



**DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES  
RESPONSE ON THE UNDERTAKINGS MADE ON 13 JUNE 2017**

During a question session: The Honourable Minister of Agriculture, Forestry and Fisheries, while delivering a speech made the following undertakings:

- (a) “For the 2017-18 financial year, we seek to continue the strategic approach of RAAVC in partnership with relevant national departments such as the Department of Rural Development and Land Reform, the Department of Trade and Industry, including sector organisations, labour organisations, and civil society.”**

“For the 2017-18 financial year, we seek to continue the strategic approach of the Revitalisation of the Agriculture and Agro-processing Value Chain (RAAVC) in partnership with relevant national departments such as the Department of Rural Development and Land Reform (DRDLR), the Department of Trade and Industry, including sector organisations, labour organisations, and civil society.”

The Department of Agriculture, Forestry and Fisheries (DAFF) has subjected the Agricultural Policy Action Plan (APAP) to the Operation Phakisa methodology, which in turn informed the Revitalisation of the Agriculture and Agro-processing Value Chain (RAAVC) under the nine-point plan.

To date, the Department has institutionalised Operation Phakisa to manage the implementation, monitoring and evaluation of all the initiatives, which is in turn, reported on under RAAVC (9 Point Plan).

DAFF and DRDLR now merged as DALRRD, appointed both public and private sector representatives to lead each initiative. There are 25 appointed Work Groups Chairs leading the implementation management of initiatives.

Each Work Group Chair leads a Work Group composed of role players and implementation agents, responsible for the implementation of the initiative.

Each Work Group Chain, then reports to a Delivery Unit, where similar initiatives are managed together e.g. all livestock initiatives are discussed and managed together by Dr Modisane, the Delivery Unit Head for Livestock.

The following describes key initiatives reported on to the Economic Sector, Employment, Infrastructure Development Cluster.

**1. “Access to commercial and alternative livestock value chains (Livestock)”**

*This initiative aims to organise local farmers into an aggregation entity e.g. cooperative to buy feed in bulk; transactions will be between feed suppliers and aggregation entity; feed supplier will deliver to central place; feed will be supplied in bags to facilitate distribution.*

**2. Integrated grain value chain (Grains)**

*This initiative aims to formalise the integration of smallholder farmers in the grains value chain through SAFEX (South African Futures Exchange) 10 ton BEE White Maize contracts for smallholder farmers producing grain.*

**3. Inclusive horticulture value chain participation model (Horticulture)**

*A financial model that will accelerate the participation of black role players in the whole Horticulture value chain, resulting in optimum profitability and inclusive growth.*

**4.. Trade Promotion, Retention and Optimisation (Horticulture)**

*Increasing South Africa’s Horticultural trade potential from an estimated R54.4 billion in 2015 to R90 billion by 2030, through gaining, retaining and optimising local and export markets and trade facilitation to enable optimum participation by black commercial and smallholder farmers.*

## **5. National livestock census, animal identification and traceability (Livestock)**

*Develop an interactive animal identification system using the available legal instruments (Animal Identification Act, Animal Improvement Act, Animal Improvement Policy, etc.), to implement an integrated national livestock data base for performance recording and traceability in order to improve animal husbandry, enable proper planning and decision making and allow for competitive market access.*

The department has identified the following initiatives to improve access to financial and non-financial support for producers across the value chain.

### **1. Blended Financial Scheme (Producer Support)**

*This initiative seeks to mobilise private sector to complement public funding sources to finance the land reform programmes of restitution, redistribution and tenure security.*

### **2. Ndimo Desk (Producer Support)**

*Establishment of a centralised, virtual platform to link producers to services offered by participating public and private sector institutions through various communication channels.*

### **3. The Demand led public/ private agri-skills programme**

*This is an initiative aimed at addressing the training and skills gap within the Agricultural sector. AgriSETA and DAFF co-leads on this initiative. The initiative seeks to expand the capacity of local institutions into centres of excellence for the training and capacity development of producers and farm workers alike.*

**(b) “The establishment of the Fisheries Transformation Council, in accordance with the Marine Living Resource Act 18 of 1998, Chapter 3 section 5(29) will be prioritised.”**

This falls under the Fisheries Branch which is in the process of being transferred to the Department of Environment, Forestry and Fisheries (DEFF). The Executive Authority has decided not to proceed with the appointment of the Fisheries Transformation Council in accordance with Section 5(29) of the MLRF.

**(c) “The department will soon start with the FRAP 2020 process for the 12 fishing sectors that were allocated in 2005 and 2013.”**

The Fishing Rights Allocation Process (FRAP) is a function that falls under the Fisheries Branch. The Fisheries Branch is in the process of being transferred to the Department of Environment, Forestry and Fisheries (DEFF). The Executive Authority has obtained Cabinet’s endorsement on 4 September 2019 to extend the timeframes for dealing with allocation of fishing rights in 12 sectors to 31 December 2021. This will allow the DEFF additional time to conduct Socio-Economic Impact Assessments in all the fishery sectors due for re-allocation; to consult extensively with stakeholders on the review of the Sector-Specific Policies, Application Forms and Fees; and to appoint service providers to assist the DEFF to provide a transparent, credible and legally defensible process.

**(d) “Poultry production has been allocated R128 million which will benefit 46 projects and create 1 789 jobs.”**

According to the Comprehensive Agricultural Support Programme (CASP) and Ilima Letsema Annual Reports submitted by the Provinces, a total of R62.3 million was spent supporting 46 projects of which 14 were not completed at the end of the financial year as follows: Free State (1), KwaZulu-

Natal (11); Mpumalanga (2). A total of 434 jobs were created from the construction of infrastructure and delivery of inputs at the end of the financial year. This excludes permanent and seasonal jobs that will be created on-farm once the projects are operational. Poultry projects were implemented in the Free State (1), Gauteng (19), KwaZulu-Natal (12), Limpopo (3), Mpumalanga (6), North West (5).

**(e) “Progress on the department’s commitment to gender centric approach as part of the transformation imperative”**

The department has developed the Norms and Standards for the inclusion of vulnerable groups (NSVG). Among others, the NSVG fundamentally seeks to reset departmental programmes (i.e. CASP) towards an inclusive approach, prescribing equal targets (50/50) for both male and female beneficiaries in line with budget allocations. The NSVG is seen as a radical intervention envisaged to mitigate against entrenched patriarchy in the sector which will eventually aid to substantially increase the pool of female entrepreneurs in the DAFF Female Entrepreneur Awards (FEA).

FEA, as one of the incentivising platforms for women excellence in the sector has for years leveraged women entrepreneurs from subsistence and smallholder production to commercial to even accessing export markets. FEA encourages the participation of women, young women and women living with disabilities in the sector. The major thrust of the programme is to showcase the significant role women play in food security, job creation, economic growth and poverty alleviation. The objectives of the programme are consistent with the vision of the National Development Plan, which makes reference to the empowerment of and their involvement in the country’s economic transformation.

A total of **460** women across the country have benefitted from the programme. The programme has made significant strides in responding to these women’s needs in terms of welfare, access to resources, skills development,

awareness, mobilization and control as a way of addressing skewed participation in the sector.

The programme has a long term ambition of leveraging women Entrepreneurs from being subsistence and smallholder producers to commercial Entrepreneurs who participate in export markets. Of the **460** women who benefitted from the programme **81** of them entered and won in the category of Subsistence producers. Of the **81** Subsistence producers, **39** of them have graduated and they are now operating at Smallholder level. The programme has registered progress of entrants who continuously demonstrated their growth in the sector through graduating from one category of farming to the other.

For 2019 financial year, a total of **51** women across the country entered for this competition and **8** Entrepreneurs were awarded in different categories.

The Department provides support to these female Entrepreneurs after the awards. All the winners are exposed to tailor-made training programmes for management in agribusiness. The sponsors of the programme like Old Mutual and Standard bank also provide financial planning training for the winners of this programme.

The winners of this programme host the DAFF unemployed graduates for practical exposure for 12 months. To date, over **20** beneficiaries of these programme were afforded an opportunity to attend various training in China and Kenya and conferences on different subjects across the country.

Preparations and plans for the 2020/21 fiscal year:

- Provide support to provinces in the implementation of the NSVG with the view for them to adhere to the 50/50 target of both male and female in their programmes.

- Conscientize and influence the National Assessment Panel decisions on CASP/Ilima Letsema 2020/21 provincial business plans to take cognizance of the NSVG.
- The department will organize and host the Female Entrepreneur Awards in August 2020 as part of its commitment to showcase women excellence in the sector.

**(f) “Progress on placement of unemployed graduates”**

The Department coordinates the implementation of Experiential Training, Internship and Professional Development Programme. This programme is a vehicle to combat high levels of unemployment among qualified young graduates. The main focus of the programme is to offer these graduates practical hands-on experience in order to increase their chances of employability.

Since the inception of the programme a total of **3 654** qualified unemployed graduates participated in the programme. For 2019/20 financial year, **255** interns were recruited and placed within relevant functional units in DAFF, industry or research institutions to undergo rigorous on-the-job-training. During the placement period, these graduates are under the supervision of experienced mentors who guide their training and the Department uses a logbook system to manage and monitor their progress.

The break-down of the **255** interns/trainees for 2019/20 financial year is as follows:

- **141 Unemployed graduates** were placed. These are qualified unemployed graduates who need practical hands-on experience in order to enhance their chances of employability.

- **13 Students were provided with experiential training/work integrated learning:** These are students who need experiential training as a requirement for obtaining formal qualifications at an institution of higher learning.
- **45 Graduates benefitted from Industrial Placement:** This category targets young people who have an entrepreneurial inclination and vision to follow a career in business as one of the Department's AgriBEE initiatives. Once recruited, they are placed within relevant agribusinesses or industries for practical exposure and mentorship with regard to business-related activities.
- **31 Agri Export Technologists were placed:** This category targets young people with interest and vision to become Agri-Export Technologists. **31** graduates are placed with the Perishable Products Export Control Board (PPECB) to be exposed to the export industry.
- **25 Young Professionals were placed:** This category targets young graduates in possession of requisite bachelor's degrees who would like to further their studies at Honours, Master's and Ph.D. level in the area of research, leading to innovation in critical and scarce skills in agriculture.

**1018 Additional graduates placed in farms for entrepreneurial development.**

The Department coordinates the implementation of Young Producers and Entrepreneurs Strategy (YPES). This Strategy advocates for the establishment of youth owned and/ or managed enterprises and other activities that will encourage active participation of youth in the sector. As part of implementing this Strategy, a total of **1018** unemployed agriculture graduates have been placed in farms for practical exposure from 2018 for a

period of two years. The Departments provides the framework for the recruitment and fund the stipends of these graduates through CASP.

The table below depicts the number of graduates per province and the budget allocation.

Province	2018/19 - 2019/20		
	No. Allocated	Graduates Actual Placed	No. Budget per financial year
Mpumalanga	120	121	R10, 440, 000
Eastern Cape	120	126	R10, 440, 000
Limpopo	120	118	R10, 440, 000
Western Cape	120	121	R10, 440, 000
Free State	120	120	R10, 440, 000
North West	120	123	R10, 440, 000
KwaZulu natal	120	125	R10, 440, 000
Gauteng	80	83	R 6, 960, 000
Northern Cape	80	81	R 6, 960, 000
<b>Total</b>	<b>1000</b>	<b>1018</b>	<b>R87,000,000</b>

*Since the inception of the programme, 18 graduates have found employment within the sector. They were replaced by new 18 recruits, making the total number of recruits to be 1018.*

### **Preparations and plans for the next intake of 1000 graduates to be placed in farms/enterprises for entrepreneurial development during 2020/21-2021/22**

The workshop to review the current framework in preparation for placement of next cohort of **1000** graduates in farms/enterprises for entrepreneurial development during 2020/21-2021/22 was held with provinces on 27 November 2019 and the revised framework document was concluded. The targeted number of graduates to be placed per province is outlined below:

- Eastern Cape: 120

- Free State: 120
- Gauteng : 80
- Limpopo: 120
- KwaZulu- Natal: 120
- Mpumalanga: 120
- North West: 120
- Northern Cape: 80
- Western Cape: 120

The recruitment and placement process will commence in June 2020 and all provinces shall have completed the process by 31 March 2020.

**(g) There is a critical need to capacitate our animal production, food and health safety branch; as they are at the forefront of managing and detecting potential outbreaks that could adversely affect our sector.”**

The submissions to National Treasury for additional funding for the Department of Agriculture, Forestry and Fisheries, including the Branch : Agricultural Production, Health and Food Safety, are attached for the Honourable Members attention.

## **Acronyms**

APAP	Agricultural Policy Action Plan
CASP	Comprehensive Agricultural Support Programme
DAFF	Department of Agriculture, Forestry and Fisheries
DEFF	Department of Environment, Forestry and Fisheries
DRDLR	Department of Rural Development and Land Reform
DALRRD	Department of Agriculture, Land Reform and Rural Development
FEA	Female Entrepreneur Awards
FRAP	Fishing Rights Allocation Process
MLRF	Marine Living Resources Fund
NSVG	Norms and Standards for the inclusion of vulnerable groups
PPECB	Perishable Products Export Control Board
RAAVC	Revitalisation of the Agriculture and Agro-processing Value Chain
SAFEX	South African Futures Exchange
YPES	Young Producers and Entrepreneurs Strategy