

Honourable Speaker

Honourable Deputy Speaker

Honourable Premier

Honourable Members of the Executive Council

Honourable members of the Provincial Legislature

Honourable members of the Portfolio Committee for Rural Development &

Agrarian Reform

Honourable members of the House of Traditional Leaders

Leadership of farmer's organisations & rural communities of our beloved Province

Women and Youth in agriculture and rural development

Religious Leaders

Distinguished Guests

Members of Media

Manene nani Manenekazi

I greet you all.

Honourable, Speaker, we are gathered here today to give an account of the work performed during 2022/23 financial year, and to present our plans for the coming financial year.

In May 2019, on the occasion of Presidential Inauguration, His Excellency, President Cyril Ramaphosa had this to say, *“It is you, the people of South Africa, who have spoken. With your votes you have placed your confidence and your trust in the men and women who now sit in our sixth democratic Parliament. These 490 men and women whom you have sent to Parliament seem to have heard the same call that the Lord made to Isaiah when He said: Whom shall I send, and who will go for us? They have now said, send us. They have said Thuma Thina. You have chosen them to*

safeguard your rights, to improve your lives and to build a country that is united, strong and truly free. You, the people of South Africa, have sent them, and you have sent me, as your President”.

The President was speaking on behalf of all of us as Public Representatives. We dedicate ourselves to ensure that we accelerate the efforts to improve the lives our people for better.

Having taken the oath of office I pledged in response to the President’s call of Thuma Mina.

The year 2024 we will be the celebration of 30 years since the advent of our democracy, therefore, it is upon us as government to consolidate our gains and accelerate service delivery. The ruling party has declared **2023/24** as a year of decisive action to advance the peoples interests. In response to this clarion call and as a result of various engagements I held with various stakeholders in the sector, the **Department has taken a decisive decision to no longer linger when it comes to support of the vulnerable groups and such has ring fenced 40% of service delivery budget to support women, youth, persons with disabilities and military veterans.** This intervention will broaden participation and contribute to the transformation we so need in agricultural sector. We appreciate that in spite of the challenges in the sector, our people have remained resolute that their government will deliver on their expectations.

Madam Speaker, our sector has shown resilience by contributing 18.4% to the GDP in Quarter 3 of 2022. This growth in the sector contributed 7 373 new jobs resulting to an increase from 110 000 to 118 000.

As confirmed by MEC Mvoko in his **2023/24** Budget Speech, agriculture is one of the three sectors (Manufacturing and Construction) that contributed to the increased growth of the provincial economy. He also confirmed that the outlook for provincial Agriculture is particularly very positive, and to sustain the recovery of the sector for inclusive growth, it is critical to expand and sustain links between emerging agriculture and mainstream agri-value chains.

We have observed that the prevailing conditions of the challenges that beset Eskom have had several detrimental effects in agriculture which possess a risk to food security and the potential of this sector's contribution to economic growth and job creation.

A reliable power supply is a vital component of the sector's irrigation and water treatment activities such as harvesting, cold storage, livestock slaughter, poultry breeding, dairy production and processing. The blackouts affect all these activities and inevitably create inconvenience and cost implications to the consumers.

In response to this challenge the Department through the DALRRD Ministerial Task Team on Energy Crisis has made a call to Eskom to consider a properly planned loadshedding approach in agriculture and food production enterprises in the short term. As a result, there has been a pilot programme commissioned by Eskom wherein the Laangkloof farmers in the province received load curtailment which is currently being implemented in that area. Going forward the plan is to rollout the load curtailment for all high agriculture productive areas.

In the long term the agriculture sector needs to consider alternative sources of energy and we are pleased that the national government has committed R8 billion for Mzimvubu Water project starting with Ntabelanga Dam water reticulation for human

consumption, irrigation infrastructure and later energy generation. To take advantage of this pronouncement the province has partnered with the World Bank Group to develop agricultural investment plan for value chain industries in the eastern part of the province.

COMMERCIALISATION OF AGRICULTURE THROUGH DISTRICT COMMODITY VALUE CHAINS

Blended Finance

Honourable Speaker, the agricultural sector still lags behind on transformation, with smallholder farmers contributing a mere 5%, against 95% by commercial farmers. It is in this context that, the Departmental programmes are targeting smallholder/communal farmers to empower them to move to commercial level.

To increase our contribution to the GDP in growing the economy, create employment opportunities and increase the scale of production, in 2022/23 financial year the Department initiated Eastern Cape Agriculture and Agro-processing Blended Finance Scheme (loan and grant). The Scheme leverages private and public sector resources to increase investments in the sector and is implemented through a partnership between DRDAR, ECRDA and ECDC. This initiative was started with a seed funding of R25 million by DRDAR (grant) and complemented by ECDC with R25 million (loan funding). A total of 301 applications were received, of which 165 have been shortlisted for due diligence towards funding consideration by ECDC.

Madam Speaker, in 2023/24, we will continue with the Blended Finance Scheme as such an additional allocation of **R50 million** (DRDAR 50% and ECDC 50%) is availed through our partnership with ECRDA and ECDC. This vehicle will support

black farmers to participate in the targeted commodity value chains and improve bankability of their enterprises.

Market Access and Strategic Partnerships

Honourable Speaker, the Department in partnership with the private sector will accelerate implementation of support programs to ensure an increased participation of black smallholder producers throughout the value chains including access to markets and this intervention is aimed to create sustainable agro businesses.

In **2023/24**, the Department continues with its support to farmers towards complying with food safety standards through Good Agriculture Practice (GAP) that allows farmers to access markets. Through the existing partnership with Perishable Products Export Control Board (PPECB), the Department will continue to train farmers towards GAP compliance while PPECB will audit and register 9 fresh produce farms in Chris Hani and Sarah Baartman. The Department will continue with the establishment of Rural Market Centers in Amathole and OR Tambo with a budget of **R1.8 million**.

Honourable Speaker, to take advantage of the huge government procurement of food products, the sector has to leverage on the needs for school nutrition, patient food, food parcels and other government food procurement needs. The Department of Health and SANDF are already engaging their procurement processes in support of this initiative. We are appealing to all other Departments to follow suite and procure food products directly from local producers in implementing their nutrition programs.

The ECRDA is engaging Development Financial Institutions, Provincial Treasury and DEDEAT to repurpose the RED Hubs into product aggregation centers for marketing and associated services. To this end in **2023/24**, ECRDA has been allocated a budget of **R11.2 million** for the RED Hubs.

Grain Value Chain

The Department is implementing the Grain Partnership Model in the grain corridors to commercialise grain production in the smallholder and communal production areas. This provides an opportunity for the Department to aggregate grain production in the high potential areas of the province. In 2022/23 cropping season, the Department supported the cropping of 22 122 ha of which 8 169 ha was commercial grain production through the partnership programme with Afrosaint, Dalasile Agripark, Luleka Mbetse Holdings, Ukhanyo Farmer Development (UFD), Rural Agro-industries and Financial Investment (RAFI) and Women Investment Portfolio Holdings (WIPhold).

Honourable Speaker, this grain partnership programme has attracted private sector investment, for instance DRDAR's partnership with Ukhanyo Farmer Development has led to John Deere providing affordable machinery and equipment package to grain producers. The Department is engaging John Deere and other manufacturers in order to develop government supported machinery and equipment funding model.

In addition, the WIPHold partnership continues to integrate grain and beef production through the establishment of Transkei Feed Kraals feedlot facility in partnership with private sector in Centane.

Somlomo Obekekileyo, *xa sithetha ngokuvuselelwa kokulinywa kwamasimi aleleyo, sithetha ngento enako ukwenzeka. Kulonyaka mali uphelayo, ulimo lwasungulwa kwi lali yase Lufafa eNtabankulu apho umfama wombona we Qhamani Nande Primary Cooperative alima khona intlanganisela yamasimi angange 700 ha ebingasalinywa.* In order to accelerate the cropping programme we are engaging with traditional authorities in quest of securing the vast fallow communal land in the productive areas of the province. This will assist the Department to increase and diversify the cropping programme and partnerships to open opportunities for women, youth, persons with disabilities and military veterans.

In **2023/24** financial year, the Department will support a total of 27 774 ha with a budget of **R102 million**, benefiting 9 045 smallholder and subsistence producers. These hectares will be planted in high potential grain corridors in the following districts Alfred Nzo, Amathole, Chris Hani, Joe Gqabi and OR Tambo. Our grain producers in these corridors will be supported with 129 km fence in Amathole, Chris Hani, Joe Gqabi, Alfred Nzo and OR Tambo. In the new financial year in order to address the non availability of white maize in the province which resulted to the underutilization of the RED Hubs the Department will support both **white and yellow maize** production. Furthermore, the Department will be constructing a 1 500-ton grain silo in Mhlontlo LM. The above-mentioned infrastructure projects will create 87 job opportunities during construction.

Livestock Value Chain

Honourable Speaker, animal and animal products constitute 55 % of our agricultural income and export of livestock is a great opportunity that our farmers should exploit. In 2021/22, our province exported a total of 71 025 live animals to Middle East at a value of R294.8 million while in 2022/2023 a total of 14 565 live

animals valued at R144 million were exported to the African countries. It is worth noting that exporting of live animals to the Middle East did not take place during 2022/2023 due to the prolonged litigation instituted by animal welfare organizations. The national and provincial Departments are at an advanced stage in developing guidelines on the transportation of live animals by sea which will minimise litigation by animal welfare organizations. The Africa Continental Free Trade Agreement presents a vast opportunity for the expansion of the livestock programme of the province.

To improve the marketability of communal livestock, a total of 17 Custom Feeding Centers (CFCs), continued to be supported. Through this program 302 animals were sold generating a revenue of R3.8 million. The Department further supported subsistence and smallholder farming communities with superior genetic material of 285 sheep towards improved redmeat and wool production. The Department continues to provide support and encouraging farmers to use suitable breeds to improve the quality of their produce for local and international markets.

In **2023/24** financial year, the Department has allocated **R12.8 million** to support genetic improvement for communal and smallholder farmers with 250 cattle, 500 sheep and 200 goats and a further **R2.9 million** has been set aside to support custom feeding centres.

Honourable Speaker, in **2023/24** financial year, we will be improving livestock production with 191 km of fence, 8 animal handling facilities, 16 Stock water and stock water systems, 9 new dipping tanks, 29 dip tank renovations, 4 multi-purpose sheds and a rural abattoir with a budget **R42.5 million**.

To enhance the marketability of our livestock, improve biosecurity issues and reduce stock theft the country is currently rolling out Livestock Identification and Traceability System (LITS) this will ensure all cattle can be traced back to the area of origin. As part of this program the Department has set aside an amount of **R5 million** to ensure realization of LITS in the Province while taking advantage of market linkages that will be established through the partnership with the ARC for implementing the Koanafatso ya Dikgomo (KyD) Scheme in the province.

Wool and Mohair Value Chain

The province produces 38% of the national wool clip and 83% of mohair. Through our collaborations with related commodity groups we have seen substantial growth in the income generated from wool sales in the communal space. In the period 2004 to 2019 it is reported that the income of wool sales increased from R18 million to R336 million while production increased from 2 million to 4.7 million kilograms. It must be noted that in 2020/21 production season we saw a significant drop in the price of wool from about R70 – R47 /kg, which led to reduction of total income derived to R260 million due to closure of markets as a result the Covid-19 including Foot and Mouth Disease outbreaks. In 2022/23 financial year, a total of 20 shearing sheds were constructed in Alfred Nzo, Amathole, OR Tambo, Chris Hani, Joe Gqabi and Sarah Baartman districts.

Somlomo Obekekileyo, in 2023/24 financial year a budget of **R 24. 4 million** has been set aside to construct 17 shearing/multipurpose sheds; renovation of 2 shearing sheds and provide shearing equipment for 4 sheds in OR Tambo, Joe Gqabi, Chris Hani, Alfred Nzo, Amathole and Sarah Baartman. A further investment of **R3.7**

million in supporting mohair farmers with 2 stock water systems, 1 animal handling facility and 2 dam scooping projects in Sarah Baartman.

Animal Health Support

Honourable Speaker, animal health remains paramount in producing marketable and economically viable livestock in order to compete in the market whilst ensuring food safety. In 2022/23, the Department assisted farmers with veterinary support and as such 1.3 million animals were vaccinated and 8.45 million treatments were applied to control sheep scab and improve wool quality and quantity.

In 2023/24 financial year, the Department will continue to improve the health of our animals and to this end a total of **R44 million** has been allocated.

Somlomo obekekileyo, we commend the farmers from the province who are working with the Department in ensuring that we guard our province against the Foot and Mouth Disease scourge that has been a challenge in other provinces. Until now only the Eastern Cape, Northern Cape and Western Cape remain free of this disease.

Honourable Speaker, rural farmers have been challenged by the unprecedented outbreaks of African Swine Fever in Sarah Baartman and African Horse Sickness in OR Tambo. The response to these diseases is limited by the availability of vaccine in the country. Horse owners are supported through palliative treatment of horses whilst community based horse racing meetings are suspended to prevent the spread of this disease. Due to the negative impact of the African Horse Sickness the Department is sourcing the vaccine to vaccinate 1 200 horses.

Fisheries and Aquaculture Development

Somlomo Obekekileyo, Fisheries and Aquaculture is a sub-sector of Agriculture that has the potential to improve food security, economic development, job creation, and rural development. The Eastern Cape has 800 km of coastline and numerous inland water bodies with diverse high value species that could be utilised to improve economic outlook of the province.

In the recent past, government acknowledged the skewed beneficiation of marine resources and amended the Marine Living Resources Act 18 (1998) to correct this abnormality. The amendment led to the development of Smallscale Fisheries Policy, and that resulted in the award of long term fishing rights to coastal communities. The Province today has 75 fishing cooperatives with fishing rights ready to be utilised. Despite these allocations, most communities were unable to harvest the resources due to inadequate infrastructure and fishing gear. Therefore, in **2023/24** financial year, the Department has allocated an amount of **R1.7 million** to kick-start the support of fishers in the province. To this end, 5 cooperatives with 195 fishers in the OR Tambo, Amathole and Alfred Nzo District municipalities will be supported with fishing gear to enable them to utilise the fishing rights.

Honourable Speaker, in **2023/24** financial year, the Department is accelerating the development of freshwater aquaculture and inland fisheries by establishing a Freshwater Aquaculture Demonstration Facility at Dohne at a cost of **R4.5 Million**. The facility will have aquaculture hatchery and aquaculture grow-out facilities to be used for aquaculture production and research. Furthermore, the facility will also be used for training of aquaculture famers and supply fingerlings to the farmers including Mbashe Marine Tilapia Project and stocking of earth dams in rural areas, as part of promoting inland fisheries.

The Department will strengthen its coordination role in the development of this high value sub-sector between national Department, SEZ and provincial Departments, using existing institutional arrangements and legislation to develop a Provincial Sub-Sector Strategy.

Citrus Value Chain

Honourable Speaker, the Citrus growers were adversely affected by the price hikes on a number of inputs due to the Covid-19 pandemic and Russia-Ukraine conflict. The major inputs cost affected were fertilizer and fuel, which increased by 56% and 53% respectively between 2020 and 2021.

Whilst we were still dealing with effects of loadshedding, Russia-Ukraine conflict and price increases we were hit hard by trade barrier imposed by the European Union directed to our citrus industry. We view this as nothing else but a tactic to protect their own markets. It is paramount that the sector explores alternative markets in order to avert instances such as this. The Department is leading the opening of alternative international markets for the citrus and other agricultural produce in the province.

In response, the Department committed to support the distressed citrus farmers by implementing farmer support to revive their orchards and operations. In the current financial year, a total **R12.4 million** has been set aside for this intervention. The Department working with farmers, industry players and stakeholders will be developing a comprehensive Citrus plan.

In **2023/24**, a total of **R8.4 million** has been set aside to support 16 farmers in Sarah Baartman and 15 in Amathole for maintenance and rehabilitation of their orchards to ensure export quality produce. Furthermore, **R2.9 million** has been set aside for

infrastructure development and expansion of orchards at Amathole (trees for Krila and Craighead) and Sarah Baartman (Borehole and hailnet for Three Pence). In addition, Craighead Citrus farm to be supported through mentorship programme to become commercial viable and sustainable.

Pineapple Value Chain

Honourable Speaker, smallholder pineapple production in the province is expanding especially in the Ngqushwa area, where Tarfield and Bingqala pineapple projects were supported to expand the existing production. In 2022/23 financial year, the Department supported 70 ha with production inputs and this led to production of 307 tons generating a total revenue of R552 600. Our support to the pineapple industry in particular at Bingqala didn't go unnoticed as the Department received an award at the Provincial Batho Pele Service Excellence Awards under the category of 'Best Implemented Project'.

In **2023/24** financial year, pineapple production will be supported with **R1.8 million**. The support will benefit 7 pineapple farms in Nqqushwa and one in Buffalo City for 90 ha.

Vegetable Value Chain

Somlomo Obekekileyo, vegetable production remains one of the main activities in areas under irrigation and is practiced across the Province.

In **2023/24** financial year, the Department is supporting the vegetable production with a budget of **R14 million** for infrastructure development, which includes installation of 55 ha irrigation system at Alfred Nzo, Amathole and OR Tambo. This

investment will also support a total of 7 enterprises with infrastructure in Chris Hani and Sarah Baartman to be GAP (Good Agriculture Practices) compliant in order to access formal markets. A total of **R15 million** has been budgeted to support vegetable production in 1 665 ha across the Province.

Poultry and Piggery Value Chain

The support of poultry and piggery producers has focused on small scale production and now the aim is to increase production to be at a commercial level to enable them to take advantage of the available markets.

Honourable Speaker, in 2023/24 financial year, the Department plans to support piggery development with an investment of **R4.2 million** to construct a 10 sow piggery unit in Alfred Nzo and equip 4 boreholes for the existing structures in Sarah Baartman. In addition, a total of **R4.6 million** has been availed for poultry and piggery production across all the districts.

Cannabis Industry Development

Honourable Speaker, the province, is a hub of indigenous cannabis growers (abalimi bomya woqobo) in South Africa. Given our endowment compared to other provinces, the Eastern Cape should continuously lobby national government to remove legislative barriers of entry for indigenous Cannabis growers to fully participate in the cannabis industry. It is important for us as Eastern Cape Legislature to use our legislative mandate to ensure that the enacted legislation, rules and regulation are not our blocking people who have been growing cannabis for centuries in Pondoland.

In 2022/23 financial year, a total of 273 Cannabis farmers were supported with Hemp Cultivation permits applications and only 91 permits were issued by DALRRD. A total of 44 farmers and 70 Departmental officials received training on good agricultural practices on primary cultivation of hemp to build capacity within cannabis industry. In addition, the development of both Magwa and Dohne Cannabis Incubation Centres is continuing to ensure the cannabis produce from the Eastern Cape is of acceptable quality for both domestic and international markets. The Magwa Cannabis Incubation Centre is the Province's strategic intervention to enable indigenous cannabis growers to produce and process in a compliant medicinal cannabis facility.

In **2023/24** financial year, the cannabis programme has been allocated **R10.4 million** to support cannabis growers and operationalize the Dohne and Magwa Cannabis Incubation Centres.

Honourable Speaker, the Department through ECRDA has forged partnerships with a number of organizations with demonstrable international cannabis industrial business operation experience that wishes to invest in the local primary production, processing and manufacturing of cannabis products, partnering with local entrepreneurs in the cannabis value chain, i.e. from farming-to-product marketing. For example, the Admond (German Company) agreed to mobilise investment opportunities to invest in the primary production, processing and manufacturing in partnerships with the local cannabis entrepreneurs.

The ECRDA has forged partnership with PetroSA which will lead to the establishment of industrial trials of agri-biofuel feedstock that include industrial hemp for biofuel production to contribute towards South Africa's 2027 target of 10 parts per million of fuel mix from the current 50 parts per million. The Eastern Cape

with its thousands of hectares of available land will play a significant role in the primary production and processing of agri-biofuel feedstocks for biofuel production.

Forestry Development

Honourable members, through ECRDA the Department supported five community-based forestry enterprises located at Alfred Nzo, OR Tambo and Joe Gqabi District Municipalities, with execution of silvicultural activities in an area of 1 700 ha in extent including the planting of 73 ha to improve timber quality and yields. Through this initiative 19 217 tons of timber were sold, generating a revenue of R15 million while 127 full-time equivalent jobs were created.

Honourable Speaker, during the month of Human Rights, I had a pleasure of accompanying the Minister of the Department of Agriculture Land Reform and Rural Development to hand over a title deed in an area covering 1 200 ha in extent to 841 community members of Zinini CPA. This handover contributes immensely in land restitution and *ukubuyisela isidima sabantu* who were dispossessed of their land. The handing over of the title deed, did not only return the dignity of the people but will help them to leverage investors and development partners for funding towards commercialisation of land to improve profitable and beneficiation on forestry business.

In **2023/24**, a total of **R3 million** has been allocated for new afforestation in an area of 104 ha (Mkhambathi, Gqukunqa and Sixhotyeni) in extent and further provide technical skills to community forestry enterprises in order to improve execution of silvicultural activities in more than 4 500 ha.

STRENGTHEN HOUSEHOLD FOOD SECURITY TO PROTECT VULNERABLE HOUSEHOLDS

Honourable Speaker, to protect the most vulnerable in our communities against food insecurity, to date, the Department has supported 15 532 vulnerable households, with food production packs (seeds, seedlings, feed, medication, chicks and fertilisers) across all districts.

In **2023/24** financial year, the Department has set aside **R40 million** to support 22 620 vulnerable households targeting women, youth, persons with disabilities and military veterans.

Honourable Speaker, Beekeeping is one of the least supported sub-sector in the province. The Department will be supporting the rural apiculture with **R1 million** in **2023/24** financial year.

SUSTAINABLE LAND CARE

Honourable Speaker, land degradation remains a threat to our natural resource's potential and requires concerted effort towards rehabilitation. In the 2022/23 financial year, the Department managed to protect and rehabilitate 4 979.04 ha of productive land, thus reviving production on land that has been ruined by invasion of alien plants among others. A total of 533 green jobs were created.

In **2023/24** financial year, a total of 2 690 ha of agricultural land will be rehabilitated and 360 green jobs created. A total budget of **R16.8 million**, has been set aside for sustainable land care activities.

EXTENSION TECHNICAL SUPPORT

Honourable Speaker, Extension Services play a key role towards the provisioning of technology transfer, social facilitation and mobilization to improve agriculture production and rural development. In 2022/23, a total of 350 Extension Officers were trained on technical and soft skills to enhance the capacity of Extension Services.

In 2022/23, DALRRD appointed a total 831 Agricultural Assistant Practitioners for a period of 3 months and they were placed in all service centres of the Department. The appointment will afford them an opportunity to acquire skills, experience and technical knowledge that is much needed by the sector. To date, the Department appointed a total of 85 extension practitioners out of 121 in a three-year contract, the rest (36) is undergoing qualification verification from SAQA.

In **2023/24**, a budget of **R45 million** has been allocated to cater for the carry through costs of the contracted Extension personnel.

RESEARCH AND TECHNOLOGY DEVELOPMENT

Madam Speaker, the Department is determined to deliver cutting edge technical support to farmers of the Province using latest available diagnostic tools to advise farmers and drive sector development. During the 2022/23 financial year a state of the art laboratory equipment namely Liquid Chromatography Photodiode Array Detector and Gas Chromatography-mass Spectrometer were acquired to advance cannabis incubator and offer specialized services to farmers and scientific fraternity. Our research activities are strengthened through collaborations with all the institutions of Higher Learning in the Province and some in the country.

Furthermore, the Department is collaborating with private sector, Clinvet for the development of the tick vaccine to control tick borne disease. The Vodacom partnership is piloting use of livestock tracking in Dohne that would assist in livestock management and curb rampant stock theft in the Province.

As means of providing continuous support to smallholder producers, 3 400 soil, livestock feed and water samples were analysed, new production technologies were showcased in 12 demonstration trials and interpreted in 8 booklets.

The Department will continue with this work in the coming financial year with a budget of **R17.5 million** set aside to drive research and technology development. Furthermore, the research programme will pursue partnerships with research institutions, and other entities to accelerate product development.

YOUTH AND FARMER SKILLS DEVELOPMENT

Honourable Speaker, the Department will continue empowering and educating farmers and youth, through training, internship, learnership and placement of youth graduates to acquire experience and entrepreneurial skills. This support is preparing the youth for business and employment opportunities.

A total of 2 477 participants were trained in formal and non-formal agricultural skills. In order to attract new entrants to the sector and make agriculture fashionable a total of 491 school going learners and 269 out of school youth were exposed to various fields in agriculture and rural development.

In **2023/24**, with a budget of **R16.9 million** a total of 2 250 farmers and farm workers as well as 120 unemployed graduates will be trained. Furthermore, **R10.4 million**

has been set aside for the stipend of the 120 graduates to be placed in commercial farms.

In **2023/24**, the Department will embark on training tractor drivers and mechanics in all districts. This programme will be rolled out in Mpofu, TARDI and Dohne to capacitate tractor operators and beneficiaries in preparation for cropping season as Department embarks on a massive crop production programme.

Agricultural Colleges

Honourable Speaker, we are pleased that our partnership with the SETAs (HWSeta and AgriSeta) continues to benefit 372 students with bursaries at TARDI. This support is continuing in **2023** academic year, with combined value of **R22.8 million** from the two Seta's. The Department is in the process of finalising a new partnership agreement with AgriSETA, where jointly these institutions will embark on a structured collaborative initiative on skills development including graduate placement programme, knowledge transfer and research. This programme will augment the DRDAR graduate placement program where 120 unemployed graduates have just been inducted in March. Through this partnership, they will be who capacitated on entrepreneurial skills.

The recent graduation ceremony held at TARDI on the 16 March 2023 was the 6th certification ceremony with 49 students graduating with Animal Health Diploma. Furthermore, to this an additional 104 (74 Diploma, 30 Advanced Diploma) students will be graduating from Fort Cox College on the 19 May 2023.

In 2022/23, in order to enhance the capacity of our training institutions, two 50 seater lecture halls were completed at Fort Cox whilst an access control gate and Incinerator were completed at TARDI.

To revitalise colleges in **2023/24** a total budget of **R19.9 million** is availed for infrastructure maintenance planned at Fort Cox and construction of 300 seater exam hall at TARDI.

RURAL DEVELOPMENT INITIATIVES

Madam Speaker, The Province remains committed in transforming rural areas. Rural development is a cross-cutting function which requires strategic partnerships between government, private sector, development agencies and civil society.

In ensuring that the rural poor have access to clean fresh drinking water in 2022/23, a total of 8 Spring water projects were completed in Emalahleni, Dr AB Xuma, Intsika Yethu, Elundini, Raymond Mhlaba, Ntabankulu, Mhlontlo and King Sabatha Dalindyebo Local Municipalities. This initiative resulted to 252 taps installed, benefitting a total number of 2 612 households including a clinic, 3 schools and 3 churches. A total of 471 temporal jobs were created in these projects. The Department has aligned food security programme in the areas where spring water projects are constructed.

In the **2023/24** financial year, the Department has set aside a total budget of **R5.3 million** to implement 9 Spring Water Projects in the following districts: 2 in Alfred Nzo; 2 in Amathole; 3 in Chris Hani; 1 in Joe Gqabi and 1 in OR Tambo.

A total of 201 Industrial sewing machines were handed over to 356 beneficiaries of this number, 91 are youth females, 36 youth males, 51 persons with disabilities, 147 adult females and 31 adult males from 103 Cooperatives. In the **2023/24** financial year, a total of 103 cooperatives will be supported with sewing machines to improve their rural and urban economy with a total budget of **R2 million**.

Yellow Fleet

Honourable Speaker, despite the limited capacity, our yellow fleet has supported our farmers. A total of 9 dams in Amathole were scooped, 40 ha of pineapple and 62 ha of fodder cleared for production. We will engage Provincial Treasury with a view to increase our fleet capacity in order to expand to other districts

REVITALIZATION OF MAGWA-MAJOLA TEA ESTATES

Madam Speaker, we have started with the diversification and commercialisation of products in Magwa-Majola Enterprise as promised in 2022. The inclusion of Magwa/Majola tea products into the Eastern Cape Government transversal contract is significantly boosting the company's bottom line, enhance greater market confidence and demand for the product. This will ease the burden and over reliance on the provincial fiscus in the medium to long-term. Over and above the public sector market inroads, Magwa has expanded its market footprint to the hotel and hospitality industry (Premier Hotel Group and other hospitality establishments). Magwa/Majola tea products are also available in more than 100 retail stores in the Eastern Cape and KwaZulu Natal.

In 2022/23 financial year, 1 558 jobs were sustained in the impoverished communities. Bulk sales generated R10.3 million from for the estate and re-enforced

our commitment to commercialise and diversify production at the estate to ensure self-sustenance. In addition, the Estate sold 910 kg of tea bags and generated R349 000. As part of diversification programme, Magwa Estate has built a restaurant called Magwa Tea Lounge, targeting domestic and international travellers and positioned to face the vast horizon and providing the most beautiful sunsets and serene views.

Honourable Speaker, Magwa entered into a partnership agreement with SAPPI to sell timber and revitalize forestry plantations within the estate. SAPPI appointed a contractor for harvesting and haulage of timber to SAPPI's Umkomaas Plant in KZN. Harvesting and selling of Magwa timber is currently underway as an additional R5 million revenue. This will be a significant investment which presents an opportunity to accelerate the development of a forestry plantation within Magwa.

In the effort of promoting agro-tourism in Magwa and Majola Tea Estate, the estate hosted film production and shooting of Tom Cruise movie (Mission Impossible) by Scorpio Films Production. This in turn will place Magwa and the Eastern Cape on the international map as a destination of choice for tourism and film making. In the **2023/24** financial year, the Department will support Magwa Enterprise Tea with **R29.3 million**.

ETHICAL AND CAPABLE STATE

Madam Speaker, the Public Service needs enforcement and promotion of high values and principles such as integrity, accountability and impartiality to ensure professionalism and good governance. The Department in its strategic plan committed to prioritise key areas that relate to building an ethical and capable workforce. One of these areas deals with mechanisms to promote ethical behaviour

in the workplace including awareness programs. In pursuit of this, the Department ensures that 100% financial disclosures are achieved in order to deter and raise consciousness on employees trading with the state and when such instances occur, consequence management measures are implemented.

In this new financial year, over and above the existing reporting mechanism in the form of the National Anti-Corruption Hotline, the Department will establish its own independent Departmental Anti-Corruption Hotline that will be managed by an independent firm to ensure efficiency, objectivity and effectiveness in reporting, recording, investigation and monitoring of all cases reported. This will emphasize the continued support and protection given to Whistle blowers in line with the Protected Disclosures Act and related regulations.

Honourable members, ladies and gentlemen it is worth mentioning that Department has received a clean audit opinion in the last audit period and we will be striving to maintain the status quo. The Department pays its suppliers in an average of 10 days after receipt of all valid invoices. We will strive to pay all suppliers within the legislated period of 30 days.

DRDAR's female gender representation at SMS level is at 57.4% this demonstrates the Department's commitment to advance gender representation and plans are in place to ensure that the Department does not regress. We must acknowledge that Department has previously not been successful in its approach to attract and retain persons with disabilities, to address this anomaly concerted recruitment efforts are being implemented for example earmarking and ring fencing posts on the Annual Recruitment Plan.

Department is committed in fulfilling its objective of attracting, developing youth talent by offering 11 bursaries to previously designated Veterinary Science students. Upon their completion they will have employment opportunities to work in the agricultural sector. The Department commits itself on the reduction of youth unemployment by creating a space for 80 interns to acquire skills and experience which will equip them to participate in the job market.

The Department will upgrade Bhisho server infrastructure which is the backbone of hosting Departmental information, this will ensure efficiency and effectiveness for the workloads that are hosted on-Prem. The Department is in the process of migrating its critical workloads i.e. Website, E-Leave and E- Submission -Treasury Information Management System (TIMS) from on-Prem to Cloud Environment. This will help improve business continuity by offering one-click backup and recovery capabilities of stored information.

Madam Speaker, as I **conclude** we commit to work hard to speed up transformation of rural economies through commercialization of agriculture in changing the lives of our people for the better.

Nelson Rholihlahla Mandela, in his inaugural speech after our country attained freedom had this to say, *“We succeeded to take our last steps to freedom in conditions of relative peace. We commit ourselves to the construction of a complete, just and lasting peace.*

We have triumphed in the effort to implant hope to the millions of our people and we enter into a covenant that we shall build the society in which all South Africans, both black and white, will be able to walk tall, without any fear in their hearts, assured

of their inalienable right to human dignity - a rainbow nation at peace with itself and the world.

We dedicate this day to all the heroes and heroines in this country and the rest of the world who sacrificed in many ways and surrendered their lives so that we could be free. Their dreams have become reality. Freedom is their reward. We are both humbled and elevated by the honour and privilege that you, the people of South Africa, have bestowed on us, as the first President of a united, democratic, non-racial and non-sexist government”

Honorable Speaker, allow me to table **2023/24** Annual Performance Plan, Operational Plan and Budget and Policy Speech for DRDAR and ECRDA.

“My grandfather used to say that once in your life you need a doctor, lawyer, a policeman and a preacher but every day, three times a day you need a farmer” **Brenda Schoepp**

Ndiyabulela

APPENDIX A:

Budget 2023/24 MTEF

| Programmes | 2023/24 | 2024/25 | 2025/26 |
|--|---------------------|---------------------|------------------|
| | Revised Baseline | Revised Baseline | Revised Baseline |
| Departmental Programmes Allocation | | | |
| Administration | 466 971 | 482 565 | 504 826 |
| Sustainable Resource Management | 142 651 | 144 500 | 151 061 |
| Agricultural Producer Support & Development | 827 125 | 886 709 | 925 935 |
| Veterinary Services | 340 342 | 347 771 | 363 570 |
| Research & Technology Development Services | 138 935 | 138 801 | 145 098 |
| Agricultural Economics Services | 36 236 | 37 867 | 39 448 |
| Agricultural Education & Training | 194 187 | 201 960 | 211 153 |
| Rural Development | 211 929 | 219 914 | 230 013 |
| TOTAL | 2 358 376 | 2 460 087 | 2 571 104 |
| Economic Classification | | | |
| Compensation of employees | 1 420 573 | 1 441 882 | 1 506 731 |
| Goods & Services | 461 647 | 407 550 | 428 442 |
| Transfers & Subsidies | 304 796 | 428 278 | 441 067 |
| Payment for capital assets | 171 360 | 182 377 | 194 864 |
| TOTAL | 2 358 376 | 2 460 087 | 2 571 104 |