingalala ngokuthula!
Rest in Peace





KWAZULU-NATAL PROVINCE

AGRICULTURE AND RURAL DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

#Phez'komkhono

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