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Agriculture and land affairs

The Department of Agriculture strives towards a united and prosperous agricultural sector, with the aim of supporting sustainable agricultural development.

Strategic Plan for South African Agriculture

The department, through its socio-economic development initiatives, is committed to reducing poverty in South Africa and on the continent, broadening access to agriculture, and increasing productivity and profitability within the agriculture sector.

The Strategic Plan for South African Agriculture, adopted in 2001, consists of three core objectives:

- equitable access and participation
- global competitiveness and profitability
- sustainable resource management.

The plan is the result of collaboration between government, Agri South Africa (Agri SA) and the National African Farmers' Union (Nafu).

Agricultural economy

South Africa has a dual agricultural economy, comprising a well-developed commercial sector and a predominantly subsistence-oriented sector in

the rural areas. About 12% of South Africa's surface area can be used for crop production. High-potential arable land comprises only 22% of total arable land. Some 1,3 million hectares (ha) are under irrigation.

The most important factor limiting agricultural production is the availability of water. Rainfall is distributed unevenly across the country. Almost 50% of South Africa's water is used for agricultural purposes.

The country can be subdivided into a number of farming regions according to climate, natural vegetation, types of soil and the type of farming practised. Agricultural activities range from intensive crop production and mixed farming in winter-rainfall and high summer-rainfall areas, to cattle-ranching in the bushveld, and sheep-farming in the more arid regions. Owing to its geographical location, some parts of South Africa are prone to drought.

Primary commercial agriculture contributes about 2,8% to South Africa's gross domestic product (GDP) and about 7,2% to formal employment. However, there are strong backward and forward linkages into the economy, so that the agro-industrial sector is estimated to comprise 15% of GDP.



Today, South Africa is not only self-sufficient in virtually all major agricultural products, but in a normal year it is also a net food exporter. Major import products include wheat, rice and vegetable oils.

Despite the farming industry's declining share of GDP, it remains vital to the economy, and the development and stability of the southern African region.

For the past five years, agricultural exports have contributed on average about 8% (7,6% in 2004) of total South African exports.

Normally, South Africa is a net exporter of agricultural products in rand value. The largest export groups are wine; citrus; sugar; grapes; maize; fruit juice; wool; and deciduous fruit such as apples, pears, peaches and apricots. Other important export products are non-alcoholic beverages, food preparations, meat, avocados, pineapples, ground-nuts, preserved fruit and nuts, hides and skins, and dairy products.

Genetically modified organisms (GMOs)

South Africa does not have ideal conditions for crop production. Less than 12% of its land is arable, and serious climatic constraints, such as periodic droughts, limit agricultural production.

Genetic modification (GM) provides a way of meeting the growing demand for food without placing even greater pressure on scarce resources.

The GMO Act, 1997 (Act 15 of 1997), which was implemented on 1 December 1999, provides for the regulation of GMO activities in South Africa, particularly biosafety assessments being conducted for every proposed GMO activity. In terms of the Act, permits are issued for a specific GMO activity, such as trials or commercial release in the country. The permits may also specify conditions under which a particular activity with GMOs should take place.

The Act promotes the responsible application of GMOs in South Africa without these negatively affecting human or animal health, the environment or biodiversity. In terms of the GMO Act, 1997, the Advisory Committee (AC), comprising scientific experts, evaluates risk assessments to determine if a particular GMO is safe for humans, animals and the environment.

The Executive Council (EC) consists of members from the departments of agriculture, health, environmental affairs and tourism, science and technology, trade and industry, and labour.

The EC considers the recommendations of the AC, comments from members of the public or interested parties, and compliance with various policies before taking a decision to permit an activity or not.

South Africa has commercialised three different GM crops, namely maize, cotton and soya-beans. The latest approval of a GM crop for commercial use was in 2005, for GM cotton that is both resistant to certain insect species and is herbicide-tolerant. This is the first time that commercial-release approval has been granted for a stacked (two traits in one crop) GMO product in South Africa. Field trials and contained experiments are still being undertaken for soya-bean, potato, maize, sugar cane, cotton and vaccines.

Sustainable resource management and use

At most times, South Africa is able to meet its own food requirements with considerable food exportation.

An inventory of soils, terrain forms and climate (land types) was undertaken by the Agricultural Research Council's (ARC) Institute for Soil, Climate and Water (ISCW). The National Land Type Survey, completed in 2001, assists and informs land-use planning and decision-making. Data from this and other more detailed soil and climate surveys are integrated into the comprehensive Agricultural Geo-Referenced Information System (AGIS), which provides access to information, via the Internet, on agricultural potential and land suitability.

Although it is generally recognised that soil degradation is a problem, little reliable data has been collected systematically over time. Soil degradation is largely related to the decline in soil organic matter. Monoculture cereal production, intensive tillage, short-to-no fallow, and limited crop rotation have contributed to this in the commercial sector.

Excessive fuel-wood collection, inappropriate land-use, population density and overgrazing in communal areas. In addition, it is estimated that about 60% of the cropland area is moderately to severely acidic, and probably at least 15% is affected by subsoil acidity.

The World Catalogue for Natural Resources has been successfully incorporated onto AGIS. The Agricultural Fires Information System that tracks all outbreaks of fire in the Southern African Development Community (SADC) region, has been implemented and can also be viewed at www.agis.agric.za.

Physical degradation

Physical degradation of South Africa's agricultural land results in soil erosion by both water and wind. It has been estimated that water erosion affects about 6,1 million ha of cultivated soil in South Africa, and wind erosion about 10,9 million ha. Another degradation problem is compaction within the soil profile, especially with fine sandy soils where, for example, maize yields can be adversely affected by some 30% to 40%.

Urban spread, industrialisation and mining (such as opencast coal-mining in Mpumalanga) also affect the sustainable use of agricultural land.

In accordance with the Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983), the Department of Agriculture exercises control over the use of South Africa's natural agricultural resources. The Act provides for the conservation of these resources by maintaining the land's production potential, eliminating and preventing erosion and bush encroachment, protecting vegetation, and

Exports

	2001	2002	2003	2004	2005
Total South African products ('000 000)	245 448	314 927	273 127	292 079	327 125
Total agricultural products ('000 000)	20 075	25 460	22 794	22 074	25 458
Agriculture as % of total exports	8,2	8,1	8,3	7,6	7,8

Source: Directorate: Agricultural Statistics, Department of Agriculture

combating weeds and invader plants. The Act generally applies to agricultural land in South Africa, except for the sections dealing with weeds and invader plants, which also apply to urban areas.

To promote natural agricultural resource conservation, policies, norms, standards and guidelines have been developed as a national agricultural resource audit division and a conservation GIS. National long-term grazing-capacity norms were derived from national oceanic and atmospheric administration satellite data, as well as seasonal norms, taking into account the impact of climate on biomass production. At farmer level, conservation committees can be appointed to promote the conservation of natural agricultural resources in the area concerned.

Production

During 2005, the estimated total volume of agricultural production was 4% higher than during 2004. Producer prices of agricultural products decreased, on average, by 5,5% from 2004 to 2005, compared with a decrease of 5,9% during the previous year.

In 2005, producer prices of horticultural products decreased by 0,9% compared with 2004. During the same period, the prices of fresh vegetables increased by 3,1%, while the prices of fruit fell by 3,3%.

The producer prices of animal products were only 1,8% higher in 2005 than in 2004. Prices received for slaughtered stock increased by 5,3%. However, prices received for pastoral products increased by 4,1%. The price farmers received for milk was 1,8% lower. Prices received by poultry farmers showed almost no change compared with 2004.

The red meat and the poultry industries delivered impressive 11,5% and 1,2% added margins for 2004/05 as compared with the same period in 2003/04.

During 2005, the producer price of field crops was 18% lower than during 2004.

The total gross value of agricultural production (total production during a production season valued at the average basic prices received by producers) for 2005 was estimated at R68 899 million (R71 686 million in 2004) – a decrease of 3,8%.

Farm income

The gross income of producers (the value of sales and production for other uses plus the value of

changes in inventories) for 2005 amounted to R67 597 million compared with R69 231 million in 2004 – a decrease of only 2,4%.

In 2005, the gross income from field crops decreased by 9,8% to R15 082 million compared with R16 715 million in 2004. This was mainly because of the downward trend in the prices that farmers received for summer crops during 2005.

Gross income from horticultural products decreased by 6,5%, from R21 052 in 2004 to R19 675 million in 2005.

Income from deciduous and other summer fruit decreased by 14,3% to R4 861 million, while that of citrus fruit decreased by only 2,9% to R2 617 million.

The income from vegetables amounted to R7 042 million – an increase of 7%. Income from potatoes, which maintained a contribution of about 43% to the gross income from vegetables,

Using low-flying microlight airplanes is a new earth-observation tool that is likely to become a common feature of crop estimation in South Africa. Microlight airplanes are used to more accurately establish what is on the land and what should be harvested.

This methodology, developed by the National Crop Statistics Consortium made up of the Agricultural Research Council, Spatialintel and GeoTerralimage, will greatly reduce the National Crop Estimation Committee's reliance on costly farmer-based interviews.

The methodology entails boundaries from satellite images. These lands are then sampled and field data collected to ensure statistical accuracy and to provide reference data to help classify images in terms of crop type.

Advantages of this method are that the microlight pilot is accompanied by a farmer observer who records data on a laptop as the aircraft flies over the lands. Time required to conduct the surveys will be reduced by 87,5%.

Aerial observation is part of a complex statistical system used by the National Crop Estimation Committee to arrive at estimates that are used for financial planning, grain trading, food security and supply management.

increased by 4,2% from R2 636 million in 2004 to R3 010 million in 2005.

Gross income from animal products was 4,4% higher and amounted to R32 838 million. Producers earned R7 959 million from the slaughtering of cattle and calves – an increase of 3,8%.

The price of beef increased by 6,5%. Income from slaughtered sheep grew by 5,7% and amounted to R1 784 million. Income from poultry and egg production amounted to R14 109 million – an increase of 4,4%. Income from ostrich feathers and products increased by 56% to R429 million.

Field crops and horticulture

The largest area of farmland is planted with maize, followed by wheat and, to a lesser extent, sugar cane and sunflowers.

The grain industry is one of the largest in South Africa and is also a very strategic one.

This industry accounts for 25% to 33% of the total gross value of agricultural production.

Grain South Africa represents a total of 17 000 grain producers, of whom 11 000 are from disadvantaged communities. These farmers represent roughly 90% of all grain produced in South Africa.

Other major role-players include the silo, milling, baking and animal-feed industries.

Maize

Maize is the largest locally produced field crop, and the most important source of carbohydrates in the SADC for animal and human consumption.

South Africa is the main maize producer in the SADC, with an average production of about 9,6 million tons (mt) a year over the past 10 years.

It is estimated that more than 8 000 commercial maize producers are responsible for the major part of the South African crop, while the rest is produced by thousands of small-scale producers.

Maize is produced mainly in North West; the north-western, northern and eastern Free State; the Mpumalanga Highveld; and the KwaZulu-Natal Midlands. Local commercial consumption of maize amounts to about 8 mt, and surplus maize is usually exported.

A total of 11,7 mt of maize was produced in 2004/05 on 3,2 million ha of land (developing agriculture included). An estimated 3,1 mt surplus of maize was carried over to 2005/06. This carry-

over contributed to the slump in maize prices to four-year lows in the first quarter of 2005.

Maize prices plunged from more than R1 000 per ton in November 2004 to less than R600 during the first quarter of 2005, after which they recovered to levels of R1 000 per ton towards the end of 2005.

The prices of maize in South Africa are affected mainly by:

- individual views and interpretations of known past and present events and unknown future events, including carry-over stocks from previous seasons
- plantings of maize
- weather patterns
- domestic demand for maize
- regional and international supply and demand for maize
- international maize prices
- the exchange rate.

Wheat

Wheat is produced mainly in the winter-rainfall areas of the Western Cape and the eastern parts of the Free State. Production in the Western Cape is the highest, but there are considerable annual fluctuations. Average wheat production has been about 2,1 mt a year over the past 10 years. There is a distinct downward trend in the area planted with wheat over the past few years. Extra wheat is imported to meet local requirements.

Barley

Barley is produced mainly on the southern coastal plains of the Western Cape. The area where barley was planted totalled 91 950 ha in the 2005/06 production season. Production totalled 231 768 t.

Ground-nuts

Ground-nuts are grown mainly in the Free State, North West and the Northern Cape. Ground-nut planting decreased by 44% from 71 500 ha in 2003/04 to 40 000 ha in 2004/05.

Sunflower seed

South Africa is the world's 11th-largest producer of sunflower seed, which is produced in the Free State, North West and on the Mpumalanga Highveld, as well as in Limpopo.

An area of 460 000 ha was planted in 2004/05, producing 620 000 t.

Lucerne seed

For many years, Oudtshoorn, De Rust and Douglas were the only areas in South Africa where lucerne seed was produced in reasonable quantities. Today, the Oudtshoorn district is responsible for about 8,5% of the lucerne seed produced in South Africa.

Sorghum

Sorghum is cultivated mostly in the drier parts of the summer-rainfall areas such as Mpumalanga, the Free State, Limpopo, North West and Gauteng.

In 2004/05, production of sorghum totalled 260 000 t on 86 500 ha of land.

Sugar

South Africa is ranked as the world's 13th-largest sugar producer. The South African sugar industry is one of the world's leading cost-competitive producers of high-quality sugar.

Sugar cane is grown in 14 cane-producing areas extending from northern Pondoland in the Eastern Cape, through the coastal belt and Midlands of KwaZulu-Natal, to the Mpumalanga Lowveld.

There are more than 50 000 registered cane growers.

It is a diverse industry combining the agricultural activities of sugar-cane cultivation with the industrial factory production of raw and refined sugar, syrups, specialised sugars and a range of by-products.

An estimated average of 2,5 mt of sugar is produced per season. About 50% of this sugar is marketed in southern Africa. The remainder is exported to numerous markets in Africa, the Middle East, North America and Asia.

The sugar industry provides some 85 000 jobs, with direct and indirect employment estimated at 350 000 people. Based on actual sales and selling prices in 2004/05, it is estimated that the South African sugar industry contributed R2,38 billion to South Africa's foreign-exchange earnings.

The South African sugar industry makes an important contribution to the national economy, given its agricultural and industrial investments, foreign-exchange earnings, high employment, and linkages with major suppliers, support industries and customers.

The established sugar industry aims to redistribute at least 78 000 ha of sugar-producing land to black farmers by 2015, as part of its

contribution to the 30% national target of the redistribution of agricultural land. In 2004/05, government committed R6 million towards the first phase of the programme.

Deciduous fruit

Deciduous fruit is grown mainly in the Western Cape and in the Langkloof Valley in the Eastern Cape. Smaller production areas are found along the Orange River and in the Free State, Mpumalanga and Gauteng. This industry's export earnings

Gross value of agricultural production, 2005 (R'000)

Field crops	
Maize	6 908 082
Wheat	2 008 374
Hay	2 018 091
Grain sorghum	140 883
Sugar cane	2 451 628
Ground-nuts	178 456
Tobacco	413 001
Sunflower seed	1 018 516
Cotton	119 041
Other	1 091 700
Total	16 347 772
Horticulture	
Viticulture	2 413 544
Citrus fruit	2 617 381
Subtropical fruit	1 528 481
Deciduous and other fruit	4 861 866
Vegetables	4 031 684
Potatoes	3 010 033
Other	1 250 030
Total	19 713 019
Animal products	
Wool	734 955
Poultry and poultry products	14 109 944
Cattle and cattle slaughtered	7 959 116
Sheep and goats slaughtered	1 855 458
Pigs slaughtered	1 320 638
Milk	4 799 659
Other	2 059 310
Total	32 839 080
Grand total	68 899 871

Preliminary source: Directorate: Agricultural Statistics, Department of Agriculture


represent 16% of the country's total earnings from agricultural exports. In 2004/05, apples made up the largest percentage of the crop (35%), while pears totalled 24% and grapes 33%. About 75% of the total crop was produced in the Western Cape, 14% in the Northern Cape, 8% in the Eastern Cape and 3% in Limpopo.

During 2003, South Africa was the largest exporter in the southern hemisphere of table grapes to Europe. Horticulture represented 77% of the total value of agricultural exports, while deciduous fruit made up 60% of horticultural products.

In 2004/05, income from deciduous fruit decreased by 12% from R5 246 million in 2003/04 to R4 633 million in 2004/05.

The first-ever international collaboration contract between the ARC and the French Agricultural Centre for International Development (Cirad) regarding the evaluation of foreign pineapple cultivars under local conditions was signed. In November 2005, the first material was received from Cirad.

These 11 new pineapple hybrid lines are now being multiplied by tissue culture in Nelspruit, Mpumalanga. This is a major intervention that should benefit the pineapple industry in South Africa as the cultivars are of superior and improved quality. Several horticultural aspects may now become available locally.

 A number of table grape selections from the Agricultural Research Council (ARC) Infruitec-Nietvoorbij breeding programme are being evaluated overseas and extremely positive results were obtained in the northern hemisphere (Spain and California).

A late white seedless selection did well in both California and Spain and registration for plant breeders' rights was under way by mid-2006.

A licence agreement to commercialise two ARC-bred table grapes (Regal and Sunred) in Tunisia and Saudi Arabia was finalised. By mid-2006, the ARC was pursuing three other licence agreements to commercialise ARC Infruitec-Nietvoorbij-bred stone-fruit varieties in Tunisia, Turkey, Morocco, Chile and Australia.

Wine

Internationally, South Africa's wines are highly competitive, with the industry showing a sustainable and increasingly positive trend over recent years.

The wine industry currently contributes R163 billion a year to South Africa's GDP and employs 257 000 people directly and indirectly, while an additional R4,2 billion is generated annually through wine tourism.

The area under wine grapes had increased constantly since 1990 to 1 010 607 ha in 2005.

In February 2006, the South African Wine Industry Information and Systems estimated the 2006 wine grape harvest – including juice and concentrate for non-alcoholic purposes, rebate and distilling wine – at 1 245 182 t, which was 20 748 t less than what had been estimated, but still 6% more than the 2005 harvest. The 2006 wine harvest was expected to yield 960 million litres (Mt) at an average recovery of 771 litres per ton of grapes.

Citrus and subtropical fruit

Citrus production is largely limited to the irrigation areas of Limpopo (1 360 ha), Mpumalanga (11 442 ha), the Eastern Cape (14 321 ha), KwaZulu-Natal (4 139 ha), the Western Cape (10 033 ha) and Northern Cape (671 ha).

A total of 1,9 mt of citrus were produced in 2004/05, which was a 5% decrease compared with 2003/04.

Pineapples are grown in the Eastern Cape and in northern KwaZulu-Natal. Other subtropical crops such as avocados, mangoes, bananas, litchis, guavas, papayas, granadillas, and macadamia and pecan nuts are produced mainly in Mpumalanga and Limpopo at Levubu and Letaba, and in the subtropical coastal areas of KwaZulu-Natal and the Eastern Cape.

In 2004/05, South Africa produced over 715 755 t of subtropical fruit.

The first commercial banana juice in South Africa has been produced in Bushbuckridge, Limpopo. Several small-scale farmers planted the banana variety Pisang Awak from which the juice is extracted.

The Conservation and Propagation of Medicinal Plants Project has collected 76 different species, which were planted at a site near Moganyaka Village, Limpopo.

The Traditional Healers Organisation is involved in the project with its members participating in collecting and naming indigenous medicinal plants.

Potatoes

About 40% of the country's potato crop is grown in the high-lying areas of the Free State and Mpumalanga. Limpopo, the Eastern, Western and Northern Cape, and the high-lying areas of KwaZulu-Natal are also important production areas. About two-thirds of the country's total potato crop is produced under irrigation.

Of the total crop, 50% is delivered to fresh-produce markets and a further 19% is processed. The South African potato-processing industry has grown tremendously over the past few years. This growth took place primarily in the three main disciplines of the processing industry, namely crisps, chips and French fries. Frozen French fries comprise 59% of total processed potato products in South Africa.

In terms of gross income to the grower (apart from potatoes, which contribute 38%), tomatoes, onions, green mealies and sweetcorn are probably the most important vegetable crops.

These crops contribute 40% to the income derived from vegetables.

Income from potatoes increased by 9,5%, from R2 619 million in 2004 to R2 869 million in 2005.

Tomatoes

Tomatoes are produced countrywide, but mainly in Limpopo, the Mpumalanga Lowveld and Middleveld, the Pongola area of KwaZulu-Natal, the southern parts of the Eastern Cape, and the Western Cape.

Onions

Onions are grown in Mpumalanga; in the districts of Caledon, Ceres and Worcester in the Western Cape; and at Venterstad and adjoining areas in the southern Free State.

Cabbages

Cabbages are also grown countrywide, but are concentrated in Mpumalanga and the Camperdown and Greytown districts of KwaZulu-Natal.

Cotton

Cotton is cultivated in Mpumalanga, Limpopo, the Northern Cape, KwaZulu-Natal and North

West. It constitutes 74% of natural fibre and 42% of all fibre processed in South Africa. Cotton is grown under irrigation as well as in dry-land conditions.

Since 2004, about 60% of cotton has been produced under irrigation. About 75% of local production is harvested by hand. In 2004/05, the price of cotton decreased by 31%.

Black farmers are being assisted in growing cotton on 9 000 ha of land in four provinces.

Tobacco

Virginia tobacco is produced mainly in Mpumalanga, Limpopo and North West. The production of Oriental tobacco ceased in 2001. The number of leaf-tobacco growers is estimated to have decreased to 600 in 2005 from 620 in 2004.

Flue-cured leaf tobacco contributes more than 80% of total production, with hectares cultivated for flue-cured being about six times the land cultivated for air-cured leaf tobacco. However, total hectares planted for 2005 were about 20% less than in the previous season.

The industry employs 23 580 workers. About 50% to 60% of leaf tobacco is exported annually. Excise duties and value-added tax on tobacco amount to R6 billion annually.

Production of important field crops and horticultural products, 2005 ('000 t)

Maize	11 996
Wheat	1 895
Sugar cane	21 048
Grain sorghum	354
Ground-nuts	85
Sunflower seed	691
Deciduous and other soft fruit	1 597
Citrus fruit	1 990
Subtropical fruit	782
Vegetables	2 214
Potatoes	1 757

Preliminary source: Directorate: Agricultural Statistics, Department of Agriculture

Tea

Honeybush tea grows mainly in the coastal and mountainous areas of the Western Cape, but also in certain areas of the Eastern Cape. Honeybush has grown into a commercial crop, with the production of more than 120 t of processed tea per year. The industry has seen an improvement in the quality of tea and the establishment of export standards, the construction of a large processing and packaging facility in Mossel Bay, increased consumer awareness, the appearance of several brand names on supermarket shelves, and a growing overseas market.

Rooibos tea is grown only in the Cedarberg area of the Western Cape, about 200 km north of Cape Town. There is no alternative source of supply anywhere in the world. Although there are other places in the world where the tea could be grown, it is unlikely to be cultivated elsewhere because it is an extensive and labour-intensive crop.

Ornamental plants

Ornamental plants are produced throughout the country, but production aimed particularly at the export market is concentrated in the central parts of Limpopo, Mpumalanga and Gauteng. Ornamental-plant production includes nursery plants, cut flowers and pot plants. The country's most important plant-export products are gladioli, proteas, bulbs, chrysanthemum cuttings and roses.

Amaryllis bulbs are a lucrative export product to the United States of America (USA). The ARC is involved in several ongoing research activities in support of the protea and fynbos industry. Dried flowers form an important component of this industry. A large variety of proteas, cone bushes and other products are well-established in the marketplace.

Ornamental plants are produced throughout the country, with greenhouse and open-field production concentrated mainly in Limpopo, Mpumalanga and Gauteng. The protea industry is mainly concentrated in the Western Cape.

Flowers

South Africa's indigenous flowers such as gladioli, nerine, freesia and gerbera have undergone many years of extensive research in Europe, and have become major crops throughout the world.

South Africa is the leading exporter of protea cut flowers, which account for more than half of the proteas sold on the world market. South African proteas and so-called Cape greens (fynbos) are mainly marketed in Europe.

Livestock

Livestock is farmed in most parts of South Africa. Numbers vary according to weather conditions. Stock-breeders concentrate mainly on the development of breeds that are well-adapted to diverse climatic and environmental conditions. The latest estimates for cattle and sheep are 13,8 million and 25,3 million, respectively. South Africa normally produces 85% of its meat requirements, while 15% is imported from Namibia, Botswana, Swaziland, Australia, New Zealand and Europe.

The livestock industry is the largest national agricultural sector. The local demand for products, which generally outstrips production, creates a dependence on imports, even though there are untapped production reserves in the communal farming sector.

Dairy-farming

Dairy-farming is practised throughout South Africa, with the highest concentration of dairy farms in the eastern and northern Free State, North West, the KwaZulu-Natal Midlands, the Eastern and Western Cape, the Gauteng metropolitan area and the southern parts of Mpumalanga.

The ARC participates fully in the Multiple Across-Country Evaluation for all four major dairy breeds in South Africa, namely Holstein, Jersey, Guernsey and Ayrshire.

Milk SA co-ordinates industry matters, including the information and research functions, and is financed by means of voluntary contributions.

Livestock numbers, 2004 – 2005 (million)

	2004	2005
Cattle	13,8	13,8
Sheep	25,4	25,3
Pigs	1,7	1,7
Goats	6,4	6,4

Preliminary source: Directorate: Agricultural Statistics, Department of Agriculture

Market forces determine prices. The dairy industry is an important employer as some 4 300 milk producers employ about 60 000 farm workers and indirectly provide jobs to some 40 000 people. Milk production for 2004 for commercial markets was estimated at 2 055 ML.

Stock-farming

Cattle ranches are found mainly in the Eastern Cape, parts of the Free State and KwaZulu-Natal, Limpopo, North West, Mpumalanga and the Northern Cape. The indigenous Afrikaner and Nguni, and the locally developed Bonsmara and Drakensberger, are popular beef breeds. The Angus, Hereford and Sussex; Charolais and Simmentaler; and Brahman and Santa Gertrudis breeds are respectively from Britain, Europe and America, and are maintained as pure breeds or used in cross-breeding.

In 2005, 564 753 units of semen were used for artificial insemination.

Sheep-farming is concentrated mainly in the arid and extensive grazing areas of the country. As a result, most of the 25,3 million sheep in South Africa are found in the Eastern Cape, followed by the Northern Cape, Free State, Western Cape and Mpumalanga. Most sheep (18 million) are woolled or dual-purpose sheep.

The sheep breed with the highest wool production per head in South Africa is the South African Merino, followed by other dual-purpose Merino breeds, of which the Dohne Merino, the South African Mutton Merino, the Afrino and the Letelle are the most popular. Dual-purpose breeds are bred with the specific aim of maximising wool and mutton income, because these breeds have a better body conformation than the Merino, but produce slightly less wool per kilogram of body weight.

Average Merino fleece weights vary from 4 kg to 5 kg per year in the semi-arid regions, to up to 8 kg per year from sheep grazing on cultivated pastures. The total wool production for the 2004/05 season was 46,5 million kg and was sold for R838 million. Mutton sheep are mostly found in the semi-desert areas of the Northern and Western Cape.

The most popular mutton breed is the locally developed Dorper, which is a hardy and highly reproductive breed. Limited numbers of indigenous fat-tailed sheep and Karakul sheep are still found. The

Merino and Dorper account for most of the 5,5 million sheep slaughtered annually in South Africa.

A large proportion of the 6,4 million goats in South Africa occur in communal grazing areas. The Eastern Cape has the most goats (39%), followed by Limpopo (17%).

Karakul sheep are farmed in the more arid areas. Only 5 876 Karakul pelts were produced during 2004. The gross value of pelts is estimated at R2,4 million.

The indigenous meat-producing Boer goat accounts for about 40% of all goats in South Africa. Almost all of South Africa's Angora goat (mohair) farmers are located in the Eastern Cape, where they farm with about one million head of Angora goats. The South African mohair clip of four million kg accounts for 60% of the world's mohair production.

About 63% of all goats in South Africa are so-called indigenous goats.

The gross income from animal products increased from R30 690 million in 2003/04 to R31 677 million in 2004/05.

Poultry and pig-farming

The poultry and pig industries are more intensive than the sheep and cattle industries, and are located on farms near metropolitan areas such as Gauteng, Durban, Pietermaritzburg, Cape Town and Port Elizabeth. The predominant pig breeds are the South African Landrace, the Large White, the Duroc and the Pietrain.

South Africa's annual poultry meat production is estimated at 895 000 t. Broiler production contributes about 80% to total poultry-meat production, with the rest made up of mature chicken slaughter (culls), small-scale and backyard poultry production, ducks, geese, turkeys and other specialised white-meat products.

Income from poultry and egg production amounted to R13 389 million in 2004. Commercial producers slaughtered an estimated 558 million broilers during 2004.

South Africa accounts for 68% of world sales of ostrich products, namely leather, meat and feathers. The income from ostrich products is derived as follows: leather (50% – 70%), meat (20% – 30%) and feathers (20% – 30%).

The gross value for ostrich products during 2004 was estimated at R299,6 million.

Game-farming, aquaculture and bee-keeping

South Africa has more game and a wider variety of game species than most countries. Game-farming has grown over the years, and today it is a viable industry with great economic potential. The main game areas are in Limpopo, North West, Mpumalanga, the Free State, the Eastern Cape, the Karoo, the Kalahari in the Northern Cape, and the thorn scrub of KwaZulu-Natal.

Despite periodic droughts in the past, game numbers have consistently increased.

The aquaculture industry in South Africa continues to make meaningful progress in cultivation technology, marketing strategy, marketing practice and scientific innovation. Mussels, trout, tilapia, catfish, oysters and waterblommetjies (Cape pondweed) are the major aquaculture species. Mussel-farming occurs mainly at Saldanha Bay.

The South African honey industry, which is still relatively small, is worth some R56 million annually.

Veterinary services

State Veterinary Services constantly guards against the introduction of animal diseases from outside South Africa. Existing animal diseases, which may be detrimental to South Africa's economy and to human and animal health, are also controlled and combated. Stock in the high-risk areas is inspected at short intervals.

The Directorate: Animal Health of the national Department of Agriculture sets norms and standards for the delivery of veterinary services in South Africa.

Legislation provides the necessary powers to control diseases such as foot-and-mouth disease (FMD), swine fever, rabies and anthrax. South Africa, excluding the Kruger National Park and surrounding game reserves, is recognised as an FMD-free zone by the *Office International des Épizooties (OIE)*, the world animal health organisation.

The Department of Agriculture has created a new biosafety and biosecurity unit and also a new branch to deal with all emerging diseases and improve on biosecurity and food-safety measures.

Animal-disease control is an important factor in ensuring the productivity of the livestock sector and in promoting international trade in agricultural products.

Surveillance systems are in place to ensure that all agricultural products entering and leaving the country are disease-free and thus safe for human consumption. All ports are thoroughly monitored, making sure that imported and exported goods are disease-free.

Particular emphasis is placed on the control of borders with neighbouring countries to prevent the introduction of FMD.

Onderstepoort Biological Products (OBP)

The OBP is a state-owned public company. It has the capacity and technology to produce veterinary vaccines and related biological products for local and international markets.

The OBP is the sole or main producer of a number of vaccines for African and tropical animal diseases. The OBP provides vaccines to combat major outbreaks of diseases such as CBPP (lung-sickness in cattle), lumpy-skin disease, Rift Valley fever, blue tongue, horsesickness and anthrax.

The OBP has joined the Pan-African Vaccine Network and contributed to the control of diseases such as rinderpest and CBPP through the supply of appropriate vaccines. The OBP was also involved in projects with the Food and Agriculture Organisation (FAO) to supply vaccines to African countries, and has worked with the European Union (EU).

In the cutting-edge area of biotechnology, the research and development work by the OBP has led to the successful creation of new and innovative vaccines, such as the doublesure vaccine, which is a combination treatment for the prevention of anthrax and blackquarter disease.

Because of a skills shortage in the biotechnology industry, the OBP developed a multipronged human resource development programme to retain and develop the necessary skills, with positive results. This has contributed to community development, as engineers from previously disadvantaged communities have been appointed as interns in the Department of Agriculture, allowing them to gain a year's experiential training and equipping them to be deployed by the department or find employment elsewhere.

Pest control

Most countries have established maximum residue limits (MRLs) for pesticides used in the control of agricultural pests and diseases, not only to

safeguard consumer health, but also to minimise the presence of residue in the environment.

As a condition of market access, products that are exported must comply with these residue standards. To ensure compliance with legislation, monitoring samples are drawn for analysis during quality inspections.

Exporters and producers are obliged to:

- comply with the requirements of the correct, approved use and application of pesticide remedies
- keep records of the chemical remedies used in spray programmes and as a post-harvest treatment, and provide this information upon request to the responsible authorities
- verify the MRLs with their importer or agent in the relevant country
- keep up with the registration and reregistration processes of pesticides within South Africa as well as in importing countries
- inform the Directorate: Food Safety and Quality Assurance and South African Agricultural Food and Quarantine Inspection Services (SAFQIS) of any rejections by importing country authorities due to residues.

Migratory pest control

In terms of the Agricultural Pests Act, 1983 (Act 36 of 1983), the Department of Agriculture is obliged to control the registered national pests, namely, red-billed quelea, the brown locust and blackfly. These are migrant pests and individual farmers cannot be expected to control them to prevent damage in areas away from their own farms.

The ARC provides research support to the department to optimise control procedures in terms of efficacy, cost and environmental considerations. Technical advice is also provided to neighbouring countries during locust control campaigns.

The Information Core for Southern African Migrant Pests (Icosamp) has been developed and endorsed by the SADC. This is a computer-based information centre for the SADC region that provides a 'hub' for reporting the distribution of migrant pests in the region, and a platform for technical co-operation and the sharing of research information. By providing early warning information of cross-border invasions of migrant pests such as army worm, locust and red-billed quelea, Icosamp

enhances the forecasting efficiency of control organisations, thus assisting national crop-protection agencies to ensure food security.

The South African Pest Control Association (Sapca) is the official representative of the pest-, termite- and woodborer-control industries. All Sapca-qualified inspectors have to register with the Department of Agriculture.

South Africa liaises with other countries and international organisations to ensure the transfer of pest-control technology.

Marketing

South Africa's agricultural marketing has undergone transformation since 1994 with the introduction of the Marketing of Agricultural Products Act, 1996 (Act 47 of 1996).

This Act has changed agricultural marketing policy and practice dramatically to ensure that it occurs in a free environment. The deregulation process was aimed at ensuring that farmers and agribusinesses position themselves as players in the globally competitive environment.

The deregulation process entailed closing agricultural marketing boards, phasing out import- and export-control measures, eliminating subsidies, and introducing tariffs to protect the domestic agricultural industry value chains against unfair international competition.

Subsequent to the setting up of the National Agricultural Marketing Council (NAMC) in 1997, the Directorate: Marketing in the Department of Agriculture was established in 2002 to work closely with the NAMC on agricultural marketing matters. The purpose of the directorate is to develop, promote and facilitate the implementation of programmes and measures aimed at supporting equitable access to competitive and profitable agricultural markets on a sustainable basis. This broad mandate is achieved through the following:

- administering market-access measures in the form of trade (import and exports)
- facilitating fair, open, efficient and competitive domestic markets
- developing policies and strategies, and facilitating the implementation of programmes and measures to facilitate equitable access to mainstream the domestic market

- liaising with other government departments and relevant parties to enhance the efficiency of the agricultural marketing value chains.

The directorate comprises three subdirectorates, namely Marketing Administration, Commodity Marketing, and Marketing Development and Support.

The Subdirectorate: Marketing Administration administers the issuing of import and export permits to enhance trade and market access. At the same time, it facilitates the participation of new entrants in the trading environment.

The Subdirectorate: Commodity Marketing profiles key agricultural commodity marketing value chains and undertakes further analysis of market structures to determine market access qualifiers. It further investigates the behaviour of commodity and non-commodity markets to recommend policy options, thus ensuring equitable access to mainstream markets by all.

The Subdirectorate: Marketing Development and Support implements programmes and measures to enhance the development of a vibrant domestic market.

National Agricultural Marketing Council

The NAMC was established by the Marketing of Agricultural Products Act, 1996 to provide the Minister of Agriculture with strategic advice on agricultural marketing to ensure improved market access for all participants, marketing efficiency, optimisation of export earnings and the viability of the agricultural sector.

The NAMC undertakes investigations into issues of agricultural marketing and marketing policy, reviews statutory levies collected by various industries, and provides guidelines on such levies so that a portion thereof may fund the empowerment of people from previously disadvantaged communities in the areas of training, exposure and market access.

Land administration

The Department of Agriculture, through the Directorate: Land Settlement and Development, controls and administers 121 939 ha of state agricultural land.

The primary goal of the directorate is the internal administration of state agricultural land, with the aim of farmer settlement and ownership reform.

Food security

Cabinet approved the Integrated Food Security and Nutrition Programme (IFSNP) in July 2002 as one of the key programmes of the Social Cluster. The programme aims to achieve physical, social and economic access to safe and nutritious food for all South Africans.

Its goal is to eradicate hunger, malnutrition and food insecurity by 2015.

The IFSNP recognises the broad regional food-security framework that the Regional Indicative Sustainable Development Programme highlighted, and that prompted South Africa to respond to the humanitarian appeal by the United Nations (UN) World Food Programme for food emergency relief in the SADC region.

The Agricultural Starter Pack Programme aimed to move people out of the Food Parcel Scheme by having them grow their own food. By January 2006, some 33 137 households had received agricultural starter packs.

By mid-2006, provinces were being encouraged to phase out the Agricultural Starter Pack Programme and to replace it with the sustainable Household Food Production Programme (HFPP) that would concentrate on distributing starter packs and helping to develop and transfer suitable input, technologies, information, training and capacity-building.

Through the HFPP, more than 40 000 households received agricultural production packs in the first half of 2006/07. The year's target was to reach 62 000 vulnerable households.

Provinces aimed to procure and distribute power hoes worth some R30 million to over 3 000 beneficiaries – mostly women and youth in predominantly rural areas – to help them improve their agricultural productivity.

Food handlers in schools were trained by 240 master trainers in food safety, health and hygiene, and maintaining food-preparation areas. By mid-2006, the programme was feeding 298 323 learners in 801 ordinary schools, and 1 479 766 learners in 5 902 nodal schools.

The directorates: plant health and SAAFQIS drafted the Draft Food Security Bill to ensure not only food safety, but also the quality of agricultural products, including fresh fruit and vegetables, exported within the current control system. By implementing the prevention-is-better-than-cure rule, control is transferred from end-product testing to the design and manufacture of such products.

In any international exchange of plants and plant products, there is a risk of pests and diseases being introduced into the territory of the importing country. In view of this, the South African Government is a signatory member of various multinational agreements.

The most important, in terms of safeguarding the country's agricultural resources and natural environment, are the International Plant Protection Convention (IPPC) and the World Trade Organisation (WTO) Agreement on the Application of Sanitary and Phytosanitary Measures (WTO-SPS).

The Human Rights Commission and UN Council for Human Rights officials have hailed the draft Bill as the first of its kind to comprehensively address all pertinent food-related issues. The document will be used as a basis for discussions in Africa and at the UN. Normal procedures on new legislation and policy guidelines will follow when discussions are finalised.

Regional issues

South Africa participates in the Regional Advisory Committee (RAC) of the Regional Food Security Training Programme (RFSTP).

The RFSTP has been developed over a five-year period as endorsed by the RAC. The activities of the RFSTP focus on three main areas: strengthening the supply of food-security training services, strengthening the effective demand for training and development, and sustaining regional markets for food-security-related training services.

The SADC has instituted the Subcommittee for Plant Protection, tasked with harmonising phytosanitary requirements in southern Africa. South Africa is also a member of the Inter-African Phytosanitary Council, which was established in 1954. Regional plant-protection organisations such as these are able to provide valuable co-ordination for the activities and objectives of the IPPC at local level.

International issues

As a signatory to the Rome Declaration, South Africa has committed itself to the implementation of the World Food Summit Plan of Action. For this purpose, South Africa reports annually to the World Committee for Food Security. South Africa is also collaborating with the FAO on the implementation of the Special Programme for Food Security, within the context of the Integrated Sustainable Rural Development Programme (ISRDP).

South Africa is an active participant in other international standard-setting bodies that are vital to

its global market share, such as the IPPC and Codex Alimentarius.

Risk management

Considerable uncertainty and risk are attached to farming. Agriculture in South Africa is inherently more risky than in many other countries because rainfall is low on average and highly variable. In addition to risks associated with drought, farmers are also confronted with a range of other hazards such as hail storms, fire, floods, cold spells, pests and diseases.

The Department of Agriculture emphasises prevention and mitigation strategies such as the establishment of an early warning system for the sector and research on climate change, including large-scale epidemics and hazards, as well as the provision of information to farmers on markets, climate and insurance matters.

The National Agro-Meteorological Committee, comprising provincial departments of agriculture, the ARC, South African Weather Service and relevant directorates within the department, is chaired by the Directorate: Agricultural Risk and Disaster Management (ARDM).

The committee meets quarterly to review the early warning initiatives and to ensure the ARDM issues early warning monthly advisories to farmers to enable them to make informed decisions in their planning against possible natural disasters.

The department has completed the discussion document *Climate Change and the Agricultural Sector in South Africa*. By mid-May 2006, the department was developing agriculture sector plans on climate change impacts.

Early warning information can be accessed through the following websites:

www.nda.agric.za and www.agis.agric.za.

Drought management

Climatic change is causing drought interspersed with flooding, leading to lower yields in various commodities. Government aimed to gazette a drought-management plan in line with the Disaster Management Act, 2002 (Act 57 of 2002), in 2006, which was also the International Year to Combat Land Degradation and Desertification. The plan will respond to drought-related disasters that affect farmers, and provides for animal feed and water.

Long-term interventions by the department include improved research, a fully functional early warning system and agricultural sector strategies to address disaster-management issues.

Credit and assistance

The agricultural sector has, to date, been a net borrower, in that it borrows more than it saves. In fact, the total debt of South African farmers has increased by about 10% a year since 1995 – reaching R34 733 million by the end of 2005, compared with R9 495 million at the end of 1984.

The six major sources of credit for farmers are banks (50%), agricultural co-operatives and agri-businesses (12%), the Land Bank (21%), private creditors (8%), other creditors and financial institutions (9%), and the State (1%).

Business and Entrepreneurial Development (BED)

The Directorate: BED of the Department of Agriculture is responsible for promoting and providing strategic support in the development of viable and empowered businesses to stimulate growth and promote unity through partnerships and niches.

The ultimate aims are to:

- unlock the economic potential of idle and underutilised resources of emergent groups through empowerment efforts
- facilitate restructuring and the expansion of existing farming/agribusinesses to enhance their competitiveness and contribution to the sector and the economy at large.

The directorate has three units. The Business Development Unit works closely with industries/commodity groups to develop inclusive, enhanced and harmonised commodity strategies and joint action plans.

Jointly with Food Security, Financial Service and Co-operative Development, Land Redistribution for Agricultural Development (LRAD) and the Comprehensive Agricultural Support Programme (CASAP), the directorate is working on a graduation programme for moving emerging business into commercialisation.

Through the directorate, the department has contributed towards the development of the National Emergent Red Meat Producers' Organisation's database, Grain Industry Strategy, the Fruit Industry Plan and the implementation of the Cotton Industries Strategy.

The focus has been on working with Nafu and emerging farmer leaders to mobilise increased participation of emerging farmers into commodity groups.

Together with the Co-operative Development Initiative, the directorate has initiated a programme for incorporating mentorship and linking emerging farmers/agribusinesses in nodal areas with established businesses. Eleven potential nodal projects have been identified.

A process adapting the Small, Medium and Micro Enterprise (SMME) Excellence Model for agriculture has been completed. The excellence model aims to improve management capability for enhanced competitiveness. A partnership agreement has been concluded and signed between the department and the University of Fort Hare through its community-based development centre, for the purpose of initiating and rolling out the SMME Excellence Model in the Eastern Cape nodal areas.

The partnership is initially phased over three years with a detailed review at the end of the third year for lessons pertaining to future roll-out domestically and elsewhere.

The Black Economic Empowerment (BEE) Policy Unit is concerned with harnessing and unlocking idle and underutilised economic potential for growth and wealth creation in the agricultural sector.

The unit has been working closely with organised agriculture and related business in facilitating the development of policy guidelines for empowerment in the sector.

In July 2004, the former Minister of Agriculture and Land Affairs, Ms Thoko Didiza, launched the AgriBEE Framework for public comment.

The framework is the department's response to improving equitable access to and participation in agricultural opportunities, deracialising land and enterprise ownership, and unlocking the full entrepreneurial potential in the sector. The framework was developed in collaboration with agriculture stakeholders, and the process was expected to culminate in an AgriBEE charter before the end of 2006.

To facilitate and guide implementation, the directorate will facilitate the performance of baseline research, which will inform the status of BEE in the agricultural sector and allow for benchmarking progress in economic empowerment.

As part of a broader AgriBEE awareness and promotion effort, the inaugural empowerment showcasing event was held in March 2006 in Durban. The event highlighted best practices that

could help determine benchmarks for future empowerment ventures in the agriculture sector and related industries.

In stimulating the participation of black people in the agricultural sector, the directorate has partnered with the ARC to support the commercialisation of projects. The first project is the commercialisation of devil's claw products in the Free State, North West and Northern Cape. About 1 800 jobs will be created by this project, mostly in rural communities. The bee-keeping project is being implemented countrywide and involves commercialising bee-keeping ventures.

There are interactions with the flower industry for an industry-specific BEE programme that will assist with the mainstreaming and inclusion of black people, incorporating the enhancement of total quality management and competitiveness of agricultural enterprises.

LandCare Programme

The LandCare Programme is a community-based and government-supported approach to the sustainable management and use of agricultural natural resources.

The vision of the LandCare Programme is for communities and individuals to adopt an ecologically sustainable approach to the management of South Africa's environmental and natural resources, while improving their quality of life. It implies that cultivation, livestock grazing and the harvesting of natural resources should be managed in such a manner that no further degradation (such as soil erosion, nutrient loss, loss of components of the vegetation and increased run-off) occurs.

The overall goal of the LandCare Programme is to optimise productivity and sustainability of natural resources, resulting in greater productivity, food security, job creation and better quality of life for all.

The LandCare Programme has been expanded into additional subprogrammes. The department has initiated the integrated Soil Protection Strategy (SPS) in support of growth and sustainable development in the agricultural sector. The project aims to improve agricultural productivity and to contribute to economic growth by focusing on erosion, declining soil acidity, soil fertility and organic matter, and veld rehabilitation.

This initiative arose from the Minister of Agriculture's request that a strategy for addressing the erosion problem in South Africa be developed. MinMEC approved the SPS in August 2005 with the aim of focusing on high- to moderate-potential agricultural land with high erosion status (about three million ha) and to initially identify three priority tertiary catchment areas. By mid-2006, the Eastern Cape, KwaZulu-Natal and Limpopo had been identified as the provinces with priority tertiary catchments, with a total land area of about 400 000 ha between them.

Some R40 million was allocated to the LandCare programme. Of the 89 projects that were approved, 45 were in the nodal areas and benefited 53 206 people. By May 2006, 122 608 people had benefited from the LandCare programme.

The Agri-Tourism Programme (ATP) as an extension of the LandCare Programme was launched in December 2005.

LandCare themes are grouped into two areas, namely, focused investment (WaterCare, VeldCare, SoilCare, Eco-Technology, ATP, Infield Rainwater Harvesting [IRWH] and JuniorCare) and small community grants.

Projects are under way countrywide.

Focused investment

WaterCare

The WaterCare theme targets Limpopo in particular, because of water shortages and the importance of water for irrigation. This theme establishes a framework for managing land and preventing the silting up of dams for irrigation. WaterCare works in partnership with the community to develop action plans for managing and restoring irrigation schemes. The rehabilitation of irrigation schemes increases water supply and household food security. WaterCare promotes the development of techniques for water-resource management and encourages opportunities for training in this field.

VeldCare

This theme promotes best-grazing systems and erosion-prevention practices to improve production. It develops and maintains agricultural activities in accordance with the principles of ecologically sustainable development. Economic and social development opportunities are realised by improving grazing areas and maintaining viable grazing areas throughout rural communities.

SoilCare

It encourages rural farmers in KwaZulu-Natal, the Eastern Cape and Mpumalanga to build innovative structures to combat soil erosion. This includes reducing the depletion of soil fertility and acidity. Through SoilCare, sustainable agricultural production systems such as diversification, management of input and conservation tillage are introduced.

Eco-Technology

The objective of the Eco-Technology theme is to identify, adapt, demonstrate and spread promising appropriate eco-technologies locally (e.g. conservation, farming, water harvesting, etc.), which will provide resource-poor farmers with social, economic and environmental benefits. The expected outcomes of this theme are to see a number of promising appropriate eco-technologies identified and evaluated on-farm; an increasing number of farmers adopting the eco-technologies; and improved social, economic and environmental (e.g. employment) benefits.

Echo-Technology projects will initially be implemented in presidential nodal areas where water is very scarce, e.g. KwaZulu-Natal (Umkhanyakude and Zululand) and Limpopo (Sekhukhune and Bohlabela).

Agri-Tourism Programme

Some 56 ATPs had been identified and were expected to be implemented in 21 nodal areas in collaboration with partners such as the Development Bank of Southern Africa, the Investment Development Corporation, Umsobomvu Youth Fund, Eskom Foundation, Sasol, Anglo Platinum and others.

The ATPs will be extended with support from the Independent Development Trust. The partnership was expected to create about 2 500 jobs.

The ATP aims at accelerating economic (employment) benefits by promoting agri-tourism and implementing identified projects in phases. It also aims at taking advantage of the fast-growing tourism sector to create an increased demand for agricultural products and services in nodes and other poverty-stricken areas.

The programme intends providing training and capacity-building to women and youth, particularly in agri-tourism-related ventures through registered learnerships by the Tourism and Hospitality Sector Education and Training Authority (Seta).

The ATP also aims to promote agricultural operations in rural and urban areas as preferred destinations that would offer local and foreign tourists with a unique experience.

The expected outcomes of the ATP are the expansion of agri-tourism nationwide, involvement of targeted groups, improved socio-economic status, and more enterprises owned by previously disadvantaged individuals.

Infield Rainwater Harvesting

IRWH Technology, which improves the efficiency of water-use and increases yields with a suitable choice of crop combinations under low and erratic rainfall conditions on low-potential clay soils, has been transferred with great success to numerous communities in the Free State and Eastern Cape.

Using IRWH in croplands, community members have increased maize and sunflower yields by between 26% and 40% compared with conventional practices. Socio-economic studies on vegetable gardens have shown that IRWH can secure household food security for nine out of 10 years compared with three out of 10 years using conventional cropping methods.

Technology transfer, training and extension are used to implement IRWH with consequent improvement of household livelihoods in rural communities where the majority of members live below the poverty line. In the Thaba Nchu area in the Free State, the number of households using IRWH increased within one year from 400 to 1 033. Extension officers from the various provincial departments of agriculture, as well as several universities, are actively involved in the projects.

Outscaling, commercialisation and inclusion of IRWH technology in an integrated natural resource approach will have major benefits for sustainable natural resource-use and agricultural production in South Africa.

JuniorCare

The objectives of JuniorCare are to empower previously disadvantaged youth by providing training in facilitation and leadership skills.

This includes the promotion of food security at home and at schools, promoting awareness of sustainable agriculture, and stimulating the formation of youth clubs and projects that aim to promote other components of LandCare. JuniorCare addresses the needs of young people in an integrated way and involves interdisciplinary approaches.

Land and Agricultural Development Bank of South Africa (Land Bank)

The Land Bank is a development-finance institution operating within the agricultural and agribusiness sectors, and is regulated by the Land and Agricultural Development Bank Act, 2002 (Act 15 of 2002). It provides a range of finance options to a broad spectrum of clients in the agricultural sector, including rural entrepreneurs, women and youth.

The bank's mission is to:

- develop and provide appropriate products for commercial and development clients
- leverage private-sector investment in the agricultural sector
- develop techniques for financing high-risk agriculture and new business areas
- support programmes of the Ministry of Agriculture and Land Affairs by aligning the bank's products with these programmes
- contribute to rural development by linking up with government structures and activities.

The Land Bank offers various products to support historically disadvantaged individuals. It also has a web-based library to provide farmers with a comprehensive centre of agricultural information.

The Land Bank, through its Corporate Social Investment Section, has partnered with Roundabout (Pty) Limited to provide safe drinking water to previously disadvantaged schools and communities in the outlying rural areas.

The pilot phase of this project started in Limpopo with boreholes providing safe drinking water to nine schools. The second phase of the project was expected to be rolled out to 18 schools in the Eastern Cape during 2006/07.

Micro-Agricultural Finance Scheme of South Africa (Mafisa)

Mafisa, the first state-owned scheme to provide micro and retail agricultural financial services on a large, accessible, cost-effective and sustainable basis in rural areas, was launched in 2005 in three pilot provinces, namely Ga-Sekhukhune District Municipality in Limpopo, OR Tambo Municipality in the Eastern Cape, and the Umkhanyakude District Municipality in KwaZulu-Natal.

Poor and many of the emerging farmers who were previously turned down by financial institutions can now obtain loans of up to R100 000 at an affordable rate.

As part of the Application of Meteosat Second Generation Data in Agriculture Project funded by the European Union, a satellite dish was installed at the Agricultural Research Council, by means of which the whole of Africa, with its adjacent oceans, is receiving data every 15 minutes from the satellite located 3 600 km above the Earth.

The project researches the data received for agricultural purposes like drought monitoring, animal stress and plant pest indices. The control of migratory pests, weeds and diseases is a public-good basic to a productive agricultural sector and to risk management in agriculture.

The 10 million potential beneficiaries include farm and non-farm entrepreneurs such as farm workers, tenants, household producers, landless people, small landholders, food-garden producers, and rural and micro entrepreneurs.

Mafisa's four products and services for the rural working poor and enterprises are credit, savings, insurance and payment facilities. It provides basic short- and medium-term loans, with a number of permutations that would be available to the poor at the rural district councils of the poorest provinces in terms of the Human Development Index, as determined by Statistics South Africa.

By mid-2006, officials from the Department of Agriculture were training extension officers during workshops so that the roll-out of Mafisa could be expanded in the pilot provinces. Retail agreements with development-finance organisations such as Uvimba in the Eastern Cape, Ithala in KwaZulu-Natal and the Mpumalanga Agricultural Development Corporation were being finalised and a number of loans had been processed. In Limpopo, R34 834 million was disbursed through 236 loans, in the Eastern Cape R2 153 million was disbursed through 51 loans, and in KwaZulu-Natal 1 000 applications for loans to the value of R8 million were received.

Agri South Africa

Agri SA promotes, on behalf of its members, the sustainable profitability and stability of commercial agricultural producers and agribusinesses through its involvement and input at national and international levels.

Agri SA is structured into three chambers, the General Affairs Chamber, which accommodates general matters through provincial affiliations; the Commodity Chamber, which deals with commodity issues through commodity organisations; and the Agricultural Business Chamber (ABC), which accommodates 90 co-operations and agribusinesses associated with Agri SA.

It is a member of Business Unity South Africa, the International Chamber of Commerce (ICC), the International Federation of Agricultural Producers (IFAP), the Southern African Federation of Agricultural Unions and the Cairns Group Farm Leaders.

Agri SA participates in a presidential working group dealing with policy matters specifically in terms of the Strategic Plan for Agriculture.

The mission and vision of Agri SA is to promote the economic opportunities and social well-being of commercial and commercially oriented farmers, by positively influencing agricultural policy and rendering support services.

Agri SA's policy advocacy includes work on trade negotiations, industrial policy, labour laws, training, taxation, financing, land reform, farmer development, environmental affairs, water rights, farm safety, law and order, infrastructure, technology development and transfer, statistical information and local government matters.

It publishes a bimonthly magazine and a weekly electronic newsletter, and also runs a regular radio programme in collaboration with the SABC.

Agricultural Business Chamber

The ABC is a sectoral body representing an important component of South Africa's business sector. ABC's members represent total assets of almost R30 billion and an annual agricultural business turnover of about R50 billion.

ABC members operate more than 2 000 service centres countrywide with more than 100 000 employees. In many rural areas, members of the ABC form the business hub of the community and make a key contribution towards maintaining rural infrastructure.

The ABC is an integral part of the Agri SA Group, and is associated with Business South Africa and international bodies such as the IFAP, the ICC and the International Agribusiness Management Association.

The chamber represents agricultural companies, agricultural co-operatives, companies arising out of

the conversion of agricultural co-operatives, and other agricultural business enterprises and organisations.

Agricultural businesses play a significant role in the economy of South Africa as handlers, processors and marketers of agricultural products, and as suppliers of production input and services.

Transvaal Agricultural Union (TAU) South Africa (SA)

TAU SA was established in 1897 as the Transvaal Agricultural Union. In 2002, the union reorganised to become a national agricultural union serving commercial farmers. It also renders services to its members in terms of:

- property rights
- economic issues
- safety and security.

TAU SA conducts a variety of projects to enhance the concept of successful agriculture. The various farmers' markets and the marketing of effective micro organisms contribute to alternative options available to members and the public.

Agribusiness as an economic sector

Agribusiness can be divided into two categories: non-co-operative business ventures and co-operatives or transformed co-operatives.

Non-co-operative business ventures, also known as profit companies, are involved in the production and distribution of agricultural equipment and production requisites, and the marketing of agricultural products.

Co-operatives dominate the distribution of intermediate requisites and the handling, processing and marketing of agricultural products.

Agricultural co-operatives or agribusinesses are regarded as the farmers' own independent business organisations. There are close to 1 000 primary agricultural co-operatives and agribusinesses throughout the country. They supply their members with production input such as seed, fertiliser, fuel and repair services. They also provide credit and extension services, and handle a large percentage of their members' produce.

There are more than 15 central co-operatives in the country, which aim to supply the primary co-operatives with specific services such as the processing and marketing of agricultural products, insurance services for crops, short-term cover and farming requisites.

The structure of agribusiness has changed substantially since the deregulation of the agricultural sector into a free-market economy in 1994. Many co-operatives have transformed into private companies, consolidations and mergers have occurred, international groups have entered South Africa, and agribusinesses have listed on the JSE Limited.

Agribusinesses are involved in producing and distributing agricultural equipment and production requisites, and in the marketing and processing of agricultural products.

National African Farmers' Union

Nafu strives to promote the interests of the disadvantaged farming sector by lobbying for access to support services and empowering its members through effective communication and capacity-building programmes.

Institutional capacity-building

The Department of Agriculture has developed a databank for South Africa's agricultural human resource capacity.

In collaboration with the Economic Development Institute of the World Bank, the department has designed and developed training courses for rural restructuring and development.

Comprehensive Agriculture Support Programme

On 18 August 2004, the Minister of Agriculture and Land Affairs launched the CASP in Boston, KwaZulu-Natal.

The CASP focuses on on-and-off farm infrastructure, information and knowledge management, financial assistance, technical and advisory services, training and capacity-building, and marketing and business development.

The multiphase CASP specifically targets emerging farmers, including women, in rural areas. By March 2006, the programme had facilitated the establishment of 12 co-operatives in three rural development nodes. Some 53 206 farmers had been assisted through CASP countrywide, and a total of 21 017 households had benefited.

The department allocated R300 million for CASP funding in 2006/07.

Training and research

South African agriculture has a strong research component. Many of the people involved are world leaders in their respective fields. The ARC, an

autonomous statutory body set up in terms of the Agricultural Research Act, 1990 (Act 86 of 1990), is the largest agricultural research organisation in Africa.

The ARC provides research support to the Department of Agriculture and the nine provincial departments of agriculture. ARC scientific expertise supports most of the Department of Agriculture's regulatory directorates, such as the Directorate: Animal Health, the Directorate: Public Veterinary Health, the Directorate: Agricultural Production Input, the Directorate: Agricultural Resource Cultivation and the Directorate: Plant Health and Quality. The ARC also supports other agricultural institutions such as the Registrar of Livestock Improvement and Identification, the Registrar of Brands, the South African Veterinary Council and the Perishable Products Export Control Board.

South Africa has a number of specialised agricultural high schools and regular schools offering a comprehensive range of agricultural subjects. Prospective farmers are trained at 11 agricultural colleges. Degree courses and B.Tech degrees are offered by the faculties of agriculture at various universities.

Veterinary surgeons are trained at the University of Pretoria's Faculty of Veterinary Sciences at Onderstepoort, which amalgamated with the former Faculty of Veterinary Sciences at the Medical University of South Africa.

In collaboration with the AgriSeta, 16 000 farm workers benefited from Adult Basic Education and Training. A total of 12 farming qualifications ranging from National Qualification Framework levels 1 – 5 have been developed.

International relations

The Department of Agriculture's Directorate: International Relations facilitates and co-ordinates international activities on both multilateral and bilateral bases.

The department is a member of the FAO; the Consultative Group on International Agricultural Research; the Food, Agriculture and Natural Resources Sector of the SADC; the International Seed-Testing Association; the Organisation for Economic Co-operation and Development's Seed Schemes; and the Union for the Protection of New Varieties of Plants.

Contributing to the political, social and economic development of Africa is an international priority for the department. Agriculture continues to be the

mainstay of African economies and is an important driver for socio-economic growth.

South Africa's agricultural engagement in Africa is guided by a clear sense of the enormous potential for agricultural trade, training, research and technical co-operation opportunities that exist on the continent.

The Directorate: International Relations coordinates, facilitates and supports the promotion of South Africa's agricultural interests internationally through bilateral and multilateral relations.

The directorate developed the International Agricultural Strategy, which sets priorities for international engagement in the medium term. The strategy is guided by South Africa's foreign-policy and economic-development objectives. The priorities are:

- consolidation of the African agenda
- active participation in the African Union (AU)
- active participation in and efficient implementation of the programme of the SADC food, agriculture and natural resources; and trade, finance and investment directorates
- sustainable development and poverty alleviation through the New Partnership for Africa's Development (Nepad)
- implementation of the Southern African Customs Union (Sacu).

The ARC participates in various co-operative research agreements, international organisations and networks.

The ARC also supports various government departments in deliberating international agreements and disputes, for example the Convention on Biodiversity, the Kyoto Protocol on Global Change, the Montreal Protocol, GMO policy and indigenous knowledge systems issues.

International trade relations

The Department of Agriculture's Directorate: International Trade analyses international trade and related policies, advises on multilateral and bilateral agricultural trade policy, and promotes trade initiatives. The directorate is responsible for dealing with matters concerning agricultural trade relations with other countries and organisations, such as the Sacu, the SADC, the WTO and the International Grains Convention.

South Africa maintains bilateral trade agreements with countries in Africa, and is involved in negotiations as part of Sacu with the USA, South American Common Market (Mercosur), and the

European Free Trade Area. It is also involved in the WTO negotiations individually, and as a member of the G20 of the Cairns Group and the Africa Group.

Work relating to agricultural relations in the field of trade is done by the directorate, in co-operation with the departments of trade and industry, and of foreign affairs.

The Directorate: International Trade is responsible for implementing South Africa's commitments in terms of the WTO Marrakech Agreement. These commitments include the reduction of tariffs, export subsidies, and domestic support given to agriculture.

In addition, the department is creating market-access opportunities by implementing the minimum market-access commitments contained in the agreement.

South Africa's objectives with agricultural negotiations, as part of the Doha Development Agenda, are to achieve a substantial reduction in domestic support and the elimination of export subsidies, mainly from developed countries. Other objectives are to achieve a substantial improvement of market access for South African agricultural exports; and to ensure that South Africa's commitment, in terms of domestic support, fully covers the development needs of the country.

South Africa is developing trade relations with other countries. This includes the implementation of the agricultural aspects of the Sacu Agreement that came into effect in July 2004; the SADC Protocol on Trade; and the South Africa-EU Trade, Development and Co-operation Agreement (TDCA).

The South Africa-EU TDCA was implemented on 1 January 2000. The department has introduced a system for making full use of opportunities created by the agreement. This includes providing information to potential exporters, as well as the administration of export quotas granted to South Africa under the agreement. Since 1 January 2000, the department has been issuing export permits for various products such as wine, canned fruit, fruit juice, cut flowers, proteas, cheese and frozen strawberries to be exported to the EU at reduced levels of duty.

The South African Government signed the Fixed Preferences Agreement with Mercosur (a treaty establishing a common market between Argentina, Brazil, Paraguay and Uruguay) in December 2004.

With the enlargement of the EU, the agreement was extended to include new members. It provides for reciprocal preferential access for the agreed list of products (including agriculture).

The directorate participates in exploring possible new trade relations in collaboration with the Department of Trade and Industry.

The department is investigating and evaluating export opportunities for agricultural products on world markets. A subdirectorates was formed to deal specifically with issues related to the strategic repositioning of the agricultural export sector. Strategic market research and the formulation of new industry strategies for exports are priorities. Export-led development projects are also being considered as a means to alleviate poverty.

The Directorate: International Trade Relations facilitates the training of role-players in the use of trade tools.

International agreements and conventions

South Africa is a signatory to a number of international agreements and conventions requiring that the matter of sustainable resource-use and management be addressed in a responsible way.

Agenda 21 is an action plan and blueprint for sustainable development, and was one of five documents adopted by more than 178 governments at the UN Conference on Environment and Development in Rio de Janeiro in 1992. Specific to sustainable resource-use is Chapter 14, which addresses the promotion of agriculture and rural development.

International conventions that apply to aspects of sustainable resource-use include the Convention on Biological Diversity, the UN Framework Convention on Climate Change, and the Convention to Combat Desertification (CCD). The CCD requires that South Africa draws up a national action programme, which will be integrated into a regional programme for the SADC region. All these activities are receiving attention under the leadership of the Department of Environmental Affairs and Tourism, involving all stakeholders, including the national and provincial departments of agriculture.

Import and export control

The Import Export Policy Unit of the Department of Agriculture's Directorate: Animal Health aims to formulate and support policies to reduce sanitary (health) risks in the import and export of animals and animal products.

Import requirements vary according to the product and the animal-health situation in individual countries.

South Africa is an active member of the OIE. Disease reports are received from the OIE and through direct contact with the veterinary administrations in exporting countries.

Trade in animals and animal products is based on a series of requirements considered appropriate by the importing country to prevent the entry of diseases.

The department is one of the key regulatory state departments with the authority to enforce laws enacted by Parliament to protect the South African consumer, producer and farmer; the environment and other national interests. The department's regulatory activities, with regard to plants and plant products, are primarily enforced by the directorates: plant health, agricultural products inspection services (APIS) and genetic resources. In addition, South Africa's Customs Service participates in this effort by detaining imported goods when requirements are not met.

The directorates: plant health and APIS promote and regulate the availability of healthy plants and plant products in South Africa. Import control is vital to prevent the introduction of potentially harmful foreign pests. Prospective importers of plants and plant products have to apply for an import permit for those controlled goods mentioned in the Agricultural Pests Act, 1983 (Act 36 of 1983).

A pest risk-analysis, based on scientific data, is conducted, and specific phytosanitary requirements set out according to the phytosanitary risk(s) involved and stipulated in the permit issued to the importer. Importers are obliged to present the material to the executive officer of the Act or the official representative for inspection at the port of entry.

Should any potentially harmful pest be introduced into and become established in South Africa, the Directorate: Plant Health and Quality will conduct a survey to determine the distribution of the pest as well as pest risk-analyses to determine its potential.

Should an eradication programme be justified, the directorates: plant health and APIS will be responsible for co-ordinating and participating in such a programme.

Despite strict precautions in the past, several pests and diseases of quarantine importance have become established in specific production areas in South Africa, causing substantial losses to agriculture.

Control measures are published to prevent or combat the spread of pests to other areas in the country. Quarantine services, provided by APIS, ensure imported plants and plant products as well as biological control agents are appropriately handled and comply with import conditions, to guarantee that harmful pests do not enter and become established in the country.

In export control, South Africa has to comply with the import conditions of the specific country or group of countries to which it is exporting by issuing phytosanitary certificates. The Directorate: Plant Health furthermore maintains a database of the import conditions and procedures of various countries, and the occurrence of pest and diseases of quarantine importance within South Africa. It renders advisory and identification services, carries out field inspections in collaboration with the Directorate: APIS, and conducts laboratory tests as requested by the importing country.

All consignments of plants and plant products intended for export are inspected, evaluated and certified by the Directorate: APIS.

Food safety and quality assurance

African Stockpile Programme (ASP)

The departments of agriculture, of land affairs and of environmental affairs and tourism are embarking on the ASP, which aims to remove all obsolete pesticide stocks from Africa and put in place measures to prevent their recurrence.

South Africa is one of seven African countries selected for the first phase of the clean-up and disposal operation under this programme. These dangerous chemicals are a threat to the environment and surrounding communities through the contamination of food, water, soil and air.

Some of the leading partners involved are the AU, FAO, Pesticide Action Network, the World Bank, the World Wildlife Fund and the Global Environmental Fund.

The removal of obsolete pesticide stockpiles through the ASP follows previous attempts undertaken by government and the private sector to remove 1 000 tons collected from farmers, the industry and the public in 1999 and 2001. The ASP will also include a strategy to prevent accumulation of stockpiles. The objectives are to:

- reduce reliance on pesticides for agriculture and public health

- introduce better import controls in future
- improve storage, stock management and distribution systems
- improve awareness and training for pesticide users
- establish container and pesticide waste-management systems
- raise public awareness and education.

The ASP will identify and remove all obsolete, unwanted and banned pesticides in public ownership, including commercial, and those from small and emerging farmers, households and government stocks. A complete clean-up will include taking inventory of all obsolete stockpiles, buried pesticides and containers.

While the ASP will be co-ordinated by both the departments of agriculture and of environmental affairs and tourism at national level, the project implementation will be anchored at provincial and local levels.

There is consequently a need for strong partnership among all spheres of government. The ASP also requires multistakeholder co-ordination for its implementation, which calls for consultation and co-ordination among all stakeholders, including non-governmental organisations and the farming community to ensure active participation by all stakeholders.

South African Pesticide Initiative Programme (SA PIP)

The objective of SA PIP is to ensure South African horticultural crops have access to the EU market by complying with EU chemical residue levels for horticultural products. This will be done by focusing on capacity-building among emerging farmers, providing regulatory support for fruit producers, conducting adaptive research, adjustment of agricultural practices, relevant intervention by stakeholders, promoting good agricultural practices, conducting mapping research, and pesticide residue analysis.

Food control system

The department will continue its efforts to establish an effective food-control system in South Africa in consultation with relevant government departments and other stakeholders to ensure sustained trade and the safety of agricultural food products for South African consumers.

Wine and Spirits Agreement

The Wine and Spirits Agreement between South Africa and the EU was signed in January 2002.

The agreement improves access for South African wine and spirits to the large European market. Applying an annual duty-free tariff quota of 42 ML ensures better access for South African wines. In addition, the EU makes available an amount of €15 million for restructuring the South African wine and spirits industry.

Part of the agreement involves phasing out names traditionally used in South Africa for specific types of wines. The names 'port' and 'sherry' were to be phased out over five years for exports to non-SADC markets, starting from 1 January 2000. They must be phased out of all markets after 12 years. South Africa also has to phase out the names *grappa*, *ouzo*, *korn/kornbrand*, *jägertee* and *pacharan* within five years of signing the agreement.

An application was made to the EU for the use of the terms ruby, tawny and vintage under EU regulation 753/2002. South Africa has remained opposed to the principle of so-called 'traditional expressions', but has agreed to a pragmatic approach to ensure that trade is not limited.

The process of obtaining approval has been long and tedious. A positive outcome was, however, received from the EU regarding the use of ruby, tawny and vintage, following a publication on 15 February 2006 in the *EU Official Journal* that allows South Africa the use of these terms under certain provisions. South Africa is now allowed to use these terms when exporting port or sherry to the EU. These three terms, however, have to be used in connection with the term 'Cape'.

Progress at the International Wine Office (IWO)

The IWO was established on 3 April 2001, when a new treaty was signed, which aims to establish a truly international organisation for wine and vine. Discussions then started on the drafting of a strategic plan for the new IWO. After input was collated by 40 member countries over four years, the first-ever triannual strategic plan was agreed for the IWO during the October 2005 General Assembly. South Africa was instrumental in directing the process and assisting in drafting the text of the strategic plan.

During the IWO March 2006 meetings, the activities, timelines and work schedule for each of the expert groups of the IWO were agreed on in line with the guidelines of the strategic plan. This was a historical achievement for the IWO, as the original

International Wine Office was first established in 1924 and never had a strategic plan to give direction to its activities.

National Analytical Services

Food safety and quality are achieved by using appropriate infrastructure together with highly skilled personnel and international standards for analytical laboratories.

Laboratories provide a quality analytical service that is based on internationally accepted and recognised methods, technologies, procedures and scientific principles. They assist import and export regulators to ensure that imported and exported agricultural food products do not pose a health hazard to consumers. They also ensure that norms and standards are complied with to achieve the expansion and protection of existing global markets.

The unit is responsible for providing quality analytical service in terms of the Agricultural Products Standards Act, 1990 (Act 119 of 1990), and the Liquor Products Act, 1989 (Act 60 of 1989), also taking into consideration internationally benchmarked standards set by bodies such as the OIV and Codex, importing country requirements (on government level), and other international standards pertaining to food safety and quality assurance as part of an official control system.

The directorate participates in annual meetings of the Codex Commission on Measures for Analysis and Sampling to harmonise and benchmark its analytical services with international standards.

Meat safety

In terms of the Meat Safety Act, 2000 (Act 40 of 2000), no person may sell or provide meat for human or animal consumption unless the animal from which the meat is sourced has been slaughtered at a registered abattoir.

The Directorate: Food Safety and Quality Assurance, through the National Executive Officer, provides regulations under the Act and, in co-operation with the provinces, ensures that the essential national standards for abattoirs and meat safety required by the Act are implemented countrywide.

The new poultry regulations that were promulgated at the end of 2005, for example, provide clear indications of what is required to provide safe poultry meat to consumers in South Africa.

The directorate, in conjunction with the Directorate: Animal Health, is responsible for monitoring standards at export abattoirs as well as the safety of meat imported into the country. The directorate provides inspection services at a number of export abattoirs to ensure compliance with EU requirements.

Land Affairs

The Department of Land Affairs aims to provide equitable and sustainable land dispensation that promotes social and economic development.

The department's key focus is on providing access to land and extending land rights, with particular emphasis on historically disadvantaged communities, within a well-planned environment.

The department is responsible for:

- deeds registration
- cadastral surveys
- surveys and mapping
- spatial planning and information (SPI)
- land reform, implementation management and co-ordination
- land-reform systems and support services.

Deeds Registration

The aim of the Department of Land Affairs' Chief Directorate: Deeds Registration is to provide a high-quality deeds-registration system whereby secure titles are registered, and speedy and accurate information is provided to land-reform and housing beneficiaries.

The registration of the relevant title deeds is handled by the nine deeds registries. These are situated in Pretoria, Cape Town, Johannesburg, Pietermaritzburg, Bloemfontein, Kimberley, King William's Town, Vryburg and Mthatha. Despite an increase in their workload over the past year, deeds registries have maintained a 10-day turnaround time.

Operational deeds registries are to be established in other provinces by March 2008 to bring service closer to the people and to ensure access to the First Economy by those previously excluded.

Deeds registries are responsible for:

- registering real rights in land
- maintaining a public-land register
- providing land-registration information
- maintaining an archive of registration records.

Deeds and documents lodged with deeds registries are examined by deeds controllers for accuracy regarding the content, as well as for compliance with common, case and statutory law, and attachments against the property.

Title-deed holders registered in the deeds registry are therefore assured of the security of their title to the property.

Deeds offices supply registration information in support of all units in the Department of Land Affairs conducting research for land-reform purposes.

Cadastral Surveys

The department's Chief Directorate: Cadastral Surveys aims to ensure accurate cadastral surveys and to promote cadastral information services in support of land reform and orderly development.

The Directorate: Cadastral Spatial Information and Professional Support is responsible for, among other things, preparing and updating cadastral maps in both paper and digital form, and examining and approving diagrams and general plans before the Deeds Registry registers them.

The website of the Chief Surveyor-General contains information and links to a number of related sites.

In 2005/06, the Directorate: Cadastral Spatial Information continued to update and develop the Cadastral Information System, which is an essential tool for spatial planning and orderly development.

Two client-service centres have been established at the Pretoria and Cape Town surveyor-general offices. The centres serve 100 to 150 clients a day and supply a legal registration help-desk function to attorneys, land surveyors and other professionals in the property industry.

Services to government include preparing documentation relating to the awarding of tenders to private land-survey firms for the survey of state land. Assistance is given to the Land and Tenure Reform Branch and land claims commissions (regional and provincial) by doing surveys, providing cadastral information, undertaking field inspections and investigations to determine magisterial boundaries, and upgrading data on the former Transkei, Bophuthatswana, Venda and Ciskei. The surveyor-general offices administer a tender process for the appointment of land surveyors on request from either unit.

Formal and informal cadastral spatial data has proved invaluable in providing assistance to components dealing with land reform and restitution.

To transform the survey profession, the Surveying Profession Bill, aimed at addressing residual discrimination and employment-equity barriers, is being drafted.

Surveys and Mapping

The Department of Land Affairs' Chief Directorate: Surveys and Mapping is responsible for the official, definitive, national topographic mapping and control network system of South Africa. It provides a range of maps, aerial photography, survey services and computer data products for government departments, commerce, planning, administrative, educational, management and leisure use.

National mapping

Mapping is a crucial resource for decision-making and development, and one of the most important deliverables of the chief directorate to support orderly development planning and sustainable land use.

All the maps of the national mapping series are continuously revised to reflect changes in landscape and other geospatial features. The 1:50 000 topographical map series is the largest-scale map series, providing full coverage of South Africa. Small-scale maps of 1:250 000 and 1:500 000 are produced from the 1:50 000 map series.

The popular large-scale 1:10 000 orthophoto map series provides coverage of predominantly built-up areas, areas of economic importance and areas experiencing rapid development.

The chief directorate is a full member of the National Air Space Committee and produces aeronautical charts for the southern African region that are vital to the interests of air safety. The chief directorate provides up-to-date charts that reflect changes to airspace with respect to the Future Airspace Management Efficiency Programme.

Digital Topographical Information System

Maintaining and updating the Digital Topographic Information System is a key activity of the chief directorate. This system contains major features such as roads, railways, built-up areas, contours and rivers of the entire 1:50 000 national map

series in digital format. A digital elevation model is available in horizontal intervals of 400 m and 200 m in mountainous areas, and 50 m for the major metropolitan and development areas.

Individuals and organisations, both public and private, use these data sets for planning, engineering, social and scientific purposes. The database serves as a fundamental data set for the country and is used, among many others, by Statistics South Africa for census planning, and by the Independent Electoral Commission for the delineation of voting areas.

National Control Survey System

The National Control Survey System will facilitate the advance towards a uniform geodetic network for the continent.

This network plays a leading role in the African Reference Framework Project that is aimed at harmonising and linking spatial reference systems across Africa, in support of Nepad. The National Control Survey System consists of a network of about 62 000 control points distributed throughout the country. The network has about 28 000 trigonometric beacons, 24 000 town survey marks and 10 000 elevation benchmarks.

The co-ordinates of these marks are referenced to the Hartebeesthoek 94 Datum, which, in turn, is referenced to the International Terrestrial Reference Frame. Cadastral, engineering and mapping surveys are referenced to this datum, which facilitates the exchange of data, uniform standards of accuracy, and reduced costs of survey and spatial data to the public.

In 2001, the chief directorate embarked on a five-year plan to replace passive networks (trigonometric beacons and town survey marks) with active global positioning system (GPS) networks.

This entails installing 38 active GPS base stations, known as 'Trignet'. Thirty-seven base stations have been established and the remaining five base stations were expected to be established by 2007.

National aerial photography and imagery

The national aerial photography and imagery archive provides coverage of the whole country (1,22 million km²).

This archive of aerial photography, dating back to 1934, is increased annually with the acquisition of new photography.

In 2005/06, coverage decreased by a marginal 12% as a result of not doing smaller scale photography. Flying coverage for 2005/06 at a marginal 20% and colour photography is now included in the process, instead of the usual panchromatic photography. A large section of the southern Cape is covered with colour photography. Aerial-photography programmes and priorities are determined in co-operation with local, provincial and national government departments, and focus on the nodal areas defined by the ISRDP and the Urban Renewal Programme (URP).

The archive is used for mapping, land-resource planning, infrastructure development, and legal and land-restitution matters.

Spatial Planning and Information

The mandate of the Department of Land Affairs' Chief Directorate: SPI is to support land development and reform by ensuring an effective and efficient system of spatial planning, land-use management and the National Spatial Information Framework (NSIF) in the country.

Core functional areas of the chief directorate include:

- supporting the land-reform process
- adopting the ISRDP and URP
- finalising spatial planning policy, legislation and regulations
- improving access to spatial information
- providing planning support for the formulation of local spatial plans
- supporting the formulation of spatial development frameworks (SDFs) at provincial level
- initiating the formulation of the National Spatial Development Framework
- improving stakeholder relations.

The SPI programme comprises the following subprogrammes:

- NSIF
- Land Development.

The NSIF is responsible for developing and maintaining a national data and policy framework to ensure accessibility and effective use of spatially related information that supports municipalities in preparing their SDFs.

The Land Development Programme aims to facilitate and support integrated spatial and environmental planning, as well as land-use planning and management systems in all spheres of government.

Land Reform Implementation Management and Co-ordination

The Department of Land Affairs' Chief Directorate: Land-Reform Implementation Management and Co-ordination is located in the Branch: Land and Tenure Reform.

The chief directorate's aim is the actual delivery of land and tenure reform. This is done primarily through nine provincial land-reform offices (PLROs) and 36 operational regions.

The main objective of the LRAD Programme, in line with the department's mission, is to provide access to land, and to extend land rights to previously disadvantaged communities.

Launched in 2001, the LRAD provides financial support to emerging farmers through a match-funding arrangement in which the beneficiary has to contribute money, labour (sweat equity) or capital equipment.

Depending on the size of the contribution, the beneficiary qualifies for a grant of between R20 000 and R100 000. The LRAD's target is to redistribute 30% of all agricultural land to previously disadvantaged farmers by 2014.

To achieve this, about 3% has to be redistributed each year. By March 2006, between 13% and 16% had been distributed. Of the 23 520 LRAD beneficiaries, 19% were youths and 34,7% women.

Some 209 000 ha of agricultural land have been transferred to emergent farmers or communities since 1994. By April 2006, over 30 400 ha of land had been leased out with an option to purchase, and the figure is still increasing.

Land-Reform Systems and Support Services

The Department of Land Affairs' Chief Directorate: Land-Reform Systems and Support Services forms part of the Branch: Land and Tenure Reform and consists of the public land support services, tenure reform implementation systems and redistribution implementation systems directorates.

The chief directorate aims to develop and refine land-reform legislation, systems and procedures.

The Chief Directorate: Land-Reform Systems and Support Services has engaged with the private sector in land reform to improve the scale of delivery. Positive engagements were initiated with the South African Banking Council. An existing service level agreement with the Land Reform Empowerment Facility (LREF) has been maintained.

The LREF is a wholesale credit facility hosted and administered by Khula Enterprise Finance, which was created by the department to assist in establishing commercially viable land-reform projects.

Commission on the Restitution of Land Rights (CRLR)

In 1995, the CRLR was established in terms of the Restitution of Land Rights Act, 1994 (Act 22 of 1994), which aims to:

- provide equitable redress to victims of racial land dispossession
- provide access to rights in land, including land ownership and sustainable development
- foster national reconciliation and stability
- improve household welfare, underpin economic growth and contribute to poverty alleviation.

By 31 December 1998, 79 696 land claims had been lodged with the CRLR, and by May 2006 it had settled 71 645 of these. Of the 8 107 remaining claims, 6 975 were rural and 1 132 were urban claims. By May 2006, just over R6,1 billion had been awarded to beneficiaries who chose financial compensation, thus benefiting 986 981 beneficiaries and 194 487 households. During this period, the Department of Land Affairs spent R2,4 billion purchasing land and restoring it to claimants.

Foreign land ownership

On 24 August 2004, the Minister of Agriculture and Land Affairs constituted and commissioned the Panel of Experts on Foreign Ownership of Land (Pefol).

Pefol was appointed to assist government in understanding the extent of citizens' and foreigners' ownership of land, the legal and policy landscape, the policies and legislative framework in selected representative foreign countries on the matter; and to point to possible policy, regulatory and legal reforms for government consideration.

There was also very strong public opinion and perception that unregulated ownership of land and landed property, such as housing, by foreigners contributed significantly to the lack of readily available and affordable land for land reform.

It is against this background and context that government considered it imperative to start developing a comprehensive policy for foreign

ownership of land. The panel considered, among other things, the June 2005 recommendations of the Parliamentary Committee on Agriculture and Land Affairs, the resolutions from the July 2005 National Land Summit, and reports on study tours to several countries in Asia, the USA and Europe.

In February 2006, the panel presented the minister with a progress report, which incorporated concrete data indicative of the proportion and categories of foreign-owned land, including land owned by individuals and corporate entities; the constitutionality of regulating foreign land ownership; and the legislation applicable to the regulation of land development and use. The myth that there is abundant unoccupied state-owned land suitable for land redistribution was also debunked.

The panel of experts had to, among other things, investigate, consider and make recommendations regarding:

- the nature, extent, trends and impact of the acquisition, use of and investment in land in South Africa by foreign citizens
- the extent to which the current lack of a comprehensive policy and legislative framework contributes to the acquisition, use of and investment in land by foreign citizens
- whether the Government should monitor and intervene by policy, legislative and other means, to prevent any possible negative consequence of land acquisition/use by foreign citizens
- the impact on the property markets of land acquisition and use by foreign citizens, distinguishing between land-use for residential, commercial, agriculture, eco-tourism/tourism/game lodge and golf course purposes
- comparative international practices (laws, policies, impact, etc.) on the issue of land ownership by non-citizens.

The panel proposed immediate initial measures to assist government in regulating the registration records in respect of foreign ownership of land. The measures were designed to facilitate ongoing investigations into the influence of foreign-land ownership on land-use and prices, and consequently on the prospects for meaningful land reform in South Africa.

The initial measures recommended include:

- Reporting requirements for certain transactions on land and landed property. Natural and juristic persons should make declarations on, for example, transfer duty and deed-registration forms regarding gender; citizenship; nationality; identity number; passport number; company registration number; income tax registration number and value-added tax registration number; trust registration number; category of shareholders; and beneficiaries, as may be appropriate to the category of the legal personality. Race disclosure might apply only to South Africans and permanent residents for purposes of measuring transformation in South African land-ownership patterns.
- Ministerial approval for certain transactions involving land and landed property in the interest of non-citizens and non-residents. This includes agricultural land in excess of certain prescribed value and/or size; land earmarked for restitution or redistribution; protected areas such as coastal land, water catchment areas, military installations and land along the international territorial boundaries of South Africa; and land used for golf estates, golf courses and game-farming.
- An intergovernmental review and oversight committee. It was recommended that a permanent interdepartmental and inter-governmental review and oversight committee to oversee the implementation of the regulations regarding ownership and use of land by foreigners and non-residents be established.
- Rationalising and harmonising zoning and change of land-use approval procedures. It was recommended that government reviews procedures for approving developments and the zoning and rezoning of land for land-use purposes, and that it institutes capacity-building in this regard, especially at local government sphere.
- Imposing a moratorium on the purchase and sale of South African land to non-citizens with immediate effect, as an interim measure until appropriate legislation is promulgated.

A number of outstanding issues to be considered included, among other things, updating data on corrections to defective records, and determining foreign interests in corporate entities that own or have an interest in land.

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Department of Land Affairs

Estimates of National Expenditure 2006, published by National Treasury

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