**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION 1119 / NW1212E**

**MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES:**

**Mr D America (DA) to ask the Minister of Agriculture, Forestry and Fisheries:**

**QUESTION:**

 (1)        Whether his department provided any form of assistance to co-operatives in each of the past five financial years; if not, what is the position in this regard; if so, in each case, what is the (a) name of the co-operative, (b) total number of members of the co-operative, (c) type of co-operative, (d) service that the co-operative delivers, (e) physical address of the co-operative, (f) type of assistance provided to the co-operative and (g) current status of the co-operative;

(2)        whether any of the specified co-operatives will require additional assistance from his department in future; if so, what are the relevant details?           **NW1212E**

**REPLY:**

**RESPONSE FOR QUESTION 1119/NW1212E (1)**

The Department supports cooperatives within the agriculture, forestry and fisheries sector through various financial and non-financial means. In the past five years the following number of cooperatives has been supported:

* **518** cooperatives were supported with training using the Farmtogether Agricultural Cooperatives Training programme to improve internal operational efficiencies, productivity and enhance competitiveness
* **334** cooperatives were supported with Agribusiness planning skills to deepen their understanding of business planning within the Agribusiness context and to be able to draft their own business plans.
* **251** cooperatives were assisted to conduct diagnostic assessments on their businesses in order to identify business strengths and weaknesses and recommend alternative solutions to drive efficiencies within the cooperative. The enterprises are exposed to conducting self-assessment, in the process are assisted to develop action plans to address identified weakness areas while maximising on their strengths
* **81** cooperatives were assisted to develop action plans to address identified areas of weaknesses.
* **194** cooperatives were supported financially with grants through the Comprehensive Agricultural Support Programme-CASP andIlima/Letsema as well as with production inputs loans through the Micro Agricultural Finance Institutions of South Africa (MAFISA).

In the process, a total of 7145 smallholder farmers have been assisted in the past five years by the department.

**A comprehensive list of cooperatives with the variables asked for is attached as Annexure 1.**

**RESPONSE FOR QUESTION 1119/NW1212E (2)**

Annual assessments of cooperatives performed by the department indicate that generally, the level of viability and sustainability of cooperatives in the sector is very low. Some of the contributing factors include heavy reliance on grant funding and inability to access financial support from mainstream financial institutions. Access to sustainable markets has been found to be a challenge as well. On a regular basis DAFF perform diagnostic assessments on cooperatives assist them to upscale, improve productivity, efficiency and competitiveness.