

2019/20 SOUTH AFRICA YEARBOOK

# Agriculture and Rural Development



## Agriculture, Land Reform and Rural Development

The mandate of the Department of Agriculture, Land Reform and Rural Development (DALRRD) includes developing agricultural value chains, providing agricultural inputs, and monitoring production and consumption in the agriculture sector, as well as facilitating comprehensive rural development.

Chapter 6 of the National Development Plan (NDP) envisions an integrated and inclusive economy that involves the expansion of agricultural activity, the need for effective land reform and the promotion of sustainable rural development. This vision is expressed specifically in terms of Priority 1 (economic transformation and job creation) of government's 2019 – 2024 Medium Term Strategic Framework, with which the work of the DALRRD is directly aligned. The nature and extent of the department's interventions are, therefore, underpinned by reducing poverty and inequality, and creating employment by allocating adequate resources and requisite skills to address the persistent challenges associated with agriculture, land reform and rural development in South Africa.

Accordingly, over the medium term the DALRRD will focus on providing redress and equitable access to land, increasing food security and creating employment in the agricultural sector, improving agricultural production, developing the agricultural value chain through greater market access, and promoting an inclusive rural economy.

### Providing redress and equitable access to land

The DALRRD's focus on providing redress and equitable access to land is far reaching, in that these provisions contribute to ensuring inclusive and sustainable economic development. Over the medium term, as part of the land restitution programme, the DALRRD expects to finalise 1 411 restitution claims at a cost of R8.7 billion, which accounts for 16.3% of the total budget.

The One Household, One Hectare programme is aimed at providing landless South Africans with access to land and promoting agrarian transformation. The initiative aims to support rural enterprises by creating smallholder producers, who will, in turn, supply their produce to agri-parks in poor districts in the country and other densely populated areas. In this regard, over

the period ahead the DALRRD aims to acquire approximately 312 218 hectares (ha) of strategically located land, and provide agricultural inputs and infrastructure to make resettled farms productive. For this purpose, R2.9 billion will be transferred to the agricultural land holding account over the Medium Term Expenditure Framework (MTEF) period. These transfers are made in the Land Acquisition and Redistribution subprogramme in the Food Security, Land Reform and Restitution programme. Since the initiative began in 2008/09, about 1 675 farms have been created from more than 4.9 million ha of land acquired.

### Increasing food security and creating employment in the agricultural sector

Over the medium term, the DALRRD will focus on food security, job creation and increasing the agriculture sector's contribution to the gross domestic product (GDP). In this regard, the department's interventions will involve increasing support to subsistence, smallholder and black commercial farmers through the Fetsa Tlala food production initiative, which is funded through the Ilima/Letsema Projects Grant. Fetsa Tlala (eradicate hunger) is a government initiative that seeks to push back hunger inadvertently working towards the elimination of the triple challenges of poverty, inequality and hunger. It contributes to the broader national Integrated Food Security and Nutrition Policy.

As part of the initiative, in each year over the MTEF period, 145 000 subsistence and smallholder producers are expected to be supported with agricultural inputs and the mechanisation of farms, and 120 000 ha of productive land are expected to be planted. To fund these activities, the Ilima/Letsema Projects Grant is allocated R1.8 billion over the medium term in the Plant Production and Health subprogramme in the Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management programme. In 2020/21, the DALRRD plans to spend R35.9 million from an indirect grant created from the Ilima/Letsema Projects Grant to conduct a survey aimed at setting the baseline for poverty, vulnerability and food insecurity in South Africa. This project will be undertaken as part of the department's continued involvement in the regional vulnerability assessment committee of the Southern African Development Community (SADC). Funds from the

Comprehensive Agricultural Support Programme (CASP) Grant will be used to provide subsistence, smallholder and commercial farmers with infrastructure in the areas of grain, livestock and horticultural production. These farmers will also be assisted with infrastructure, in particular agro-processing infrastructure, both on and off farms. In addition, over the MTEF period, R278.3 million from the grant will be used to revitalise provincial agricultural colleges, and R957.1 million will be used for the recruitment and training of extension officers as well as for the placement of unemployed agricultural graduates in commercial farms in all provinces. The CASP Grant is allocated R4.8 billion over the medium term in the Food Security, Land Reform and Restitution programme.

To streamline the provision of agricultural finance, the DALRRD will transfer R1.2 billion, over the MTEF period, to the Land and Agricultural Development Bank of South Africa (Land Bank). This transfer will enable the bank to offer blended finance (a combination of government grants and loans at cheaper rates) to emerging black farmers in the black producer commercialisation programme with the aim of creating a projected 450 black commercial farmers in each year over the period ahead.

### Improving agriculture production and food safety

The DALRRD's ongoing objective is to increase its capacity to respond to biosecurity threats and ensure food safety in South Africa, strengthen animal and plant health, and improve inspection and laboratory services. This includes local and international surveillance of specific animal and plant diseases, especially in areas where there is a prevalence of foot-and mouth disease, ovine rinderpest and Newcastle disease. Spending on related activities over the medium term is expected to amount to R130 million in the Animal Production and Health subprogramme in the Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management programme. In the same subprogramme, R45 million is earmarked, over the medium term, for the implementation of microbial and antimicrobial monitoring, and all relevant pathogen reduction programmes. Related activities include conducting inspections of facilities that produce food of animal origin.

### Developing the agricultural value chain through greater market access

Over the medium term, the DALRRD plans to continue monitoring the implementation of the SADC-European Economic Partnership Agreements (EPAs), which commenced in October 2016. The agreement has already provided new and greater market access for about 32 South African agricultural products, including sugar, flower varieties, fruit and wine. For this purpose, R1.9 billion is allocated over the MTEF period in the Agro-processing, Marketing and Rural Industrial Development subprogramme in the Economic Development, Trade and Marketing programme to ensure that primary product commodities are converted into value-added products, and that there is domestic and international market access for South African agricultural products.

The availability of an integrated system to identify and trace livestock and other products of animal origin will provide the local agriculture industry with the necessary credibility for improving and expanding market access. In this regard, R40 million is earmarked in the Economic Development, Trade and Marketing programme, over the MTEF period, for the development and implementation of a livestock identification and traceability system in South Africa.

### Promoting an inclusive rural economy

The DALRRD's ongoing commitment is to promote inclusive economic growth, broadly, and an inclusive rural economy, specifically. This commitment is realised through activities carried out in the Rural Development programme, which is allocated R3.3 billion, over the medium term, representing 6.2% of the department's total budget. Accordingly, over the medium term, 750 rural enterprises and 270 farmer production support units will be supported through the programme for the provision of infrastructure and inputs, both on and off farms.

### Legislation and frameworks

The DALRRD executes its legislative mandate by implementing, managing and overseeing the following key pieces of legislation, among others:

- the Restitution of Land Rights Act, 1994 (Act 22 of 1994),

which makes provision for the restitution of rights to land to people or communities dispossessed of such rights after 19 June 1913 as a result of racially discriminatory laws or practices of the past. To administer this task, the Act established a Commission on the Restitution of Land Rights and a Land Claims Court;

- the Provision of Land and Assistance Act, 1993 (Act 126 of 1993), which makes provision for the designation of certain land, the regulation of the subdivision of such land and the settlement of persons thereon. It also provides for the acquisition, maintenance, planning, development, improvement and disposal of property, and the provision of financial assistance for land reform purposes;
- the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013), which seeks to enable the transformation of South Africa's settlement patterns by adopting a new approach to spatial planning and land use management;
- the Agricultural Product Standards Act, 1990 (Act 119 of 1990), which provides for control over the sale and export of certain agricultural products, and the sale of some imported agricultural products; and
- the Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983), which makes provision for control over use of the country's natural agricultural resources to conserve soil, water sources and vegetation.

### Budget and funding

Agriculture was allocated R7.6 billion for the 2019/20 financial year while Rural Development and Land Reform received R10.8 billion.

Expenditure is expected to increase at an average annual rate of 2.4%, from R17.2 billion in 2019/20 to R18.5 billion in 2022/23. Transfers and subsidies are the DALRRD's largest cost drivers, accounting for 50.9% (R26.7 billion) of its total expenditure over the MTEF period.

### Agriculture

About three quarters of smallholder farms are within the former homelands, and the rest are split between urban areas and commercial farming areas. There is scope to increase the size

of the smallholder sector in each of these areas. The DALRRD works with provincial departments of agriculture to support these smallholders to become sustainable and meet the targets set out in the NDP.

In the former homelands, there are thousands of ha of underutilised arable land that can be put back under production. The DALRRD continues to provide targeted support programmes such as the CASP Grant, Ilima/Letsema and LandCare in order to realise enhanced food production, contributing towards the eradication of hunger by 2030. The department plans to increase its inspection capacity and infrastructure for abattoirs and ports of entry for United States (US) imports to manage the African Growth and Opportunity Act (AGOA) trade agreements.

The management of pests and diseases remains important in contributing to sustainable agricultural production and ensuring access of commodities to export markets. As such, the DALRRD continues to provide intensified control measures to deal with outbreaks and maintain a foot-and-mouth disease free status.

### Agriculture's role in the national and international economy

According to the *Economic Review of the South African Agriculture 2018/19*, the value of agricultural production in South Africa decreased by 2.7% to R277 078 million compared to R284 623 million in the previous year, mainly because of the decrease in the value of field crops and animal products by 4.8% and 4.5% respectively.

Despite its relatively small share of the total GDP, primary agriculture is an important sector in the South African economy. It remains a significant provider of employment, especially in the rural areas and a major earner of foreign exchange.

Agriculture's prominent, indirect role in the economy is a function of backward and forward linkages to other sectors. Purchases of goods such as fertilisers, chemicals and implements form backward linkages with the manufacturing sector, while forward linkages are established through supplying raw materials to the manufacturing industry. About 70% of agricultural output is used as intermediate products in the sector. Agriculture is therefore a crucial sector and an important engine of growth for the rest of the economy.

Gross farming income made from all agricultural products decreased marginally by 0.4% to R277 801 million for the year ended 30 June 2019, from R278 915 million the previous period. This was largely due to the decrease in gross income from animal and horticultural products by 4.5% and 0.3%, respectively. The weighted average price received by farmers for their agricultural products decreased slightly by 0.5%, mainly because of the decrease in prices of animal products by 6.0%. The weighted average price of field crops increased by 9.9%, due to the increase in the prices of summer grains by 19.7%, winter grains (7.8%), hay (5.3%), oilseeds (3.7%) and tobacco slightly by 0.6%. The weighted average price of horticultural products increased by 3.0%, due to the increase in the prices of viticulture by 16.6% and vegetables by 8.6%. The weighted average price of animal products decreased by 6.0% and was driven by the decrease in prices of milk by 11.4%, poultry meat by 6.4% and slaughtered stock by 5.4%.

The prices paid for farming requisites, including machinery and implements, material for fixed improvements as well as intermediate goods and services increased by 4.3%, compared to 3.9% in the previous period. The prices of building material increased by 6.3%, fuel (6.0%), fencing material (5.8%), packaging material and animal health and crop protection (4.8%) each, trucks and maintenance and repairs of machinery and implements (4.6%) each, seed (4.0%), feeds (3.3%) and tractors and fertilisers (2.3%) each.

The domestic terms of trade showed a decrease of 4.6%, largely because of the increase of 4.3% in production costs compared to a decrease of 0.5% in prices received by the farmers. The net farming income decreased by 12.3% mainly as the result of the increase of 4.3% in the expenditure on intermediate goods and services.

### Volume of agricultural production

The estimated volume of agricultural production in 2018/19 was 0.02% less than the previous year. The field crop production volume decreased by 5.6%, mainly as a result of decreases in the production of maize and oilseed crops (soybean, sunflower seed and groundnuts). The largest contributor towards the gross value of field crops for the past five seasons is maize

(45.0%), followed by sugarcane (13.5%), wheat (9.9%), soya beans (9.6%) and sunflower seed (6.7%). Maize production decreased by 1.6 million tons (t) (12.0%). Soybean production decreased by 369 660 t (24.0%), sunflower seed by 214 360 t (23.9%) and groundnuts by 42 860 t (66.5%). Horticultural production increased by 1.9% from the previous season, which can mainly be attributed to increases in the production of citrus and subtropical fruits. The production of oranges increased by 313 027 t (21.4%), grapefruit by 119 881 t (36.8%), soft citrus by 35 508 t (14.2%), as well as lemons by 25 554 t (5.71%) and naartjies by 12 263 t (29.9%), which all contributed to an increase in the production of citrus fruits. Furthermore, with reference to subtropical fruit, the production of avocados increased by 39 656 t (46.0%), mangoes by 21 698 t (24.4%), bananas by 13 478 t (3.3%), as well as pineapples by 7 416 t (7.1%) and guavas by 1 998 t (7.2%), which all led to an increase in the production of subtropical fruits from the previous season. Animal production increased by 1.0%, mainly as a result of increases in the production of poultry (poultry meat and eggs). The production of poultry meat increased by 71 848 t (4.2%) and eggs by 57 611 t (11.2%). The production of milk increased by 79 653 litres (l) or 2.2%, as compared to the previous season.

### Farming income

The gross income of producers (the value of sales and production for other uses, plus the value of changes in inventories) decreased slightly by 0.4% to R277 801 million for the year ended 30 June 2019, compared to R278 915 million the previous year. This was mainly the result of the decrease in prices of animal products, as well as the decrease in production levels or volumes of horticultural products, in particular, deciduous and other fruit by 12.6%.

The gross income from field crops increased by 10.9% to R57 835 million for the year ended 30 June 2019. This can be attributed to the increase in income from grain sorghum by 29.0% (from R336 million to R434 million), cotton by 28.1% (from R878 million to R1 124 million), wheat by 23.2% (from R5 681 million to R6 999 million), maize by 22.4% (from R20 895 million to R25 575 million), sugarcane by 8.5% (from

R7 890 to R8 564 million) and sunflower seed by 8.3% (from R3 172 million to R3 436 million).

The gross income from horticultural products decreased slightly by 0.3% to R83 535 million from R83 825 million. This can be attributed largely to the decrease in income from deciduous and other fruit by 19.4% (from R22 648 million to R18 252 million). The gross income from animal products decreased by 4.5% and amounted to R136 431 million, compared to R142 922 million the previous year. This was driven by the decrease in income from sheep slaughtered by 13.4% (from R7 262 million to R6 290 million), milk by 11.2% (from R18 010 million to R15 989 million), eggs by 7.9% (from R12 076 million to R11 125 million) and cattle and calves slaughtered by 7.2% (from R37 318 million to R34 631 million).

### Consumer prices

The consumer prices of all agricultural products increased by 4.4% for the year ended June 2019, compared to 4.5% the previous period. The consumer prices of non-food and food increased by 4.7% and 2.8%, respectively. The consumer prices of vegetables increased by 8.6%, fish by 5.6%, coffee and tea by 3.5%, grain products by 2.5%, sugar by 2.2%, milk, eggs and cheese by 2.1%, meat by 1.8%, fats and oil by 1.4% and fruit by 0.9%. The consumer prices of other products increased by 3.5%.

### Imports and exports of agricultural products

The estimated value of imports came to R75 789 million, an increase of 0.5% from R75 412 million. The value of exports increased by 4.6%, from R104 577 million to R109 379 million. According to the export values, citrus fruit (R19 969 million), wine (R9 263 million), apples, pears and quinces (R7 451 million), nuts (R5 685 million) and cane or beet sugar (R4 353 million), were the most important agricultural export products. Meat (R6 616 million), rice (R6 436 million), wheat (R4 978 million), undenatured ethyl alcohol (R4 284 million) and palm oil (R3 948 million) accounted for the highest imports in terms of value. The Netherlands, with exports to the value of R11 927 million, the United Kingdom (UK) (R10 784 million), Mozambique (R7 448 million), China (R6 931 million) and the US (R5 233 million) were the five largest trading partners of South Africa

in terms of export destinations for agricultural products. About 20.8% of the total value of agricultural exports from South Africa for the period July 2018 to June 2019 went to the Netherlands and the UK combined. The five largest trading partners for South Africa's imported agricultural products during 2018/19 were Thailand (R5 328 million), Brazil (R5 251 million), the Argentina (R4 705 million), the US (R4 560 million) and Germany (R4 083 million). About 14.0% of the total value of agricultural imports by South Africa during the period under review was from Thailand and Brazil combined.

## Entities

### Agricultural Land Holding Account

The Agricultural Land Holding Account was established in 2009 in terms of the Provision of Land and Assistance Act of 1993. The Act authorises the Minister of Agriculture, Land Reform and Rural Development to purchase land to enable the DALRRD to accelerate the land redistribution process, acquire land in nodal areas and other areas of high agricultural potential, improve the process of identifying and selecting beneficiaries and the planning of land on which people could be settled, and ensure the maximum productive use of land acquired.

The entity's strategic objective over the period ahead is to promote equitable land redistribution and agricultural development by acquiring strategically located land by 2023. Accordingly, over the medium term, 224 015 ha of strategically located land will be acquired through the account, which will be used for redistribution and to promote agricultural development. About 141 511 ha of acquired land will be allocated to smallholder farmers over the medium term.

The entity derives 72.6% (R2.9 billion) of its revenue over the MTEF period from transfers from the DALRRD. Due to the nature of the entity's work, its expenditure over the period ahead is in line with revenue.

### Agricultural Research Council (ARC)

The ARC was established in terms of the Agricultural Research Act, 1990 (Act 86 of 1990) and is the main agricultural research institution in South Africa. The council's primary mandate is to conduct research, and develop and effect the transfer of

technology to promote agriculture and industry, contribute to a better quality of life, and facilitate and ensure the conservation of natural resources. Accordingly, at a cost of R400 million over the MTEF period, the council plans to construct a foot-and-mouth disease vaccine production facility in Onderstepoort, Gauteng, to reduce reliance on imports.

Expenditure increases at an average annual rate of 9.4%, from R1.4 billion in 2019/20 to R1.8 billion in 2022/23. Spending on compensation of employees accounts for 55.4% (R2.7 billion) of the council's total expenditure over the medium term. The council derives most of its revenue from transfers from the DALRRD and the Department of Science and Innovation (DSI). These transfers amount to 71% (R3.9 billion) of the council's total budget over the medium term. The amount for the construction of the vaccine production facility in Onderstepoort is ring-fenced within departmental transfers. The council's remaining revenue is generated by the provision of analytical and research services, the sale of farm products and rental income.

## Other entities

### The KwaZulu-Natal Ingonyama Trust Board

This is a land management agency that ensures that commercial activity on communal land is developmental and beneficial to local communities. The KwaZulu-Natal Ingonyama Trust Act, 1994 (Act 3KZN of 1994) makes provision for the 2.8 million ha of land spread across the province to be held in trust and managed on behalf of communities. The affairs of the trust are administered by the Ingonyama Trust Board. The board's total budget for 2019/20 was R210.9 million.

### The Office of the Valuer-General

The Office of the Valuer-General values all land to be acquired for land reform purposes, in accordance with a defined set of criteria based on Section 25(3) of the Constitution, to ensure fair and equitable prices. The Property Valuation Act, 2014 (Act 17 of 2014) prescribes that the office must be impartial in exercising its powers and performing its functions, and be accountable to the Minister of Agriculture, Land Reform and Rural Development. The office's total budget for 2020/21 was R142.6 million.

### Onderstepoort Biological Products (OBP)

OBP was established as a public entity in terms of the OBP Incorporation Act, 1999 (Act 19 of 1999), with government as its sole shareholder. The entity's mandate is to prevent and control animal diseases that affect food security, human health and livelihoods through the continued development and efficient manufacturing of innovative animal-related pharmaceuticals (including vaccines) and related products. The entity's total budget for 2019/20 was R193 million.

### National Agricultural Marketing Council (NAMC)

The council was established in terms of Section 3 and Section 4 of the Marketing of Agricultural Products Act, 1996 (Act 47 of 1996). The council is mandated to investigate the establishment, continuation, amendment or revocation of statutory measures affecting the marketing of agricultural products; and evaluate the desirability, necessity or efficiency of these statutory measures. It is also mandated to, if necessary, propose alternatives to the establishment, continuation, amendment or repeal of a statutory measure, and report to and advise the Minister accordingly. The council's total budget for 2019/20 was R45.7 million.

### Perishable Products Export Control Board (PPECB)

The PPECB is an independent service provider of quality certification and cold chain management services for producers and exporters of perishable food products.

It is mandated by government in terms of the Perishable Products Export Control Act, 1983 (Act 9 of 1983), which broadly requires the board to ensure the orderly export of perishables and monitor the proper maintenance of a continuous cold chain for exports. It also derives its mandate from the Agricultural Products Standards Act, 1990 (Act 119 of 1990), which broadly requires the board to monitor the minimum quality standards of perishable exports, as required by government and bilateral agreements with importing countries. The board's total budget for 2019/20 was R463.9 million.

### The Registration of Deeds Trading Account

The trading account makes provision for the administration of the land registration system and the registration of rights in land.

It requires that deeds and documents are prepared and lodged in the deed's registry by a conveyancer or public notary and are scrutinised for accuracy and compliance with common law, case law and statutory law. The main goal of the trading account is to contribute to effective land planning, administration and property registration. The account's total budget for 2019/20 was R938.6 million.

## Role players

### Credit and assistance

The six major sources of credit for farmers are banks (56%), agricultural cooperatives and agribusinesses (9%), the Land Bank (30%), private creditors (3%) and other creditors and financial institutions (2%).

### Land and Agricultural Development Bank of South Africa

Established in 1912, the Land Bank is a government-owned development finance institution with the mandate of financing agricultural development to achieve food security, and to drive economic growth and development in South African agricultural sector.

The bank is a specialist agricultural bank guided by a government mandate to provide financial services, including crop insurance, to established commercial farmers, developing farmers and agri-enterprises.

Through its direct lending, the Land Bank currently supports approximately 1 500 black farmers and relinquished approximately R74 million of its profits to subsidise interest rates to these farmers.

The bank provided support to farmers impacted by the drought, disbursing more than R240 million in loans under its drought relief programme, administered in conjunction with the Industrial Development Corporation Ltd.

As part of its transformation objective, the Land Bank Insurance Company subsidiary launched and implemented the Agricultural Insurance Assessors Development programme to train agricultural economist graduates (or equivalent) in crop insurance assessment protocols to service the agricultural sector. It is charged with promoting agricultural and rural development,

as well as providing a range of financial products and services, including crop insurance to farmers and agribusinesses.

### Micro Agricultural Financial Institutions of South Africa (MAFISA)

The MAFISA provides production loans to smallholder operators within the agriculture sector. The scheme's operations are guided by the MAFISA Credit Policy.

Loans are provided at a low interest rate and accessed through a network of institutions accredited by the DALRRD as retail intermediaries.

Intermediaries submit monthly and quarterly reports to the DALRRD as part of its monitoring process. Regular workshops and inspection visits to intermediaries are also conducted as part of monitoring.

The scheme offers production loans of up to R500 000 per person, with the repayment terms structured according to the income cycle of the enterprise. The loans are limited to South African citizens who meet the eligibility criteria set in the MAFISA Credit Policy.

The MAFISA loans are available for the entire value chain of agriculture though most of the loans are still in respect of primary production and largely in agriculture. To date, most of the loans are in respect of livestock, sugarcane, vegetables and grain crops.

Currently, the MAFISA is accessed through the following intermediaries:

- National Emergent Red Meat Producer Organisation – livestock in all provinces.
- South African Sugar Association – sugarcane in KwaZulu-Natal and Mpumalanga.
- Peulwana Agricultural Financial Services – grains, vegetables, sugarcane and fruits in KwaZulu-Natal.
- Mpumalanga Economic Growth Agency – various agricultural commodities in Mpumalanga.
- Eastern Cape Rural Development Agency – various agricultural commodities in the Eastern Cape.

## Farmers' organisations

### Agri SA

Agri SA was established in 1904 as the South African Agricultural Union.

Its mission is to promote the development, profitability, stability and sustainability of agriculture in South Africa by means of its involvement and input on national and international policy and the implementation thereof.

Agri SA, through its affiliated membership, represents a diverse group of individual farmers regardless of gender, colour or creed.

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

Furthermore, the organisation maintains an extensive communication network with its members and other affected communities, organisations and individuals. Agri SA is a member of high-level business, trade and agricultural entities that includes Business Unity South Africa, the International Chamber of Commerce, the World Farmers' Organisation, the Southern African Confederation of Agricultural Unions and the Cairns Group Farm Leaders.

Agri SA communicates with its members via its two-monthly magazine, namely *Agri* (incorporating *Die Boer/The Farmer*) and an electronic newsletter. The magazine provides background information on policy, legislation and programmes of interest to farmers. It also offers advice, extension and news on topical events to about 28 000 farmers who are members of Agri SA via the respective affiliates. The magazine is sent directly to each member. It is also distributed more widely to include opinion-formers and decision-makers.

Agri SA is committed to ensuring a safe environment for all people involved in the agricultural sector. A sound working relationship has been established with the South African Police Service (SAPS) at both policy and operational level, with a view of addressing the relevant rural safety problems.

### Agricultural Business Chamber (Agbiz)

The Agbiz is a voluntary, dynamic and influential association of agribusinesses operating in South and southern Africa. The function of Agbiz is to ensure that agribusiness plays a constructive role in the country's economic growth, development and transformation, and to create an environment in which agribusinesses of all sizes and in all sectors can thrive, expand and be competitive.

The Agbiz is the only organisation that serves the broader and common overarching business interests of agribusinesses in South Africa. It addresses the legislative and policy environment on the many fronts that it impacts on the agribusiness environment. The Agbiz facilitates considerable networking opportunities so that South African agribusinesses can play an active and creative role within the local and international organised business environment.

The strategic intent of the Agbiz is to advocate for and facilitate a favourable agribusiness environment in order for its members to perform competitively and sustainably.

### Transvaal Agricultural Union South Africa (TAU SA)

The 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, and safety and security. The TAU SA conducts various projects to enhance the concept of successful agriculture.

### National African Farmers' Union of South Africa (NAFU SA)

The NAFU SA is an independent, autonomous farmers organisation governed by and representing farmers in South Africa, united for the purpose of analysing their problems and formulating action to achieve economic emancipation and development through production efficiencies, access to market opportunities, and education.

It was formed in 1991 as part of the broader process of economic liberation and empowerment of, mainly, black farmers who were excluded from mainstream economic landscape of

South Africa. Its predecessor, the National African Chamber of Commerce and Industries, for many years had fought against economic oppression and marginalisation of African people in this country. Over many years, the union has acted as an advocacy and pressure group calling for policy reforms and the support and development of farmers. Through its interventions and contribution to policy formulation, the NAFU SA has contributed to the following:

- access to productive land being made available to farmers;
- access to finance and other support for farmers;
- access to markets and information for farmers; and
- skills development and technical support.

The NAFU SA pursues these items by implementing the following broad programmes:

- Advocacy, Lobbying and Policy Research,
- Cooperatives and Commodity Group Development, and
- Farm Enterprise Development.

### African Farmers' Association of South Africa (AFASA)

The objectives of AFASA are to create a sustainable united body of African farmers with capacity to influence policies through lobbying and advocacy, to facilitate development of competencies of African farmers in order for them to participate meaningfully in formal and informal markets, and to mobilise resources for the benefit of African farmers.

### Grain SA

Grain SA was established in June 1999. Its mission is to provide commodity strategic support and services to South African grain producers, as well as to support sustainability.

Grain SA is a voluntary association of grain farmers established to represent the interests of its members. It aims to be recognised as an autonomous and independent grain producers' organisation.

The organisation also aims to be involved in all matters bearing on the wellbeing of the industry and to be consulted about policy issues relating to the industry. The association is controlled by farmers and structured to ensure members' democratic control over their elected office bearers.

## Products

### Crop estimates

According to the final production forecast for summer crops for 2019 by the Crop Estimates Committee, the size of the expected commercial maize crop was set at 11.258 million t, which is 0.64% or 71 800 t more than the previous forecast of 11.186 million t. The area estimate for maize was 2.301 million ha, while the expected yield was 4.89 t/ha.

The estimated maize crop was 10% smaller than the 2018 crop. The three main maize producing areas, namely the Free State, Mpumalanga and North West provinces were expected to produce 80% of the 2019 crop.

The area estimate for white maize was 1.298 million ha and for yellow maize the area estimate was 1.002 million ha. The production forecast of white maize remained unchanged at 5.538 million t. The yield for white maize was 4.27 t/ha. In the case of yellow maize, the production forecast was 5.720 million t, 1.27% or 71 800 t more than the 5.648 million t of the previous forecast. The yield for yellow maize was 5.71 t/ha. The production forecast for sunflower seed remained unchanged at 680 940 t. The area estimate for sunflower seed was 515 350 ha, while the expected yield was 1.32 t/ha.

The production forecast for soybeans also remained unchanged at 1.170 million t. The estimated area planted to soybeans was 730 500 ha and the expected yield was 1.60 t/ha.

The expected groundnut crop was 20 030 t, 2.96% or 575 t more than the previous forecast of 19 455 t. The area estimate for groundnuts was 20 050 ha and the expected yield was 1.00 t/ha.

The production forecast for sorghum decreased by 2.71% or 3 650 t, from 134 525 t to 130 875 t. The area estimate for sorghum was 50 500 ha and the expected yield is 2.59 t/ha.

In the case of dry beans, the production forecast remained unchanged at 66 355 t. The area estimate of dry beans was 59 300 ha, with an expected yield of 1.12 t/ha.

### Grains

The DALRRD has announced that South Africa will have sufficient staple grains supply in the 2020/21 marketing year, which started in May 2020 and will end in April 2021.

The data released by the DALRRD, in May 2020, showed that the 2020 summer grains harvest could amount to 17.5 million t, which is a 31% increase from 2019 and the second-biggest harvest in the history of this country.

South Africa's agriculture will continue to export agricultural commodities and products, which are crucial for generating foreign exchange. There will be over 2.5 million t of maize (white and yellow maize combined) for exports in the period between May 2020 and April 2021.

### Maize

The maize sector comprises both commercial and non-commercial farmers; the latter mostly in the Eastern Cape, Limpopo, Mpumalanga and northern KwaZulu-Natal provinces. Maize is the most important grain crop in South Africa, being both the major feed grain and the staple food of the majority of the South African population. About 49.5% of maize produced in South Africa is white and the remaining 50.5% is yellow maize (2019).

White maize is primarily used for human consumption, while yellow maize is mostly used for animal feed production. The gross value of agricultural production is determined by the quantity produced and prices received by producers. The gross value of maize for 2018/19 amounted to R26 407 million, 8.0% or R1 959 million more than the R24 447 million the previous year. The two main white maize-growing provinces in South Africa, namely the Free State and North West, produced about 73% of the white maize harvest in 2019, whereas the Free State and Mpumalanga produced about 65% of the yellow maize harvest. Most of the maize is harvested from late May up to the end of August. The ratio of areas planted was 56% white maize to 44% yellow maize. An estimated 5.4% of the area planted to white maize was under irrigation and 94.6% was dryland, while the estimate for yellow maize was 14.4% under irrigation and 85.6% is dryland.

### Sorghum

Sorghum is an indigenous crop in Africa, and is regarded as the fifth most important cereal in the world. There are two types of sorghum, namely bitter and sweet sorghum cultivars.

Preference is given to the sweet cultivars. Bitter sorghum is planted in areas where birds are a problem because it contains tannin, which gives a bitter taste and consequently birds tend to avoid feeding on it.

Sorghum for commercial purposes is mainly produced in the Western Free State, Mpumalanga, the drier parts of the North West and Limpopo provinces.

South Africa has moved from being a net exporter of sorghum to a net importer.

### Wheat

Wheat is the second most important grain crop produced in South Africa and plays an important role in national food security. Most of the wheat produced in the country is bread wheat. Small quantities of durum wheat, used to produce pasta, is produced in certain areas. In South Africa, wheat is mainly used for human consumption (bread, biscuits, breakfast cereals, rusks, etc.) and the remaining as seed and animal feed.

Other non-food uses include production of alcohol for ethanol, absorbing agents for disposable diapers, adhesives and industrial uses as starch on coatings. Producers of wheat are estimated to be approximately between 3 800 to 4 000.

South Africa is a net importer of wheat. The price farmers get for their crop is, therefore, tied to import parity. There is also an import tariff.

A quota of 300 000 t can be imported duty free from the European Union (EU) under the EPAs. South Africa is expected to import almost two million t by 2026.

South Africa remains the largest wheat producer in Sub-Saharan Africa after Ethiopia.

### Barley

Barley is one of the most important grain crops in South Africa, surpassed only by wheat and maize and is, following wheat, the most important small grain type.

The cultivation area for malting barley under dryland conditions is at present restricted to a very specific region, namely the Southern Cape, which stretches from Bot River in the west to Heidelberg in the east. It would not be economically viable to cultivate malting barley on dryland in an area that does

not receive 350 millimetres of well-distributed rainfall during the growing season (April to October).

The concentration of the production of a relatively minor commodity, for instance malting barley, in a specific area, has various advantages, for example, it facilitates transport, storage, control, extension and research, which also implies cost advantages.

However, because of the risk of unpredictable weather conditions in the Southern Cape, barley production has also been introduced to the cooler central irrigation areas in the Northern Cape. There are also farmers in other areas of South Africa, such as North West, Limpopo and the Free State, who plant small quantities of malting barley under irrigation.

Malting barley under irrigation has a higher yield and is more stable than in the Southern Cape, where the crop is dependent on rainfall.

Barley is mainly used for the production of malt (for brewing beer), animal feed and pearl barley.

### Dry beans

Dry beans are warm-season annual legumes. Gross returns from dry beans can easily be higher than for soya beans. While yields are typically lower, dry beans fetch a relatively higher price.

South Africa has a dry bean deficit and relies on imports. This provides an opportunity for the whole of southern Africa to increase production.

The crop is mainly produced in the Free State, KwaZulu-Natal, Limpopo, North West and the Northern Cape. Producers sell directly to the trade or to wholesalers and cooperatives.

### Oilseeds Groundnuts

Groundnuts are grown mainly in the Free State, North West and Northern Cape. They are also produced in Limpopo, Mpumalanga and KwaZulu-Natal but production is lower in these provinces.

Oil made from groundnuts can be used for cooking and to make peanut butter. It can also be used to manufacture soap, massage oil, shaving and hair creams.

### Sunflower seeds

The Free State and North West are the major producers of sunflower seeds, followed by Limpopo, Mpumalanga and Gauteng. South Africa is the world's 10th-largest producer of sunflower seeds.

Compared to other crops, sunflower performs well under dry conditions. This is probably the main reason for the crop's popularity in the marginal production areas of South Africa. A close link exists between the area planted to maize and the area planted to sunflower seed because farmers can easily switch to sunflower if the normal period for maize planting has passed.

Major exporters of sunflower seeds to South Africa are Romania, Botswana, Bulgaria and Argentina. Importing from SADC countries utilises the SADC Free Trade Agreement which facilitates flow of commodities among countries in the region at no tariff charges.

The sale of sunflower seeds are mostly to the domestic market, with very small quantities destined for the export market. Mostly, South Africa remains a net importer of sunflower seeds.

### Soya beans

Soya beans are produced mainly in Mpumalanga, the Free State and KwaZulu-Natal. Small quantities are also produced in Limpopo, Gauteng and North West. Various soya bean cultivars have adapted quite well to South African conditions.

Domestic soya bean oilcake production has exceeded imported oilcake since 2014 and is projected to increase to over 1.8 million t by 2026, continually replacing imports so that only 250 000 t or 13% of domestic soya bean oilcake use is projected to be imported by 2026. Soya oil imports are projected to decrease from 160 000 t in 2017 to merely 50 000 t by 2026.

### Canola

Canola is an oilseed crop grown mainly in the Western Cape. Canola competes on the local market with other oilseeds such as sunflower seeds and soya beans.

Local and international investors in the oilseed crushing sector are boosting South Africa's capacity to process oilseed crops such as soya beans, canola and sunflower seed.

About 99% of the canola crop in South Africa is produced in the Western Cape province, particularly in the Southern Cape.

### Cotton

In South Africa, cotton is grown in the warm regions of Limpopo, Mpumalanga, Northern Cape, North West and KwaZulu-Natal, where minimum night temperatures are at least 15 °C during the growing season.

The cotton industry is labour-intensive and provides work for roughly one worker per hectare of cotton planted. Oil extracted from cotton seed can be used for cooking and salad dressings. Extracted seed can also be used as a fertiliser or as feed for livestock, poultry and fish.

### Tobacco

Virginia tobacco is produced mainly in Mpumalanga, Limpopo, Eastern Cape, Western Cape and North West.

Flue-cured leaf tobacco contributes more than 79% to total production, with the number of ha cultivated for flue-cured tobacco being about six times the land cultivated for air-cured leaf tobacco. The industry produces 15 000 t of tobacco a year.

There are 176 commercial tobacco growers in South Africa operating on some 5 000 ha of land and 155 small-scale tobacco farmers.

Tobacco farmers employ about 8 000 to 10 000 farmworkers; in addition, more than 35 000 dependants are also able to make a living in deep rural areas thanks to the tobacco industry.

More than 90% of tobacco used in South Africa goes toward the manufacturing of high-quality tobacco products.

### Sugar

South Africa produces cost-competitive high-quality sugar. The sugar sector is a diverse industry, combining the agricultural activities of sugar-cane cultivation with the industrial factory production of raw and refined sugar, syrups and specialised sugars, as well as a range of by-products.

The South African sugar industry is cost-competitive, consistently ranking in the top 15 out of approximately 120 sugar producing countries worldwide. The industry makes a positive

difference to the lives of more than a one million people and is a catalyst to economic growth and development. Sugarcane is a strategic crop for Kwazulu-Natal and Mpumalanga, where sugarcane production is located, comprising nearly 50% of field crop gross farming income across the two provinces.

Sugarcane is grown by approximately 24 000 registered growers, farming predominantly in KwaZulu-Natal with substantial operations in Mpumalanga, and some sugarcane production in the Eastern Cape. Employment within the industry is estimated at 429 000 people (direct and indirect) and the industry produces an average of approximately 2.2 million t of sugar per season.

About 75% of the sugar on average is marketed in the Southern African Customs Union (SACU) region. The remainder is exported to markets in Africa, Asia and the US.

### Horticulture

#### Deciduous fruit

The deciduous fruit industry in South Africa, including fresh, dried and canned fruit for local consumption and export, is a multimillion-rand industry. The exporting of deciduous fruit is a major earner of foreign exchange for South Africa.

Deciduous fruits grown in South Africa include apples, pears, apricots, nectarines, peaches, plums, grapes, olives, figs and cherries.

Although some producers grow fruit both for processing (canning, juice and drying) as well as fresh consumption, it is estimated that in South Africa there are about 2 231 producers of fruit for fresh consumption, 1 066 producers of dry and table grapes, 924 producers of stone fruit and 618 producers of pome fruit.

The main deciduous fruit producing areas of South Africa are situated in the Western Cape and Eastern Cape, mostly in areas where warm, dry summers and cold winters prevail.

#### Dried fruit

Dried fruit is produced mainly in the western and southern parts of the Western Cape and the Lower and Upper Orange River areas in the Northern Cape. Tree fruit, as opposed to vine fruit, is dried mainly in the Western Cape.

The most important dried fruit products in terms of volume are Thompson seedless raisins, golden sultanas, unbleached sultanas, currants, peaches, pears, apricots and prunes.

Apricots are grown mainly in the Little Karoo and prunes are produced almost exclusively in the Tullbagh District in the Western Cape.

Most raisins are produced in the area along the Lower Orange River and currants are mainly from the Vredendal District in the Western Cape.

### Honeybush and rooibos tea

Honeybush production is a young, growing industry that is unique to South Africa. Honeybush is part of the fynbos that grows wild in the Western Cape and is not produced anywhere else in the world. The plant grows naturally on the wetter and cooler southern slopes of mountains. Some species are mostly harvested in the wild, while others are cultivated commercially.

About 394 t of dry tea are harvested per annum. Most of the crop is exported to countries such as the Netherlands, Germany, the UK and the US.

Currently, 82% of honeybush tea is wild-harvested and only 18% cultivated. The cultivated tea comes from a few farmers who have established successful honey bush plantations, as well as a handful of community-based projects.

Rooibos tea is exclusively farmed in the Cederberg and Sandveld areas of the Western Cape.

On average, South Africa produces about 15 000 t of rooibos tea a year. According to the South African Rooibos Council (SARC), out of the 15 000 t of rooibos tea produced a year, 50% of it is consumed in South Africa.

In 2019, Stellenbosch University announced its ongoing study that will look to link the potential ingestion of rooibos with weight-loss, citing obesity as among the most-common causes of non-communicable diseases in South Africa. The university started its rooibos research in 2017, looking at the cardio-protective capacity of rooibos when it comes to helping the body cope with excessive blood glucose (type 2 diabetes being another major cause of non-communicable disease locally).

In 2019, the SARC invested R4.5 million into rooibos research. Because rooibos is a part of the legume family, it is naturally

caffeine-free and contains a unique antioxidant, aspalathin, not found anywhere other than in rooibos – this flavonoid is particularly good at lowering blood glucose.

In 2014, South Africa won the right to secure geographical indicator status for rooibos tea. This enables rooibos tea growers to look for new markets in Asia and increase those that already exist.

ARC Infruitec-Nietvoorbij is responsible for managing nine genebanks. The genebanks include field collections of various deciduous tree fruit crops, grapevines, olives, indigenous flowers of the Proteaceae and honeybush, in vitro collections of yeasts, fungi and bacteria as well as some tree fruit and berry crops in medium term cold storage. The main purpose of the field genebanks is to conserve genetic diversity of fruits, grapes and indigenous crops, particularly in support of breeding programmes; the yeast collection contributes to oenological research; and the fungal and bacterial collections provide for research and diagnostics.

### Wine

South Africa is the eighth-largest wine producer in the world, with a contribution of 4.1% to the world's wine production.

The area under wine grape vineyards is estimated at 94 545 ha.

The wine industry is labour intensive and provides employment to approximately 290 000 people directly and indirectly. The number of primary wine grape producers in South Africa is estimated at 3 029.

Wine is produced mainly in the Western Cape and along parts of the Orange River in the Northern Cape.

The traditional winegrowing areas along the coastal zone benefit from its cooling breezes that moderate the summer temperatures. The Cape mountain ranges form a backdrop to what is internationally recognised as one of the most beautiful wine producing areas of the world. The vineyards lie in valleys and mountain foothills in some areas, and in flatter plains in others. One of the potential competitive advantages of the Cape winelands is a great variety of soils.

Nietvoorbij, the internationally acclaimed research farm of the ARC, is synonymous with quality research in oenology and viticulture. Annually, 1 000 different wines (10 – 20 l) are made for research purposes in the modern experimental cellar. Next door, in the old, thatched roof cellar, traditional and modern

winemaking methods are combined to create unique wines for enjoyment.

### Citrus and subtropical fruit

South Africa ranks 13th in world citrus production and despite increased competition, its citrus exports are growing. The country is also the world's third largest exporter of fresh citrus fruit by volume, after Spain and Turkey.

In terms of gross value, the citrus industry is the third-largest horticultural industry after deciduous fruits and vegetables.

Citrus fruit is grown in Limpopo, Eastern Cape, Mpumalanga, Western Cape and KwaZulu-Natal in areas where subtropical conditions (warm to hot summers and mild winters) prevail.

The Western Cape and Eastern Cape are considered 'cooler' citrus growing areas and production is focused on Navel oranges and lemons. The cooler climate allows farmers to respond to consumer demand for easy peelers like clementines and satsumas. Farm sizes are also smaller and most citrus in the Western and Eastern Cape is packed by privatised cooperatives in facilities that are amongst the largest in the world.

In Mpumalanga, Limpopo and KwaZulu-Natal, the climate is warmer and better suited to the cultivation of grapefruit and Valencia oranges. Farms in these regions are larger and many farmers pack in smaller privately-owned facilities.

Pineapples are grown mainly in the Eastern Cape and 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, as well as in the subtropical coastal areas of KwaZulu-Natal and the Eastern Cape.

The largest contributors to the sales of subtropical fruit on the major fresh produce markets are bananas, pineapples and avocados, followed by mangoes and papayas.

### Vegetables (excluding potatoes)

Vegetables are produced in most parts of the country. However, in certain areas farmers tend to concentrate on specific crops, such as green beans that are grown mainly in Kaapmuiden,

The year 2020 has been internationally recognised as the International Year of Plant Health (IYPH) – a year to celebrate plant health under the slogan of “Protecting Plants, Protecting Life.” South Africa joined countries around the world to celebrate plant health as part of recognising the importance of plants to human and animal health, environmental care and biodiversity; socio-economic, agriculture and rural development.

The IYPH 2020 celebration activities in South Africa have been premised on six key messages:

- Keep plants healthy to achieve Zero Hunger and the United Nations (UN) Sustainable Development Goals.
- Be careful when bringing plants and plant products across borders.
- Make trading in plants and plant products safe, by complying with international plant health standards.
- Keep plants healthy, while protecting the environment.
- Invest in plant-health capacity development, research and outreach.
- Strengthen monitoring and early warning systems to protect plants and plant health.

Marble Hall and Tzaneen, green peas in George and Vaalharts, and asparagus mainly in Krugersdorp and Ficksburg.

Tomatoes are produced countrywide, but on the largest scale in Limpopo, the Mpumalanga Lowveld and Middleveld, the Pongola area of KwaZulu-Natal, the southern parts of the Eastern Cape and the Western Cape. In Limpopo, South Africa’s main tomato-growing area, most of the crops are found in Letaba, Mooketsi and Musina.

Onions are grown mainly in Mpumalanga, certain areas of the Western Cape and the southern Free State and in all areas of Limpopo, with the main production areas being Polokwane and Mokopane. Onions have an estimated planting area of 6 500 ha to 9 000 ha.

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

### Potatoes

There are 16 distinct potato-production regions in South Africa, which are spread throughout the country. The main regions are situated in the Free State, Western Cape, Limpopo and Mpumalanga.

Potatoes are planted at different times because of climate differences in the production areas, resulting in fresh potatoes being available throughout the year.

In the early 1990s, there was a major shift in production from dryland to irrigation and currently almost 80% of plantings are under irrigation.

### Livestock

Animal production contributes approximately 48% to the country’s agricultural output in terms of value. The national herd comprises various international dairy and beef cattle breeds as well as indigenous breeds such as the Afrikaner and the Nguni.

Approximately 80% of the agricultural land in South Africa is suitable mainly for extensive livestock farming. However, livestock is also found in areas where the animals are kept in combination with other farming enterprises.

### Dairy farming

Although milk is produced in all the areas of South Africa, the coastal areas are the most suitable because of their mild temperatures and good rainfall conditions, which lead to improvements in animals and pasture conditions.

Milk production in South Africa contributes only about 0.4% to the world’s milk production.

South Africa has four major dairy breeds, namely Holstein, Jersey, Guernsey and Ayrshire. The industry comprises various economic activities with significant differences in farming methods and the processing of dairy products, including the production and marketing of raw milk, pasteurised milk and cream, fermented milk, long-life milk and cream, yoghurt, and cheese and its by-products.

### Beef cattle farming

Beef is produced throughout South Africa. The production of weaners for the feedlot industry is the main form of cattle farming – feedlots account for approximately 75% of all beef produced in the country.

Beef cattle contribute approximately 80% to the total number of cattle in the country, while dairy cattle make up the remaining 20%.

### Small stock (sheep and goat) farming

Although sheep farms are found in all provinces, these are concentrated in the more arid parts of the country.

Flock sizes vary between less than 50 and 1 800 animals. Sheep flocks in the Eastern, Western and Northern Cape provinces tend to be much larger than those in the other provinces.

The animals are kept mainly for wool and mutton production and the industry is therefore represented by organisations from the mutton as well as the wool industry.

The sheep breed with the highest wool production per head is the South African Merino, followed by other dual-purpose Merino breeds, such as the Dohne Merino, South African Mutton Merino, Afrino and Letelle breeds. Dual-purpose breeds are bred with the specific aim of maximising wool and mutton produce.

Limited numbers of indigenous fat-tailed and Karakul sheep are still found in the more arid areas.

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 goats.

South Africa produces approximately 53% of the world mohair clip. Through selective breeding and farming techniques, the Angora goat farmer plays a crucial role in promoting the constant availability of quality natural fibres.

Most of the world mohair production is imported to South Africa for further processing, after which it is exported together with locally (including Lesotho) produced mohair. China remains the leader in mohair imports from South Africa, followed by Italy and Taiwan.

### Pig farming

The South African pork industry is small in terms of the overall South African agricultural sector. It contributes 2.2% to the primary agricultural sector.

The gross value of pork production is dependent on the quantity produced and the price farmers received. The trend in gross value follows a pattern of prices, because the industry is characterised by volatile prices.

Pork is produced throughout South Africa, with Gauteng and Western Cape being the largest producers, contributing to 40% and 21%, respectively, to total production. There are about 132 commercial, four stud and about 400 smallholder pig farmers. They own about 120 000 sows (100 000 commercial and 10 000 smallholder sows) and employ about 3 005 workers, comprising about 2 200 farm workers and 805 workers in the abattoir sectors. The 145 registered pig abattoirs use modern technology to ensure a streamlined slaughtering process.

### Poultry farming

The poultry industry (including meat and eggs) continues to dominate the agricultural sector in South Africa as the main supplier of protein in kilogramme terms to the South African consumer, as more poultry products are consumed per year than all other animal protein sources combined.

The consumption of poultry meat accounts to about 60% of total meat consumption (beef, mutton, goat, pork and poultry).

The distribution of broiler birds per province is as follows: North West (22.0%), Mpumalanga (20.7%), Northern and Western Cape (19.5%), Free State (12.1%), Gauteng (9.9%), Eastern Cape (6.7%), KwaZulu-Natal (6.6%) and Limpopo (2.5%).

### Hunting and wildlife sector

Hunting can be divided into trophy hunting and meat hunting. South Africa is a popular hunting destination for international hunters that may want to take a trophy of their hunting experience home as memorabilia.

Local hunters, often referred to as biltong hunters, hunt for their own use as an alternative protein source, which also contributes to food security.

The five most popular hunting provinces are Limpopo, Northern Cape, Eastern Cape, North West and Free State. The five most popular species among biltong hunters are springbok, impala, blesbuck, blue wildebeest and kudu.

Hunting primarily occurs in rural and remote rural areas. Limpopo, North West and the Eastern Cape are prime hunting destinations that generate employment for the unskilled workforce where other viable land-use options are often limited.

The hunting sector in South Africa is represented by various voluntary associations and organisations that serve in the interest of both consumptive and professional hunters. The Confederation of Hunting Associations of South Africa is a federation of over 25 hunting, hunting-related and shooting affiliates across South Africa. The SA Hunters and Game Conservation Association is the biggest representative body for hunters in South Africa.

SA Hunters and other hunting associations in South Africa have taken the lead in the wildlife economy by advocating and practising responsible, sustainable hunting as the most effective wildlife management mechanism that supports the game ranching sector in the country.

### Programmes and projects Regulatory services

As a result of an increase in trade in regulated agricultural products, illegal import or export of products poses the risk of introducing a range of diseases and pests.

The DALRRD's regulatory activities include the inspection of plants, animals and their products to prevent the introduction and distribution of quarantine pests and diseases and ensuring that exported animals, plants and their products are free from quarantine pests and diseases.

The DALRRD also ensures compliance with agricultural legislation by conducting inspections at designated ports of entry.

Plants and plant products are inspected for compliance with plant health, genetic resources and food and quality-assurance legislation. The DALRRD conducts surveillance for regulated pests and/or national pests of concern throughout the country.

The Pest Risk Analysis Division conducts scientific analysis of risks posed based on scientific data. Risks associated with the importation of plant propagation material are managed by prescribing a compulsory predetermined quarantine detention period for specific high-risk categories.

To prevent the introduction of harmful exotic plant pests, all imported plant material is tested and audited. The DALRRD renders diagnostic services to ensure that all imported and exported products comply with international standards.

Closely linked to early detection is the implementation of proper pest-awareness programmes to keep the agricultural sector and the general public informed.

Through its Import/Export Protocols Division, the department ensures and maintains market access for South African plants and plant products. This includes exchanging plant health information and expertise in terms of bilateral engagements and maintaining bilateral export/import programmes.

Despite having maintained the country's lucrative fruit export markets, production and exports are still under threat. Accordingly, imports of host fruit from countries where pests have been established must be appropriately managed. This emphasises the importance of border control and risk management responsibilities.

Over the medium term, the DALRRD expects to receive an additional allocation to address biosecurity issues at South Africa's 16 land border posts, acquire two additional plant quarantine stations and two additional animal quarantine stations, strengthen pest surveillance and control and inspection and laboratory services.

The National Surveillance programme for Quarantine Fruit Flies continues. The invasive oriental fruit fly (*Bactrocera dorsalis*, previously known as *Bactrocera invadens*) occurs in Limpopo, Mpumalanga, North West, Gauteng and KwaZulu-Natal where it is under official control.

Through the ongoing surveillance programme, it was also detected in the Western Cape. In line with the applicable regulations, the necessary regulatory measures were instituted to quarantine the area. This detection in the Western Cape is of particular concern in light of the important contribution of the deciduous fruit industry to the agricultural sector. This surveillance programme is continuing.

South Africa is an active member of the World Organisation for Animal Health. Disease reports are received from the organisation, and through direct contact with veterinary administrations in exporting countries.

The Directorate: Animal Health works to curb outbreaks of diseases such as highly pathogenic avian influenza, foot-and-mouth disease, and African horse sickness. The department is working with the equine industry on protective measures for

horses, in the African horse sickness infected zone, in order to reduce the severity of outbreaks.

Trade in animals and animal products are regulated to prevent the entry of diseases.

### Information for international travellers

Pests and invasive species are not only introduced through formal trade, but are also brought into South Africa by tourists.

Once a pest has entered South Africa, climate change may influence its establishment and spread, as well as the damage it causes.

When travelling to South Africa, tourists should make sure that they do not bring in prohibited agricultural products. These products may harbour pests that occur in other countries and their introduction may endanger South Africa's competitiveness in trade and agricultural productivity.

Animals and animal products such as meat and dairy products, plants and plant products, honey and honey products as well as other regulated goods, are all potentially high-risk materials. These materials may only be imported into South Africa by means of an import permit, unless exempted, and must be declared with the DALRRD inspectors for inspection at ports of entry before entering South Africa. Inspectors from the department conduct luggage and consignment inspections at the ports of entry with the help of sniffer dogs to ensure compliance with the import permit requirements.

Prohibited products will either be confiscated, destroyed or returned to the country of export and those found carrying them may face a fine of up to R20 000 or imprisonment.

### Food import and export standards

Internationally, standards for food imports and exports are harmonised through various international standard-setting bodies subscribed to under the World Trade Organisation, to which South Africa is a signatory. This includes the Sanitary and Phytosanitary Measurements Agreement, the World Organisation for Animal Health, Codex Alimentarius Commission and the Intergovernmental Panel on Climate Change. These requirements aim to protect consumer rights, the environment, animal life and public health.

Through its Directorate: Food Import and Export Standards, the DALRRD collates information regarding the standards for sanitary and phytosanitary measures applicable to trade in animal and plant products. The department also coordinates promotion and awareness programmes addressing cross-cutting standards and legislative requirements for food safety, quality, and plant and animal health.

The DALRRD and the PPECB work closely to assist South Africans to export their products successfully in a highly competitive global arena.

### Food safety and quality assurance

The Directorate: Food Safety and Quality Assurance (D: FSQA) is responsible for the development of regulations, standards and requirements regarding control of the export of agricultural products of plant and animal origin under the Agricultural Product Standards Act of 1990 and to control the production, sale, import and export of certain alcoholic products in terms of the Liquor Products Act, 1989 (Act 60 of 1989).

These standards and regulations are harmonised with various international standard-setting bodies such as the Codex Alimentarius Commission, the Organisation for Economic Co-operation and Development, UN Economic Commission for Europe, and the International Dairy Federation.

South African products can compete on an equal footing with overseas products and can also be marketed more competitively.

The Agricultural Product Standards Act of 1990 makes provision for the appointment of assignees to undertake inspections at the point of sale, manufacture, packing or export to ensure that the set standards and requirements are complied with.

The following assignees are currently appointed:

- the PPECB conducts quality inspection and food safety services under the Agricultural Products Standards Act of 1990 for regulated agricultural products intended for export;
- the Nejahmogul Technologies and Agric Services (Pty) Ltd conducts quality inspection for dairy and related products on the local market;
- the Agency for Food Safety conducts inspection for regulated

- animal products (poultry meat and eggs) on the local market;
- Impumelelo Agribusiness (Pty) Ltd conducts quality inspections on processed products on the local market;
- Leaf Services conducts quality inspections on grain and grain products on the local market;
- Product Control of South Africa conducts quality inspections of fresh fruit and vegetables; and
- the South African Meat Industry Company conducts inspections of meat carcasses on the local market.

### National Analytical Services (NAS)

The NAS laboratories reside under the D: FSQA. There are two in-house laboratories within NAS – one situated in Stellenbosch and the other in Pretoria.

The laboratories provide and coordinate the analysis of certain agricultural products (fresh fruit and vegetables, grains, wines and spirits, dairy products and processed food) in support of the enforcement of the food safety and quality standards and requirements as laid down in the Agricultural Product Standards Act of 1990 and the Liquor Products Act of 1989.

### Disaster and risk management

The National Agricultural Disaster Risk Management Committee provides strategic guidance on policy and advises the government on issues relating to agricultural disaster risk management. The committee comprises members from provincial departments of agriculture, organised agriculture such as NAFU SA, Agri SA, TAU SA and the ARC and relevant directorates within the DALRRD.

The established National Drought Task Team, chaired by the DALRRD, advises the National Disaster Management Advisory Forum on drought management. The task team comprises provincial disaster management centres, organised agriculture, and relevant directorates within the department.

The DALRRD frequently responds to hazards such as droughts, veld fires, floods and outbreaks of pests and disease, which includes the control of migratory pests such as locusts and quelea. It is also responsible for the control of blackfly.

## International cooperation

The DALRRD maintains a number of trade agreements, including with the EU and the US (AGOA).

Under AGOA, the agricultural sector has advantages for the exports of citrus, macadamia nuts, wine and other food products to the US.

The DALRRD has continued to open new markets. A notable recent achievement is the Indonesian government's recognition of the competence of South Africa's food safety control measures. This comes after a protracted negotiation process between the technical teams of the two countries, which eventually led to the opening of the Indonesian market to South African exporters.

The recognition was granted in respect of 15 commodities, including deciduous fruit, citrus, grapes and nuts. South African exporters will be allowed to use the port of Jakarta, Tanjung Priok, which is closer to the main Jakarta market, therefore reducing transport costs and preventing quality loss.

The DALRRD has identified that for South Africa to trade on a common footing with the global economy, it needs to migrate from the current paper-based certification and permit system. In this regard, the South African Revenue Service has pledged technical support to the department towards the development of an internationally recognised and interphase ready import and export system, at a projected cost of R80 million over the medium term.

## Weather and climate

### Climate change

The agricultural sector in South Africa faces considerable impact from climate change, which affects the livelihoods of most people, especially those who are vulnerable to food insecurity.

South Africa responds to international obligations regarding climate through various government departments.

The Climate Change programme implemented by the DALRRD includes programmes on raising awareness, policy development, the development of sector mitigation and adaptation plans, conducting vulnerability assessments countrywide, and identifying and coordinating climate-related research projects.

The Climate Change Adaptation and Mitigation Plan outlines useful mitigation and adaptation options promoting soil, water and nutrient conservation for agricultural production.

The DALRRD's Crop Suitability programme is aimed at promoting best adaptation management practices and enhancing adaptive capacity and resilience of the agricultural systems to minimise the risk of the negative impacts of climate change as drastic increases in temperature have a negative impact on crop growth and crop yields.

South Africa is a full member of the Global Research Alliance which, among other objectives, aims to enhance collaborative research into reducing agricultural emissions and increasing support and resourcing for agricultural emissions research.

South Africa has already been involved in stock takes and regional workshops run by the Livestock Research Group, and newer areas of interest include topics such as greenhouse gas inventories

### Early warning unit

The increasing risk of disaster is reduced by strengthening early warning systems and disseminating early warnings, as well as raising awareness through campaigns. This helps to build resilient farming communities.

The DALRRD has, therefore, developed and implemented an Early Warning System (EWS) that disseminates extreme weather warnings to farming communities. The EWS communicates monthly advisories and daily extreme weather warnings, in support of reducing disaster risk.

The implementation of the EWS is continuously monitored and evaluated to identify and address gaps in the system. National Agro-Meteorological Committee meetings are held quarterly.

Other risk reduction activities include continuous research to identify areas and measures in addressing and improving disaster risk management, including awareness campaigns and education and training so as to strengthen disaster risk management. In addition, the DALRRD continues to encourage integration of disaster risk management into all departmental programmes and projects.

The DALRRD also encourages the strengthening of EWSs by

all relevant role players to be prioritised and creation of disaster units in provinces.

### Sustainable resource management and use

The DALRRD and the ARC's Institute for Soil, Climate and Water have developed an inventory of soils, terrain forms and climate (land types). The National Land Type Survey, available for use at a 1:250 000 scale, aims to assist and guide land-use planning and decision-making at national level.

All available natural-resource spatial information and other required data sets, including the latest Spot-5 satellite imagery and agricultural information, are found on the internet-based Agricultural Geo-Referenced Information System (Agis). Using interactive web-based applications, Agis provides access to spatial information, industry-specific information and decision-support tools.

The Advanced Fire Information System tracks all fire outbreaks in the SADC region through the use of Moderate-Resolution Imaging Spectroradiometer satellite imagery. The information may be viewed at [afis.meraka.org.za](http://afis.meraka.org.za).

### Soil degradation

Soil degradation is largely related to the decline in organic soil matter. Monoculture cereal production, intensive tillage, short-term fallow periods and limited crop rotation have contributed to this in the commercial sector.

Excessive fuel-wood collection, inappropriate land use, population density and overgrazing are the main causes of soil degradation 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.

It is calculated that 1.5 million ha (around 1% of the land surface) have a high to extremely high erosion risk. More than 11 million ha (9%) are classified as having a moderate erosion risk, and 17% as low to very low risk.

It is estimated that 25% of South Africa is covered by soils that are also potentially highly susceptible to wind erosion. These include the sandy soils in the western half of the "maize quadrangle" in the North West and the north-western Free State – the areas that produce 75% of the country's maize.

South African soils are also extremely prone to serious soil compaction, particularly under intensive mechanised cultivated agriculture, in both dryland and irrigated land. It is a problem throughout the country and much more widespread and serious than the global norm.

Human-induced soil acidification is a major problem. Its effect is severe since it impacts on the country's scarce, arable land, especially the limited high-potential agricultural land. Soil-fertility degradation is a concern.

In commercial agriculture, there has been capital-building of some nutrients, especially phosphorus and zinc. In some cases, phosphorus has built up to excessive levels, where it starts to reduce crop yields.

### Genetically modified (GM) organisms

GM provides a way to meet the growing demand for food without placing greater pressure on scarce resources.

South Africa has commercialised three different GM crops, namely maize, cotton and soya beans.

The country is also the ninth-largest producer of genetically modified crops in the world and remains the pioneer for the adoption of genetically modified crops. This is aligned to Section 24 of the Constitution, which advocates for sustainable use of biodiversity.

### LandCare

The National LandCare programme is a government-supported community-based initiative, which is active throughout the country. Driven by both the public and private sectors through partnerships and cooperation, it seeks to:

- conserve natural resources;
- use them in a sustainable way;
- create a conservation ethic through education and awareness; and
- create jobs and address poverty by launching various natural resource rehabilitation, improvement and conservation projects.

Serious concerns about land and water degradation are identified in each province and specific projects address these issues. Projects have been implemented in all nine provinces

through the LandCare Conditional Grant, whereby ring-fenced funding is transferred to provinces.

Four subprogrammes, namely WaterCare, VeldCare, SoilCare and JuniorCare, are all part of the LandCare programme.

The LandCare programme is aligned with government's broader objective of job creation. The temporary jobs created under the programme are funded through the Expanded Public Works Programme (EPWP). The LandCare programme adheres to the target of 55% women, 40% youth and 2% people with disabilities as specified by the EPWP.

Funding for these projects is transferred quarterly to the respective provincial departments as implementing agents, as conditional grants under the Division of Revenue Act, 2013 (Act 2 of 2013). Assessment and reporting requirements are specified in the Act, as well as by the EPWP. The provincial departments use the reporting tools provided by the EPWP to report on the number of jobs created.

Additional monthly, quarterly and annual reports are forwarded by the provincial departments to the DALRRD to monitor performance and the impact of the programme on the state of the natural agricultural resources.

### Extension and advisory services

The National Policy on Extension and Advisory Services for the agricultural sector recognises and calls for the involvement of a wide array of stakeholders involved in the delivery of extension and advisory services through a pluralistic and integrated approach.

The implementation process of the National Policy on Extension and Advisory Services implementation commenced with the establishment of the Provincial Extension Coordinating Forum (PECF). The PECF is operational in all provinces and meetings are held on a quarterly basis. The DALRRD provides support to the PECF to ensure provincial integrated service delivery.

Since the implementation of the Extension Recovery programme in 2008/09, the number of extension officers has increased from 2 210 to the current 3 200.

The DALRRD targets deploying 20 extension practitioners to commodity organisations per financial year.

The intention was to deploy 100 extension practitioners by 2019/20, to ensure that they acquire skills and gain experience of a specific commodity value chain.

### Training

The agricultural sector boasts state-of-the-art training and research facilities.

South Africa has a number of regular schools offering a range of agricultural subjects as well as specialised agricultural high schools such as Bekker High School in North West, Harry Oppenheimer Agricultural High School in Limpopo and Boland Agricultural High School in the Western Cape.

Prospective farmers and technicians are trained at the country's colleges of agriculture such as Grootfontein Agricultural Development Institute in the Eastern Cape, Cedara College of Agriculture in KwaZulu-Natal and Madzivhandila College of Agriculture in Limpopo.

On average, each college admits 400 full-time students and trains 1 000 farmers annually. This relates to close to 1 000 potential entrant farmers and over 10 000 skills trainings per year.

In September 2020, Cabinet approved the establishment of agricultural colleges as the competency of higher education colleges in terms of the Higher Education Act, 1997 (Act 101 of 1997), as amended.

The agricultural colleges, which are currently under the DALRRD, provide programmes that are aligned to higher education qualifications, including skills training and vocational programmes. The relocation of these colleges to the Department of Higher Education and Training will align them to the prescribed Higher Education Act of 1997 and improve their governance and management.

Universities, some with designated faculties of agriculture, offer degree courses. Veterinary surgeons are trained at the University of Pretoria's Faculty of Veterinary Sciences at Onderstepoort.

This training potential is coupled with productive and robust research capacity in terms of scientists and researchers based at various organisations who are world leaders in their respective fields of agricultural research.

## Research and innovation

It is only through proper research that the country can be able to increase productivity, come up with disease resistant plants and animals, and alleviate the impact of climate change.

The ARC, several universities and various private-sector organisations, as well as some provincial departments of agriculture, which are responsible for technological development and transfer aimed at improving managerial efficiency on farms, conduct agricultural research.

Through the Agricultural Science, Technology and Innovation Activities Coordination Committee, the DALRRD engages with the DSI on joint issues of national importance within the National System of Innovation.

The research unit is also involved in the development and implementation of national research policies and strategies, such as the National Agricultural Research and Development Strategy. This encompasses the national priority-setting process, developing guidelines, administering a national research and technology fund and overall monitoring and evaluation.

The National Agricultural Research Forum (NARF) provides a platform for stakeholder consultations on research and development while the Government Agricultural Research and Development Action Group provides a platform for government and state-owned entities to plan research and technology development within the national agricultural research system.

The NARF facilitates consensus and makes recommendations to government on the coordination of research, development and transfer of technology to enhance national economic growth, social welfare and environmental sustainability.

## Policy research support

The Directorate: Policy Research Support coordinates all agricultural research and development activities. The mandate on policies extends beyond policies and strategies in research but covers the entire sector related policies.

The Policy Research Support Unit is responsible for ensuring that available sector policies are aligned to government protocols, which is conducted by subjecting available policies to the objectives of the main government policies, such as the NDP, to ensure that sector policies address government's priorities.

The unit is also responsible for conducting the review of sector policies for alignment with the NDP.

## Animal identification

Any owner of cattle, sheep, goats or pigs, is compelled by law to mark their livestock. The registered mark is put on the National Register of Animal Identification System. This register is available to the SAPS to help it trace individual animals in cases of stock theft.

However, this can only be implemented successfully if all cattle, goats, pigs and sheep are marked in accordance with the Animal Identification Act, 2002 (Act 6 of 2002).

## Pest control

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 DALRRD.

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

To respond comprehensively to the management of regulated plant pests and diseases, the DALRRD, in close collaboration with the South African fruit industries, has developed an early warning surveillance programme for the quarantine of fruit flies. The technical forum continues to identify, prioritise and manage quarantine pest risks such as the African invader fruit fly.

In the global trade of food and food products, veterinary public health and food safety aspects in relation to animal products received increasing attention.

## Food security

To address the challenges of households vulnerable to poverty, inequality, unemployment and persons with inadequate or severely inadequate access to food, the DALRRD has prioritised food and nutrition security, including agrarian transformation.

In 2013, Cabinet approved the National Policy on Food and Nutrition Security, the Household Food and Nutrition Security Strategy and the Fetsa Tlala Integrated Food Production Initiative. These policy frameworks are intended to streamline,

harmonise and integrate the diverse food and nutrition security interventions in South Africa.

The strategic objective of the National Policy on Food and Nutrition Security is to ensure the availability, accessibility and affordability of safe and nutritious food at national and household levels.

The National Food and Nutrition Security Plan (NFNSP) 2017 – 2022 embodies a collective response of government to the challenges of food insecurity and malnutrition in the country. It reflects a common vision across government departments and entails a unified set of national goals and objectives, indicators and targets for monitoring progress, as well as a common budget for implementation of activities.

It enables the country to address problems such as hunger, malnutrition and micronutrient deficiencies that affect physical growth and cognitive development, especially among children, as directed by the NDP 2030.

The goal of the NFNSP is to implement a priority set of actions and establish the necessary institutional architecture to lead, coordinate, budget and monitor the implementation of these actions to deliver significant improvements in food and nutrition status by 2030.

The NFNSP actions are guided by six strategic objectives which were derived from a consultative process aimed at establishing a governance and leadership system; to review current policies and strategies; reform the current duplicated and uncoordinated delivery of food and nutrition security (FNS) interventions and to ensure the implementation of strategic and comprehensive FNS initiatives in a coordinated manner.

It also took into account the recommendations from Cabinet; the Policy on FNS, and the diagnostic/implementation evaluation of nutrition interventions for children from conception to five years, which compared South Africa to Brazil, Colombia, Malaysia, Malawi and Mozambique.

The DALRRD also worked with the private sector to develop the Agricultural Policy Action Plan (APAP), which plans to bring one million ha of underused land into full production over the next few years.

Through the APAP, the DALRRD aims to bring more smallholders into the mainstream as envisaged in the NDP.

However, the effective participation of the previously excluded black majority in agriculture and food production will only occur meaningfully, when they have access to land and the means to work it.

An inclusive and scientific process will be used to assess the situation in terms of land capability for different commodities and in different localities, so as to inform land acquisition and allocation for different categories of producers across the country.

### Smallholder development

In support of food security, the DALRRD has persistently strengthened its support for smallholder producers and continues to do so with the involvement of both internal and external partners.

These producers are supported in various ways, among others, by providing production inputs, training and advisory services, as well as access to finance and credit through the MAFISA, CASP and Ilima/Letsema. These interventions have increased their competitive edge towards becoming sustainable producers to provide products to markets. Through the Fetsa Tlala initiative, the DALRRD's strategic objective is to use one million ha of land in rural areas for the production of crops.

A web-based platform of the supported small-holder producers was being developed to ensure proper data and updates on all smallholder activities. The implementation of the approved Strategic Plan for Smallholder Support is on track with support funding received from the department of Trade and Industry's Employment Creation Fund.

With all conditions favourable, the agriculture and agro-processing value chain had the potential to increase the number of smallholders from 171 670 in 2013 to 471 670 in 2019; increase the value added of the sectors from R42.5 billion in 2012 to R48.9 billion in 2019 (or 2% real growth per year); real increase in the value of net exports from an annual average of R5.1 billion in 2012 to R5.8 billion in 2019 (or 2% real growth per year); decrease in the value of diesel, fertiliser and machinery imports from an annual average of R9.6 billion in 2012 to R7.4 billion in 2019 (or 3% real decline per year) and increase the number of jobs in the sector from 660 000 in 2012 to a potential one million jobs by 2030.

The intensification of the Revitalisation of the Agriculture and Agro-Processing Value Chain (RAAVC) focused on the following crucial areas, namely:

- implementing the Agri-parks — expanding infrastructure support to 44 Agri-hubs and 88 farmer production support units; implementing the APAP with special focus on the production of high-value crops. R3.2 billion will be spent on projects and 11 082 jobs created;
- collaborating with private sector partners to advance the Fetsa Tlala and the One Family, One Hectare initiatives;
- increasing market access for smallholders through the implementation of programmes such as South African Good Agricultural Practice (SA-GAP) and increasing intra-African trade and other global trade opportunities; and
- continuing implementation of the Aquaculture Lab where 40 projects were planned to be registered under Operation Phakisa. The Aquaculture Bill would provide a legislative framework for the sector development. It was envisaged that aquaculture production would increase to 20 000 t, with 2 500 direct new jobs and 15 000 jobs in the value chain by 2019, and an additional investment of R500 million.

To ensure mechanisation support to smallholder producers, the National Mechanisation Policy creates a favourable regulatory environment in which government will continue to make agricultural machinery such as tractors available to smallholder producers to ensure the optimal production of food.

An innovation of which the DALRRD is particularly proud is the drought tolerant maize cultivar. Results indicate that farmers who planted the new maize cultivar experienced on average 50% increased yields when compared to conventional varieties available on the market. The department, therefore, has to ensure that sufficient seed is available for farmers.

Public entities, the ARC and the NAMC in particular, have been actively involved in the development of the APAP/RAAVC. The research and databases from the ARC's Soil Testing Laboratories were used in its spatial analysis and maps to determine which commodities can be produced in which places.

These maps have been overlaid with the mapping by the DALRRD following its land audit.

The NAMC also supported the APAP/RAAVC with economic analysis and their expertise in value chain mapping. The NAMC is also the coordinator for the Strategic Infrastructure Project 11, which pertains to agrolistics and rural infrastructure.

The PPECB has committed to expand the number of smallholder farmers with the SA-GAP Certification programme. The organisation is also working with the OBP to secure adequate funding to ramp up vaccine production.

The DALRRD together with the Eastern Cape Department of Rural Development and Agrarian Reform has invested R40 million of CASP funds since 2006 to establish 300 ha of macadamia nuts in the Ncera area of the Eastern Cape.

This is a private, public partnership with landowners, the community and private companies. A total of 180 ha of macadamia nuts have been planted with 80 ha harvested for the export market, creating 110 permanent jobs. This project has turned the tide of unemployment, unskilled communities and poverty. It created a vibrant society with better prospects for the future.

This macadamia development programme will be further expanded in the Eastern Cape, KwaZulu-Natal, Mpumalanga and Limpopo, focusing on growing the participation of black producers in this industry.

### Agricultural census

To ensure focused support to smallholder producers, the DALRRD began working with Statistics South Africa (Stats SA) in 2018 to conduct an agricultural census. The technical team comprised of the DALRRD and Stats SA officials.

A Memorandum of Understanding was compiled to undertake this intervention. The focus was to approach the census in two phases. The first phase focussed on the census to cover commercial agriculture at enterprise level. This area of work was managed by Stats SA.

The second phase is envisaged to be done over two financial years of 2019/20 and 2020/21. Stats SA will provide technical support and advice to support the DALRRD with the development and implementation of the Farmer Register to cover smallholder and subsistence producers.

## Female Entrepreneur Awards

The 20th annual Female Entrepreneur Awards were held in Cape Town on 29 August 2019. The awards programme is a joint venture between the provincial departments of agriculture and key partners in the sector. They honour female farmers, recognise their role in the sector and their entrepreneurial skills in the mainstream agriculture, forestry and fisheries. The major thrust of the programme is to underline the fact that women play a significant role in food security, job creation, economic growth and poverty alleviation.

The awards were held under the theme; “Celebrating two decades of women’s victory in agriculture, forestry and fisheries”.

The 2019 winners were:

- Best Female Worker – Katrina Nxangani (Free State);
- Best Subsistence Producer – Tholakele Sibiyi (KwaZulu-Natal);
- Top Entrepreneur (Smallholder) – Happiness Makgamatho (Limpopo);
- Top Entrepreneur (Processing) – Daphne Neethling (Western Cape);
- Top Entrepreneur (Export Markets) – Berene Damons (Western Cape);
- The Minister’s Special Award for Young Female Entrepreneur – Marice Mercuur (Western Cape);
- The Minister’s Special Award for Female Entrepreneur with a Disability – Matebogo Mouwane (Gauteng); and
- Top Entrepreneur (Commercial) and overall winner based on the highest scoring points – Mmathoko Mabula (Limpopo).

## World Food Day

South Africa joins the world in marking World Food Day on 16 October every year to highlight the plight of millions of undernourished people in the world. World Food Day is commemorated annually around the world in remembrance of the founding of the Food and Agriculture Organisation of the UN in 1945.

In South Africa, October has been declared Food Security Month. The objective of Food Security Month is to create a platform for heightening public awareness on issues pertaining to food security in the country.

The theme for World Food Day 2019 was “Our Actions Are Our Future. Healthy Diets for A #ZeroHunger World”. It focused on tackling global hunger.

## Regional and international cooperation and trade

### Regional cooperation

South Africa has strong and mutually dependent economic links with countries in southern Africa through the SADC and SACU regions.

As a contribution to the African regional development, the DALRRD continues to implement South Africa’s foreign policy objectives, through the facilitation of SADC and African Union engagements and implementation of the South-South Cooperation.

The International Relations Strategy is an instrument put into place to interact with various sector stakeholders at regional and international level in support of producers to access international markets.

### Regional trade

South Africa, as a member of the SACU and a signatory of the SADC Treaty, is committed to sharing its objectives with other nations in the region. SACU opened its markets to the countries of the SADC region by implementing its tariff reduction commitments under the SADC Trade Protocol.

The signatories to the SADC Trade Protocol are: Botswana, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, the Seychelles, Eswatini, Tanzania, Zambia and Zimbabwe. Angola and the Democratic Republic of Congo are still in the process of acceding to the protocol.

The first objective of the trade protocol is to remove both tariff and non-tariff barriers to trade between SADC countries.

The SADC has set up an electronic reporting system for non-tariff barriers, in which the DALRRD is involved as a contact point to receive traders’ complaints.

The South African agriculture products continue to benefit from the Tripartite Free Trade Area agreement of the SADC, Common Market for Eastern and Southern Africa and the East African Community.

## Rural Development

Rural Development creates and maintains an equitable and sustainable land dispensation, and acts as a catalyst in rural development, to ensure sustainable rural livelihoods, decent work and continued social and economic advancement for all South Africans.

### Geospatial and cadastral services

The national geospatial information component is responsible for the national control survey network, the national mapping and aerial imagery programmes and the provision of geospatial information services.

This component offers map literacy and map awareness training for adults, and support to educators and learners to promote the use of geospatial information – focusing mainly on rural communities.

Aerial imagery is a significant source of geospatial information and a record of the land at a given time. National geospatial information acquires aerial imagery annually. Selected Comprehensive Rural Development programme sites have been prioritised.

The branch also assists with creating orderly and sustainable rural settlements by ensuring alignment and harmonisation of rural development plans with existing planning frameworks, including provincial growth and development strategies and integrated development plans.

The DALRRD has considered the adverse effect that disasters have on rural areas and the lives of rural people, and included in its strategy a disaster management component, which, together with other sector departments, will coordinate responses to rural disasters.

The Braille atlas for the visually impaired is a first in South Africa and is primarily intended to give visually impaired people access to geospatial information.

## Programmes

### Rural Development

The aim of this programme is to catalyse, initiate, facilitate and coordinate the implementation of a comprehensive rural development programme, leading to sustainable and vibrant rural communities. Its subprogrammes include:

- the Rural Infrastructure Development programme, which facilitates improved access to social and economic infrastructure and provides opportunities to generate income through improved infrastructure in rural areas;
- the Rural Enterprise and Industrial Development programme, which creates an enabling institutional environment for sustainable rural development and provides for social and economic development and sustainable livelihoods in rural communities. Its functions are based on the social mobilisation of communities to ensure that rural communities take ownership of development projects and programmes; establish development forums and partnerships; increase food security; promote youth development and social organisation; create jobs through cooperatives; and develop rural enterprises and industries; and
- the National Rural Youth Service Corps programme, which trains rural youth in skills sectors such as administration, agriculture, construction, education, engineering, health and safety, hospitality, renewable energy and transport to match the economic priorities of the communities and provinces from which they were recruited.

### Restitution

The purpose of the programme is to settle land restitution claims under the Restitution of Land Rights Act of 1994 and provide settlement support to beneficiaries. It facilitates the restoration of land rights and alternative forms of equitable redress through conducting research and finalising claims.

The Restitution National Office provides administrative and professional support to the Commission on Restitution of Land Rights for processing and investigating restitution claims, develops and coordinates restitution policy, and oversees court cases. The Restitution Regional Offices subprogramme is responsible for the research, validation, verification and negotiation of settlements, and provides administrative support services for the settlement of claims.

The Restitution grants redress restitution claims by restoring land or providing alternative land, provides financial compensation and alternative relief, offers settlement planning and facilitation assistance and contributes funds to the resettlement of communities.

### Land Reform

The principles which underpin the new approach to sustainable land reform are:

- de-racialisation of the rural economy;
- democratic and equitable land allocation and use across gender, race and class; and
- strict production discipline for guaranteed national food security.

Its subprogrammes include:

- the Land Redistribution and Development programme, which is responsible for the implementation of the One Household, One Hectare initiative, the recapitalisation and development of existing projects, and the DALRRD's proactive strategy to acquire land;
- the Land Tenure and Administration programme, which provides functional systems and institutional arrangements for tenure and land administration to enable agrarian reform in all provinces;
- the Land Reform grants, which provides funding for project and programme planning, land acquisition and settlement; and allows the DALRRD to maintain, plan, develop or improve property;
- the KwaZulu-Natal Ingonyama Trust Board, which provides quarterly transfers for administering land owned by the Ingonyama Trust;
- the Agricultural Land Holding Account, which is responsible for buying and holding land until suitable beneficiaries are identified in terms of the Provisions of Land and Assistance Act of 1993; and
- the Office of the Valuer-General, which is responsible for providing land valuations of land earmarked for land reform and land restitution purposes.

### Deeds registration

The core responsibility of South Africa's deeds registries is to:

- register real rights in land;
- maintain a public land register;
- provide registration information; and
- maintain an archive of registration records.

There are deeds registries in Bloemfontein, Cape Town, Johannesburg, Kimberley, King William's Town, Mthatha, Nelspruit, Pietermaritzburg, Pretoria and Vryburg.

These offices register deeds and documents relating to real rights in more than eight million registered land parcels consisting of township erven, farms, agricultural holdings, sectional title units and sectional title exclusive-use areas in terms of the Deeds Registries Act, 1937 (Act 47 of 1973), and the Sectional Titles Act, 1986 (Act 95 of 1986).

The Deeds Registry is open to any member of the public to access information regarding:

- the registered owner of a property;
- the conditions affecting such property;
- interdicts and contracts in respect of the property;
- the purchase price of the property;
- rules of a sectional title scheme;
- a copy of an antenuptial contract, deeds of servitude and mortgage bonds;
- a copy of a sectional title plan;
- township-establishment conditions; and
- information relating to a property or deed.

Deeds registration has progressively introduced the e-Cadastre project, which is aimed at improving cadastral surveys management and deeds registration as well as the consolidation of data stores.

The e-Cadastre project enterprise architecture investigation, which is aimed at consolidating cadastral surveys and deeds registration data stores, has been concluded. Digital scanning of the microfilm records is ongoing.

### Commission on the Restitution of Land Rights

The Restitution of Land Rights Act of 1994 created the Commission on the Restitution of Land Rights under a chief land claims commissioner and seven regional commissioners. In addition, the Act established the Land Claims Court to address land claims and other land-related issues though later amendments enabled an administrative process of settling claims with court referrals only in cases of dispute.

The DALRRD is authorised to administer the Act, including by negotiating on behalf of the State, acting as a respondent before

the court, and managing the implementation and finances of the restitution process. Legally, all land claims are against the State and not against past or current landowners.

Consultants are extensively used as part of the pre-settlement of claims, and is a major cost driver in the restitution programme.

### Agri-Parks

The agri-parks initiative supports rural enterprises, develops rural industries and facilitates the efficient movement of rural produce to markets.

The initiative develops networked systems of agro-production, processing, logistics, marketing, training and extension services in district municipalities and developments on underused land.

Each agri-park supports smallholder farmers by providing capacity-building, mentorship, farm infrastructure, extension services, and production and mechanisation inputs. Smallholder farmers own 70% of an agri-park, while the remainder is owned by government and commercial farmers.

Agri-parks are expected to contribute to government's targets of creating one million new jobs in rural economies by 2030.

### Communal Property Associations (CPAs)

The CPAs Act, 1996 (Act 28 of 1996) is aimed at enabling communities "to form juristic persons, to be known as CPAs, to acquire, hold and manage property on a basis agreed upon by members of a community in terms of a written constitution and to provide for matters connected therewith."

The DALRRD has facilitated the establishment of CPAs district forums to assist in the provision of support to the associations and serve as a platform for them to share experiences, approaches and lessons on how to handle matters.

