

agriculture, rural development, land & environmental affairs

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA











POLICY AND BUDGET SPEECH 2022/23

09 JUNE 2022, THURSDAY MPUMALANGA PROVINCIAL LEGISLATURE 09:00AM

























Growing your own food is like printing your own money!



2022/2023 POLICY AND BUDGET VOTE No. 5 BY MEC FOR AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS, HON. B.P SHIBA (MPL) 09 JUNE 2022

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. B. Lubisi

Executive Mayors: District and Local Municipalities

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

The Director-General, Mr. N.M Mampuru;

The HOD for the Department of Agriculture, Rural Development, Land and Environmental Affairs, Mr. C.M Chunda; and Other Heads of Departments present here;

African National Congress 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

- 3. Madam Speaker, the conflict between Russia and Ukraine has thrown the agricultural commodity markets and food supplies into more challenges with astronomical increases in production inputs and shortages of supplies such as wheat, amongst others.
- 4. The Bureau for Food and Agriculture Policy estimates that, on average, our country imported over 30% of its wheat from the two countries in the last past five years.
- 5. This conflict with its resultant escalations in fertilizer and related inputs, has already led to drastic operational costs at farm level, with profound negative impact on our communities and subsistence farmers whom are poor and on the periphery of economic activities.
- 6. Madam Speaker, as we enter the aftermath of the most devastating floods in Kwa-Zulu Natal and other areas of our country, we cannot but accept the reality of Climate Change.
- 7. This reminds us of the need for all of us to urgently increase our commitments in the adaptation and mitigation effort of Climate Change.
- 8. Simply put, it means we urgently need to adjust ourselves to the current and future effects of Climate Change. We also need to make the impacts of Climate Change less severe by preventing or reducing the emission of Greenhouse Gases (GHG) into the atmosphere.

OPENING REMARKS

- Madam Speaker and Honourable Members, it is a great honour and privilege to address this esteemed house during this important month of June in our Country.
- 2. The 2022/23 Policy and Budget Speech is scheduled at a time where South Africa celebrates Young People. Reflecting back to June 16,1976, this year's National Youth Day and Month marks the 46th anniversary since the uprising event and will be celebrated under the theme: "The Year of Charlotte Mannya Maxeke: Growing youth employment for an inclusive and transformed society."



INTERVENTIONS

- 9. Madam Speaker, modern experts agree that agriculture is the backbone of a world economy, not only for food but also for development.
- We are resolute in taking all our resources to increase sustainable food production and contribute to the growth of the economy of our Province.
- 11. Madam Speaker, allow me to quote uTata Nelson Mandela when he said "There is no passion to be found playing small in settling for a life that is less than the one you are capable of living", close quotes.
- 12. We resolved not to "play small" by introducing rigorous programmes that have the ability to change the landscape of our Province, both socially and economically.

EMPLOYMENT STIMULUS AND ECONOMIC INCLUSION OF WOMEN AND YOUTH

Greening of Mpumalanga

13. As stated in the Honourable Premier's State of the Province Address in February this year, we are implementing the Greening Mpumalanga Initiative along the Agro-ecological zones of the Province in line with the Agricultural and Agro-processing Master Plan (AAMP) and the Mpumalanga Economic Reconstruction and Recovery Plan (MERRP).

Gert Sibande District Municipality: Chief Albert Luthuli Local Municipality

14. Honourable Speaker, having launched the Vegetable Basket intervention at Chief Albert Luthuli Local Municipality in the last financial year, in the current financial year we will develop the 450 hectares of Vegetable Production Scheme in the six land reform farms within the Greater Badplaas area.

Ehlanzeni District Municipality: (City of Mbombela, Nkomazi and Bushbuckridge Municipalities)

15. We will invest on establishing 20 hectares of citrus, being oranges and nut trees at Mashobotho CPA within the City of Mbombela Municipality, 30 hectares of avocado production at Bhenyamane farm within Bushbuckridge Municipality and a further 30 hectares of oranges at Nkomazi Citrus farm within Nkomazi Municipality.

Nkangala District Municipality: (Dr JS Moroka and Thembisile Hani Local Municipalities)

- 16. We will invest in the development and sustenance of the grains in the highly arable lands of the Comprehensive Rural Development Programme (CRDP) municipalities of Dr JS Moroka and Thembisile Hani to take advantage of this grain corridor.
- 17. To this extent, we will develop no less than a 1000 hectares of land covering a minimum of 145 hectares of sunflower at Marapyane on the Bakgatla Tribal Land supporting a Young-women Co-operative. The remainder will be hectares of land for maize and legume production.
- 18. This exciting programme is aimed at intensively increasing food production by enhancing production capacity of our farmers throughout the value chain and ensuring that the market demand is met.
- 20. Honourable Speaker, for this programme to be successful and effective, it will need strong financial, material support and collaboration from all the key partners, and in this regard we acknowledge and appreciate the support from the Minister at the national Department of Agriculture, Land Reform and Rural Development through the Comprehensive Agricultural Support Programme (CASP) grant contributions.







21. Madam Speaker, as one of our great African leaders Kenneth Kaunda once said "Ambition never comes to an end" close quotes. We are inspired by this.

Climate Smart Agriculture for sustainable food production

Mpumalanga Agri-Mall

- 22. Honourable Speaker, in her State of the Province address this year the Honourable Premier said, and I quote "Working together with SASOL and other stakeholders, we are going to establish an Agricultural Mall, or Agri-Mall, the first of its kind in the Province, if not the entire country. This initiative will see different agricultural developments taking place in one space and complementing each other" close quotes.
- 23. Honourable Speaker, we are pleased and thankful to acknowledge that we have since entered into a Memorandum of Agreement with SASOL.
- 24. The agreement includes the land covering in extent about 130 hectares that has been made available by SASOL within its vicinity for joint agricultural development to benefit local communities at the Govan Mbeki Municipality.
- 25. Among others, Madam Speaker, this Public Private Partnership aims to present a trial-site for Climate Smart Agricultural innovative production integrating climate smart growing technologies and environmental rehabilitation plants such as hemp and bamboo plantations for carbon capture, among others.
- 26. Over the MTEF, we will use this demonstration site to, among others, introduce innovative growing tunnels for vegetables and cannabis variety-testing samples working closely with the Agricultural Research Council in Mbombela; hemp and bamboo plantation trials, potential solar-farm as well as winter Pink-Lady variety Apple orchard, and many more other climate smart agricultural production initiatives.



Cannabis Development

- 27. Madam Speaker, the announcement by our honourable President Cyril Ramaphosa that Government would be looking to ease policies to help the hemp and Cannabis industry, has the potential to generate much needed diversity in the market, especially for those communities who have in the past decades survived on this commodity, prior to its controversial criminalization for commercial purposes.
- 28. It is further pleasing to note that South Africa's Cannabis Master Plan is set to industrialise and commercialise Cannabis to unlock economic opportunities.



- 29. We are currently having engagements as a Department with the South African Health Products Regulating Authority (SAHPRA) to get guidance on the licensing requirements, given that, this is a schedule 6 drug in terms of the Drugs and Drug Trafficking Act 140 of 1992.
- 30. Once appropriately licensed or processes towards licensing are underway, we will resume with Phase 1 of the infrastructure development, which entails securing the site, preparing facility designs and preliminary studies towards environmentally controlled tunnel farming of quality Cannabis equivalent of **100 hectares**.

Black Breeder Incubation Programmes

- 31. Madam Speaker, One of the main cost drivers in farming is production inputs which include seedlings, seeds, fertilizers and chemicals.
- 32. In partnership with the Agricultural Research Council (ARC), we entered into a Memorandum of Agreement, in terms of which we are setting up a **Black Seed-Plant Breeder Incubation Programme** for seedling breeding for vegetables, seeds, grains, legumes, and cannabis.
- 33. This will enable youth interested in agriculture and farmers to participate in this upstream economic element in the value chain.

- 34. Government will be sourcing seeds and seedlings from this and other such establishment and distribute to farmers who will in turn supply the Government Nutrition Programme through Agri-hubs.
- 35. In addition, we are developing a youth run Black Cattle Breeder Incubation Programme.
- 36. The programme is intended to address the shortage of heifers usually experienced by our programme called Masibuyele Esibayeni programme. Calves will be sourced from this incubation programme for distribution to qualifying farmers under this programme.
- 37. These programmes will address and close the huge gap of supply and demand, in particular the inequality in the sector.



38. Madam Speaker, world leading organizations such as National Business Incubation Association (NBIA), are unanimous in that, business incubation is an important economic tool to promote industrial restructuring, encourage the development of technology, stimulate job creation and diversify local economies.

Government Nutrition Programme (GNP) roll-out

- 39. Honourable Speaker, the Province will continue to intensify and roll-out the Government Nutrition Programme (GNP).
- 40. We will continue to support and develop our black farmers to be key players in the whole value chain system and thus unlock the land reform value.
- 41. Together with the farmers, we have since unlocked many bottlenecks, including the development of GNP sourcing legislation which we are putting forward soon to this house to ensure, among others, the creation of an enabling environment for investors in the sector.

Mkhondo One-Stop-Centre

- 41. Madam Speaker, we are recommitted towards completion of the Mkhondo One-Stop-Centre.
- 42. This however Madam Speaker, is highly affected by the availability of funds. The recent economic downturn has had a significant impact on how funds are reprioritised.
- 43. We are also looking for key strategic partners to alleviate the financial pressures faced by this programme.
- 44. Once completed, the centre will be able to service the local and far-flung farmers with the major basic support functions as Agricultural Office Centre, Veterinary Clinic, Tractor sheds and repairs, and others.

Nkosi City

- 45. Honourable Speaker, we have noted the opportunities that this development provide for our farming community and the sector as a whole such as for a sustainable agricultural development, agribusiness hub, and an agrivillage.
- 46. We have initiated a comprehensive training programme aimed at providing potential beneficiaries within these mega projects with relevant multi-disciplinary skills.
- 47. We have, in addition, committed in providing necessary agricultural infrastructure such as boreholes in this financial year.
- 48. We will, over the coming years, be highly involved in providing support for such a development.

FIGHTING POVERTY AND ENSURING FOOD SECURITY

Phezukomkhono Mlimi (PKM)

- 49. Madam Speaker, the Province is predominantly rural in which most of our rural communities, view agriculture as a panache for their economic development.
- 50. The majority of farms in these communities are family farms where the workforce and capital are already on site. Many are producing for in-house food consumption.
- 51. To alleviate this pardon on our communities, we will continue to provide assistance by ploughing, planting and providing inputs through a highly esteemed programme of Phezukomkhono Mlimi. A life changer.

- 52. Madam Speaker, this programme, minimizes and addresses the challenges of domination and monopoly of agricultural inputs by big business, the imbalance of primary and secondary production, and boost the food security measures.
- 53. The goal is to elevate the subsistence and emerging farmers as key players in the agricultural sector.
- 54. Through this, about **17 963** hectares will be ploughed and planted for subsistence farmers, emerging farmers and households.
- 55. In addition, about **1 560** food gardens will be provided with support that include inputs,

Animal Production

- 56. Honourable Speaker, Animal Production is the main dominating farming business in the Province.
- 57. Over many years we have been supplying our farmers with sets of either large or small stock under the Masibuyele Esibayeni Programme as mentioned above.
- 58. We will continue to provide these farmers with livestock infrastructure, training, veterinary services, and linkages to markets such as feedlots, abattoirs and auctions. This is in partnership with the Department of Agriculture, Land Reform and Rural Development (DALRRD).

Agricultural Training

- 59. Honourable Speaker, we are proud to announce that our youth who are interested in agricultural sector are being provided with training through Mpumalanga Rural Skills and Learnership Programme (MRSLP).
- 60. This is funded through the National Skills Fund and is accredited by AgriSETA.
- 61. Farmers will also be provided with training in various skills through various programmes at our disposal.
- 62. Madam Speaker, this ANC led government is making agriculture hype and fashionable to our young people. Soon our agricultural sector will have the age balance between the young and aging farmers.

Research Initiative

- 63. Honourable Speaker, the Premier announced in her State of the Province address that research evidence is critical to inform decision making.
- 64. We are glad to announce that the agricultural sector will benefit from the continuous collaboration of the Department with institutions such as the Agricultural Research Council (ARC).
- 65. The collaboration is based on conducting adaptive research with the farmers in an effort to transfer technologies such as plant cultivars and animal breeds suitable for different agro-ecological zones of the Province as well as cultivars that are adaptable to Climate Change.
- 66. In addition, the sector will be fully serviced by our soil testing laboratory based in our Nooitgedacht Research Farm in Ermelo.
- 67. The laboratory provides services such as soil testing and giving fertilizer recommendation to improve productivity of the soils.

Foot and Mouth Disease (FMD)

- 68. Madam Speaker, we will continue to intensify all our disease control programmes in order to combat diseases of economic, trade and zoonotic importance.
- 69. The recent outbreaks of Foot and Mouth Disease in the country have demonstrated how vulnerable our economy is.
- 70. Madam Speaker, it is pleasing to announce that the Province was spared from the outbreaks, mainly due to the continued preventative measures implemented by the Department.
- 71. Vaccinations of approximately 100 000 livestock in the control zones of Bushbuckridge, City of Mbombela and Nkomazi Municipalities will continue to be carried out to combat this disease.
- 72. Farmers are urged to immediately report their animals that show any clinical signs relating to FMD such as profuse salivation, lameness, and oral sores.

Effects of Natural Disasters

- 73. Honourable Speaker, our effort to increase production is faced equally with challenges of adverse natural conditions such as the recent persistent heavy rainfall.
- 74. From this, the **on and off farm infrastructure in most farms was significantly damaged**.

- 75. In addition, significant number of our farmers lost their crops which were either waterlogged or swept away.
- 76. The Province is currently doing due processes of assessments for consideration of these areas being declared Disaster Areas.

Climate Change

- 77. Madam Speaker and Honourable Members, as mentioned above, Climate Change is the most important environmental aspect facing the world today.
- 78. As a Province, we are stepping up our commitment in advocating and mainstreaming Climate Change for environmental sustainability, climate resilient, and to transit to low carbon economy in the Province and beyond.
- 79. We have finalized the development of the Phase 1 of the Just Transition Plan to transit to low carbon economy that is sustainable and inclusive for all.
- 80. We will also develop Phase 2 Just Transition Plan and Establishment of Mpumalanga Just Transition Working Group to coordinate all Sector Departments, Industries, Local Municipalities, NGO's, CBO's Researchers and Funders for the discussion and implementation of all Just Transition plans and projects.
- 81. The Province will enter into a MOU with Urban Resilience Research and Advisory (Trading as Adapt) for the development of Just Urban Transitions projects.
- 82. In addition, we will enter into an MOU with Fresh Ministries (Florida) and Conservation SA, for the construction of the Aquaponics project at Bushbuckridge in response to Climate Change innovative project as outlined by the Climate Change strategies.



Women, Youth and People With Disability in Agriculture

- 83. Madam Speaker, the Department is continuously adapting its models of service delivery with the view of reaching to women, youth and people with disability.
- 84. We are putting much effort in **ensuring that** there is an increase number of youth, women and people living with disability, who are actively involved in the farming sector.
- 85. We will continue to encourage young farmers to take advantages as provided by programmes such as Black Breeders Programme, and the Mpumalanga Rural Skills and Learnership Programme (MRSLP) as mentioned earlier.
- 86. We also commit ourselves to conclude the consultative process of revision of Mpumalanga Young Farmer Incubation Programme/Fortune 40.
- 87. The revised programme is aimed to be more inclusive in terms of beneficiaries and closely integrated with Land Reform Farms and others.

Cohesion and Collaboration in the Sector:

- 88. Madam Speaker, all the above would mean nothing if there is no cohesion and collaboration in both sectors.
- 89. It is important, that we continue to intensify efforts to transform the agricultural sector and break the silo mentality and unnecessary contestations amongst the key stakeholders, interested parties, farm dwellers, and communities at large.
- 90. We must strive towards achieving equity and encourage integrated sustainable production. This, to include increased participation by the marginalized sectors of black farmers and achieving much needed balance between production activities and sustainable job creation.
- 91. In addition, we have initiated the programme called Private Investment Partnership Model. The programme is aimed at creating a conducive environment that encourages investors in production inputs and capital injection in our projects.
- 92. Engagements are continuing with the key stakeholders such as Private Business, Commodity Representative, and Farmers, towards development of integrated plans such the National Agricultural and Agro-processing Master Plan (AAMP).
- 93. Honourable Members, I am happy that these institutions have expressed an interest and willingness to be part of this initiative.

Good Governance and Accountability:

- 94. Madam Speaker, it is with much pleasure to acknowledge that the Department had achieved an Audit Opinion of Clean Audit in the last financial year.
- 95. We committed to maintain this opinion going forward.
- 96. I would like to take this opportunity to appreciate the support by the Executive Council that have assisted the Department to cross the 50% mark representation of women in SMS level.
- 97. As at March 2022, we had reached representation of 65.4% of women including the Senior Management Services (SMS) level. Malibongwe.

CONCLUSION

In conclusion, let me quote the words of Joan Didion an American writer, open quote "The willingness to accept responsibility for one's own's life – is the source from which self-respect spring", close quotes.

From her State of the Province Address, our Premier has clearly laid out the future of the Province and the Department will focus on implementation and ensuring that the Citizens of this Province are well serviced through our programmes.

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

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

The team in my Department led by the Head of Department, Mr. Cain Mfana Chunda, thank you for the support and commitment and also to our external stakeholders, organized agriculture and farmers; let us continue working together to support our farmers.

My appreciation also goes to the African National Congress Study Group under the leadership of the Chief Whip, Honourable FV Mlombo for the guidance and support they have given us.

And lastly, I want to thank my family, my husband in particular, for the reliable support I receive.

I hereby present the Vote to this august House to approve the 2022/23 financial year budget, which is allocated in nine programmes as follows:

Administration, Two hundred and six million nine hundred and twenty-two rand (206 922 000)

- 2. Sustainable Resource Management, Fiftynine million, nine hundred and fifty-five thousand rand (59 955 000)
- Farmer Support and Development, Five hundred and seventy-three million, seven hundred and eighty-seven thousand rand (573 787 000)
- 4. Veterinary Services, One hundred and fiftytwo million, seven hundred and ninety eight thousand rand (152 798 000)
- Research and Technology Development Services, Sixty million, two hundred and eighty-five thousand rand (60 285 000)
- Agricultural Economics Services, Fifteen million, six hundred and ninety-two thousand rand (15 692 000)
- 7. Structured Agricultural Education and Training,
 Thirty-three million, two hundred and
 fourteen thousand rand (33 214 000)
- 8. Rural Development Coordination, Twentyeight million, eight hundred and seven thousand rand (28 807 000)
- Environmental Affairs, One Hundred and fiftyeight million fifty-eight thousand rand (158 058 000)

TOTAL ALLOCATION

One billion, two hundred and eighty-nine million five hundred and eighteen thousand rand (R1 289 518 000).

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

1 thank you. Ngiyabonga.

Greening Mpumalanga Together!



