

Honourable Speaker;

Honourable Deputy Speaker;

Honourable Premier;

Members of the Executive Council;

Honourable members of the Provincial Legislature;

Honourable members of the House of Traditional Leaders;

Honourable members of the Portfolio Committee on Rural Development and Agrarian Reform;

Leadership of Farmer Organisations & Rural Communities of the Eastern Cape

Women in Agriculture and Rural Development (WAARD)

Leaders from religious fraternity

lindwendwe ezihloniphekileyo, abahlali nabemi beli le Mpuma Kapa, mholweni nonke bethu.

Honourable Speaker, and Members of the house, before I continue, I would like to send our heartfelt condolences to the family of the late Public Service and Administration Minister, Collins Chabane and the late former Port St Johns Mayor, Councillor Mangqo.

In remembering their contribution to the development of our country, we commit to soldier on with their struggles of better life for all.

Honorable Speaker, I stand before you to give account of how this ANC led government is developing rural communities, advancing agrarian transformation in the Eastern Cape. As I reflect on this, I will accentuate on the policy and political imperatives flowing from our progressive outlook as the ANC led government.

Honourable Speaker, reflecting on our 21 years of a free, democratic South Africa, demands that we report on the developments we have made in responding to matters that were and some that are still facing our country.

Influenced by the resilience of the masses of our people, guided by the wisdom of those who came before us, when we looked at issues facing our motherland, we implemented people based programmes surging the growth of our province and prosperity of our people.

Fighting poverty, reducing unemployment, developing skills of our young people, and transforming the skills base of the rural community and the farming sector, providing alternative energy to rural communities is what we are doing to meet the basic needs of our people.

The National and Provincial development plans, pronouncements made by His Excellency President Jacob Zuma during the state of the nation address and commitments made by Honourable Premier Phumulo Masualle during the state of the province address, inform our programmes.

The departmental programmes will be implemented with vibrancy to ensure coordinated support and partnerships with all spheres of government and state entities.

When delivering the ANC's January 8 statement, President Zuma correctly summed up our responsibility to society when he said, 'we are not here to be served by our people but we are here to serve our people'.

Honourable Speaker, guided by the ANC manifesto commitments which respond to the needs of our people, our Department has developed a number of rural development and agrarian reform programmes aimed at improving the lives of the people of the Eastern Cape.

Last year, I stood before this House tabling development and delivery programmes for our communities, commodity groups, farmers, rural communities and the provincial economy. Allow me to report on our successes, challenges, solutions and strategic plans to continue with this development through this policy and budget vote speech.

RURAL DEVELOPMENT CO-ORDINATION AND FACILITATION PROGRAMME

Honourable Speaker, during October 2014, the Department convened a Rural Development Intergovernmental Relations Forum at which stakeholders within government (national, provincial and local governments) and external (public entities and NGO's) endorsed the Eastern Cape Provincial Integrated Rural Development Plan. The plan is used to guide the implementation of key strategic areas of Comprehensive Rural Development Programme in partnership with all spheres of government. Through this forum, we will hasten implementation, beef up communication amongst government structures, share information about planned and implemented development in the rural communities.

Honourable Speaker, pursuant to our rural development mandate, in the ending financial year we trained rural communities, youth, women and men, funded the establishment of community driven Rural Enterprise Development Hubs, distributed seedlings and implements, installed solar

energy systems in two rural communities. A total of 168 youths from Sarah Baartman, Alfred Nzo, Amathole districts were trained in rural appropriate technologies such as soil cement technology and making paving bricks. Since receiving a brick making machine the Elliotdale youth has formed a Cooperative to organise their commercial venture for self employment. and when we handed over a brick making machine.

As part of eradicating poverty, a total of 100 households in Amathole District Municipality were taught organic or smart farming methods and given seedlings, chickens and implements to keep on producing their own food.

Honourable Speaker, with regards to providing energy to rural communities without electricity, the Department installed solar technologies benefiting 80 households in Xholobeni. In addition, fuel efficient stoves were given to 28 poor families in Amathole district's Qolora village. During the handover of 1-kilowatt solar panels and 100 litres geysers to Xholobeni homes, anti-apartheid activist, Mr Dingiswayo Chiya said: 'Through this project, government shows us that even rural communities can have energy for lights, and other household appliances as well as geysers to warm bath water. These are the things we fought for all this time and I am glad to see these developments because to us they signal that indeed we have regained our country.'

Honourable Speaker, the Department through Eastern Cape Rural Development Agency (ECRDA) improved the value chain for crop production in the province by implementing the Rural Enterprise Development (RED) at Mqanduli, Bizana, and Ncora. A total of 2 968ha was planted with white maize that will be milled for production of Super Maize Meal. Furthermore, a total of 915ha of sorghum was planted at Lady Frere for production of bio-fuel feedstock.

In order to ensure that grain is stored for value addition, a total storage capacity of 1500 tons (silos) was made available. In addition, mechanisation equipment were purchased for all the RED Hubs, these included 28 tractors, 3 self-propelled combine harvesters, 2 trailed harvesters and 4x 1 ton bakkies.

ECRDA secured a Jobs Fund grant of **R113 million** to kick-start 8 projects covering 15 800ha to stimulate local economy through forestry enterprise. The potential project scale of the 5 projects currently underway at Mkambathi, Sinawo, Izinini, Gqukunqa, Sixhotyeni covers an estimated 9000ha.

Honourable Speaker, the ECRDA approved loans to the value of **R14, 4 million** to cooperatives, SMME's and entrepreneurs as part of rural enterprise development programme. Eleven percent (11%) of loans went to non-agricultural activities while 89% of loans went to entrepreneurs involved in agricultural activities. A further

R1, 1 million from Micro Agricultural Finance Institutions of South Africa (MAFISA) fund was disbursed.

AGRARIAN TRANSFORMATION AND FOOD SECURITY PROGRAMMES

Honourable Speaker, the re-opening of land claims signals the ANC's commitment to land reform and agrarian transformation. Thus far, over 63 000 land claims have been lodged with the Regional Land Claims Commission in the Province. The Department, echoes on the call by the Department of Rural Development and Land Reform for the people of the Province to lodge land claims with the Land Claims Commission on time. The Department through its programmes and policies in place provides

technical support to all land claimants towards the development of post the transfer of land.

Agricultural Infrastructure

Honourable Speaker, the infrastructure backlog in the rural areas remains a challenge facing the rural communities. A total of 30 farm infrastructure projects (i.e. stock-water, shearing sheds, dipping tanks, boreholes, irrigation systems and fencing) were completed, benefiting 660 smallholder farmers and created 279 jobs. In addition, a feedlot and 4 custom feeding centres were supported with 6 210 bags (40 kg bags feed) benefiting 600 animals.

Irrigation schemes

Honourable Speaker, we have made strides in improving productivity of irrigation schemes thereby stimulating local economic activities and opening employment opportunities. The Department together with DRDLR funded and supported the following irrigation schemes:

- TYHEFU: A total of R910 000 was invested to plant 215ha of Pomegranate fruit trees and to purchase production inputs to support production. Since the previous partner left, the Department is investigating the possibility of other partners that include horticultural crops in addition to pomegranate. However, the local communities partnered with private sector to produce tomatoes for agro processing at Coega Industrial Development Zone (IDZ).

- **KEISKAMMA:** DRDLR invested **R34 million** to ensure the functional operations of the scheme in an area of 340ha. In addition, a total of 6.2km access roads were completed.
- **ZANYOKWE:** The Department invested **R1 820 million** to support farmers to produce vegetable and field crops.
- **SHILOH:** The Department supported the scheme by providing fencing, installation of irrigation system, establishment of cultivated pastures, construction of cattle walkways and the installation of the stock water facility in an area of 450ha.
- **NCORA:** The Department of Rural Development and Land Reform and DRDAR invested **R17 million** and R425 000 respectively. These resources were channelled to develop and maintain an irrigation system with eight centre pivot systems covering 220ha and a construction of storage shed. Furthermore two silos were repaired for the storage of dry maize which is used to support the commercial dairy enterprise.
- **QAMATA:** a total of **R2 269 million** was invested for the completion of 17km of fencing project and renovation of office building.

Land care

Honourable Speaker, this House is aware of the extent of land degradation that is facing this province. In order to promote sustainable use and management of this natural resource, the Department continued to implement Land Care program. Mega-projects such as Wild Coast Spatial Development Initiative (WCSDI) and Umzimvubu Dam Development

Project will abide by the Land Care principles. A Provincial Land Use Plan was consolidated and six district land use plans were completed. A total of 1 454 green jobs were created through the Land Care Programme.

Crop production

Honorable Speaker, during 2014/15 cropping season, the Department exceeded the planned target of 17 000 ha to 17 503 ha. The expected yield is 68 000 tons of maize which will either be sold for processing to the Milling Plant at Mqanduli , alternatively, stored in the silos built by the department for both future sales and local consumption.

Honourable Speaker, the Department further supported a total of 12 395 households (Amathole 4 655, Chris Hani 1 740, OR Tambo 631, Joe Gqabi 630, Cacadu 2 083 and Alfred Nzo 2 656) that are food insecure households with production inputs.

Livestock improvement

Honourable Speaker, our Province has the highest concentration livestock, of which 40% is in the hands of the communal farmers. Due to the poor quality of the animals, these farmers are unable to change their lives economically.

The Department, towards improving them, distributed 208 superior genetic breeding animals to these farmers. Additional breeding materials are ready for further distribution at the following centres namely: Fort Cox College, Tsolo College and Queenstown. Feeding and management technical

support were provided by the extension services to the farmers. The progeny observed so far is promising. As stated above, feedlots and custom feeding are designed to improve the market value of these animals.

Honourable Speaker, a total of 42 goats were handed to Lihlumelo Elitsha Cooperative to mark the start of the 10-month learnership on livestock farming and production in Nxuba Municipality. The commitment of young people to this project is remarkable to the Department. One of participants commented in appreciation,

Ms Nomasomi Ntlabathi and said; “Through this, we are creating our own opportunities and income. The training will help us in farming. It has a potential to create jobs for us as the youth of this area.”

Agri-business

Honourable Speaker, the Department assisted the resource-poor farmers to participate meaningfully in the mainstream economy by registering 302 Cooperatives in both livestock and crop production. Another twenty five agri-businesses were linked with formal markets. A total of 2 199 farmers, inclusive of Land Reform beneficiaries, were assisted with sound economic advice to improve production efficiency. Siyavuselela cooperative in Buffalo City is one of the enterprises assisted to access R6 million from the Agri BEE fund.

Animal health

Honourable Speaker, the Department is committed to keep a healthy herd to stimulate trade and prevent any form of transmission of zoonotic diseases. Over the period, a total of 6 887 668 treatments against sheep scab were administered to sheep across the Province which improved the quality and quantity of wool clip. A total of 2 302 268 treatments were applied through dipping programme for the control of external parasites and 1 545 106 vaccination treatments against controlled animal diseases. The Department also deployed 13 mobile veterinary clinics to provide the clinical supportive service to the communities.

Capacity building and development

Honorable Speaker, the Department provided an intensive training in accredited and non- accredited training programs to 2 357 farmers. A total of 250 out-of school youth participated in the construction learner-ship and skills programme funded by SETA at Inxuba Yethemba Municipality.

Honourable Speaker, Tsoho Agriculture and Rural Development Institute (TARDI) admitted a total of 139 first year students into the Animal Health Diploma program. The Department is also providing support to Fort Cox College where 371 students are enrolled.

Honourable Speaker, the Department upgraded qualifications of 132 extension officers through its capacity building programme. Another group of 120 officials was assisted with bursaries towards upgrading their qualifications and skills. A total of twenty students were provided with

bursaries in scarce skills areas (ten veterinary sciences, five soil sciences, two plant pathology, one entomology, two Civil engineering). In addition, seven hundred and forty seven officials were trained in technical and soft skills to improve the capacity and efficiency in the Department.

Magwa and Majola Tea Estates

Honourable Speaker, Magwa and Majola tea estates have the potential of being the economic hubs and employment centres in the Eastern part (Pondoland) of the province. The lack of management (poor financial management, lack of governance and technical expertise to run a tea estate) in the two tea estates has led to the near collapse.

Honourable Speaker, through the Office of the Premier and the Economic Development Cluster, a project steering committee was established to develop a turn-around plan. Consultation is on-going with Traditional Leaders, tea brokers, government departments, organised labour, leaders of communal property associations (CPA) etc. An administrator shall be appointed soon in terms of the provisions of the Companies Act which provides for business rescue proceedings. The Provincial Cabinet (EXCO) has been requested to support the turnaround plan of the two estates. The interim funding for this turnaround is estimated at

R45, 8 million for Magwa and R20, 2 million for Majola.

The government departments involved are working on the sourcing of this amount. It is further hoped that as part of the long term plan for both estates, the Department should tap into the planned Wild Coast Spatial Economic Zone (SEZ) initiative.

STAKEHOLDER RELATIONS

Honourable Speaker, the Department cannot fight poverty, unemployment and underdevelopment alone. It deemed it fit to facilitate engagement with public stakeholders and private enterprises in order to ensure optimal collaboration and through engagement of various parties in development. Ten sessions were held with various stakeholders. Commodity groups and other stakeholders participated in reviewing the strategic plan of the department.

Honourable Speaker, the Department undertook a trip to Germany. An international collaboration was created whereby the University of Hanover Veterinary Services Faculty in Lower Saxony will be admitting Eastern Cape veterinary students shortly. Linked to this Duela College, a vocational equivalence to South African Educational System will admit extension officers from the Province and municipalities for capacity building in specific areas critical to the Province. Agriculture Research collaboration with Lower Saxony Research Institutes is underway.

THE ROAD AHEAD: 2015/16

Honourable Speaker, as we enter the fifth term of government, the President declared 2015 the year of the Freedom Charter. The Department heeded the president's call as reflected on its service delivery for the new financial year. Furthermore, the Makgotla, State of the Province address and many service delivery frameworks and policies put in place shaped these programmes.

Honourable Speaker, the foundation has been laid, targets set and implementation plans developed to direct all departmental programmes to ensure that ours is a country of prosperity, growth and employment opportunities "Ilizwe lobusi".

A total budget allocated for this financial year 2015/16 is **R1, 97 billion**. Based on the natural resource potential and development nexus in the province, the Department has allocated R899 419 million to service delivery. Details of this budget are further provided in annexure A.

Honourable Speaker, the Department shall be delivering the following to the citizens of the Eastern Cape in 2015/16 Financial Year:

THE LAND SHALL BE SHARED AMONGST THOSE WHO WORK IT

LAND REDISTRIBUTION

Honourable Speaker, the legacy of forced removals and dispossession of land must be addressed in a responsible manner. Currently, the Land Claims Commission is hard at work processing claims made by our communities and the people of the province. In this regard, the Department of Rural

Development and Land Reform is set to acquire a total of 58 460 ha of land for land reform beneficiaries in the province. In addition, a total of 31 730 ha of land shall be allocated to people working/living on farms.

RURAL DEVELOPMENT

Honourable Speaker, in 2015/16 financial year, the Department will continue to facilitate and coordinate the implementation of Comprehensive Rural Development Programme with specific focus on provision of basic services in rural areas. In partnership with municipalities and the Department of Water and Sanitation, a total of 26 383 households and 61 schools will be provided with clean water.

The Department shall participate in the implementation of rural roads development and maintenance plan by prioritising economic roads connecting to essential service centres.

Honourable Speaker, energy infrastructure is crucial in all our development initiatives. A total of 270 households, 73 schools will be provided with functional electricity and 33 households provided with non-grid solar energy. A total of five health infrastructure projects will be facilitated for establishment this financial year 2015/16.

The Department in collaboration with the Department of Education will approach private sector companies and the Department of Telecommunications and Postal Services to facilitate the provision of ICT targeting 100 rural schools. This will create access to information which will improve the quality of education and bridge the rural urban divide.

The Department will also develop a rural development portal which is integrated to GIS system to store all rural development projects in the province. The portal will provide access to all stakeholders on rural development information in all districts. This will enable the Department to coordinate rural development projects from all spheres of government.

Honourable Speaker, the Department will also initiate and implement socio-economic rural development projects which will focus on youth and women empowerment programmes. Linked to this will be support of the Giant Flag initiatives with a total budget of **R2, 5 million** as part of the Karoo region economy through tourism industry that will be triggered by the Giant Flag. This will have a positive bearing to the Small Town Revitalization program administered by DRDLR.

Honourable Speaker, Traditional Horse racing is one of the oldest recreational activities of our communities. In its support, the Department allocated R500 000 on top of the usual veterinary support already provided. More work needs to be done in this program so that it generates the economic returns it intends to achieve towards stimulating rural economic activities.

Honourable Speaker, the Eastern Cape Rural Development Agency (ECRDA) continues to promote rural industrialization through agro-processing closer to maize growing sites. The Department will continue to support the two silos in Mqanduli and Ncora that have already secured the supply of 10 560 tons of maize from crop farmers. An amount of **R7 million** is set aside to ensure that the RED Hubs are fully functional in processing and storage of the produce. A total of 166 jobs have been created in the RED Hubs. A further 134 will be created in the new financial year when all the RED Hubs commence trading.

To this end Mqanduli RED Hub has become the first co-operative to commence trading and milling of the maize produce from the Hub. The Hub is also now processing maize meal, samp and animal feed.

Honourable Speaker, as earlier stated, the Agency will continue to expand forestry projects out of the Jobs fund grant secured to kick-start projects covering 15800 ha of land. For the Lambasi /Flagstaff area, consultations with traditional and municipal leaders to establish 3 000 ha in Lambasi and 1 000 ha started. A total of **R30 million** is budgeted from the Jobs Fund budget for this financial year. The participation of rural communities is evident in Mkambathi and Sinawo as they have started harvesting timber and trading with South African Paper and Pulp Industry (SAPPI). Job creation through forestry has benefited more than 408 community members and small enterprise contractors who are contracted to transport timber and water in various forestry sites.

Honourable Speaker, the Agency will continue providing loans from the loan repayments currently being received. This financial year, a total of **R5, 4 million** will be made available to farmers, entrepreneurs, cooperatives in order to support rural enterprise development programmes. The ECRDA Board has further put instruments in place to enhance loan recovery and repayments. This initiative will increase the availability of resources that could be ploughed back to rural enterprises.

RURAL RESOURCES AND MINING

Honourable Speaker, rural development includes other sectors such as mining. Currently rural mining benefits those who come with big machinery to mine these resources and make high revenue profits. This financial year, the Department in partnership with the National Department of Mineral Resources will ensure sustainable use of mineral resources including coal, sand, crash stone, sabhunge and others with which the communities are endowed with the intentions of empowering them. These communities will be capacitated on issues of environment friendly mining practices.

THE PEOPLE SHALL SHARE IN THE COUNTRY'S WEALTH

AGRARIAN REFORM AND TRANSFORMATION

Honourable Speaker, while the Province is a much better place to live in than it was before 1994, the socio-economic ills of poverty, unemployment and inequality still persist. More work has to be done. In facilitating agrarian change, the Department has adopted a commodity approach. This is in line with the current modalities of national Agricultural Policy Action Plan (APAP).

Honourable Speaker, the Department will tap into the available funding for the implementation of five Mega Agri parks in five district municipalities from the Department of Rural Development and Land Reform. The programme is aligned to the RED hubs that are currently implemented by the ECRDA. These RED hubs will form the basis of the Agri parks. This programme will introduce smallholder farmers to the agricultural value chain that will boost rural economic activities and employment opportunities.

Honourable Speaker, this financial year, the Department will pursue partnerships to encourage investment in agricultural programmes. To realize this, the Department will host a commodity conference. Furthermore, this is a commodity oriented production approach focusing on commercially viable enterprises.

Honourable Speaker, the Department will work with the commodity-based private sector organizations such as Grain SA, National Emerging Red meat Producers Organisation (NERPO), Red Meat Producers Organisation (RPO), Mohair SA, National Wool Growers Association, Milk Producers Organisation, Pineapple Growers Association, Citrus Growers Association and Chicory Producers Association in order to remove constraints to growth and increase employment in the sector especially for women and youth.

Honourable Speaker, as I stated last year in this House that this province was capable of producing enough food for its own people, the area that will be planned next cropping season increases from 17 503 ha to 42 500 ha at a cost of **R145, 3 million** with estimated yield of 170 000 tons of maize.

In further improving the cropping programme, part of the matters we resolved is the amount of subsidy given to participating farmers. This entails a reduction of the subsidy from R7 800 per ha to R3 200 per ha. This is going to increase the number of participating farmers and area planted under this programme. This means the Department shall increase cost efficiencies in order to achieve improved yields per ha.

The Eastern part of the Province is the best suitable for cropping hence in Alfred Nzo, 9 600ha of maize alone will be planned at an investment of

R30, 720 million. The O.R. Tambo district will receive **R35, 200 million** to cover 11 000ha of maize. Homestead food gardens totalling to 7 212 will be provided with production inputs across the Province.

Honourable Speaker, though Amathole and Sarah Baartman are also crop producing areas, they are the citrus and deciduous fruit hubs in the province. The Department is supporting the smallholder citrus growers with inputs for **R4 million** in the next financial year. The Department shall also provide infrastructure support to revitalise the aging Ripplemead Citrus Pack House in Peddie to the tune of **R9, 2 million** and another **R8 million** to assist farmers with production and orchard upgrades to cover phase one. The Department shall support 120 Citrus farmers with production inputs and create an estimated 162 permanent and 1041 seasonal jobs. This support will enable Ripplemead to trade directly with the European Union as against the current scenario where they have to struggle accessing International markets.

The Department shall also support the chicory industry with a budget of **R2 million** in addition to the current R400 000 provided this year, towards inputs supply so that the farmers in the area can grab the opportunity brought by private sector such as Nestle South Africa and others. Such partnerships guarantee market at the doorstep of chicory producing farmers. Other commodities that will be supported include deciduous fruits, macadamia and tomatoes.

The deciduous fruit value chain at Langkloof in Koukamma Municipality shall be supported with **R6,5 million** including upgrades to cold storage and packing facilities and orchard infrastructure and production inputs benefiting 864 people.

Consolidation of pineapple production initiatives in Ngqushwa receives an allocation of **R4 million** while the tomato production in Buffalo City Metro is supported with

R5,3 million that will create more than 100 jobs.

Honourable Speaker, this Province is a leader in livestock numbers in the country. Despite the large numbers, they are not yet the economic drivers of the Eastern Cape Province economy due to the poor quality and condition. The Department shall distribute 1600 improved genetic animals in the form of bulls and rams to the communities at a financial value of **R11,5 million**. The highest livestock numbers are in Chris Hani and Joe Gqabi. The distribution of these animals will follow the suitability patterns of livestock production. In order to have an increased gene pool, the Department will resuscitate the breeding centres at Mjanyana and Lambasi and continue to support to the breeding centre at Sinqumeni.

ANIMAL HEALTH

Honourable Speaker, animal health remains paramount in producing marketable and economically viable livestock. The Department has set aside **R30,02 million** towards the purchase of dipping material and vaccines towards the control of animal diseases. In addition to the animal health service to the farmers, the Department will provide certificates that control the movement of animals and animal products. The export establishments will be monitored where residues shall be collected to determine the disease free status of the animals in the Province.

This is a wealth creation exercise as marketability of the Provincial livestock resources can be part of international trade hence improved revenue for the province. An amount of **R2,5 million** has been set aside for this service.

The Department has developed a marketing plan to support farmers to sell their produce. The marketing plan is designed to link smallholder producers to commercial markets throughout agricultural value chain. This plan will promote the meaningful participation of smallholder farmers towards creation of vibrant economic activities and employment opportunities to rural communities. The Department is concerned about the stock losses due to theft and vermin and shall look into all possible alternatives to address this challenge. This shall be done in collaboration with South African Police Services (SAPS) and Traditional Leaders.

AGRICULTURE INFRASTRUCTURE

Honourable Speaker, the province has a huge backlog of agricultural infrastructure, especially towards livestock production. In 2015/16 financial year, livestock development and production infrastructure support will include 34 stock water development at a cost of **R11 million**, 16 livestock handling facilities at **R6 million**, An amount of **R 21, 6 million** is set aside for abattoir completion in Chris Hani, two feedlots will be established and production inputs provided to 11 custom feeding at a budget of **R11 million** and **R7 million** respectively and renovation of 112 dipping tanks across the province at a cost of **R10, 9 million**. The success in the renovations of dipping tanks hinges around community involvement.

LAND CARE

Honourable Speaker, this province loses lots of land through either soil or wind erosion. The Department shall introduce necessary soil reclamation methods through the Land Care program. The Department will continue rehabilitating degraded areas through the implementation of sixteen Land Care projects aimed at improving 4 043 ha of farm land. A total budget of **R10, 7 million** is allocated for the implementation of land care projects in all six districts. The land care programme will create 943 green jobs in the following districts: OR Tambo District will create 525 green jobs and has been allocated **R1,8 million**. Alfred Nzo District has been allocated a sum of **R1,76 million** for planning along N2 a Mega Rehabilitation project covering Mount Ayliff, Ntabankulu and Mount Frere areas that are extremely degraded. Chris Hani District targeted 200 green jobs at an amount of **R1,85 million**.

Amathole District is allocated a sum of **R1, 81 million** with a potential of yielding

112 green jobs. Joe Gqabi District is faced with erosion and invasion by alien species that are posing a threat of displacing farming area. This demanded the Department to allocate **R1,09 million** towards eradication of the opportunistic invaders. A total of approximately 20 green jobs is the minimum guaranteed. Sarah Baartman is also under threat of invader species hence **R1, 84 million** has been allocated. Here, a minimum of 86 green jobs shall be created. To this end closer cooperation will be sought with the Department of Economic Development and Environment Affairs to increase the levels of environmental protection.

The Department shall continue with the implementation of sustainable use and management of Natural Agricultural resources as regulated by Land Use (Act 43 of 1983 and Act 70 of 1970). A total of 220 072 ha of agricultural land will be verified, audited and/or surveyed for planning and development purposes. Communities shall be educated on land rehabilitation methods and proper use of the land through campaigns and capacity building programs. An amount of **R11,85 million** has been set aside for this purpose.

FARMER SUPPORT AND DEVELOPMENT

Honourable Speaker, cooperatives and commodity groups play a critical role in the agricultural value chain. The diverse farming groups are in need of sector specific support. Smallholder farmer support remains critical considering that the planned area to be planted has increased.

Honourable Speaker, the extension services is central in our agricultural implementation plans for 2015/16 financial year. The extension services provide advice as well as technical business support to farmers. The Extension support is structured such that these officials are provided with necessary facilities to support the communities and farmers. An amount of **R77, 8 million** has been budgeted for this purpose.

INFORMATION COMMUNICATION TECHNOLOGY SUPPORT

Honourable Speaker, information management and dissemination are critical for the operations of the Department. A budget of **R9 million** is allocated to Agriculture Information Systems (AIMS), which is a standard information system that will capture, manage and report on all projects. The system will be integrated to the Smart Pen, Geographical Information

System (GIS) and Extension Suite-Online. This will allow quick response should any intervention be necessary.

AQUACULTURE DEVELOPMENT

Honourable Speaker, the Province has many dams and rivers suitable for aquaculture development. The Department is revamping the fish ponds at Mthatha dam which shall be used as fish hatcheries to supply fingerlings to the farming communities at Mthatha and neighbouring towns and villages. A total budget of **R2 million** is budgeted for fish production. Moreover, the Province has the longest coastline which is over 800km. This reflects a good opportunity for the communities benefitting from the ocean. The Department in partnership with the Department of Agriculture, Forestry and fisheries (DAFF) is working closely towards beneficiation of these communities in terms of fishing permits and sustainable quotas.

THE DOORS OF LEARNING SHALL BE OPENED.

Honourable Speaker, as an agriculture province, special attention is always paid to the agriculture training colleges. Tsolo Agriculture Rural Development Institute and Fort Cox College will receive **R34.297 million** and **R38 million** respectively in the 2015/16 financial year. Both colleges are currently enrolling 189 and 371 students respectively.

The Department has also allocated **R13 million** in both colleges for infrastructure upgrading i.e. student accommodation, laboratories, library, animal handling facilities etc. The Institutions are in the process of revisiting the student fee structure in order to make it more accessible.

Honourable Speaker, this Department developed programs that will guide youth towards making agriculture a career of choice. Mindful that agriculture sector has huge potential to absorb youth, a total of 120 school going children are targeted for exposure to agriculture through the 4H programme. In addition, 170 out of school youth will participate in learnership programmes which are the outcome of the collaborations with the SETAs in the following areas: Construction Education and Training Authority, youth in brick laying, civil construction, paving, house building and AgriSETA. The Department will work with DRDLR to identify young people who have undergone NARYSEC training for support through departmental programmes.

In this financial year, a total of 80 educators will be engaged in agricultural science related fields to enhance their capacity. Honourable Speaker, farmers cannot graduate from subsistence to commercial without intensive training programs hence the mentorship (Farmer – to – Farmer) programme will intensify this year with a total of 40 projects with a strong monitoring and evaluation programme.

Honourable Speaker, the support provided by Farm workers to farm operations brings success of agriculture production in the country and cannot be over emphasised as it is a reality. The Department has targeted training of 2 240 farmers and 180 farm workers over this period. This will improve the efficiency levels in production. The Department will continuously capacitate the employees through targeted accredited and non-accredited training.

Honourable speaker, employees are the greatest resource in any organization. Skilling employees improves the rate services are rendered.

The Department has set aside **R5 million** for training and capacity building of the employees in various areas that have been identified as challenging in the provisioning of services. Bursaries are also awarded to the youth who want to make any of the agriculture and rural development streams their careers of choice. Areas that remain scarce skills are prioritised in the allocation of bursaries to the youth. In 2015/16 financial year, the Department will make 20 bursaries available for scarce skills programme. The Department will also initiate a leadership program for women with NMMU to empower women with leadership skills as well as upgrading the extension officers to the required NQF 7.

THE PEOPLE SHALL GOVERN, EQUAL BEFORE THE LAW & ENJOY EQUAL RIGHTS.

STAKEHOLDER RELATIONS

Honourable Speaker, the Department's engagement with commodity groups, farmers unions, agri-business entities and financiers are critical in the management and administration of successful agriculture development. The established partnerships shall leverage resources for the expansion of the agriculture sector. The Department will continue with its regular engagement sessions with farmer unions and commodity groups on issues of common interest.

The Department will work with the Department of Human Settlements, Social Development and Traditional Leaders in the greening and beautifying of neighbourhoods focusing on ensuring food gardens in the newly built houses.

GOVERNANCE

Honourable Speaker, administration is underpinned by people-centred values that seek to encourage participation of communities and stakeholders in our programmes which strengthen accountability and partnerships. This financial year, the Department will drive the transformation programme which will seek to re-orientate all the employees to service delivery imperatives of the Department. This will enhance departmental management to continue monitoring the organizational performance so that desired outputs are achieved.

Honourable Speaker, the Province committed itself to good governance. One of the symptoms is improved audit outcomes which is resultant of good financial management. The Department will exercise fiscal discipline in managing its financial resources. Measures will be put in place to prevent financial mismanagement in all its forms i.e. irregular, unauthorised and fruitless expenditure. The Department shall continue striving for a corrupt free organization by having its well established anti-fraud and anti-corruption unit. Employees of the Department shall not be allowed to do business with the State without following approved Provincial policy guidelines. The Department will continue to conduct vetting of employees until all employees have undergone the process. The Department will be signing a memorandum of understanding with its labour Unions in order to improve communication and engagement in the workplace

We have tabled the programmes of the Department to this house and to the people of the province. At this point, I must challenge the members of this house, all of us, to take up the fight against poverty and under development.

This year, we will give seedlings and tools to each member of this house to support designated groups in their constituencies. Most importantly, we would like to develop entrepreneurs out of this initiative. We call on you to roll up your sleeves and get ready to work with us to fight this poverty. We will expect feedback from each MPL on the progress made by this initiative. We must be active in the development of our areas zinkosi.

We will intensify partnerships and collaborations with other government institutions to meet our mandate. We will pay a particular attention to the collaboration we are starting with my Kwa-Zulu Natal counterpart, MEC Cyril Xaba, aimed at improving agriculture and rural development in our provinces.

Honourable Speaker, I would like to thank the ANC, the Premier and Provincial Cabinet for their support in the execution of the mandate I am instructed to implement.

I also thank the various stakeholders for their responsiveness to the service delivery programs that the department is providing to them. The comments and guidance provided by them are assisting in shaping the service delivery model of the department.

I would also like to thank the leadership of the Department for the support it provides at all times they are called upon. Thank you very much.

Honourable Speaker, I hereby table 2015/16 Policy Speech, Annual Performance Plan, and Service Delivery improvement Plan and Operational Plan for DRDAR and ECRDA.

-----ENKOSI-----

Annexure A: Budget for 2015/16 MTEF

	2015/16	2016/17	2017/18
Programmes	R'000	R'000	R'000
Administration	406 721	426 782	448 121
Sustainable Resource Management	133 031	142 921	150 166
Farmers Support And Development	657 845	683 467	649 699
Veterinary Services	280 894	295 782	308 134
Research And Technology Development	149 223	138 881	145 825
Agricultural Economics Services	54 893	54 893	57 638
Structured Agricultural Education And Training	132 081	136 193	143 003
Rural Development Coordination	160 918	159 465	167 438
TOTAL	1 975 606	2 038 384	2 070 024
Economic Classification			
Compensation of Employees	1 076 187	1 137 487	1 194 361
Goods and Services	527 397	531 177	515 073
Transfer Payments	209 874	208 446	218 868
Capital Payments	142 148	141 274	141 722
Financial Transactions	20 000	20 000	-
TOTAL	1 975 606	2 038 384	2 070 024

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