



Wes-Kaapse Provinsiale Parlement Western Cape Provincial Parliament IPalamente yePhondo leNtshona Koloni

Ref Number: 11/4/2

Report of the Standing Committee on Economic Opportunities, Tourism and Agriculture on Vote 11: Agriculture, in the Schedule to the *Western Cape Appropriation Bill* [B 3–2018], dated 16 March 2018, as follows:

The Standing Committee on Economic Opportunities, Tourism and Agriculture, having deliberated on the subject of Vote 11: Agriculture, in the Schedule to the *Western Cape Appropriation Bill* [B 3–2018], referred to the Committee in terms of Standing Rule 187, reports that it supports the Vote.

In accordance with Standing Rule 86, the African National Congress expressed its minority view to abstain from the Vote.

1. Findings/Concerns

- 1.1 The Western Cape, in its third year of a severe drought, has seen the lowest amount of rainfall in the past 400 years. The drought, which is linked to climate change, has not only affected the agricultural sector, but has implications for municipalities as well. However, the agricultural sector was the first sector that experienced the impact of drought in 2015;
- 1.2 There are a number of farms that have been forced to cut back on water use by 100 percent. Farms that do not have irrigation facilities from other water sources, that are completely reliant on rainfall, are under immense pressure as the drought has worsened over the years. Both the agricultural and tourism sectors have been impacted by the drought. This has had a massive impact on the economy and South Africa's foreign exchange earnings;
- 1.3 The Department of Agriculture (hereafter "the Department") has shifted some of its funding to mitigate the risks posed by the drought. When money is shifted from the Department's programmes to address the drought, those programmes also suffer from diminished incomes. This has forced the Department to become more innovative;
- 1.4 The next risk is that the Province will lose certain markets in the agricultural sector to other countries, as these markets are always looking for new suppliers where the Province cannot supply certain agricultural products anymore due to the drought;
- 1.5 Another potential risk is that due to the drought, there is a lack of vegetation in certain river banks to hold fertile soil when there is rainfall. This is especially concerning for the Karoo once there is rain, as there is no ground cover to hold or absorb the water that will run through the area. This means that the veld will not recover as quickly as the Department hoped it would, and it also means that farmers in these areas will need support for longer than anticipated. In the near future, the Department will have to prepare to deal with drought and floods simultaneously. The Committee, however commended the Department for performing well under pressure, especially since the drought has the most impact on the agricultural sector;

- 1.6 The agricultural sector has experienced various challenges, such as the Listeriosis outbreak, Avian Influenza, the invasion of Fall Armyworm moth on maize and the sighting of the Oriental Fruit Fly in Elgin and Grabouw. The importance of the veterinary fraternity in food safety must be emphasised; however, the challenge is that there is a lack of veterinarians in the country. Both the Avian Influenza and the Listeriosis outbreak has forced the Department to question the role of private veterinarians in the sector;
- 1.7 The Department of Health is responsible for the management of the Listeriosis outbreak; however, the Department is responsible for the management of the Avian Influenza outbreak. The current, new strain of Avian Influenza is transmitted by wild bird migration, which is difficult to control;
- 1.8 The risks around biological diseases and biopathogens are still present. The Department has pre-empted those risks well; however, there is a challenge around regulating informal abattoir spaces, which could be the source of future biological disease outbreaks;
- 1.9 The Halaal market is a massive global market and it is not the easiest environment to navigate as there are different vetting agencies for Halaal certification in South Africa and different rules to abide by when exporting to different countries;
- 1.10 National government has decided, as part of Operation Phakisa, that R1 billion will be taken from the Comprehensive Agricultural Support Programme (CASP) over the next three years, and transferred to a blended finance model to support the commercialisation of black farmers in the country. Reducing the CASP funding removes the ability to grow emerging black farmers in a progressive way that will allow them to become commercial farmers. The highest amount of grant that black farmers will receive is 60 percent and the rest of the money will have to be taken on loan; and
- 1.11 Youth are not being adequately exposed to potential careers in the agricultural sector. The Department should focus on bringing youth into the agricultural sector by focusing on technology and innovation in the sector, especially in agri-processing.

2. Recommendation

The Committee RECOMMENDED that the Department of Agriculture develop a strategy to harness digitisation and innovation in the agricultural sector with relevant role players in the private sector and agricultural sector.

3. Resolutions

3.1 The Committee RESOLVED to:

- 3.1.1 Invite the Department of Agriculture, Department of Economic Development and Tourism and Wesgro to brief the Committee on the latest developments for the Halaal market and Halaal certification;
- 3.1.2 Invite the Department to brief the Committee on new terms that have been introduced such as the Resource Efficiency Game Changer, which now includes energy, water and waste matters;

- 3.1.3 Invite the Department to brief the Committee on the 2017 Agri Worker Household Census;
 - 3.1.4 Invite the Department to brief the Committee on the Study on the Philippi Horticultural Area (PHA) once it is complete, and the Department's interaction with the City of Cape Town and the community on the matter of the PHA;
 - 3.1.5 Invite the Department to brief the Committee on the progress made in relation to creating one million jobs in the agricultural sector by 2030;
 - 3.1.6 Invite the Department to brief the Committee on the external land reform study that is in line with Departmental Strategic Goals, once it is completed;
 - 3.1.7 Invite the Department to brief the Committee on how innovation and digitisation can attract more youth into the agricultural sector, how agri-processing can be used as a catalyst to attract youth into the agricultural sector, and its role in the Fourth Industrial Revolution;
 - 3.1.8 Request from the Department a brief summary of the percentage of private dams in the Western Cape, and the relationship between municipalities and private dam owners; and
 - 3.1.9 Visit one of the Department's research farms on the West Coast.
- 3.2 The Committee further RESOLVED to request from the Western Cape Provincial Parliament's Research Unit, a report on whether a certification course in Agriculture Technology and Innovative Farming exists in South Africa; and whether there are certification courses in Agriculture Technology and Innovative Farming that exists elsewhere, that the Department can explore as a course for the Elsenburg Agricultural Training Institute to offer.

MS B SCHAFER, MPP



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**CHAIRPERSON: STANDING COMMITTEE ON ECONOMIC OPPORTUNITIES, TOURISM AND
AGRICULTURE
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