**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION 916**

**INTERNAL QUESTION PAPER [No 9-2022 SIXTH PARLIAMENT]
DATE OF PUBLICATION: 11 MARCH 2022**

**916. Inkosi R N Cebekhulu (IFP) to ask the Minister of Agriculture, Land Reform and Rural Development:**

What steps is her department taking to assist emerging rural black farmers in order to (a) access markets and (b) sell their products? **NW1098E**

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

The role of the Department of Agriculture, Land Reform and Rural Development (DALRRD) in marketing, as envisioned by the Agricultural Marketing Policy, is to provide a range of agricultural marketing support services in order to enhance participation by all role players across the various agricultural value chains. DALRRD implements various marketing support programmes that are aimed at enabling producers, particularly smallholder producers to gain access to markets.

(a),(b) The above-mentioned support programmes include provision of marketing information, marketing skills development programme, Good Agricultural Practices Certification Programme (SA-GAP), marketing infrastructure and market linkages program.

**Marketing Information:** DALRRD disseminates a wide range of market information to producers and other value chain players through the Marketing Information System, which is a web-based system that can be accessed on the internet and through cellular phones. The information distributed through the system includes daily prices for agricultural products (fresh produce and grains) and weekly prices for meat, as well as standards and grading information and contact information for various markets and market agents. This information is distributed to get producers to understand the prevailing market conditions; to inform them about the existing alternative marketing channels; and to bring to the fingertips of farmers the contact information for various markets. DALRRD runs a user-awareness campaign for smallholder producers on the use of the system, which has reached 473 producers in the current financial year. Furthermore, 11 804 people have accessed the MIS system to date this current financial year.

**The marketing skills development programme** is being implemented on a continuous basis to empower producers on how the market operates (mechanics) and to provide them with an exposure to different marketing channels. *e.g. fresh produce producers are capacitated on fresh produce marketing and are also given an opportunity to participate in market exposure visits in order for them to meet with market management and agents.* The goal is to empower producers with knowledge about markets and to give them an opportunity to meet with market managers and organize deals (on their own) with those markets. This program has reached 473 producers during the current financial year.

**Marketing infrastructure**: the Department is currently facilitating a funding programme for Small and Medium Enterprises (SMEs) falling within the agriculture sector through the Agri-BEE Fund and Comprehensive Agricultural Support Programme (CASP). The programme is aimed at establishing basic agricultural marketing infrastructure to collate fresh produce from several smallholder farmers in a given production area/hub with a view to performing first stage marketing functions such as grading, washing and packaging before forwarding to either wholesale or retail markets. This project will in part further facilitate the development of economic activities in the rural nodes via facilitating commercialization of fresh agricultural products within and outside the identified nodes. This current financial year, 20 projects were funded under CASP for the provision of marketing infrastructure.

DALRRD also implements the **SA-GAP certification program** that is aimed at providing assurance to potential buyers that the food produced by smallholder producers is safe for human consumption. Smallholder producers identified to participate in the program are taken through pre-audit exercises to identify any non-conformances on their farms and this is then followed by training/workshops on good agricultural practices, food safety, responsible use of pesticides and product safety and quality as outlined in Regulation 707 of 2005 under the Agricultural Products Standards (APS) Act of 1990. These producers will then be given an opportunity to rectify any identified non-conformances before the final audit and certification can be concluded. This financial year, 82 farms were identified to participate in the program and pre-audits were conducted on all identified farms. One-on-one consultations were conducted on 46 farms. Final audits were conducted on 46 farms and renewal audits were conducted on 21 farms.

Finally, DALRRD administers the **preferential market access programme** through which it issues import and export quotas and permits to traders to enable them to import and export certain agricultural products at reduced rates of duty. This system gives preference to previously disadvantaged companies and/or traders. A total 1 036 traders (660 established companies and 330 SMEs) benefitted from this programme during 2021/22 financial year.

While the abovementioned initiatives will continue to be implemented to create a conducive environment for producers to gain access to markets, it is acknowledged that there are legislative gaps in the market that still expose our producers to market risks, particularly in areas where the produce is sold on behalf of producers by agents. To close these gaps, DALRRD has initiated a process of amending the Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992) to improve legislative provisions that provide protection to producers and to provide for more accountability on the part of agents.