

## VISION

"A dynamic, prosperous agricultural sector and a better life for rural communities"

## MISSION

"To empower the agricultural sector through the provisioning and facilitation of efficient agricultural development support and investment solutions in order to ensure rural development, constant economic growth and sustainable livelihoods"

## VALUES

Transparency  
Accountability  
Good governance  
Dedication  
Integrity  
Professionalism  
Passion  
Confidentiality



agriculture & rural development

Department of  
Agriculture and Rural Development  
FREE STATE PROVINCE

# MOHOMA MOBUNG

Honourable Speaker

Honourable Premier Magashule

Honourable Members of the Executive Council

Honourable Members of the Legislature

Chairperson of SALGA in the Province

Mayors, Speaker and Councillors

Chairperson of the Provincial House of Traditional Leaders

Morena e Moholo Morena Thokoana Mopeli

Mme Motswadi

Representatives of Organised Agriculture

Farmers and Farm Workers

Private Sector Partners

Officials of Government

Setjhaba sa Foreistata



Honourable Speaker, I am honoured to present a Budget Vote for the Department of Agriculture and Rural Development, as the country celebrates the life and times of the third President of the African National Congress (ANC), Z.R. Mahabane under the theme 'All shall have equal rights.' He is remembered for his commitment and contribution to religion, culture, tradition and the national democratic revolution which reminds South Africans about where we come from. Together with other stalwarts they committed this country on a path of freedom for all its citizens.

Speaker, I also wish to indicate that this sitting takes place in the birth place of Ntate Thabo Mofutsanyane, one of our heroes and stalwarts. He is the son of a farmer who during that time went through the hardship of dishonesty and undermining by his fellow white commercial farmers which prompted him to join the struggle. We stand here today as this generation both black and white to correct those imbalances which Thabo Mofutsanyana fought for. Long live the spirit of our forebearers long live!!!

This year we also celebrate the International Year of Cooperatives which seeks to promote vertical integration and enhance competitiveness. Cooperatives are a different way of doing business where the members who own and govern the business collectively enjoy the benefits instead of all the profit going to shareholders. The Department therefore, enjoin all strategic stakeholders and our sister departments to promote the establishment and the enhancement of Cooperatives including those of youth and women with focus on specific projects. Cooperative Enterprises build a Better World.

Speaker, today the 22<sup>nd</sup> of March is World Water Day. Agriculture, municipalities and industries are amongst the highest water consumers in the country. As part of International Water Month our country celebrated Water Week during the first week of March under the theme *"Water is Life, Conserve it, Respect it and Enjoy it."* South Africa is a water scarce country. The rural communities also have the right to universal access to water as a basic human right. The Department therefore joins the call for optimal use of this scarce resource by all.

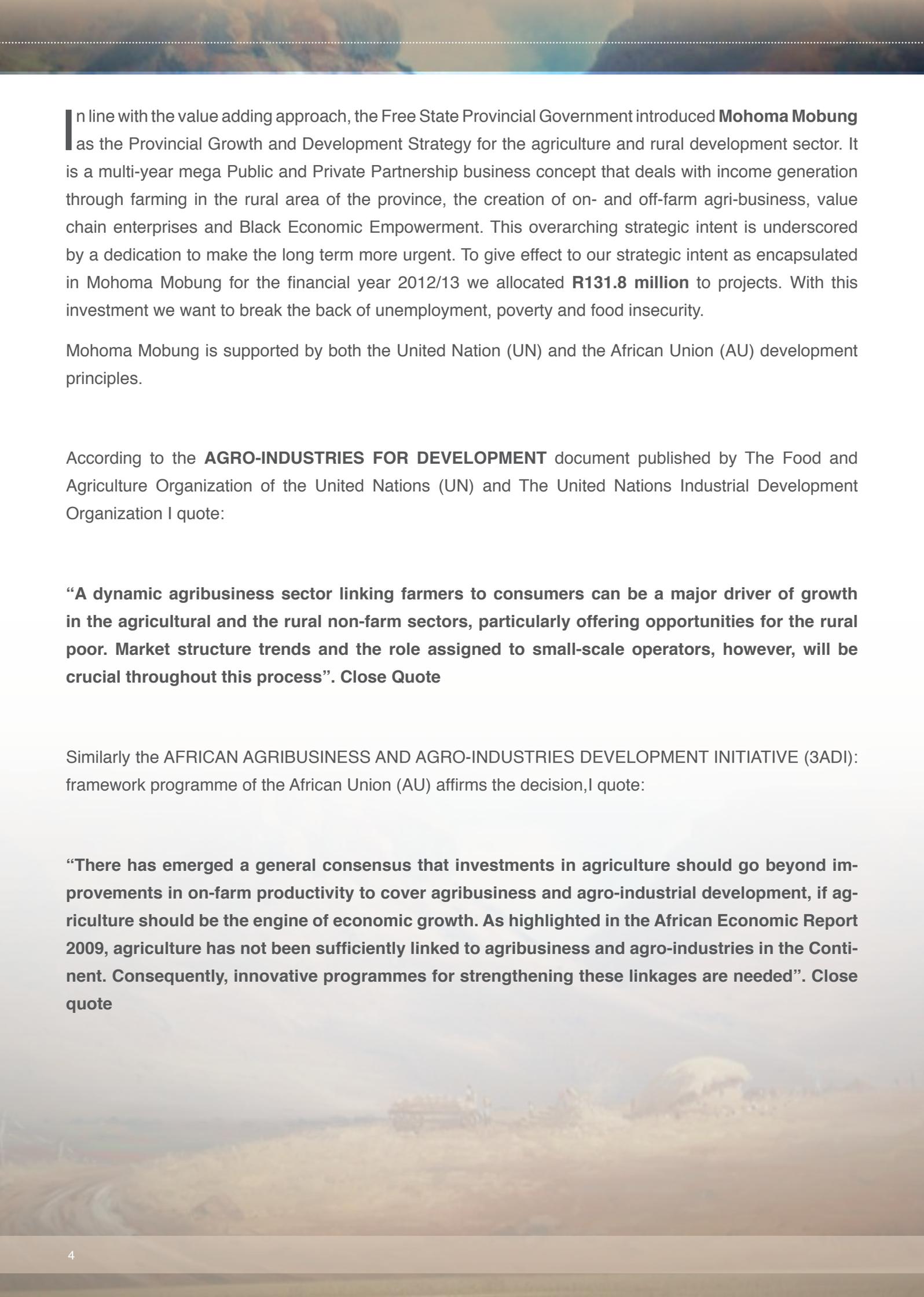
Mr Speaker, the agricultural sector continues to be confronted with various challenges such as realities of a global warming, limited compliance to the Green Economy, negative economy and market trends, financial and social constraints that have a significant impact on farming and rural communities. In partnership with our key stakeholders we will bring about effective planning and innovative ways of doing business to ensure the best possible use of the limited resources available to this sector.

**M**otsamaisi wa dipuisano, ke qetile boholo ba nako ke hodiswa ke nkgono wa ka **Ntsekiseng Selinah Tsotetsi**, moo ke ileng ka ithuta temo teng. Pele re jala poone, mabele le dinawa tshimong ya nkgono re ne re fina seledu re kenya Mohoma Mobung ka ho pana dipholo di qhojwa ke dinatla tsa banna, e be lerole le ya thunya. Ha re tswa kenya peo ya dinawa, poone le mabele mobung, re thuse ka ho tlisa metsi, le ho hlaola, ka nako ya kotulo e monate ya letsema, moo re tlang ho kotula re je dijo ka mefuta ya tsona, le hona ho bina le ho hobela. Rona bashanyana re tla tswa le baholwane ba rona hoya disa dikgomo le dipudi, ele ho etsa bonnete ba hore bana ba lala ba jele lebeso. Ha ho hlajuwe habo e mong o tla bona ka dijana ho tswa habo Theko le Thekiso ho tlo lata nama. Bekeng eo, le ha ele mariha re tla bapala feela moyeng ho bata re sa apara-le-ho-apara ka lebaka la lefura la nama.

Motsamaisi wa dipuisano, dikolong tse phahameng re isitswe ke tsona ditjhelete tsa letsema. Sena se bolela hore mobu ke mohloodi wa bophelo. Kahoo ha re hlokomeleng mobu le tsa temo. Kajeno re bua ka Ilima/Letsema ho tswa setsong sa rona seo re hotseng ka sona.

Without agriculture we are naked, hungry and dead. Speaker, agriculture must be placed in the centre of development. Speaker, the Free State processes 11% of its primary agricultural production, but in the process loses the economic opportunities in terms of value adding, as most of the produces are processed outside the province and imported as final demand goods. The province's contribution in terms of field crops is significant for example Sorghum 107 500 tons (56%), Sunflower 375 000 tons (48%), Maize 4 317 000 tons (39.3%), Groundnuts 28 750 tons (34.6%), Soya-beans 189 000 tons (27%) and Wheat 377 400 tons (25.8%) respectively. Regarding livestock resources the province is at 30% of total sheep in South Africa second from Eastern Cape with 31%, cattle (14%), poultry (7%), goats (4%) and ostriches (4%).

These realities ask for considerable reorganisation regarding inter-departmental and stakeholder coordination. It is the intention of the department to take centre stage and lead more aggressively to ensure that primary agriculture contributes to the economy through local beneficiation. Adding value to locally produced agricultural products will accelerate our movement towards import substitution and a higher growth trajectory. Through all of these, I can attest to the commitment of Free State farmers and Agri-business to provide food and jobs for our nation.



In line with the value adding approach, the Free State Provincial Government introduced **Mohoma Mobung** as the Provincial Growth and Development Strategy for the agriculture and rural development sector. It is a multi-year mega Public and Private Partnership business concept that deals with income generation through farming in the rural area of the province, the creation of on- and off-farm agri-business, value chain enterprises and Black Economic Empowerment. This overarching strategic intent is underscored by a dedication to make the long term more urgent. To give effect to our strategic intent as encapsulated in Mohoma Mobung for the financial year 2012/13 we allocated **R131.8 million** to projects. With this investment we want to break the back of unemployment, poverty and food insecurity.

Mohoma Mobung is supported by both the United Nation (UN) and the African Union (AU) development principles.

According to the **AGRO-INDUSTRIES FOR DEVELOPMENT** document published by The Food and Agriculture Organization of the United Nations (UN) and The United Nations Industrial Development Organization I quote:

**“A dynamic agribusiness sector linking farmers to consumers can be a major driver of growth in the agricultural and the rural non-farm sectors, particularly offering opportunities for the rural poor. Market structure trends and the role assigned to small-scale operators, however, will be crucial throughout this process”.** Close Quote

Similarly the AFRICAN AGRIBUSINESS AND AGRO-INDUSTRIES DEVELOPMENT INITIATIVE (3ADI): framework programme of the African Union (AU) affirms the decision, I quote:

**“There has emerged a general consensus that investments in agriculture should go beyond improvements in on-farm productivity to cover agribusiness and agro-industrial development, if agriculture should be the engine of economic growth. As highlighted in the African Economic Report 2009, agriculture has not been sufficiently linked to agribusiness and agro-industries in the Continent. Consequently, innovative programmes for strengthening these linkages are needed”.** Close quote

**E**mbracing the principles of the Comprehensive Africa Agriculture Development Programme (CAADP), Mohoma Mobung emerges as a timely initiative, in the light of the recent AU Summit, Sirte Declaration of July 2009, wherein African Heads of State and Government explicitly acknowledge the need for proactive measures and interventions to increase investments in agriculture and the continued improvement of sector policies for accelerated economic growth.

What is the likelihood that agriculture and agro-industry will now be used more effectively for development than they have been over the last 20 years or so? Basically there are two conditions that should hold in order for this to happen. The first for governments and development agencies to do is to change the strategy and a mind shift to better understand what agriculture can do for development. This has, to a large extent, been forgotten over the past 2 decades when we shifted towards an urban based development model, an industry-based model of development or towards high-tech services such as in India. And yet, although we see wealth creation, we also witness continued mass poverty in rural areas and the growth of rural–urban disparities, with an underuse of the potential that agriculture has for poverty reduction.

Second are the possibilities to invest public resources in agriculture competitively, not only for growth, but also for poverty reduction and sustainability. As we have seen, there are important new markets, technological and institutional opportunities for agriculture, but these incentives need to be reconciled with what they can do for development.

## AGRICULTURE

**H**onourable Speaker, the massive investment in infrastructure as announced by **His Excellency President Zuma** in the 2012 State of the Nation Address (SoNA) is good news for the Free State because it will enhance our competitiveness and leverage local advantage in the heart of South Africa by opening new markets and reduce the costs of doing business in the sector.

In line with our strategic intent to unlock the potential of the province and to maximise the involvement of strategic partners, the department has declared Xhariep district as the Fish Hub of the province. A total of 39 Fish Ponds have already been established, thirteen (13) in each of the following towns, Springfontein, Bethulie and Koffiefontein. The department will be involved as the custodian for a period of three years after which the infrastructure will be alienated to fish farmers.

In the 2012/13 financial year the department has allocated R11 million for further development of aquaculture, and this will address a fish processing plant and more ponds.

Honourable Speaker, an example of where technology (embryo transfers) development has culminated into a practical project is the Brandfort Dorper Stud. The Dorper International project started last year and three (3) commercial farmers were assisted with 784 ewes, infrastructure and pasture establishment. The project has also been assisted to transfer embryos in order to benefit other farmers. The area is managed within the quarantine station guidelines to ensure compliance to export requirements and twelve (12) permanent jobs were created. An amount of R 3 million is allocated for the construction of laboratory facilities for embryo flushing.

Honourable Speaker, the department has identified Thabo Mofutsanyane as a dairy hub and an amount of R17.0 million is allocated for this development. Vrede, QwaQwa and Ficksburg towns will benefit from this initiative. Production and processing plants will be established, and this will create 150 jobs within the value chain.

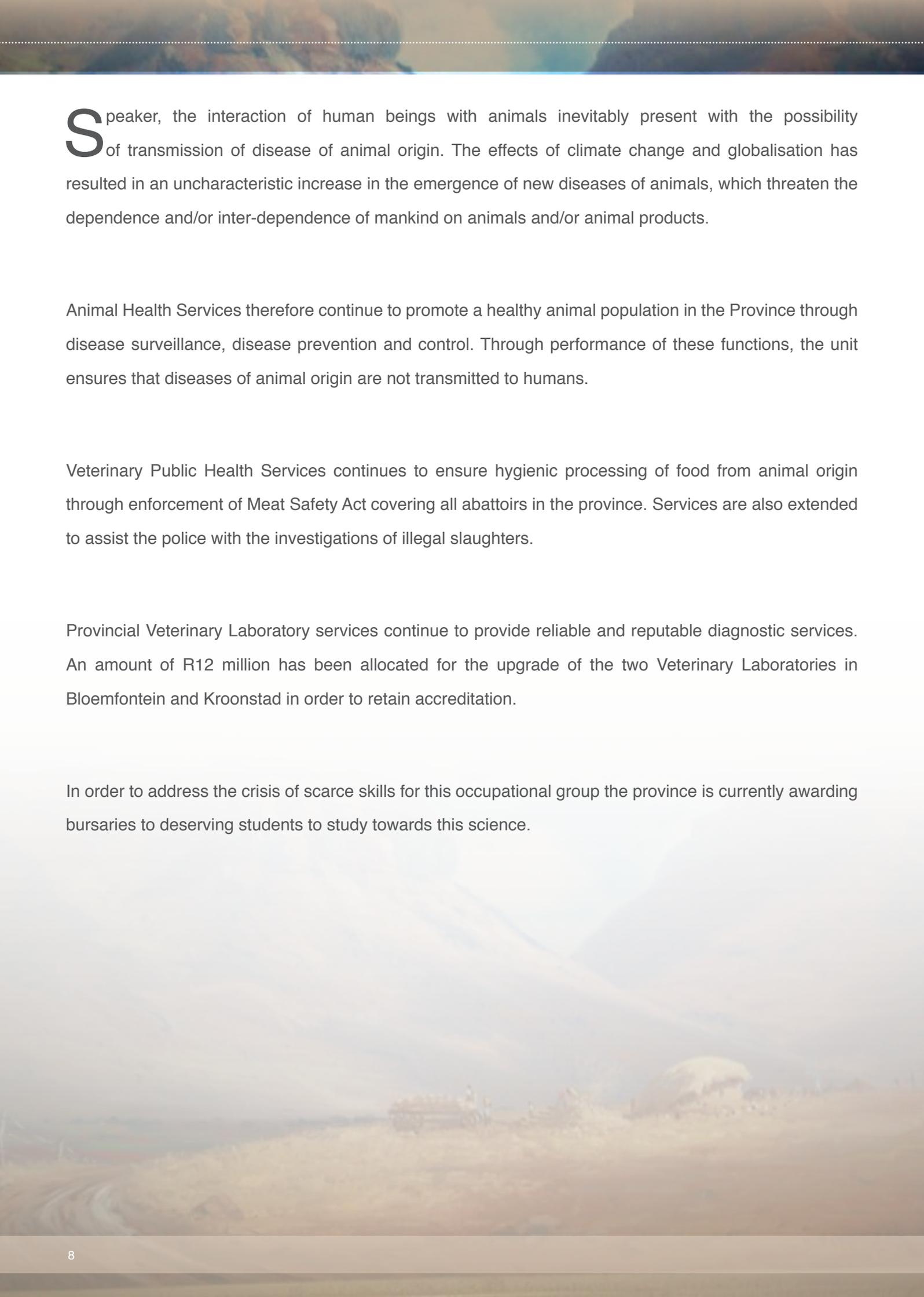
Honourable Speaker, in line with a quest for skills transfer and in recognition of the knowledge and experience of our commercial farmers, we have taken mentorship to a higher level of efficiency. Twenty two (22) mentorship contracts were signed to provide support to 295 farmers. The mentorship programme will be strengthened by partnering with commodity organisations and the Department of Rural Development and Land Reform. We will extend this partnership to Grain SA and other identified mentors to increase diversity and specialisation. An amount of R3.4 million is allocated for this initiative.

Speaker, let me reiterate that our strategic priorities centre around enabling faster economic growth, job creation and food security for all. In this regard we want to maintain the competitiveness of commercial farmers while accelerating the integration of subsistence and smallholder farmers into the main stream economy.

From the previous year, the Department is further enhancing poultry industry by allocating a total of R12.7 million to support and expand the poultry hubs to Fezile Dabi and Lejweleputswa. Poultry is labour intensive; therefore the hub is an incubation of job creation throughout the value chain.

Motsamaisi wa dipuisano, re hlasela tlala ka Mohoma Mobung. Re tla tswela pele ka leano la rona la Re Kgaba Ka Diratswana ditoropong tse hlwauweng tsa centenary le tsa Hlasela. Lefapha le abile tjhelete e kaalo ka dimilione tse tharo feelwane robong tsa diranta (R3.9 m) morerong ona.

In supporting Agro-processing an amount of R 61 million is allocated. This investment by the department will benefit amongst others the soya beans processing, fish processing, vegetables processing, poultry hatchery and abattoir, essential oil whereby all the districts will participate

A scenic landscape with mountains and a field. The top part of the image shows a clear sky and distant mountains. The middle part shows a valley with a river or stream. The bottom part shows a field with a large, round, yellow object, possibly a haystack or a large wheel, in the foreground.

Speaker, the interaction of human beings with animals inevitably present with the possibility of transmission of disease of animal origin. The effects of climate change and globalisation has resulted in an uncharacteristic increase in the emergence of new diseases of animals, which threaten the dependence and/or inter-dependence of mankind on animals and/or animal products.

Animal Health Services therefore continue to promote a healthy animal population in the Province through disease surveillance, disease prevention and control. Through performance of these functions, the unit ensures that diseases of animal origin are not transmitted to humans.

Veterinary Public Health Services continues to ensure hygienic processing of food from animal origin through enforcement of Meat Safety Act covering all abattoirs in the province. Services are also extended to assist the police with the investigations of illegal slaughters.

Provincial Veterinary Laboratory services continue to provide reliable and reputable diagnostic services. An amount of R12 million has been allocated for the upgrade of the two Veterinary Laboratories in Bloemfontein and Kroonstad in order to retain accreditation.

In order to address the crisis of scarce skills for this occupational group the province is currently awarding bursaries to deserving students to study towards this science.

**H**onourable Speaker, linked to the floods that occurred in December 2010 to February 2011 government has allocated R12.066 million to the Free State for support to farmers that has suffered losses on farms inclusive of infrastructure losses such as irrigation, soil conservation structures and dams.

**“n Land wat vir sy landbou sorg, sorg vir sy toekoms”**. Om hierdie stelling te ondersteun is ‘n begroting van R8.953 miljoen toegeken om negentien (19) projekte te implimenteer wat insluit die uitroei van indringer plante, grond- en water bewaring. In die Junior LandCare program sal deelname van leerders van verskillende skole verkry word waarin omgewings klubs ook gestig sal word.

Honourable Speaker, the province is repositioning Glen College of Agriculture towards an Agricultural Training Institute (ATI) delivering both further and higher education. The number of students has increased from 56 to 100 in this academic year, bursaries have been provided to the lecturers to further their qualifications. The College will further improve capacity by recruiting highly experienced academic and administrative staff. The academic enhancement allocation of R4.593 million by the Department of Agriculture, Forestry and Fisheries (DAFF) and infrastructure enhancement allocation of R29.851 million by the province were allocated as part of the Glen College upgrade.

## RURAL DEVELOPMENT

The Department of Rural Development is responsible for the coordination and implementation of the Comprehensive Rural Development Programme (CRDP) throughout the province to enable faster economic growth, job creation and food security for all.

This will be achieved through a co-ordinated and integrated broad-based agrarian transformation as well as the strategic investment in economic and social infrastructure that will benefit the entire rural communities.

Initially the CRDP process followed a site specific approach in Diyatalawa and Kgolokoeng but it was decided to follow a ward approach on the following projects as the data and institutional arrangements better supported this approach.

In terms of the CRDP process the first sites of Diyatalawa and Kgolokoeng projects progressed well and are at an advanced implementation stage. The CRDP sites of Fateng-Tse-Ntsho, ThabaNchu, Botshabelo and Namahadi were also profiled in terms of spatial planning and the intervention supporting the associated planning have progressed well.

Jacobsdal was also identified as a CRDP intervention site and the province together with the National Department of Rural Development and Land Reform (DRDLR) embarked on a set of key projects identified in this area.

Emanating from the visit by the President of the Republic of South Africa the following interventions were undertaken in Maluti-A-Phofung: the supply of water and solar energy in Diyatalawa agri-village; the building of a primary school and connection of supply of water from Sterkfontein dam in Kgolokoeng.

The Provincial Department together with National Department of Rural Development and Land Reform (DRDLR) continue to implement the National Youth Rural Services Corps program, whose aim is to train youth in rural areas in various aspects of skills development in order to build their capacity and participate in socio-economic development.

To date 14 264 questionnaires were captured on NISIS (National Integrated Social Information System). 50 675 Households in 33 wards were profiled linked to development opportunities.

Speaker, last year rural development paid attention to development of amenities in various communities across the province. This led to building of halls, crèches, schools and much needed municipal buildings for service delivery in deserving communities. The net effect thereof was that even deprived communities could enjoy social activities, pre-schooling for children and health services as promised by this government. The communities of Kgolokoeng, Cornelia, Jagersfontein, Viljoenskroon, and Bethany, amongst others benefited from these amenities.

Speaker, the department acknowledges the marginalisation under which rural people lived for a very long time. There is determination to work through the Comprehensive Rural Development Strategy to change face of rural areas from that of depression and lack of basic infrastructure and services.

Therefore, in the coming 2012/13 financial year R22.7 million is allocated for projects and this calls upon all rural communities to roll up their sleeves to put the “plough in the soil”. In so doing we will engage in labour absorbing and value adding sectors. This approach will broaden wealth creation through support to SMME and cooperatives with focus on women and youth.

The Department will continue with the development of Wilheminah to address socio economic infrastructure needs in this community. The province will further roll-out CRDP into new sites focusing on infrastructure development in Jagersfontein, Herschel Farm and Warden.

The department of Rural Development will be establishing cottage industries and the first two towns of Bethlehem and Cornelia will lead this initiative. In Petrus Steyn the Department will provide and support the creation of children’s park, in celebrating the centenary (100 years) of the town.

Speaker, Re Jala Peo!!! Youth media cottage centres will be established in Botshabelo and QwaQwa.

In conclusion Mr Speaker, we all agree that the Free State is the bread basket of the country and that must be maintained.

I take pride and honour to thank my esteemed organisation the African National Congress, the Premier of the Free State Government, Members of the Executive Council and Members of the Provincial Legislature for their support

I extend my sincere appreciation for the support the province received from the Minister of the Department of Agriculture, Forestry and Fisheries Ms Tina Joemat Pettersson and the Minister of the Department of Rural Development and Land Reform Mr Gugile Nkwinti.

Let me thank the hard working farmworkers, the farmers, Organised Labour and Organised Farmers Organisations.

HODs, Peter Thabethe and Dr Moorosi, Management and the staff of the department, thank you.

Let me thank my entire family, my mother and beloved wife for their unconditional support even in bleak moments. Thank you very much.

Speaker, in conclusion, let me draw inspiration from a man who grew up as a herd boy, a teacher, a horse trainer, a Doctor of Medicine by profession and above all the former President of the glorious movement the ANC, Dr Alfred B Xuma.

I quote:

**“The fundamental basis of all wealth and power is the ownership and acquisition of freehold title to land. From land, we derive our existence. We derive our wealth in minerals, food and other essentials. On land we build our homes. Without land, we cannot exist.”** Close quote.

**Jwale re fina seledu, re kenya Mohoma Mobung, lerole le a thunya, mesebetsi e ya qala, maphelo a batho a ya fetoha!!**

**MOHOMA MOBUNG!**

**Annexure A.****AGRICULTURE: VOTE 11**

<b>Programme</b>	<b>Budget Allocation</b>
1. Administration	R121 490
2. Sustainable Resource Management	R30 359
3. Veterinary Services	R286 499
4. Research and Technology	R59 842
5. Development Services	R54 926
6. Agricultural Economic Services	R9 038
7. Structured Agricultural Education and Training	R17 328
<b>Total payments and estimates:</b>	<b>R579 482</b>

**RURAL DEVELOPMENT: VOTE 14**

<b>Programme</b>	<b>Budget Allocation</b>
1. Administration	R6 749
2. Development Planning	R28 313
3. Social Facilitation	R5 538
<b>Total payments and estimates:</b>	<b>R40 600</b>





