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**DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES**

**STATE OF THE NATION INPUTS 2018/19**

**OPERATION PHAKISA FOR AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT**

“Transforming the Agricultural Sector towards an Inclusive Rural Economy”, is the official theme of Operation Phakisa for Agriculture, Land Reform and Rural Development. The theme captures critical elements of the National Development Plan as articulated in Chapter 6. I am therefore happy to pronounce that the initiatives emanating out of the Agri., Land and Rural Phakisa will now inform the Revitalisation of the Agriculture and Agro-Processing Value chain as part of the Nine-Point Plan.

The theme, “Transforming the Agricultural Sector towards an Inclusive Rural Economy”, highlights that true reconciliation will be nearly impossible to achieve if economic inclusion and the land question are not addressed, and there are some notable achievements in this regard.

According to the Stats SA, over the past 5 years employment in the agricultural sector has risen by 6,4% per annum, even midst the negotiated national minimum. Secondly, over the past 15 years, the share of households experiencing hunger has declined by more than half. Third, there are signs of economic vibrancy in the former homeland areas, including impressive declines in unemployment rates since 2001.

The challenges we face include the fact that only eight million hectares of land have been transferred to black people, which is only 9.8% of the 82 million hectares of land in South Africa. There has also been a 19% decline in households involved in agriculture from 2.9 million in 2011 to 2.3 million households in 2016.

I am therefore happy to pronounce on the outcomes of the Agri, Land and Rural Phakisa.

For Land Reform we developed five key initiatives. They are:

1. District Land Reform Delivery Centres;
2. Fast-tracking the Settlement of Outstanding Restitution Claims;
3. Promoting and Protecting the rights of Persons Living under Insecure Tenure;
4. The Accelerated Land Development and Redistribution Initiative; and
5. Financial Partnerships for Accelerated and Sustainable Land Reform;

The District Land Reform Delivery Centre initiative will establish local level implementing agents which will ensure that land reform initiatives are designed and implemented in accordance with the specific needs of local economic plans.

The initiative, Fast-track Settlement of Outstanding Restitution Claims aims to expedite the settlement of 7 419 outstanding claims within the next 2 to 3 years through a delegation of authority to the regions, whilst simultaneously ensuring better post-settlement performance and governance of restitution projects. Other initiatives from the Agri, Land and Rural Phakisa include, the Accelerated Land Development and Redistribution Initiative or ALDRI. The initiative will facilitate the design and development of serviced land and provision of bulk infrastructure services in conjunction with local municipalities, commercial banks, development finance institutions and private sector land developers.

The ANC’s 52nd National Conference in 2007 resolved, among other things, that the government should establish an appropriate institution with the resources and authority to drive and coordinate an integrated programme for rural development. This could be initiated by establishing an inclusive Rural Development Agency. Operation Phakisa endorsed this idea. The agency will be established a national level to “mobilise, co-ordinate and manage resources; finance rural development projects; and, coach and train participating co-operatives in business and managerial skills”. It will further function as a monitoring and evaluation oversight structure for all rural development programmes, hence ensuring proper reporting and thus accountability.

**ECONOMIC DEVELOPMENT, TRADE AND MARKETING**

The Department has made great strides to promote cooperation between government and industry on common value chain platforms, which also form part of the Phakisa initiatives and the Nine-Point Plan to revitalise the agricultural value chain. The department has completed two studies already on international priority opportunities for the fruit & nuts as well as the vegetables industries. Key plans going forward are to complete studies on international opportunities for the meat and fish markets over the two years.

**FORESTRY AND NATURAL RESOURCES MANAGEMENT**

The loss of agricultural land, land degradation inclusive of veld mismanagement is a key challenge within the Agricultural sector. It is for this reason that the DAFF has made concerted effort in creating an enabling environment through development of the Preservation and Development of Agricultural Land Bill, Policy on Conservation Agriculture and implementation of LandCare Programme to provide necessary legislative and programmatic support to farmers.

The management of disaster risks in the sector remains critical especially following the devastating drought that threatened food security through decreased crop yields and livestock mortalities. Government is always monitoring the situations and communicating risk reduction measures to farming communities in collaboration with other institutions such as the South African Weather Service (SAWS), the Agricultural Research Council (ARC) and Department of Cooperative Governance (DCoG). Moreover, mitigation measures are being implemented through mitigation and risk reduction programmes so as to maintain long term sustainable resources. These mitigation measures include fire breaks and drilling and equipping of boreholes.

In addition the Department of Agriculture, Forestry and Fisheries is developing the Climate Smart Agriculture Strategic Framework for Agriculture, Forestry and Fisheries. This framework is a broad strategic guideline that provides guidance on the up-scaling and implementation of the climate smart agriculture practices for agriculture, forestry and fisheries sector in South Africa. The framework will enhance resilience of agricultural and food production systems to reduce risks and vulnerability to climate change.

Government has identified agriculture as a key job driver targeting the sector to create about a million jobs by 2030, a target that can essentially be achieved through increased youth participation in the sector. The agriculture, forestry and fisheries sector is adversely typified by unprecedented phenomena of ageing farmer population and ironically high rate of relevant unemployed graduates. It has been established through research that only 14% of the beneficiaries of the farmer support programmes were youth and thus DAFF should endeavour to improve the involvement of youth, women and people with disabilities in the production sector. To partly respond to this challenge DAFF has developed an Agricultural Graduate Placement Programme which will commence with implementation during the 2018/19 financial year. It is envisaged that one thousands unemployed agricultural graduates will benefit from this initiative. The objectives of the programme includes but not limited to the following:

* Provide unemployed agricultural, forestry and fisheries graduate with opportunities to gain on-the job experience;
* Contribute to accelerated food production through development of a pool of competent young producers;
* Bridge the gap of ageing producers and reduce unemployment and poverty among youth;
* Provide a platform for active participation of youth in the agriculture, forestry and fisheries value chain.
* Create enabling environment to support the establishment of youth owned and/or managed enterprises, youth entrepreneurs by linking participants with potential entities that support development of entrepreneurs.

It should further be noted that Progress on blended funding has been made. The National Treasury has made available R370 million over the MTEF period to be used to support smallholder producers through the black producer commercialisation programme. Additional funding from the Comprehensive Agricultural Support Programme has been earmarked to increase this grant fund pool and ensure more funding institutions are able to partner with government.

**BIO-SECURITY**

In promoting and boosting agricultural trade, DAFF has begun a process of strengthening and bolstering the bio-security capacity at all of our Ports of Entry. DAFF have set aside R70 million towards improving the bio-security elements of all our land borders, airports and seaports. This will help us ensure that our country is bio-secured against diseases and quarantine pests. In this way we stand ready to prevent future possible outbreaks of agricultural diseases and pests. The Department of Agriculture., Forestry and Fisheries urges participants in the agricultural industry to join hands in availing additional funds towards this noble course.

While ensuring food security for all in our country, we also need to balance this goal with food safety. To improve our food safety, the Departments of Health and Agriculture, Forestry and Fisheries are urged to work together in ensuring the safety of food. We have made available R40 million towards improving our pesticides residue monitoring and testing capacity.

We have noted the plight of participants in the agricultural value chain when it comes to applying for permits to import and export their agricultural products and we will be implementing an Electronic Certification System during the 2018/19 financial year as a first step towards improving efficiencies. This will be followed by a fully operational electronic and online application system for documentations and certifications required for import and export of agricultural products.