**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION 3301**

**INTERNAL QUESTION PAPER [No 36-2022 SIXTH PARLIAMENT]
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**3301. Mr N P Masipa (DA) to ask the Minister of Agriculture, Land Reform and Rural Development:**

In light of the fact that The Judicial Commission of Inquiry into Allegations of State Capture, Corruption and Fraud in the Public Sector including Organs of State, has now confirmed that the funds that were supposed to have been used to support the beneficiaries of the Vrede Dairy Farm project was channelled towards the Gupta wedding, (a) what steps have been taken against the implicated officials in her department of agriculture in the Free State and (b) has her department instituted any actions to recover the funds that went to the Gupta wedding instead of supporting the beneficiaries of the specified project? **NW4098E**

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

1. None. The Vrede Dairy project was funded from two streams of funding which is the Equitable Share and R50 million was approved from the Comprehensive Agriculture Support Programme (CASP) to co-fund with the province and the private investors. R20 million of the R50 million of CASP funds was spent on infrastructure development and the CASP funds were confirmed to have been spent on the ‘cow hotel’ which is the facility that houses the cows and the milking parlour; the dam; erection of the border fence; access roads to the farm; the processing facility and the purchase of 300 Friesland cows.

When the Mail and Guardian published stories around corruption related to the Vrede Dairy Farm, a national delegation led by the delegated transferring officer which included the DALRRD dairy specialist, the Chief Economist and the Chief Director: Food Security visited the farm to confirm if everything as was presented and approved by DALRRD, was in place. The team confirmed the infrastructure against the funds spent, but was unhappy about the sequencing of activities which went against South African regulations and technical standards and therefore recommended that the funds be stopped until the province had complied. The CASP conditional grants were stopped and the remaining R30 million was then approved for diversion to other CASP projects in the Free State. The province never requested further funding for the Vrede Dairy Project from CASP. Therefore, DALRRD had no further dealings with the Vrede Dairy Project until we were requested to indicate why we had stopped our funding to the project. The implicated officials are in the employ of the Free State Department of Agriculture and the implicated CFO and Head of the Department have since left the Free State Department of Agriculture.

1. No. As stated in (a) above, the R20 million CASP fund was accounted for on the infrastructure and the cows purchased. The remaining allocation to the project was stopped and diverted to other projects because DALRD was not satisfied about the sequencing of activities as well as compliances to South African regulations and technical standards.