

060322sc land

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# **Presentation to the Select Committee on Land and Environmental Affairs**

## **HEARINGS ON ANNUAL REPORT 2004/05**

**23 March 2006**



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Department:  
Agriculture  
REPUBLIC OF SOUTH AFRICA

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# OVERVIEW

**Masiphula Mbongwa**  
**Director General**



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## Overview

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- 2004 was a challenging year because of the general elections – adjustment of the operational plans
- The approval of the new departmental structure
- The departure of the Director-General, Ms Bongiwe Njobe, on 28 February 2005
- The outbreak of animal diseases
- The working relations between the DoA and DLA
- The alignment of the agricultural public entities and the DoA
- The execution of the mandate given by the State of the Nation Address—Agricultural Credit Scheme; AgriBEE and CASP

## Introduction of the delegation

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- Oversight members
- Assistant Directors-General
- Senior Managers

# **PROGRAMME 2**

## **Farmer Support and Development**

**Sam Malatji**  
**ACT. ADG: Farmer Support and Development**



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## Programme 2: Key outputs, indicators and targets

DIRECTORATE	OUTPUT	MEASURE/ INDICATOR	TARGET	STATUS/COMMENT
Farmer Settlement	900 commercial farmers	Number of viable commercial farmers	Increased wealth creation in agriculture and rural areas	45 245 farmers / 210 177 households benefited from CASP. Infrastructural development programmes and projects are beginning to show progress
	All unencumbered state land transferred /disposed of	Extent of farmland transferred to the previously disadvantaged	Reduced poverty and inequalities in land enterprise ownership	All unencumbered agricultural state land managed by DoA disposed of through leasing with and option to purchase



## Programme 2: Key outputs, indicators and targets (cont.)

DIRECTORATE	OUTPUT	MEASURE/ INDICATOR	TARGET	STATUS / COMMENT
Agricultural Finance and Co- operative Development	15 village banks	Number of village banks		11 village banks established
	30 viable agricultural cooperatives	Number of registered agricultural co- operatives	Improved community - based financial system	82 agricultural co-operatives registered and operational

## Programme 2: Key outputs, indicators and targets (cont.)

DIRECTORATE	OUTPUT	MEASURE/ INDICATOR	TARGET	STATUS / COMMENT
Food Security and Rural Development	200 000 households linked to IFSNP projects	Number of vulnerable people	Reduction of number of food insecure and malnourished people	18 575 households received home production starter packs, and 240 000 households received food parcels through the IFSNP programme



## Programme 2: Key outputs, indicators and targets

DIRECTORATE	OUTPUT	MEASURE/ INDICATOR	TARGET	STATUS / COMMENT
Agricultural Risk and Disaster Management	Reduction in agricultural risks	Implementation of a disaster and risk management programme and provision of advisory services to farmers	Implementation of programme throughout 2004 and advisories to be provided monthly	Drought management plan approved by the Minister and is in the process of being gazetted

## Programme 2: Key outputs, indicators and targets

DIRECTORATE	OUTPUT	MEASURE/ INDICATOR	TARGET	STATUS / COMMENT
Registrar of Co-operatives	Transfer of function to the Department of Trade and Industry (dti)	Finalisation of transfer	By June 2004	Transferred to the dti on 1 April 2005

## **Programme 2: Challenges**

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- **Lack of capacity/resources**
  - Provincial
  - Local
- **Silo approach**

## Programme 2: Remedial actions

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- Harmonise the project approval processes
- Align the land and agrarian reform programmes with the agricultural support programmes
- Joint budgeting (PLRO and PDA)

# **PROGRAMME 3**

## **Agricultural Trade and Business Development**

**Mr Attie Swart**

**Assistant Director General: Trade and Business Development**



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## Programme 3: Subprogrammes

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### Overview

The programme contributed to major Departmental programmes:

- **AgriBEE**
  - AgriBEE framework was launched in July 2004. AgriBEE consultative process concluded with more than 50 written comments received. A report of the outcome was compiled, analysed and discussed within the AgriBEE Steering Committee. A number of key high-level recommendations were agreed on. At the same time the WTO framework for agriculture was concluded, resulting in an increased favour for developmental issues. There were targeted campaigns towards a percentage of preferential trade permits to assist SMME and new importers. Favourable positions were gained for developing countries through the African Group, the G20 and the Cairns Group.



## Programme 3: Subprogrammes (cont.)

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- **CASP**

- Work to develop the cotton, grain and fruit strategies in collaboration with industries continued during the year. Contributed to a process of developing norms and standards for establishing related marketing infrastructure. Provided capacity building, linking and training services for emerging groups. Initiated the design of a marketing information system. Adapted the SMME Excellence Model for Agriculture and related businesses in partnership with the Excellence Foundation. Two models (for existing business and entry level) were completed and tested.

- **AADP**

- Encouraging inter-African trade and addressing core constraints, and integrated approach was pursued in co-operation with the Economic Development Cluster. A new SACU agreement on the agricultural liaising committee was reviewed. Progress made on the SADC trade protocol and critical information on intra-African trade was collected. Continued efforts towards expansion of the West African Cotton group into an African Regional Cotton Association through International Cotton Association Council. In principle the idea was agreed on.

## Programme 3: Challenges and Remedies

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### ➤ AgriBEE

#### • Challenges

- Diverse and complex consultations slowed progress
- Difficulty of internalising AgriBEE within DoA before a charter is finalised.

#### • Remedies

- Accommodation of broader stakeholders (labour, rural women, youth and disabled)
- Management briefings on AgriBEE with an internal resource task team as part of the AgriBEE Steering Committee

### ➤ CASP

#### • Challenges

- Industry collaboration constrained by global subsidies and related unfair competition. Potato industry strategy has been delayed in the process
- Identifying and training qualified local SMME Excellence Model facilitators in partnership with local colleges and stakeholders for continuous support of identified businesses
- Reaching marginalised areas with relevant information based on web-based information system

## Challenges and

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seeking mutual solutions

is to connect the information easy access by  
g the next phase of development

and the control of the department is influenced  
prioritisation and timing of departments

1. Intra-African trade effort and programme

and cultural differences including economic  
pose harmonisation challenges

efforts for mutual ground and

agriculture

## Programme 3: Achievements per Strategic Plan

Directorate	Output	Indicator/measure	Target	Status/comment
Business and Entrepreneurial Development	Agricultural-industry-based business partnerships	Partnerships developed	Four commodity action plans concluded	Cotton, grain, fruit strategies well advanced/ concluded
		SMME operators trained for excellence in entrepreneurship	30 trainers trained	22 trainers trained
Marketing	Targeted domestic marketing support	Number of farmers in rural development nodes reached with marketing information facilitated by DoA	Majority of LRAD farmers in three development nodes	11 000 marketing training manuals distributed to provincial departments for farmers
International Trade	Negotiating positions and plans	The number of issue-based positions developed	10 positions papers or reports on opportunities and constraints	Report target exceeded. Agricultural Trade Forum advised of all negotiations and opportunities

programme 4: Act the year

Monthly crop estimates

**ME 4** / estimates ins (CASP)

**search and Ar**

MONITORED AGRICULTURE (MAMS)

DOMBUDS – enterprise (CASP)

FINREC – farm records

DECID agricultural products

Agric. Economics Staff (TCA) (CASP)

**Assistant Director-Ge Research and**