

**SONA RESPONSE: REPORT TO THE PORTFOLIO COMMITTEE ON AGRICULTURE, FORESTRY AND FISHERIES**

**FEBRUARY 2016**

| **2015/16 Plans flowing from SONA** | **Progress on the Implementation of 2015/16 SONA Plans** | **Impact** | **2016/17 SONA Plans** |
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| **50 projects completed to secure tenure; acquire equity and reduce poverty** | 27 proposals have been received from commercial farmers. All Four Farms have been approved to date and 3 already transferred and allocated to farm workers.   * Farm Diamond, FS: Farm Workers in a shareholding arrangement. * Birbury, EC: Farm workers in a shareholding arrangement. * Free State; Kalkput, Free State; * 9 proposals are undergoing assessment: due diligence, tenure rights enquiries, household / socio-economic profiling; to be implemented January 2016.   **Training**  Farm workers are trained in different fields in other 50/50 farms:   1. Westclif of KZN on sugar, timber and vegetable production; 2. Omnia Farms on Fertiliser, Finance and Technical services. 3. Solms Delta in Western Cape, Cape Winelands District on wine 4. Birbury in Eastern Cape Initial orientation in terms of business management / co-operative management has been done. | 4 proposals have been implemented:  **Production**   * 2 632 hectares redistributed;   **Beneficiaries**   * 82 Jobs retained * 82 Beneficiaries   **Investment (equity) Value**   * R 35.1 million | Pilot 17 of the 27 proposals |
| **Agri-Parks established in 27 priority districts** | **Site identification** for 44 Districts: + 1 metro, completed  **Stakeholder and Community mobilisation,** completed and the Governance structures launched 11 December 2015:  District Agri-parks Management Councils (DAMC) and National Agri-parks Advisory Councils (NAAC) have been established.  **District Agri-park Business Plans:**  Business plans are developed to guide investment and programme implementation for the medium and long term.   * 34 Draft business plans completed by 15 December 2015. * 2 have been completed by Municipalities (Uthukela and Sekhukune) | 89 000 jobs can be created over the next three years if business plans are fully implemented | * Continue with the development of District Wide Business Plans and Implementation of site specific infrastructure business plans * 45 Infrastructure projects in support of the Agri-parks planned. |
| Implementation: 5 Agri-hubs in 5 provinces |  | * Continue with the development of District Wide Business Plans and Implementation of site specific infrastructure business plans * 45 Infrastructure projects in support of the Agri-parks planned. |
| EC: Ncora Dairy completed with 1200 head capacity on 300ha | 36 smallholder farmers, 60 jobs created |
| NW: Silos renovated 50 000 tons capacity. Foodbank, mill, admin facilities are being finalised. | 150 smallholder farmers & 55 jobs created in construction |
| MP: Nkangala (Kameelpoort A) fresh produce market 80% complete.  Bushbuckridge: Maize mill structure completed. | 25 jobs created in construction |
| WC: Cape wine lands: Bulk energy infrastructure under construction | 16 jobs in construction |
| GP: West Rand: 1200m fencing, 20 production tunnels, boreholes, packaging facility, office block with workshop; Sedibeng: Production tunnels & pack house. | 30 jobs created in construction. |
| **To increase market access AFF products** | * 103 black farmers trained; 22 farms audited and 12 (5 women and 7 male) certified for the SA-GAP program. * Trade agreement to export 110 million litres of wine into the EU, preferential market access; (up from 47 million litres); * Trade agreement to export 150 000 tons of sugar (from zero baseline) into the EU, duty-free * 80,000 tons of ethanol (from zero baseline), preferential market access, exported to EU * Improved market access for cut flowers, dairy products and fruits to EU, preferential market access | 12 farmers benefited from SA GAP certification to access markets  EU export market value of AFF products, R 14.6 bill | * Expanding SA-GAP programme * Finalise SPS negotiations with 16 countries in 18 commodities * Tripartite Free trade area (COMESA,SADC and EAC) negotiating tariff agreements; * Tariff agreements with the East African Countries (SACU EAC) on going |
| * Tripartite Free trade area (COMESA, SADC and EAC) SPSP protocol agreed to. * DAFF signed a MOU with Tiger brand in June 2015 on an off take agreement for the procurement of grains and vegetables, from Smallholders. * *“Farm together Programme”* supported 71 existing cooperatives, and established 13 new secondary cooperatives; 25 small agribusinesses undergone assessments | African export market value of AFF products, R 14.6 bill |  |
| **Infrastructure development for agricultural sectors and regions with high productive potential** | * There are 26 SIP 11 anchor projects; of which 4 have commenced with construction; 5 are at post feasibility phase and rest are either at concept or feasibility phases. * 43,487, jobs created * Insufficient funds and the need to further integrate and focus on anchor or high impact projects. * **SIP11 Projects** * **TOTAL PROJECTS:** 924 * **TOTAL COST:** R 129 585 000 * **TOTAL SPENT:**R 4 758 000 | **TOTAL JOBS PLANNED:** 296,181 | * Continue implementation of SIP11 projects * Added projects: Agri-Parks |
| **Financing**  Existing incentive schemes accessible to smallholder farmers  New large incentive schemes for primary production introduced | * 5 strategic commodities grains (soya & maize), fruit, vegetables, red meat and poultry) prioritised for APAP and IPAP agro-processing activities, in 2016/17; * Review of Manufacturing Competitiveness Enhancement Programme (MCEP) completed | * Greater alignment between production and agro-processing plans (IPAP and APAP) * Forging greater linkages between SMMEs and Big business in the sector. | * Finalised interventions between APAP and IPAP on agro-processing to streamline the implementation of support programmes |
| **Technical Support**  **Existing programmes target APAP initiatives**   * **Existing programmes target APAP initiatives** | * 2 schemes Kaonafatso Ya Dikgomo (KYD) & Poultry improvement schemes, implemented | * KYD & Poultry improvement schemes, supported 5000 & 2000 farmers respectively | * To continue implementation of Kaonafatso Ya Dikgomo and the Poultry improvement schemes; |
| * 18 primary animal health care clinics procured | * Improved Vet services: 18 new Vet Clinics | * 32 primary animal health care clinics delivered to provinces |
| **New or unemployed graduates appointed and allocated to farms; plants and depots** | * 131 Veterinarians deployed to provinces * 22 Graduates deployed to sector organisations & companies. * 25 Graduates deployed with Perishable Product Export Control Board (PPECB) | * & 131 Veterinarians deployed. * 55 graduates deployed, and 175 recruited | * 140 Veterinary graduates recruited and deployed. * 42 deployed to industry & 25 deployed to PPECB |
| * 8 graduates placed; 3 farms approved for agric graduates (Waldburg, LP; Zon Onder farm, NC; Arnold farm, KZN) |  | * 10 farms processed for allocation to graduates. |
| * 175 recruited and deployed to 120 farms & 175 jobs created | * 120 farms supported & 175 jobs created |
| **Technical Support**   * Well trained equipped extension support practitioners appropriately placed with various commodity industries | * R343 mill was allocated for extension services * 107 were trained on Technical Skills (e.g. Aquaculture extension, indigenous plants) & 207 were trained in ICT skills including Digital Pen training. * 15 extension personnel placed in various commodity industries. | * Improved skills of 307 extension officers | * 20 extension personnel trained and placed in various commodity industries |
| **Farmer Training** | * Total farmers trained: 8,234 farmers (2 quarters, Q1 and Q2) * EC: 1629 * WC: 695 * KZN: 621 * GP: 664 * NW: 120 * LP: 662 * MP: 2 747 * NC: 1096 | * Increase in productivity * Improved capacity of export technologists | * Target 16,000 farmers (budget cuts) * CASP, R1, 6 bill of which R1, 1 bill is for farmer support. * Ilima/Letsema is R491 mill towards households |
| * Norms and Standards for services rendered to various categories of farmers i.e. smallholders, commercial and subsistence producers (approved) * Integrated Development Finance Framework, integrating all financial support under a single institution and mechanisms of financial approval (approved) * Comprehensive Producer Development Support Policy (draft) – policy guiding both financial and   non-financial producer support | * Review and assessment of existing models of producer support completed | * Comprehensive Producer Development Support Policy draft for ESEID approval. * Integrated Development Framework converted to Policy to be approved by EXCO |
|  | * 7,161 farmers received support (6,251 smallholder, 371 subsistence and 539 black commercial farmers) e.g. stock handling facilities, piggery structures, boreholes, fencing, pack houses. | * Providing producer support to 7,161 farmers, and creating 1,379 jobs | * 16 000 farmers   (budget cuts) |
| **1 million hectares of underutilised land in communal areas under production** | * 6,803ha of underutilised land put under production in both communal areas and Land Reform projects; * 5,294ha rehabilitated for production | * 7,502 smallholders supported; 8 796 jobs created | * 120,000 hectares |
| * 141 projects completed | * 3,526 Smallholder farmers supported * 1356 jobs created * 6474 Hectares supported * Investment: R203,7m |
| * 11 projects completed (dairy-lucerne, livestock, fruit and vegetable production) | * 3,225 Smallholder farmers supported * 1655 jobs created * 8603 Hectares supported * Investment: R70,4m |
| * 67 coops assisted aligned to APAP | * 3,400 Ha’s in production: * Jobs created: 1200 | * 132 agricultural coops assisted |
|  | **FORESTRY:**   * 1,504 ha was planted in KZN and EC * Communities assisted with EIAs covering 10, 500 ha (of which 5000 ha was issued with licences) * Communities and private sector planted areas estimated at 2000 ha * Service level agreement entered into with private sector company on WC recommissioning | * 540 jobs were created, poverty reduction and reduction of inequality | * Additional **1725 ha** will be planted in Cat B and Cs creating 1575 jobs * Conduct EIAs for afforestation in KZN **(5000 ha),** EC (**50 000 ha**) * Recommissioning of the Mpumalanga areas **(4000 ha)** |