



agriculture, rural development,  
land & environmental affairs

MPUMALANGA PROVINCE  
REPUBLIC OF SOUTH AFRICA



2021/22

# POLICY & BUDGET SPEECH

**2021/2022 POLICY AND BUDGET VOTE No. 5 BY MEC FOR AGRICULTURE,  
RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS,  
HON. MJ MSIBI (MPL)  
08 JUNE 2021**



**MEC MJ MSIBI**

**Honourable Speaker**

**Deputy Speaker and Chief Whip of the Majority Party;**

**Honourable Premier, Mrs Refilwe Mtshweni-Tsipane;**

**Honourable Members of the Executive Council;**

**Honourable Members of the Provincial Legislature;**

**Chairperson of the Portfolio Committee on Agriculture, Hon. Mr B Lubisi**

**Leader of Opposition Party**

**Executive Mayors: District and Local Municipalities**

**The Chairperson of the House of Traditional Leaders and Traditional Leaders present;**

**The Acting Director-General, Mr. TP Nyoni;**

**The HOD for the Department of Agriculture, Rural Development, Land and Environmental Affairs,  
Mr. CM Chunda; and Other Heads of Departments;**

**African National Congress Acting Provincial Chairperson, Mr. M Ndlovu and the rest of the leadership;**

**Representatives from Organised Agriculture;**

**Representatives from the Business Community;**

**Representatives of Labour Federations;**

**Distinguished Guests and Members of the Public;**

**Members of the Media;  
Ladies and Gentlemen.**



## INTRODUCTION

1. Madam Speaker, we are tabling this budget vote while the whole country is still struggling with the Covid-19 pandemic. His Excellency, the President Cyril Ramaphosa has recently announced that the country is in adjusted level 2 lockdown.

This is an indication of the long road ahead that we still have to traverse in order to emerge on the other side victorious against the scourge of this deadly pandemic and all of us including our workforce in the Department must continue to observe the Covid-19 protocols.

2. Further, exacerbating the difficulties in the agriculture sector is the real and present challenge of Climate Change, which slowly but surely has now become a perennial predicament without periphery.

We must tackle Climate Change head on with practical interventions and programmes if we are to realise our outcomes and goals of increased agricultural production, broadened participation in agro-processing, reduced unemployment through green-jobs creation, and sustainable environmental management in support of the key priorities in the Medium-Term Strategic Framework (MTSF) and the NDP.

## THE ECONOMIC IMPACT OF AGRICULTURE

3. Madam Speaker, the Agricultural sector is central to the economy of the Province, playing a major role in the food production and the GDP. Despite being the second smallest in size it has a significantly higher export contribution at 64% of all agricultural products in 2017.
4. Mpumalanga is classified as one of the top three major producers of maize, alongside the Free State and North West Provinces. The sector contributed R38,4 billion to the annual economy with 73 319 people employed in commercial agriculture.
5. The total income for the commercial agriculture industry in 2017 was R332, 8 billion. Our provincial contribution of R38, 4 billion accounted for 11, 6% of the total income of the country, and only third after the Western Cape and the Free State Provinces.
6. Of concern, Madam Speaker and Honourable Members, is that the 73 319 people employed in commercial agriculture as at 30 June 2018 was down by 15,6% from the 86 890 on 28 February 2007.



7. In her State of the Province Address (SOPA), our Honourable Premier, Ms Refilwe Mtshweni-Tsipane, insightfully remarks with a rhetorical question, that –  
  
“Agriculture is one of the most employment intensive sectors of our economy. It is the only industry that has the potential of propelling our people from abject poverty into prosperity. The question is how to grow this sector which is often referred to as the backbone of our economy to fulfil its potential?”.
8. This budget speech reflects our considered riposte to this rhetorical, yet pertinent question by the Honourable Premier, given the fact that as a Province we are strategically positioned to influence the key economies of Mozambique, the Kingdom of eSwatini, the Provinces of Gauteng, Limpopo and Kwa-Zulu Natal.
10. To this end, we have since brought together and held meetings with the four key Agricultural Unions in the Province, namely AFASA, Agri Mpumalanga, NAFU, and TAU SA. This is important for the sector to break the silo mentality and unnecessary contestations amongst the key stakeholder, interested parties and farm dwellers.
11. Madam Speaker, working together, will ensure collective unity within the sector towards achieving the much needed balance between production activities and sustainable job creation through agriculture.
12. We must continue to intensify efforts to transform the sector towards achieving equity and sustainable production which includes increased participation by the marginalized sectors of our people.
13. This transformation is also characterized by our engagements with the key stakeholders such as National and Provincial sector Departments, Commodity Representative, Private Sector and Farmers, to develop the Provincial Agricultural Master Plan which is directly linked to the National Agricultural and Agro-processing Master Plan (AAMP).
14. The focus now will also be on involving stakeholders such as the Mpumalanga University and Agricultural Research Council.
15. Madam Speaker, Honourable Members, I am happy that these institutions have expressed an interest and willingness to be part of this collaboration, because we all agree that agriculture is both a science and a business.

## COHESION IN THE SECTOR

9. Madam Speaker, the need for cohesion within the sector cannot be overemphasized, hence we are gravely concerned about incidences such as those that took place in the Gert Sibande District, and in Mkhondo to be specific, wherein farm workers were killed by Farmers. Such barbaric behaviour must not only be condemned in the strongest terms possible but the law must take its course with criminals arrested for such dastardly criminal conduct.





## INCREASED AGRICULTURAL PRODUCTION

**As the Honourable Premier has asked the starting point of growing the sector is ensuring equitable access to land.**

### Access to Land:

16. Madam Speaker and Honourable Members, the transformation of this sector begins with the issue of access to land which remains an emotional subject for many of our people given the history of how they were dispossessed with their land declared a *res nullius* (land that belongs to no one).
17. Therefore as a Province we support the current national effort to amend the property clause in the Constitution to clearly address transformation of land ownership. However, while this process is unfolding we are actively and practically implementing programmes on the ground that are actively facilitating access to land through the following strategies:
  - Accelerating land leases to those who have no access to land for agriculture;
  - The restoration of arable hectares of land to the previously disadvantaged sector of our community. In this instance, to date 207 557.50 hectares of land have been acquired for distribution to qualifying Farmers in the Province through various strategies including Land Redistribution for Agricultural Development (LRAD) and Proactive Land Acquisition Strategy (PLAS).
  - Working together with national to support land restitution programmes and ;
  - We will work closely with COGTA, PWR&T and DALRRD to facilitate transfer of state land that has township on them from our Provincial asset register to Municipalities so that title deeds are given to our people.

## PROVISION OF SUPPORT

18. Madam Speaker, once we have made land available we then provide specific support cultivation of this land so that it does not lay fallow.
19. This Madam Speaker and Honourable Members, we do because we know that - growing your own food is like printing your own money. Madam Speaker, we are intensifying the support of our household food gardens in order to ensure our people have food on their tables. *Refetsa tlala*.
20. It is our objective through this programme to bring about an exit strategy for our indigent grant dependent households. This we will achieve through identifying grant beneficiaries and provide them with climate smart agricultural technologies to produce their own vegetables and link them with the Agri hubs to be suppliers of the Government nutrition programme.
21. Once they are able to produce enough to exceed the grant amount they are able to exit the grant and we help them to become smallholder producers.
22. We support Smallholder and Emerging Farmers through the following programmes:





**Phezukomkhono Mlimi**

- 23. Madam Speaker, we have intensified the provision of mechanization and production inputs support to all our Farmers and in particular the household, subsistence and emerging Famers.
- 24. Focus has been in providing seeds, chemicals and training to the mostly un-bankable farms.
- 25. We also provide mechanization to address limited or unavailability of mechanization at farm level, to ensure food security at homestead.

**Masibuyele Esibayeni**

- 26. Madam Speaker, in addition, we will also intensify the provision of livestock support to our Farmers to increase production level.
- 27. Key focus areas are in feedlots complexes, aquaculture, layers and milking parlour revamps.
- 28. The support will include the provision of livestock, livestock handling facilities such as earth dams, fencing, and access to markets.



**Infrastructure Projects**

- 29. Madam Speaker, we have noted that some of our infrastructure projects are not performing at their optimum level.
- 30. We have since initiated a process of assessing a number of projects that were conceptualized some years back, which are no longer functional.
- 31. These projects are being profiled with an intention of resuscitating those that are still economically viable.
- 32. We have initiated a process of establishing a programme for incubation purposes where funds can be invested through partnering with other stakeholders for acquisition of farms where benefits of the investment can be realized.
- 33. The agricultural and environmental infrastructure support will include the one-stop-centre, broiler houses, and environmental centres, and maintenance of community dams.

**AGRO-PROCESSING**

- 34. Furthermore, Madam Speaker agro-processing is one of the critical step that is critical in the creation of more green jobs through beneficiation of produce in the value chain while increasing value for the Farmer from the produce.
- 35. In this regard the Department provides the following assistance to our Farmers:

## Agri Hubs

36. Madam Speaker, our focus and commitment is to substantially expand agriculture and agro-processing sector.
37. According to Stats SA, 15% of farming income was generated from horticulture and these were generally processed and exported through the fresh produce market sectors.
38. The Department is facilitating increased access to markets for our Farmers by building rolling out the establishment of Agri hubs in each District.
39. Madam Speaker, I am happy to announce that we have completed the feasibility study for the establishment of Agri hubs in Nkangala and Nkomazi.
40. The Development of the two Agri hubs (Nkangala and Nkomazi) is planned to commence this financial year. The Department is projecting 300 direct jobs to be created during construction stages of these developments.



The industry grew by 240% in terms of area planted and by 353% in terms of production (production per hectare increased). Over 53,7% of these nuts were exported.

42. However, Madam Speaker, this industry requires a substantially high degree of capital investment to get off the ground.
43. We have therefore set aside a budget to conduct a feasibility study of establishing an African Black owned macadamia nut processing plant.



## Macadamia Nuts Agro Processing Plant

41. Madam Speaker, Stats SA reports that there was a substantial growth in the tree nut industry between 2007 and 2017 and mainly in Ehlanzeni District.

## Sugarcane Community Based Plant

44. Madam Speaker, sugarcane in Mpumalanga is the second largest field crop at 1,4 metric tons after maize, and is produced mainly in Ehlanzeni District.
45. The question is, Madam Speaker, what is the contribution of our Black Farmers who are mainly at subsistence level, in all this value chain?
46. Madam Speaker and Honourable Members, to answer this question, we need to come to this space and address the domination of agro-processing by major companies. We are undertaking a feasibility study on the establishment of a sugar-cane milling plant within reach of these emerging sugarcane Farmers in the Nkomazi area. This will also assist in job creation.





### Grain Milling

47. Madam Speaker, in the 2019/20 production year, Mpumalanga was top in the commercial grain sorghum producer ahead of other top producers such as Limpopo, Free State and North West respectively.
48. A significant percentage of this is processed mainly for human purposes (about 95%) such as malt and sorghum meal (also known as mabele) and traditional African beer commonly known as umqombothi (Kungako there are no Honourable Members who are drunk). The remaining 5% of the total commercial processing volume is used for animal feeds and export market.
49. We are transforming the sector to increase the participation of subsistence and emerging Farmers in the grain primary and secondary production, which will presents an opportunity to open this market for small and emerging millers and primary producers of the sorghum grain.
50. In this regard the Department has started the refurbishment of the infrastructures of the Black and emerging sorghum mills.

51. Madam Speaker, as a Department we noted the commitment made by our Honourable Premier in her State of the Province 2021, to 'continue with our preparations for integrated Human Settlement mega projects' such as 'Inkosi City in Dantjie, and Dingweli in the City of Mbombela, Smart City in Nkomazi, Retiefville in Mkhondo, Secunda West in Govan Mbeki, and Rondebosch in Steve Tshwete Local Municipalities'
52. Madam Speaker, as a Department we note the opportunities that such developments provide for sustainable agricultural development. For instance Nkosi City is an opportunity for a sustainable agribusiness hub and an agri-village.
53. The Department has initiated a comprehensive training programme aimed at providing potential beneficiaries within these mega projects with relevant multidisciplinary skills.
54. We anticipates that over the coming years, we will be highly involved in providing support for:
  - i. Development of 2 300 square metre sized food garden in each houses holds totalling to 7000 gardens.
  - ii. Planting of fruit trees along the streets through the Zonda Indlala Programme. Subject to suitability and adaptability, Macadamia and Citrus shall also be targeted alongside other climate smart plantations.
55. The Department together with the partners shall initiate the establishment of food processing for both produced vegetables and fruits.





## WOMEN, YOUTH AND PEOPLE WITH DISABILITY IN AGRICULTURE RESEARCH & DEVELOPMENT, AND TRAINING

### Mpumalanga Young Farmer Incubation Programme/ Fortune 40

56. Madam Speaker, allow me to borrow from the ocean's wisdom – 'just as wave pushes wave to renew itself' so must new blood and young blood must push old blood in order to renew society'. The Department is continuously adapting its models of service delivery with the view of increasing its effort of attracting Young Farmers to renew the farming sector.
57. We intend encouraging young Farmers to produce high value crops such as medicinal plants and actively involved in agro processing thereof, because these are a passion for young people in particular young women.
58. We commit to rollout our Mpumalanga Young Farmer Incubation Programme/ Fortune 40 and improve it to provide opportunities for young people with disability.
59. In so doing we believe Madam Speaker, that we will increase the role of young people and women in agriculture while also creating much needed jobs for our young people.

### Agricultural Training

60. Madam Speaker, for Farmers to effectively participate in the whole agricultural value chain, agricultural and related skills are crucial.
61. The Department is strengthening its coordination with structures involved in agricultural training including sister Departments, Academic Institutions, Civil Society and Private Sector through the Provincial Agricultural Education and Training Forum.
62. Madam Speaker, we are refurbishing Farmer Training Centres at Elijah Mango, Marapyane and Mzinti in order to provide accredited training programmes at these centres.

### Research and Development

63. Madam Speaker, and Honourable Members, climate change continues to negatively impact the sector with epoch of natural disasters, invasive crop pest, the Fall Army Worm, which have recently put our Farmers under tremendous stress and financial losses.

64. It is important therefore for us to harness latest advances in research and development, including advancements in climate smart agriculture through collaborations with ARC, the African Agricultural Technology Foundation (AATF), among others.

65. We are refurbishing the Athole Research farm and maintaining the Nooitgedacht Research farm to support both crop and animal research.

## CLIMATE CHANGE AND ENVIRONMENTAL DEGRADATION

66. The Department has completed the development of the Provincial Environment Outlook Report, which provides citizens, stakeholders and decision-makers with information on the state of the environment in the Province.

67. The implementation of the Zonda Insila Programme also serves as a Climate Change intervention in reduction of Greenhouse gases while promoting environmental protection and socio-economic upliftment is on course and creating the much-needed jobs.



68. We will continue to focus on Climate Change interventions by developing a Just Transition plan (life after coal mines) which will be a guiding document for the Province for Job resilient and contributes in Reduction of Greenhouse Gas emission by 10% by implementing sector projects and plans.

69. In closing, there may be some unique green-job opportunities made possible by

a) the potential to grow giant bamboo in many parts of Mpumalanga, even on degraded lands, and

b) by the fledgling voluntary carbon markets that are starting to take root internationally as part of internationally Traded Mitigation Outcomes (ITMO's).

c) a number of high-quality products can be made from the harvested bamboo timber, which adds to the potential to make bio-char (which is possible at sawmills). Bio-char has been identified internationally as an attractive ITMO climate sequestering option.

## GOOD GOVERNANCE AND ACCOUNTABILITY

70. For successful delivery of the budget as tabled, it is important Madam Speaker and Honourable Members that the Department is appropriately capacitated.

71. It is important therefore that the critical vacant posts that have been filled with actors for the last ten years are budgeted for and filled with immediate effect as this present a threat to good governance and accountability in the Department as already highlighted by the Auditor General in our audit.

## CONCLUSION

72. I would like to thank our Honourable Premier, Mrs Refilwe Mtsweni-Tsipane, and Members of the Executive Council for their guidance and support.

73. I also wish to express my appreciation to the Portfolio Committee on Agriculture, Rural Development, Land and Environmental Affairs, under the leadership of its Chairperson, Honourable Mr B Lubisi.



74. The officials in my Department led by the Head Mr. Mfana Chunda, to our external stakeholders, Organized Agriculture and Farmers; let us continue working together to support the farming community.
75. My appreciation also goes to the African National Congress for the guidance and support they have given us.
76. And lastly, I want to thank my family and wife for their warm and ever present support.

## BUDGET ALLOCATION

77. I hereby present the Vote to this august House to approve the 2021/22 financial year budget, allocated in nine (09) programmes as follows:
78. **Programme 1: Administration** - Two hundred and three million, five hundred and seventy-five thousand rand (R203 575 000)
79. **Programme 2: Sustainable Resource Management** – Sixty-five million, two hundred and fifty-one thousand rand (R65 251 000)



80. **Programme 3: Farmer Support and Development** – Five hundred and three million, two hundred and ten thousand rand (R503 210 000)
81. **Programme 4: Veterinary Services** – One hundred and sixty-seven million, nine hundred and four thousand rand (167 904 000)
82. **Programme 5: Research and Technology Development Services** – Sixty-eight million and twenty- nine thousand rand (R68 029 000)
83. **Programme 6: Agricultural Economics Services** – Nineteen million and twenty-nine thousand rand (R19 029 000)
84. **Programme 7: Structured Agricultural Education Training** – Thirty-four million, two hundred and six thousand rand (R34 206 000)
85. **Programme 8: Rural Development Coordination** – Twenty-nine million, five hundred and eighty-seven thousand rand (R29 587 000)
86. **Programme 9: Environmental Affairs** – One hundred and forty- four million and sixty- four thousand rand (R144 064 000)
87. **The budget allocation for 2021/22 financial year is One billion, two hundred and thirty-four million, eight hundred and fifty-five thousand rand (R1 234 855 000)**

This budget will enable us to deliver on the plans of the Department of Agriculture, Rural Development, Land and Environmental Affairs as outlined.

I thank you  
Dankie  
Ngiyabonga  
Ngiyathokoza  
Enkosi  
Ke a leboga  
Ndza nkhensa  
Ndo livhuwa



# WHERE WE CAN BE FOUND

## HEAD OFFICE

Samora Machel Building, Floor 1&2  
No 7 Government Boulevard  
Republic of South Africa

Private Bag x 11219  
Republic of South Africa  
Riverside Park  
Nelspruit 1200  
Tel: +27 (0)13 766 6359/60 69/6020  
Fax: +27 (0)13 766 8429  
Email: [infodardlea@mpg.gov.za](mailto:infodardlea@mpg.gov.za)

## EHLANZENI SOUTH DISTRICT OFFICE

Building 4, Aqua Street  
Riverside Park  
Nelspruit 1200  
Republic of South Africa

P.O. Box 266  
Nelspruit 1200  
Republic of  
South Africa  
Tel : + 27 (0) 13 759 4039  
Fax: + 27(0)13 759 4165



## EHLANZENI NORTH DISTRICT OFFICE

101 Main Road  
Thulamahashe, 1365  
Republic of South Africa  
Private Bag x 1321  
Thulamahashe 1365  
Republic of South Africa  
Tel: +27 (0)13  
773 1192  
Email: [hndlovu@mpg.gov.za](mailto:hndlovu@mpg.gov.za)

## NKANGALA DISTRICT OFFICE

Building 16, Government Complex  
Kwamhlanga 1022  
Republic of South Africa  
Private Bag x 4017  
Kwamhlanga 1022  
Tel: +27 (0)13 947 2551  
Fax: +27 (0)13 947 2809

## GERT SIBANDE DISTRICT OFFICE

44 Church Street  
Ermelo 2350  
Republic of South Africa  
Private Bag x 9071  
Ermelo 2350  
Republic of South Africa  
Tel: +27 (0)17 819 2076