

# **1. REPORT OF THE PORTFOLIO COMMITTEE ON AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT ON AN OVERSIGHT TO MPUMALANGA PROVINCE FROM 29 - 31 MARCH 2023, DATED 30 MAY 2023.**

The Portfolio Committee on Agriculture, Land Reform and Rural Development, having conducted an oversight visit to Mpumalanga Province, from 29 to 31 March 2023, reports as follows:

## **1. INTRODUCTION**

The Portfolio Committee on Agriculture, Land Reform and Rural Development conducted an oversight visit to Mpumalanga Province from 29 – 31 March 2023. Following the challenges that various sectors of the economy faced as a result of the Covid-19 pandemic, the President announced the Presidential Employment Stimulus Initiative (PESI) to revive the economy and address increasing unemployment. The Department of Agriculture, Land Reform and Rural Development received R1 billion in order to assist and provide relief to distressed farmers affected by the COVID-19 pandemic. However, there have been challenges that have been reported by some farmers in accessing and redeeming some of the PESI vouchers. The Portfolio Committee on Agriculture, Land Reform and Rural Development then conducted an oversight visit to Mpumalanga Province to obtain insights into the implementation and impact of the Presidential Employment Stimulus Initiative (PESI) on the agricultural sector in that province. The Committee further sought to oversee the development of agricultural infrastructure that will enable market access for emerging farmers by visiting Farmer Production Support Units; and interventions to improve surveillance and control of foot and-mouth disease (FMD), which has a negative impact on the export of cloven-hoofed animals and their products.

### **1.1. The significance of oversight on farmer development and support**

The National Development Plan (NDP), an overarching government policy document that sets goals which South Africa should achieve by 2030, set to ensure that there would be integrated rural areas where residents will be economically active, have food security, access to basic services, healthcare and quality education. One of the strategic objectives is job creation, which

is set to alleviate unemployment and poverty. During the 2020/21 financial year, the Department of Agriculture, Land Reform and Rural Development (DALRRD) received R1 billion of the Presidential Employment Stimulus Initiative (PESI) funds from the National Treasury (NT) to support 74 626 subsistence producers with agricultural production inputs nationally, up to 31 March 2021.

Following PESI reports received from DALRRD, the Committee noted that a total of 53 285 PESI applicants were physically verified as subsistence farmers and issued vouchers during the 2020/21 financial year. The Department applied for the roll-over of R243 million that was not spent in order to finalise the support to the remainder of the PESI applicants, which the National Treasury agreed to. During the 2021/22 financial year, the Department also responded to the call made by the National Treasury (NT) to all national government departments to apply for the second phase of the Presidential Employment Stimulus (PES-2). The NT allocated R750 million to DALRRD as part of the PES-2 to support household producers (vulnerable and subsistence), smallholder and medium-scale commercial producers in response to the focus areas on livelihoods and self-employment, catalytic interventions and public employment, respectively. However, the DALRRD reported to the Committee that it decided to continue with supporting only subsistence producers, which was the case with the first phase of PES (PES-1).

## 1.2. Composition of the delegation

A multiparty delegation of 8 Committee Members supported by different teams of Parliamentary Officials as reflected in Table 1 below participated during the oversight visit.

Table 1: Committee delegation during the oversight

<b>Members of Parliament</b>	<b>Political Party</b>	<b>Support Officials</b>	<b>Designation</b>
Nkosi ZMD Mandela <i>(Chairperson/leader of the delegation)</i>	African National Congress	Ms P Nyamza	Committee Secretary
		Ms N Mgxashe	Content Advisor: Agriculture

Ms MME Tlhape, Mr. N Capa, Ms B Tshwete		Dr T Manenzhe	Content Advisor: Land Reform & Rural Development
		Ms N Qwabe Ms T Pepeteka	Researcher: Agriculture Researcher: Land Reform & Rural Development
		Ms C Maledu	Committee Assistant
Ms TM Mbabama Mr H Kruger	Democratic Alliance	Outsourced	Language Practitioners
Mr. NS Matiase	Economic Freedom Fighters	Ms N Magwagwa	Communication Officer
Mrs. T Breedt	Freedom Front Plus	Mr D De Villiers and Mr R Reagan	Protection Services Officials

The delegation was also accompanied by relevant government officials from the national Department of Agriculture, Land Reform and Rural Development and the Mpumalanga Provincial Department of Agriculture, Rural Development, Land and Environmental Affairs (DARDLEA), Mpumalanga Provincial Shared Services Centre (PSSC), Project Officers and Extension Officers.

### 1.3. Structure of the report

This report presents an account of a three-day oversight visit conducted by the Portfolio Committee on Agriculture, Land Reform and Rural Development at Ehlanzeni District Municipality in Mpumalanga from the 29 – 31 March 2023. It documents the delegation's engagement with presentations made during briefing sessions and observations made during project site visits where the delegation interacted with project officers, extension officers and the beneficiaries of PESI and FPSUs.

Following this introduction, the report proceeds as follows:

- Section 2 outlines the Terms of Reference;

- Section 3 presents a summary of inputs by the departments and observations from the project sites the delegation visited;
- Section 4 highlights observations of the Committee; and
- Section 5 concludes by proposing recommendations to the National Assembly for the attention of the Minister of Agriculture, Land Reform and Rural Development.

## **2. TERMS OF REFERENCE**

Oversight activities of the Committee are based on Section 55(2) of the Constitution which provides that “The National Assembly must provide for mechanism - (a) to ensure that all executive organs of the state in the national sphere of government are accountable to it; and (b) to maintain oversight of - (i) the exercise of national executive authority, including the implementation of legislation; and (ii) any organ of state”. The Executive is obliged to account on its actions. Oversight visits thus constitute a myriad of mechanisms available to the Committee for exercising its constitutional mandate to hold the executive accountable.

### **2.1 Specific objectives of the oversight visit**

The oversight visits specifically sought to -

- a) Oversee the implementation of the Presidential Employment Stimulus Initiative (PESI) including the distribution of resources and support provided by the Department of Agriculture, Land Reform and Rural Development (DALRRD) to beneficiary farmers.
- b) To assess the impact of PESI on the livelihoods and sustainability of emerging farmers that have benefitted from the Initiative.
- c) Assess interventions to improve surveillance and control of disease outbreaks such as the foot-and-mouth disease (FMD).
- d) Assess the impact of climate change and climate change-related disasters on agricultural production and farming communities including Government’s response to the impact.
- e) Review progress regarding the development of Agri-Parks through the Farmer Production Support Units (FPSUs) and implementation of FPSU-linked projects.

### **2.2 Committee approach and sites selection**

The Committee adopted an oversight schedule that entailed briefing sessions with the national and provincial departments, project visits and interactions with beneficiaries. In its interactive approach, the Committee sought to immerse itself into the lived experiences and realities of farmers and beneficiaries. Sections of this report will, to a large extent, record the observations of the Committee. Therefore, engagement with beneficiaries, observation of facilities and how beneficiaries go about doing their work was central to the approach. This oversight visit, however, should not be seen in isolation from other committee activities; for example, briefing sessions by the national Department of Agriculture, Land Reform and Rural Development and Budget Votes briefings where relevant background information was discussed.

Over the three days of the oversight visit, the Committee interacted with project officers and visited PES beneficiaries and facilities as illustrated below.

Table 2. List of beneficiaries and sites visited

<b>Date</b>	<b>Project Name</b>	<b>Programme</b>
29/03/2023	<ul style="list-style-type: none"> <li>• Ms Ntombifuthi Khoza – Vegetables</li> <li>• Ms Thandekile Mavuso – Broilers and layers</li> </ul>	PES
30/03/2023	<ul style="list-style-type: none"> <li>• Salubindza Dip Tank, FMD Protection Zone</li> <li>• Redline Fence at Numbi Gate (Kruger National Park)</li> </ul>	FMD
	<ul style="list-style-type: none"> <li>• Thulamahashe Packhouse</li> <li>• Huntington Packhouse</li> </ul>	FPSUs
	<ul style="list-style-type: none"> <li>• Beauty Mokoena – Vegetables</li> <li>• Lalamang Siwele – Groundnuts, grains and pigs</li> </ul>	PES
31/03/2023	<ul style="list-style-type: none"> <li>• Schulzendal Livestock Association – Earth dam on grazing land</li> </ul>	Flood disaster

	<ul style="list-style-type: none"> <li>• KwaMdladla Village – Sugarcane irrigation system (Sambo Brothers)</li> </ul>	
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### **3. SUMMARY OF INPUTS BY THE DEPARTMENTS AND OBSERVATIONS FROM THE PROJECT SITES**

#### **3.1 Inputs by the DALRRD on the Presidential Employment Stimulus (PES)**

This section summarises inputs of the DALRRD with regard to the assessment on the implementation and impact of the PES programme on the agricultural sector. The Deputy Director-General (DDG) from DALRRD, Dr Moeng, reported that PES beneficiaries have been added to the Farmer Register, which contains more than 80 000 smallholder farmers. Support through PES was not going beyond 1 hectare (ha). Cooperatives were given support not as groups but as individuals because that is how the system is designed. The exclusion in terms of other support programmes such as the Comprehensive Agricultural Support Programme (CASP) and Ilima/Letsema applies within a financial year. If a farmer received for example, CASP support in the previous year but not in the current year, he/she qualifies to receive PES in the current year. Most farmers in Mpumalanga are diversifying and farm with different commodities. As they are supported according to commodity, it might seem like they are double-dipping. The total number of PES vouchers that have been issued nationally at the time of reporting was 104 906.

In Mpumalanga, the Department supported farmers from three district municipalities through PES. About 4 233 subsistence farmers were supported at Ehlanzeni District Municipality, 1 940 in Gert Sibande and 2 960 in Nkangala.

The total value of vouchers issued among the three districts was R76 837 041. Ehlanzeni received a share of R46 563 439, Gert Sibande a sum of R16 196 216 and Nkangala was awarded R14 077 386. Three categories (Solidarity fund, previous applicants of PES and the roll-over applicants) of subsistence farmers received vouchers during 2020/21 and

2021/22 financial years, thus resulting in the number of redeemed vouchers to be higher than the number of beneficiaries.

Table 3. The table below illustrates the issuing and redemption of vouchers per district

Items	Districts			
	Ehlanzeni	Gert Sibande	Nkangala	Total
Farmers supported in 2020/2021	4 233	1 940	2 960	9 133
Number supported 2020/2021	6 173	2 960	3 419	12 552
Value of vouchers issued	R46 563 439	R16 196 216	R14 077 386	R76 837 041
Number of vouchers redeemed	9 634	5 023	5 772	20 429
<b>Support per Commodity</b>				
Fruit and Vegetables	2 765	1 678	1 940	6 383
Grains	2 312	496	422	3 230
Poultry	726	395	414	1 535
Small livestock	258	182	332	772
Large livestock	112	209	319	640

The National Department commissioned Mezzanine, a subsidiary of Vodacom for rebuilding the list of agro-dealers for their participation in the redemption of PES vouchers. Mezzanine was responsible for managing the uploading, activating and updating of associated service points, system users, stock items and their prices. The Department together with Mezzanine developed a checklist of selection criteria for compliance by agro-dealers aspiring to participate in the voucher redemption process of the PES. The Department reported that it has monitoring and evaluation (M&E)

information of the PES programme implementation as the Monitoring and Evaluation Tool is within DALRRD. However, monitoring and evaluation information was not presented or submitted to the Committee as requested.

### **3.2 Input by DARDLEA's Veterinary Services on veterinary capacity, placement of Compulsory Community Service Veterinarians and FMD Control and Surveillance**

The Chief Director for Veterinary Services at the provincial Department (DARDLEA), Dr Cele, presented an overview of the provincial veterinary capacity and FMD control measures. On average, the only Veterinary Faculty in the country, based in the University of Pretoria, produces approximately 150 Veterinarians (Vets) per year. Mpumalanga Province at the time of the visit reportedly had 16 State Vets out of the required 36 (56% vacancy rate); and was losing Vets at a rate of 2 every 3 months to the private sector. Remuneration is one of the main reasons State Vets leave the Public Service for the private sector. Mpumalanga is also the first province to employ Veterinary Nurses in the Public Service in 2008. At the time of the visit, it had 15 out of the approved structure of 20 Veterinary Nurses.

The Compulsory Community Service (CCS) programme for Veterinary graduates has greatly assisted the Province in terms of capacity since its inception in 2016. The Province places 25 CCS Vets on an annual basis; and retains on average 5 Vets (mostly bursary holders) from the CCS pool of 25. The Province does career campaigns on the Veterinary profession in schools (from primary school level) and even have some learners that were introduced to the Veterinary profession at primary school that are now Vets. The province has 25 permanent Veterinary Facilities (comprising of offices and clinics) and 10 Mobile Veterinary Clinics (7 from DALRRD and 3 from Provincial Department).

#### ***FMD Control and Surveillance***

Mpumalanga is one of the three provinces that are endemically infected with Foot-and-mouth Disease (FMD) due to the perpetual presence of infected buffaloes in Kruger National Park. These buffaloes also have a high prevalence of corridor disease (a killer tick-borne disease with no treatment), tuberculosis (TB) and brucellosis. Due to the presence of the FMD virus, the Province was divided into disease control zones for management of the disease:



- **Infected zone** (vaccinations, weekly inspections, movement controls, quarantine)
- **Protection zone** (Protection zone with vaccination and protection zone without vaccination)
- **Free zone** (no vaccinations practiced: entire Nkangala and Gert Sibande); regular inspections practiced at borderline areas and farms.

The 2022 FMD outbreak was detected at Victor Khanye Local Municipality (Nkangala District), which was traditionally in an FMD Free Zone as per the World Organisation for Animal Health. About 26 073 animals were affected and the source was traced from a feedlot in Gauteng. The feedlot was put under quarantine and an FMD Campaign Strategy was developed within a 3 km zone of the infection and 10 km zone for surveillance (clinical and serological).

The **Control Strategy** during the outbreak involved:

- Vaccination of all cloven hoofed animals on the farm (26 073): cattle mainly (a few small stock kept as pets also vaccinated) from 5<sup>th</sup> until 19<sup>th</sup> August 2022.
- Surveillance (clinical and serological) was ongoing to monitor spread.
- Movement restriction/control (including quarantine of farm and adjacent farms instituted.
- Red-cross permits issued for direct slaughter to designated abattoir (Springs).
- Adjacent farms quarantined until risk was eliminated and lifted on 12 December 2022 after it was cleared.
- Controlled slaughter of all vaccinated animals started on 29 September 2022.
- Slaughter involved inspection, clinical and serological surveillance.
- The process was completed on 15 March 2023.

In Ehlanzeni District (Ehlanzeni North and South) the Provincial Department continues with routine vaccinations in designated high risk areas bordering Eswatini, Mozambique, Limpopo Province, Kruger National Park (KNP) and its adjacent farms. The last outbreak in Ehlanzeni District was in Bushbuckridge in March 2020, in a vaccination zone. That outbreak was eradicated after intense vaccination campaign.

In Gert Sibande District, there has never been an outbreak, however, the Provincial Department continues to be vigilant by doing regular routine inspections and targeted surveillance in high risk areas i.e. auctions as well as international border belt of Eswatini and provincial border farms next to KwaZulu-Natal, Free State and Gauteng Provinces.

The province highlighted the need for the country to produce its own FMD vaccine for efficacy and cost saving. The FMD vaccine that South Africa used to produce and stopped a few years ago, was more efficient than the current vaccine that is imported from Botswana. It was highlighted that there were challenges with FMD vaccine availability in the past year (2022) but it is currently available. There are challenges with availability of other vaccines such as Rift Valley Fever (RVF).

### **3.3 PES beneficiaries visited by the delegation**

#### **3.3.1 Ntombifuthi Khoza (youth) in Barberton, City of Mbombela**

She started in the Provincial Department (DARDLEA)'s Fortune 40 Programme, which is a two-year programme that targets unemployed youth. The Fortune 40 Programme offers capacity building programmes and training in agriculture that is accredited by AgriSETA. She farms with chillies and vegetables such as spinach and butternut on 0.25 hectares of land with another young lady. She received two PES vouchers (2021 and 2022) with a total value of R8 100. They bought fertilisers and seeds with the PES vouchers. The main challenge, which was also mentioned by the Department official, is water availability. She reported that with the little profit they made, they bought a 2 500 litre Jojo tank, which is quite small for irrigating the area. Their future plan is to build a water reservoir but they need urgent assistance with a borehole and a tractor as the entire community share one tractor, which becomes a struggle during planting periods.

The delegation was not happy with what they saw as there was nothing in the field except a small patch that looked as if it was recently ploughed for its benefit. The advice and assistance that is given to subsistence farmers by the Department was questioned.

#### **3.3.2 Thandekile Mavuso (youth) in Barberton, City of Mbombela**

She graduated from the Fortune 40 Programme in 2019 and currently farms with broilers and layers and also plants vegetables for household consumption. She received two PES vouchers with a total value of R3 500. The first voucher she received was R1 000 in 2020/21 with which she bought 100 broiler chicks. At the time she was keeping the chickens in a shack that was built by her husband. She sells locally and as customers also wanted eggs, she ventured into layers, starting with 50 layers, then 100 and grew from there. With profit from broilers and egg sales, she managed to build the chicken house that the delegation also saw when they visited. The main challenge is water, which she currently gets from a borehole on the other side of the village, at a cost. Sometimes her pipes that carry water from the borehole are vandalised and she is unable to get water. The delegation was impressed with the progress that they saw at Thandekile's property; and questioned the small PES amounts she was given when she is doing so well and should have been supported.

### **3.3.3 Beauty Mokoena in Hazyview, Bushbuckridge Local Municipality**

Beauty Mokoena is part of a family cooperative that started farming with vegetables in 2010. She is the manager and her husband a Chairperson of the cooperative. They are leasing 5 ha and employ some people to assist. She received 3 PES vouchers (2 in 2021 and 1 in 2022) with a total value of R19 900. She used the vouchers to buy production inputs – farming implements, fertilisers and other chemicals. The main challenge with the vouchers has been the supplier prices. When she went to buy production inputs, the prices were double. When asked by the delegation on how the Department monitors the use and redemption of vouchers, Mr Mokoena indicated that there was no monitoring or accountability on how they used the vouchers. The family mentioned that the cooperative has potential to be commercial but need land for expansion. They mentioned that they plan to relocate from the leased land to 17 ha that is owned by Mr Mokoena's late father but it needs a borehole. The Extension Officer is assisting them with technical advice and a Production Plan for the 17 ha.

### **3.3.4 Lalamang Siwele in Hazyview, Bushbuckridge Local Municipality**

Ms Siwele is involved in mixed farming. She plants groundnuts and maize on 5 ha and also keeps pigs near her homestead. She also has some cattle. She received 2 PES

vouchers in 2021 with a total value of R13 400. She purchased farming implements, pig feed and seeds with the vouchers. As she is an old lady, she is assisted by her daughter-in-law and granddaughters. During planting and harvesting, she also hires 2 people to assist and sells her produce locally. She takes maize to the local miller to be milled into maize meal, which sells for R350 per 50kg bag. The main challenge is lack of proper storage for the groundnuts and grain, which she keeps in the house, thus attracting mice. She also needs a proper structure for the pigs.

The delegation was very impressed by Ms Siwele and her family's farming activities particularly as they were all female and included the young granddaughters.

### **3.4 Farmer Production Support Units (FPSUs) visited by the delegation**

#### **3.3.1 Thulamahashe FPSU in Thulamahashe, Bushbuckridge Local Municipality**

The Department reported that the FPSU structure was initiated in 2020 but due to Covid-19, construction started in 2021/22. The total project value is R9 400 000 and approximately R8 million has been spent. The Department reported that it bought a bakkie, 3 tractors and production inputs including water tanks for the farmer cooperatives. The FPSU is going to be a Fresh Produce Packhouse for farmer cooperatives who have a Permission to Occupy (PTO) 1 374 ha of arable land under a Traditional Authority. The structure will also have a Cold Storage that can hold 42 crates overnight. It was further reported that the Small Enterprise Development Agency (SEDA) is assisting farmers with skills development. It was further reported that the Provincial Department is going to get a Strategic Partner to mentor the farmers for 2 years.

The Department reported that it started with 5 primary cooperatives and by the time of the visit it reported 76 primary cooperatives (approximately 628 farmers) have registered to use the FPSU. However, a number of farmers that were present during the visit reported to the delegation that the Department never consulted all the farmers at Bushbuckridge or even the Provincial Department of Agriculture, which has the record of all farmers, when they decided to build and fund the FPSU. Therefore, the number of registered cooperatives is not a true reflection as there are more cooperatives at Bushbuckridge that are not considered part of the project. The delegation advised the aggrieved farmers to document their issues and send a

formal correspondence to the Committee regarding the matter. The delegation was also not happy with the fact that at the time of the visit, the structure that was started in 2021 was still not finished although 85% of the total cost has been used.

### **3.3.2 Huntington FPSU in Mkhuhlu, Bushbuckridge Local Municipality**

The delegation did not engage with the Department on Huntington FPSU as it was not happy with the information that was presented that lacked detail and figures particularly as a Member of the delegation noted that the FPSU was built in 2017/18 and little has changed since a Parliamentary Committee of the 5<sup>th</sup> Parliament visited. The delegation however, met with the farmers that were present. The farmers bemoaned lack of consultation by the Department including sowing divisions among the farmers.

It was reported that there are conflicts about the FPSU as some farmers claim it as theirs while others are excluded. The farmers mentioned that lack of consultation is also accompanied by wastage of tax payers' money on things that farmers have not requested or do not need. It was reported that farmers, knowing their area, requested a 75KW tractor but the Department delivered a 125KW tractor, which they are unable to use as it is too big. The Chairperson of the Executive of the Farmers' Cooperative operating in the FPSU reported that the Department told them that there is no budget for their support in the current year, however, they were surprised when the Department delivered bags of fertilisers, saying they were for them. In addition, the Department also delivered two new browsers (diesel tanks) two weeks before the Committee visit. The browsers, which were placed somewhere inside the Packhouse, were shown to the delegation. The farmers reported that those browsers are also too big for their vehicles. It was also reported that the Department advertised for the Packhouse Manager and cleaners without consulting the farmers. When they enquired and wanted an update on the appointment process, they did not get a response.

### **3.4 Foot-and-mouth Disease (FMD) Protection Zone**

#### **3.4.1 Salubindza Dip Tank – FMD Protection Zone at Salubindza**

The delegation visited the Salubindza Dip Tank, which is within the FMD Protection Zone with Vaccination to witness some of the control and surveillance measures that are undertaken by the Provincial Veterinary Services to control the spread of FMD. At the Salubindza Dip Tank, the Provincial Department's Veterinary Services gave a background to FMD and its impact in the area as well as an overview of the Vaccination Programme. Shortage of Vets was highlighted as a challenge that impacts the efficiency of detecting diseases such as FMD faster as the available Veterinary professionals have to be thinly spread among the available dip tanks and inspections facilities. The Ward where the delegation visited has 5 dip tanks including Salubindza; and communities are within a 5km radius from dip tanks. Salubindza Dip Tank is 100% subsidised by the State as part of the FMD control measures. The cattle in the area are inspected and dipped at Salubindza Dip Tank every week; and are vaccinated every 4 months. The delegation witnessed the Vets and Veterinary Technicians at work in the presence of the cattle farmers. The Provincial Department highlighted the need to have abattoirs and feedlots closer to the people especially in the Protection Zone as farmers cannot sell outside their area.

The farmers did not seem to understand the need for the weekly inspections and quarterly vaccinations as their livestock do not seem sick and the area has not experienced an FMD outbreak for the past 3 years. They complained about the inability to move their cattle outside of the area, thus being forced to only sell locally because of FMD. They also raised a challenge with water shortage and highlighted a need for fencing for grazing camps, cattle branding and ear tags.

#### **3.4.2 FMD Red Line Fence at Numbi Gate (Kruger National Park)**

The delegation visited the FMD Red Line fence at Numbi Gate, Kruger National Park (KNP). The fence was put up to keep buffaloes, which are carriers of the FMD virus and other contagious diseases such as TB and the tick-borne Corridor disease, inside KNP; and to prevent them from coming into contact with local cattle. Similarly, to also keep cattle from local communities that are adjacent to KNP, outside the Park, where they may come into contact

with infected buffaloes or their ticks (Corridor disease). The fence was previously electrified by Transnet. However, due to cable theft, Transnet is now using diesel trains and the Department (DALRRD) could not get electricity for the fence.

The Department has since put up a cable fence (non-electrified), which is expected to cover 600 km from Limpopo to Mpumalanga. The Fence was put up by the Animal Health and Engineering Division of DALRRD, which also has an office in Skukuza. The Animal Health Directorate is responsible for maintenance of the Fence. It was highlighted that river crossings are the weak points in the Disease Control Strategy as buffaloes are able to cross the rivers. Due to budgetary constraints, approximately 100 km of the Red Line Fence has been put up and the remaining 500 km may take another 5 to 7 years.

### **3.5. Flood disaster areas visited**

The Nkomazi Local Municipality experienced heavy rains during February 2023. The agricultural sector has been severely affected by the floods which caused waterlogging of crops, water pumps submerged or washed away, fencing washed away, livestock mortalities, collapse of infield dams and bridges. This has affected farmers immensely as they had to halt agricultural activities and comply with early warnings and advice from the Department. Other damages in Nkomazi were reported but the focus in this report will be on the projects visited by the delegation.

#### **3.5.1 Schulzental Livestock Association in Schulzental, Nkomazi Local Municipality**

The Association is made up of about 155 subsistence farmers owning 1 250 cattle in total. The cattle graze extensively on 2 200 ha of communal land that is under the Matsamo Traditional Authority. The farmers have the Right to Occupy (RTO) the grazing land from the Traditional Council. The grazing area is divided into four camps. The main source of water for the cattle is the earth dam that was constructed in 1998. The floods damaged the access roads to the area including 1.5 km of the infield roads within the grazing camps and also led to the collapse of the earth dam wall. It was reported that the earth dam, which was full of silt and had little water during the visit, will require R36 million to repair. The Provincial Department reported that it will be working with Public Works to fix the damaged roads.

The farmers reported that they sell their cattle to a nearby abattoir that is run by a strategic partner who often does not give them good prices. Therefore, in addition to damaged access roads and water for livestock, their main challenge is market access.

### **3.5.2 Sambo Brothers at KwaMadladla, Nkomazi Local Municipality**

The company constitutes 5 famers (3 adults and two youth), which includes Mr Sambo and his son who were present during the delegation's visit. They plant sugarcane under irrigation for commercial purposes on 51 ha of communal land (smallscale commercial). The communal land is under Matsamo Traditional Authority. The sugarcane production average is 100 tons per ha and the sugarcane quality is 13%. Sugarcane is harvested annually with 11-month management practice and delivered to Malelane Sugar Mill. The company employs 5 permanent workers that are registered with Department of Employment and Labour, 40 seasonal workers for harvesting and 30 temporary workers during gap filling, which is normally done after harvesting. They received assistance from the Provincial Department with a yellow fleet in 2021 and in 2023, they received 255 bags of fertilisers. The Provincial Department is providing technical and advisory services; and the Extension Officer responsible for the project was present and briefed the delegation. The delegation was impressed with the involvement of the Extension Officer in the project.

The floods caused severe damage on the irrigation system (pumps and pump house that got submerged in water), electricity transformer, electric fence and access roads. Mr Sambo told the delegation that they are struggling to irrigate as the pumps are not working and sugarcane is dying. Currently, they are renting a small pump as sugarcane needs to be irrigated on a daily basis. He mentioned that because fences are also damaged, cattle are becoming a challenge. Furthermore, they are also worried about the damaged access road as they are harvesting in 2 months' time.

The Department reported that its engineers have been in the area to assess the flood damage and costing has been done. It reported that within two weeks from the time of the Committee visit, contractors will be initiating replacement work in the damaged farms including the Sambo Brothers' farm. The Department reported that it already planned to replace the Sambos' sprinkler system with a more efficient drip irrigation system; and that contract is for 14 months.



The provincial Department will be working with the Department of Public Works to fix the damaged access roads through the new programme called Rural Access Roads.

#### **4. COMMITTEE OBSERVATIONS**

The Portfolio Committee, having interacted with the national Department of Agriculture, Land Reform and Rural Development, Mpumalanga Provincial Department of Agriculture, Rural Development, Land and Environmental Affairs, Provincial Shared Services Centre project management teams, visited project sites and interacted with the farmers and beneficiaries, made several observations as follows:

##### **4.1 Presidential Employment Stimulus (PES)**

- The delegation was happy with the work that is being done by most PES beneficiaries that were visited despite the challenges.
- The criteria that DALRRD outlined for PES beneficiaries was not consistently applied judging by the variance in voucher amounts that were received by beneficiaries. The subsistence farmers with the greatest need (e.g. Ntombifuthi Khoza) received minimal assistance and there were no commitments for additional funding.
- As much as PES was for subsistence farmers, it's main aim is to stimulate employment creation, therefore, some beneficiaries that were operating at semi-commercial level albeit at a smallscale and also show growth potential could have been assisted to grow and directed to other comprehensive support programmes of the Department including linkage with the Department of Small Business Development. For example, Beauty Mokoena, Thandekile Mavuso and Lalamang Siwele.
- There was dissatisfaction with the absence of Extension Officers that work directly with the PES farmers visited on site during the delegation's visit; an issue that was not rectified even when the delegation highlighted its concern in the first project visit.
- In light of the potential that was recognised despite water challenges in some cases, there was a concern with the Department's failure to assist farmers with implementing water harvesting technologies.

- The need for the Department to assist Beauty Mokoena's cooperative in its endeavour to grow the business and relocate to the larger 17 ha family land so that it can save on leasing costs and create more employment opportunities.
- Despite the Department's undertaking that information is available, there was little evidence of efficient monitoring and evaluation (M&E) of the PES implementation through voucher redemption, utilisation, goods supplied, prices, etc.; and most importantly, the suppliers/agro-dealers at which vouchers are redeemed.
- It was noted that there was little evidence that DALRRD has learned lessons from the implementation of the Covid-19 Disaster Fund in respect of M&E as it still relies on a consultant (Mezzanine) for data on agro-dealers (suppliers).
- There is a need for the Department to assist farmers and the youth such as Ms Siwele's granddaughter with information on agricultural education activities and support e.g. bursaries that DALRRD offer for studies in Agricultural Sciences.

#### **4.2 Farmer Production Support Units (FPSUs)**

- Lack of intergovernmental relations (IGR) and stakeholder consultation and engagement by the DALRRD when planning to implement infrastructural projects in Provinces to avoid and prevent conflicts. The fact that some farmers and the Provincial Department of Agriculture that works with farmers on a daily basis, were not consulted when the DALRRD decided to build FPSUs as alluded to by farmers, was noted as a serious concern.
- Lack of social facilitation and conflict resolution measures by DALRRD to address the conflicts it has created in the FPSUs by not consulting extensively threatens their sustainability.
- The comprehensive and specific information that was requested by the Committee including the financial breakdown of costs since the establishment of the FPSUs, the ownership/beneficiaries and management, infrastructure and equipment, the status of each FPSU, etc. was not provided to the delegation.
- There was a concern with the R8 million that has been reportedly spent at the still incomplete Thulamahashe FPSU compared to what the delegation saw.
- The rationale for the continued use of strategic partners, a measure that historically has not benefited land reform beneficiaries was not explained. For most Proactive Land

Acquisition Strategy (PLAS) farms, the financial benefits of the strategic partnerships accrued to the strategic partners instead of the beneficiaries that they are supposed to assist.

- The delegation linked the continued use of strategic partners to lack of IGR as DALRRD can collaborate with the Provincial Department, its entities (e.g. National Agricultural Marketing Council, Agricultural Research Council) and the Department of Small Business Development to support and capacitate the farmers on the use and management of the FPSUs.

### **4.3 Foot-and-mouth Disease (FMD) Control and Surveillance**

- The delegation acknowledged the efforts of the Province to address shortage of Veterinarians including the available veterinary infrastructure to address challenges that are faced by the Province in respect of FMD and other infectious animal diseases.
- The Provincial Department need to effectively communicate disease outbreaks and educate farmers in the Protection Zone about the necessary measures to control FMD. This is quite important as farmers do not fully understand why they should not take their healthy-looking animals out of the area.
- There is still poor coordination of activities within DALRRD and between DALRRD and its entities. In this case, the Agricultural Research Council (ARC) implements the National Red Meat Development Programme yet there was no indication of its involvement in addressing the challenges that are faced by farmers in the FMD Protection Zone, especially since the Province highlighted the need for abattoirs and feedlots closer to the communities in the Protection Zone. Additionally, the Schulzental Livestock Farmers who also highlighted lack of market access as their main challenge.
- There was a serious concern with the slow pace at which the Red Line Fence was being put up including its maintenance due to budgetary constraints in light of the high risk of buffaloes from KNP coming into contact with cattle from adjacent communities.
- The delegation acknowledged the need for a significant budget allocation for the Department's Biosecurity Programme to address amongst other issues, the infrastructural needs such as the Red Line Fences and shortage of Veterinarians.

#### 4.4 Flood disaster affected areas

- The delegation was not happy with the pace at which the Provincial Department was attending to farmers' needs and damages. It refuted the report from the Provincial Department that the earth dam wall in one of the camps for the Schulzental Livestock Farmers burst and collapsed due to the floods in February as a Google Earth photo showed that the dam was in a similar condition six months ago.
- The delegation acknowledged the undertaking by the Provincial Department to work with Public Works to repair the damaged access and infield roads for both the Livestock Farmers Association and the Sambo Brothers. However, there was a concern with the lack of a timeframe particularly as Mr Sambo was concerned with the roads as they would be harvesting sugarcane in 2 months' time.
- The delegation was impressed with the efforts of the Sambos despite the significant damage and challenges they faced as a result of the floods and implored the Department to fast track the repairs to the fence and replacement of the irrigation system.

### 5. RECOMMENDATIONS

Having interacted with the Department of Agriculture, Land Reform and Rural Development, Provincial Department of Agriculture, Rural Development, Land and Environmental Affairs and the Provincial Shared Services Centre; further having visited projects and interacted with beneficiaries; and in view of the observations discussed above, the Committee makes the following recommendations to the National Assembly for the attention of the Minister of Agriculture, Land Reform and Rural Development:

- 6.1 The Department should refine its criteria for PES beneficiaries for submission to Parliament and clearly define the difference between a subsistence and a smallholder farmer without linking it to profit; and also take into account differences among commodities (e.g. crops versus poultry). As much as the Department reported that PES support does not go beyond 1 ha, some of the beneficiaries visited operated on 5 ha and more.

- 6.2 Submit to Parliament the PES Monitoring and Evaluation (M&E) Plan and a detailed M&E Report on PES.
- 6.3 Submit a detailed report on all PES beneficiaries nationally including annual breakdown of funds that have been allocated to each beneficiary, what the funds were used for and the outcome of such funding.
- 6.4 Develop a well-coordinated farmer training and skills development programme to ensure that capacity building initiatives are implemented for subsistence and smallholder farmers; and ensure that the training provided is relevant to their needs.
- 6.5 Develop a programme to strengthen intergovernmental relations (IGR) to prevent duplication of activities and minimise resource wastage. For example, ensure proper consultation and collaboration with Provincial Departments when implementing programmes in Provinces (e.g. PES and FPSUs in particular); and linking of PES beneficiaries that show potential to operate at commercial scale with the Department of Small Business Development and other relevant Departments and entities.
- 6.6 Submit to Parliament comprehensive reports with specific information on the Thulamahashe and Huntington FPSUs including the other 3 FPSUs that were not visited in Mpumalanga. The reports should include but not limited to, dates of commencement, the financial breakdown of costs since the establishment of the FPSUs to date, details of ownership/beneficiaries of the FPSU, its management, all infrastructure and equipment bought, operational activities and status of each FPSU.
- 6.7 Submit to Parliament an Action Plan with timelines on social facilitation and conflict resolution measures to address conflicts that were reported by farmers at both Thulamahashe and Huntington FPSUs as the conflicts threaten their effectiveness and sustainability.
- 6.8 Provide an updated report on the implementation of the National Red Meat Development Programme by the ARC that is meant to assist communal livestock farmers with feedlots and market access.

- 6.9 Submit an Action Plan on how the National Red Meat Development Programme will be used to assist and benefit communal livestock farmers in the Mpumalanga FMD Protection Zone who are unable to move their cattle outside the area due to FMD; as well as the Schulzental Livestock Farmers who have a challenge with market access.
- 6.10 Submit a comprehensive report that outlines the role of all strategic partners, mentors and implementing agents that have been used by the Department to implement and manage projects in Mpumalanga Province and nationally (e.g. Mezzanine). In each case, the report should include the terms of contract between the Department and each strategic partner, mentor or implementing agent, their specific responsibilities in each project, remuneration for services rendered, all funds that have been disbursed to them for each project including the breakdown on the utilisation of such funds, as well as the outcome of their interventions in each case.
- 6.11 Submit to Parliament a detailed report with breakdown of the costs and work that has been done on the 100 km Red Line Fence that was visited by the delegation at Numbi Gate; including a plan to address the challenges associated with river crossings and broken fence to control the spread of FMD.
- 6.12 Submit to Parliament a detailed Plan on the Biosecurity needs of the country in respect of personnel, infrastructure, funding and other resources including details of what is currently available, shortfalls and how the Department plans to address the challenges associated with the shortfalls.
- 6.13 Provide a quarterly progress report on the repair work and replacement of irrigation systems for all the farmers that have been affected by the February floods in Nkomazi Local Municipality.
- 6.14 Submit an Action Plan detailing how the Departments will resolve the challenges that were identified (e.g. water and market access, land for expansion, storage facilities, conflicts, etc.) in all the projects visited by the Portfolio Committee in Mpumalanga

Province. In addition, the Action Plan should comprehensively detail how the projects will be assisted; and must include time frames and an Exit Strategy for each project.

The Committee further recommends that the Minister should ensure that Mpumalanga DARDLEA –

6.15 Submits to Parliament on a quarterly basis progress on repairing the livestock dam at Schulzental and the collaborative activities with the Department of Public Works to fix access and infield roads that were damaged by floods at Nkomazi Local Municipality.

*Unless otherwise indicated, submit to Parliament, within three months after the adoption of this report by the National Assembly, a response to the recommendations with required action plans and reports as outlined.*

**Report to be considered.**