**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION 3242**

**INTERNAL QUESTION PAPER [No 33-2022 SIXTH PARLIAMENT]
DATE OF PUBLICATION:  16 SEPTEMBER 2022**

**3242. Mr M K Montwedi (EFF) to ask the Minister of Agriculture, Land Reform and Rural Development:**

What (a) is the total number of black farmers who have benefited from the commercialisation programme of her department since its introduction and (b) total number of farmers have benefited from the specified programme through the Industrial Development Corporation as the implementing agent? **NW3974E**

**THE MINISTER OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT:**

(a),(b) Please refer to the **Annexure A** below.

**ANNEXURE A OF NA-QUES 3242 OF 2022**

1. Total number of black farmers who have benefitted from the commercialisation programme since induction:

|  |  |  |  |
| --- | --- | --- | --- |
| **BLENDED FINANCE (with Land Bank**  | **AGRI BEE** | **NRMDP****National Red Meat Development Programme** | **Blended finance: with Industrial Development Finance (IDC)** |
| There are currently 7 transactions that Land Bank approved for Blended Finance during the proof-of-concept phase in 2018 to a total funding of R163 million as shown in table below | 10 Agribusinesses (black producers) as of 31 October 2022.**Total of 10 black producers who have benefitted.**  | 1. The Department entered into a strategic partnership with the National Agricultural Marketing Council (NAMC) to implement the National Red Meat Development Programme (NRMDP). The programme facilitated market access (formal and informal) for Black smallholder farmers who are most disadvantaged. The NRMDP was implemented in three (3) Provinces namely: Eastern Cape, KwaZulu Natal and North West.

**Eastern Cape (EC):*** *Animal intake= 571*
* *Animals sold = 508*
* *Farmers benefitted =* ***336***
* *Income generated = R2 876 238*

**KwaZulu Natal (KZN):*** *Animal intake= 51*
* *Animals sold = 790*
* *Farmers benefitted =* ***384***
* *Income generated: R 7 222 195*

**North West (Taung CFP):*** *Animal intake= 71*
* *Animals sold = 84*
* *Farmers benefitted =* ***33***
* *Income generated: R464 000*

**Total of 753 farmers who have benefitted.**The NRMDP focuses on improving market access for smallholder farmers in order to facilitate participation in Agri-value chains. Project activities include construction of custom feeding centres, establishment of pasture fields as well as establishment of processing facilities for improved access to high value markets. 1. Farmers were supported in terms of market information, compliance to Good Agricultural Practice (GAP), packaging, quality control, consistency, transportation and other logistic planning and business linkages with potential buyers. The market access facilitation programme enables the NAMC to contribute to making the agricultural sector more inclusive and viable as a contributor to economic growth and transformation.

During the 2021/22 financial year, the NAMC linked 141 black smallholder farmers into the market through its market access facilitation programme. | **Received applications/ Evaluation:** The Dalrrd has a signed agreement with the IDC committing R1 billion over 5 years. The IDC has received R400 million as at end June 2022 and has since evaluated 28 transactions requiring total funding of R1.5 billion at end June 2022**Approved:**13 Transactions to a combined value of R531 million of which R193 million is a grant have been approved for funding at end June 2022 and creating 295 jobs as shown in the table |

**DALRRD / LAND BANK PROOF OF CONCEPT STAGE (INITIATED IN 2018)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Commodity**  | **Province**  | **Total project Value**  | **Grant Amount**  | **Loan Amount**  | **Total Jobs**  |
| 1.  | Poultry  | North West  | R17 357 500,00 | R13 857 500,00 | R5 300 000,00 | 8 |
| 2.  | Beef and Poultry | North West  | R10 004 572,25 | R2 504 572,25 | R7 500 000,00 | 29 |
| 3.  | Mixed Crop | North West  | R55 000 000,00 | R35 500 000,00 | R19 500 000,00 | 5 |
| 4.  | Sugarcane  | KwaZulu Natal  | R15 000 000,00 | R7 000 000,00 | R8 000 000,00 | 13 |
| 5.  | Livestock  | Northern Cape  | R8 151 828,00 | R4 000 000,00 | R4 151 828,00 | 3 |
| 6. | Mixed Farming | Mpumalanga | R51 386 000,00 | R33 826 000,00 | R17 560 000,00 | 23 |
| 7. | Poultry  | Gauteng | R6 852 544,00 | R4 710 310,00 | R2 142 234,00 | 7 |
|  | **Total** | **R163 752 444,25** | **R101 398 382,25** | **R64 154 062,00** | **88** |

**DALRRD AGRIBEE FUND**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Commodity**  | **Province**  | **Total project Value**  | **Grant Amount**  | **Own contribution** | **Total Jobs**  |
| 1.  | Fruit | Limpopo  | R4 767 000,00 | R4 290 300.00 | R476 700,00 | 10 |
| 2.  | Fruit | Western Cape | R5 431 970.00 | R4 345 576,00 | R1 086 394,00 | 20 |
| 3.  | Vegetable | Limpopo  | R8 196 184,00 | R6 556 947,20 | R1 639 236,80 | 40 |
| 4. | Timber  | KwaZulu-Natal | R4 850 017,85 | R4 365 016,07 | R485 001,79 | 2 |
| 5. | Nuts and vegetables | Mpumalanga | R1 871 939,29 | R1 684 745,36 | R187 193,93 | 43 |
| 6. | Fruit | Western Cape | R4 998 991,20 | R4 499 092,08 | R499 899,12 | 10 |
| 7. | Livestock | Gauteng | R4 979 738.00 | R4 481 764.20 | R497 973,80 | 18 |
| 8. | Fruit | Western Cape | R4 999 999,39 | R4 499 999,45 | R499 999,94 | 20 |
| 9. | Vegetable | Western Cape | R15 691 157,34 | R12 552 925,87 | R3 138 231,47 | 25 |
| 10. | Fruit and vegetables | KwaZulu-Natal | R4 950 044,57 | R4 455 040,11 | R495 004,46 | 10 |
|  | **Total** | **R60 737 041.65** | **R51 731 406,34** | **R9 005 635,31** | **198** |

1. Total number of black farmers who have benefited from the specified programme through the Industrial Development Corporation as the implementing agent.

**Received applications per subsector**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Subsector** | **#Transactions** | **Total Fund** **R’000** | **Grant****R’000** | **Loan****R’000** | **Estimated Jobs** |
| Horticulture | 7 | 764 000 | 183 000 | 581 000 | 860 |
| Poultry | 14 | 589 000 | 179 000 | 410 000 | 403 |
| Piggery | 3 | 60 000 | 22 000 | 38 000 | 20 |
| Forestry | 2 | 49 000 | 19 600 | 24 400 | 10 |
| Sauces & Beverages | 2 | 40 000 | 16 000 | 24 000 | 40 |
| **Total** | **28** | **1 502 000** | **419 600** | **1 077 000** | **1 333** |

**Approved applications**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **No** | **Commodity** | **Province** | **Total project Value** | **AIF Grant Amount** | **Loan Amount** | **Total Jobs** |
| **1** | **Poultry** | **Free State** | **22 679 211,00** | **8 472 368,00** | **14 206 843,00** | **17** |
| **2** | **Poultry** | **North West** | **78 991 308,00** | **27 494 368,00** | **51 496 940,00** | **37** |
| **3** | **Poultry** | **Mpumalanga** | **66 096 356,00** | **22 607 428,00** | **43 488 928,00** | **24** |
| **4** | **Vegetable processing** | **Gauteng** | **10 000 000,00** | **4 000 000,00** | **6 000 000,00** | **32** |
| **5** | **Poultry** | **Limpopo** | **36 790 000,00** | **12 716 000,00** | **24 074 000,00** | **22** |
| **6** | **Poultry** | **Limpopo** | **43 726 000,00** | **19 076 000,00** | **24 650 000,00** | **40** |
| **7** | **Poultry** | **Gauteng** | **65 131 667,00** | **22 706 667,00** | **42 425 000,00** | **25** |
| **8** | **Poultry** | **Free State** | **49 826 000,00** | **19 300 000,00** | **30 526 000,00** | **13** |
| **9** | **Poultry** | **Mpumalanga** | **52 085 365,00** | **18 168 823,00** | **33 916 542,00** | **21** |
| **10** | **Poultry** | **Gauteng** | **68 342 000,00** | **23 510 000,00** | **44 832 000,00** | **16** |
| **11** | **Dairy Processing** | **Gauteng** | **7 200 000,00** | **2 800 000,00** | **4 400 000,00** | **12** |
| **12** | **Pastry agroprocessing** | **Western Cape** | **4 688 701,00** | **1 667 226,00** | **3 021 475,00** | **10** |
| **13** | **Forestry** | **KwaZulu Natal** | **25 000 000,00** | **10 000 000,00** | **15 000 000,00** | **26** |
|  |  |  | **530 556 608,00** | **192 518 880,00** | **338 037 728,00** | **295** |