



agriculture

Department:
Agriculture
PROVINCE OF THE EASTERN CAPE



**POLICY 20²⁵
SPEECH VOTE 8 26**



Inclusive Economic Growth





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POLICY **20** **25**
SPEECH **VOTE 8** **26**



Inclusive Economic Growth



Honourable Speaker

Honourable Deputy Speaker

Honourable Premier of the Eastern Cape

Honourable Members of the Executive Council

Honourable Members of the Provincial Legislature

Honourable Members of the Portfolio Committee on Rural Development & Agrarian Reform

Honourable Members of the House of Traditional Leaders

Leadership of farmer's organisations & rural communities of our beloved Province

Women and Youth in agriculture in our rural province

Religious leaders

Distinguished Guests

Members of Media

Manene nani manenekazi

Ndiyanibulisa nonke, mbombo zone zeli phondo lethu.

Honourable Speaker, as we start the 7th Administration, we are mindful that the period from 2025 to 2030 marks the final phase of the province's commitment to supporting the goals of the Provincial Development Plan (PDP), Vision 2030 - a dynamic and interconnected province where all residents can achieve their full potential. The 7th administration has embraced the Medium-Term Development Plan (MTDP) with a focus on three key priorities: inclusive growth and job creation, reducing poverty and tackling the high cost of living, and building a capable, ethical, and developmental state. In its P-MTDP, the province identified five outcome areas, with the department contributing to the expansion of employment opportunities and advancing re-industrialization.

Honourable Speaker, to place emphasis on agriculture as the mainstay of the province's Programme of Action, a proclamation was issued in terms of sections 7(5) and 7(6) of the Public Service Act, 1994 (proclamation 103 of 1994, as amended). The department is now officially called the Department of Agriculture (DoA), and no longer the Department of Rural Development and Agrarian Reform (DRDAR).

Somlomo Obekekileyo, into eyenza singalali buthongo buhlayo ebusuku sileli candelo lezolimo, kukuzingisa kokungakhuseleki okumandla kokutya, kunye nokungondleki kweli phondo lethu ngelixa eli lizwe lo Mzantsi Afrika lithathwa njengelinokutya okoneleyo. The high cost of living and unemployment are the major drivers to household food insecurity, which leads to child malnutrition as reported by the South African Human Rights Commission's (SAHRC's) and the recent report of the National Food and Nutrition Security Survey (NFNSS). The NFNSS showed that 20% of households in the province are severely food insecure. The districts affected by severe food insecurity are Amathole 24%, and Sarah Baartman 24%, Alfred Nzo at 23%, Nelson Mandela Metro 20%, Buffalo City Metro 19%, OR Tambo 17%, Chris Hani 17%, and Joe Gqabi 15%. Furthermore, our household dietary diversity study conducted by the University of Fort Hare (UFH) reveals that 61% of the households in the province are consuming a diet of low diversity, that is carbohydrate-rich with less protein (Cheteni et al, 2020). Therefore, we should intensify efforts to help rural communities to produce and increase access to affordable and nutritious food. On that note, a Provincial Food and Nutrition Security Plan has been developed to galvanise all sectors of society to work collectively, to harness community resources in addressing food security.

SUPPORT VULNERABLE HOUSEHOLDS THROUGH COMMUNITY PRODUCTION SCHEMES (ILIMA)

Madam Speaker, the high cost of living and particularly the unaffordable cost of food is driven by low levels of food production. This is unfortunate because the National Food and Nutrition Security Survey reveals that the province has the highest number of households that have access to land at 67%, while only 37% of that is put into productive use. Our Provincial Food and Nutrition Security Plan, seeks to increase food production through community-led partnerships, which in turn will lead to lower cost of food thereby making it affordable to vulnerable groups such as unemployed, youth, pensioners and social grants recipients. Local production of a variety of agricultural produce is

critical, as it will enable most people to access food products locally and save on transport costs, which contributes to the high cost of living.

In 2024/25, we initiated a partnership with the national department to support 30 000 vulnerable households with production packs through ILIMA/LETSEMA, and an additional 12 000 households were supported through the Presidential Employment Stimulus (PES) programme. Embracing innovation and technology is essential for reducing production costs and mitigating the impact of climate change. The department implemented a smart agriculture project to improve food production and accessibility in all six districts by establishing self-sustaining agricultural ecosystems. Twenty-seven (27) tunnels with smart boxes were installed in each district, benefiting 21 youth farmers, 9 adult women, and 3 adult males. This initiative enabled year-round cultivation in a controlled environment, leading to higher crop yields and fostering entrepreneurship, community education, and environmental preservation.

Ukuhlangabezana nengxaki yokunqaba kwamanzi, isebe lincedisana nabahlali ukukhusela imithombo yamanzi, eye iphinde isetyenziswe ukunkcenkceshela izitiya. To this end the department completed 10 spring water projects in five districts: Alfred Nzo (2), Amathole (2), Chris Hani (2), Joe Gqabi (2), and OR Tambo (2). During the same period, a total of 234 taps were installed in 10 villages, benefiting 1 891 households and creating 496 jobs. Our commitment to improving the livelihoods of rural communities through the provision of safe, clean drinking water and food production remains steadfast. In the upcoming financial year, we plan to develop six natural springs across the province, with one in each district: Alfred Nzo, Chris Hani, Joe Gqabi, and OR Tambo, and 2 in Amathole. Additionally, we will undertake the rehabilitation of a windmill in Malangazana village in Enoch Mgijima Local Municipality.

Somlomo Obekekileyo, during this term, we have committed to developing and establishing local food hubs where the government will support massive cultivation of land, targeting high-potential arable areas such as irrigated lands. The community food production scheme has been initiated to support

communities in putting their land into production at a required scale, enabling them to store, process, package, and sell surplus produce.

A model like this exists as demonstrated by Phawu Likum AgriPak, founded by Mr. Bakhusele Mathupha, based in the small town of kuGatyane. He initiated a food forest that produces fruits, vegetables and herbs to provide households with access to fresh and healthy food. This helps to combat food insecurity through collaborative approaches and a shared commitment to work the land to create self-sustaining food systems. We would like to encourage every community to adopt these innovative approaches to improve food security in the province. (Farmers Weekly, 20 March 2025, Octavia Avesca Sapandiel).

Mawethu sihlaba ikhwelo! Masibuyeleni eMbo, senzeni “ilima” – silime iigadi nezitya kwiilali esihlala kuzo ngokubambisana. Simema bonke abantu abafuna ukuthatha inxaxheba khweliphulo lokuvuselela imveliso yokutya ngeLima. Ngokwesintu akukho mntu omakafe yindlala bekhona abantu ekuhlaleni. Umhlaba sinawo masiwusebenziseni sivelise ukutya. We will anchor our food production scheme on broad-based partnerships with communities that will aggregate a minimum of 20-100 gardens within a 5 km radius to be put under production through **Ilima** community food production.

This programme is targeting to increase production of food at community level focusing on grain, vegetables, poultry, piggery, beekeeping, etc. The department will provide mechanisation, production inputs, equipment, and infrastructure such as irrigation systems, nurseries, and storage facilities to support this intervention comprehensively. The success of this initiative will require mutually beneficial partnerships, shared responsibility and minimum contributions by all participants and a strong commitment from communities to work the land. In the 2025/26 fiscal year, the department has allocated a budget of **R60 million** to implement this programme. The rollout of this programme will be piloted in phases to allow us to benchmark and document best practices that will be shared across the province.

AGRICULTURE AND AGROPROCESSING MASTER PLAN (AAMP) TO DRIVE INCLUSIVE GROWTH AND JOB CREATION

Honourable Speaker, the 2022 agriculture survey by StatsSA has shown that the Eastern Cape agricultural gross income increased by 41% from R27 billion in 2017 to R38 billion in 2022. The overall agricultural performance is driven by livestock (55,6%), horticultural crops (22,7%), field crops (5,9%) and mixed farming (14%). Our vibrant district commodity value chains were led by Sarah Baartman (61,6%), Amathole (16,2%), Chris Hani (12,6%), Joe Gqabi (8,6%) and Alfred Nzo (1%). The agriculture sector has been resilient in the face of climate change, rapidly rising input costs, chemicals in the form of animal and plant health remedies, and machines that are mostly imported.

While the commercial sector has been more sustainable, agile and resilient over time, this may be short-lived unless we better integrate smallholders into the mainstream value chains to strengthen sector contribution to agricultural growth and employment.

Honourable Speaker, we are implementing the Agriculture and Agro-processing Master Plan (AAMP) to integrate smallholder farmers into the commercial value chains. The focus is to increase participation of smallholder farmers' share in grain from 4,2% to 20%, citrus 2% to 19%, deciduous 3% to 19%, beef 34% to 50%, dairy 7% to 10%, wool 11% to 16%, mohair 12,8% to 15%, poultry 4,2% to 15%, Soyabean 3,1% to 12%, and potato 1% to 20%.

Madam Speaker, it is at this point that I want to reiterate our call to the commercial sector to come forward and continue to partner with government and smallholder farmers to promote inclusive growth. We are already working with Agri-Eastern Cape through the CEO, Mr. Brent MacNamara, who serves in the Premier Investment Council which promotes investment in the sector.

We must appreciate the commitment shown by our commercial farmers in supporting smallholder farmers through mentorship in a drive to transform the sector. This has been demonstrated by Mr. Kruger (*May his soul rest in peace*), who mentored Mr. Mhlonitshwa, from being a communal farmer to a commercial farmer at eKhowa. Mr. Mhlonitshwa is currently producing grain on 210 ha of land and has a herd of 300 Simbra-type beef cattle and 500 Dohne Merino sheep. We want to promote the co-existence of commercial and smallholder farmers through a farmer-to-farmer mentorship programme supported by commercial farmers and commodity groups. This will be implemented through commodity-specific study groups across the province.

COMMERCIALISATION OF 100 LAND REFORM FARMS AND REVITALISATION OF IRRIGATION SCHEMES

Honourable Speaker, in his SOPA the Premier directed the department to “commercialise 100 farms and 10 000 hectares of irrigated land that will be optimized to ensure increased production of locally produced food through agro-processing and value addition”. Our plan is as follows:

Commercialisation of 100 land reform farms

Honourable Speaker, in the 2024/25 financial year, we have completed an agricultural technical assessment of 100 farms, which comprises of 27 citrus, 3 deciduous, 31 grain, 33 livestock, and 6 mohair. These farms will be positioned to aggregate commodity-specific produce within their own and surrounding areas. The prerequisite for participation in the commercialisation of 100 farms is training and mentorship.

In the 2025/26 financial year, the department will strengthen the current production in the 100 farms and improve business compliance (business plans, registration, SA GAP, record keeping) for access to funding. Furthermore, these farms will be provided with infrastructure, equipment, and access to markets throughout this term. For the current financial year, in partnership with the

ECRDA and ECDC the department has set aside **R20 million** blended finance schemes. The ECRDA is envisioned as a key driver in transforming subsistence agriculture into commercially viable enterprises. These prioritised farms will also be targeted by R200 million blended finance co-funding with the Land Bank, which will be based on approval of projects and front-loading. The department will engage Provincial Treasury on the modalities on how this initiative could be best implemented.

Irrigation Scheme Development

Madam Speaker, as a province, we have a capacity to produce on 10 000 ha of irrigable land, however, we are currently experiencing community conflicts, insecure land tenure and dilapidated infrastructure. To get irrigation schemes back to production, we need to overcome these challenges by working together with farmers, communities, traditional authorities, government departments, and municipalities. To address community conflicts, we are going to introduce the Irrigation Regulatory Framework, which will bring stability, provide certainty on land use rights, incentivise production and attract investment.

Honorable Speaker, DALRRD has been specifically tasked to decisively deal with the issue of land tenure security. This is the matter that is receiving the attention of the Minister of Land Reform and Rural Development which would help the province to resolve the land tenure challenges.

The Department is in the final stages of developing the Irrigation Scheme Production Scheme (ISPS) to establish regulations for land and water governance, improve land utilization, and attract investments to support rural industries. Public consultations with directly affected communities will be conducted, and the framework will be published for public comment in the government gazette by the end of May 2025.

Madam Speaker, we have approached Infrastructure South Africa (ISA) and the World Bank Group (WBG) to help us secure development funding for the schemes. These institutions are currently refining our business plan, which is

meant to be submitted to the Budget Facility Infrastructure (BFI), to address the infrastructure backlog in the irrigation schemes in the province.

LOCALISATION OF FOOD PRODUCTS TO INCREASE ACCESS TO AFFORDABLE NUTRITIOUS FOOD AND EXPORT PRODUCTS

Honourable Speaker, it is worth noting that the province spends approximately R34 billion on social grants annually; 44% (R12 billion) of this is spent on food, which presents an opportunity for the province to expand its local food production. The key food items include rice, vegetables (potatoes, cabbage, spinach, and carrots), dairy products, flour, sugar, maize meal, and cooking oil (canola and sunflower oils). Our programme is geared to increase localised production and agro-processing of vegetables, fruit, maize, dry beans, oilseeds, red meat, dairy, and poultry products to create food products that will significantly reduce the cost of food and enable more people to have access to affordable, nutritious food. Furthermore, this initiative presents an opportunity for the province to take advantage of the significant portion of the R12 billion spent on food to be circulated within the province, which will stimulate local economies and create employment opportunities.

Localisation of Food Production Through Agri-processing Development Programme

Honourable Speaker, as pronounced by the Premier “*We want grain to be processed to samp, mealie meal and animal feed. We want milk to be processed to dairy products...*”. The ECRDA is tasked with spearheading the localisation of food production through aggregation initiatives. This includes aggregating produce from local farmers and processing it into food products that meet both local consumption needs and export standards. By leveraging modernized Industrial Parks, Special Economic Zones (SEZs) (Coega and East London). This is envisaged to be the driver of Government Procurement of Agricultural Products, which will be implemented through a partnership between DoA,

ECRDA, Provincial Treasury, ECDC and DEDEAT. Our main objective is to ensure that schools, hospitals, correctional facilities, RED Hubs and other public institutions, are supplied by local farmers. The ECRDA aims to enhance value addition in key commodities like grain, dairy, poultry, and horticultural products. We are currently assisting farmers in aggregating their production to meet volume requirements.

The success of these initiatives depends on building strong partnerships between government entities, private sector stakeholders, and rural communities. ECRDA will collaborate closely with farmer organizations, traditional leaders, municipalities, and other stakeholders to ensure inclusive participation in agricultural development programs. Additionally, mentorship programs led by the department and commercial farmers will be expanded to integrate smallholder farmers into the mainstream value chains.

Grain value chain

Honourable Speaker, grain production in the Eastern Cape is a vital source of food and feed for both humans and animals. Over the past five years, the province supported the aggregation of communal land parcels into commercially viable units to increase maize production with the view of processing food (samp, mealie meal) and animal feed through the RED Hubs. The ECRDA is currently repurposing the RED Hubs to transform them into food processing facilities.

Honourable Speaker, in the 2024/2025 period, the department successfully planted 22 584 hectares of maize, with an expected yield of 112 920 tons of grain. We supported 9 fencing projects with 20 kilometers of fence and a multi-purpose shed.

In the 2025/2026 financial year, the department has allocated **R70 million** to support grain production on 23 000 hectares in the grain corridors (Chris Hani, Joe Gqabi, Alfred Nzo, Amathole and OR Tambo). The ECRDA will also drive commercialisation of grain and fodder production with a total blended finance

budget of **R32 million**. Our grain production is also supported through infrastructure and for this financial year **R10.2 million** has been allocated for 20 kilometers of fencing, 2 000-ton grain silo, and three storage sheds.

Red Meat Value Chain

Madam Speaker, in the 2024/25 financial year, the department supported beef farmers through genetic improvement programme with a total of 49 bulls, and 230 heifers. Furthermore, the province initiated the Livestock Identification and Traceability System (LITS), tagging a total of 25 000 cattle and registering 78 establishments in the national database. In 2025/26 financial year, a total of **R2.5 million** has been set aside to expand the LITS implementation, aiming to add 30 000 black-owned cattle to the database.

In the 2025/26 financial year, the department has allocated a budget of **R6.8 million** to support black farmers in enhancing their genetic material. We will collaborate with the Ntinga Development Agency to develop a plan to refurbish the Umzikantu abattoir. We are positioning this abattoir to slaughter and process cattle fed in 13 custom feeding centres for the local market. These 13 custom feedlots have been allocated **R5.6 million** for their operations.

Honourable Speaker, in 2024/25, we initiated the establishment of the Ngqushwa Beef Complex which will be implemented in phases. The first phase was the identification of the site, and we are currently in the second phase, which is infrastructure development. We are inviting interested investors to come and participate in the development of this beef complex. This presents an opportunity for local farmers to participate in the value chain.

In the previous financial year, we completed the construction of 5 animal handling facilities, 6 dip tank renovations, 4 new dip tanks, 5 fencing projects, 3 stock water systems, and 6 boreholes. In the 2025/26 financial year, a budget of **R34.9 million** has been allocated for 206 km of fencing, 13 animal handling facilities, renovation of 5 dip tanks, construction of 9 new dipping tanks, and installation of 6 stock water systems and boreholes.

Somlomo obekekileyo, *enye yeengxaki esijongene nazo bubusela bemfuyo obuhambisana nobundlobongela*. We are particularly disturbed by stock theft in the province, especially in areas such as OR Tambo and Alfred Nzo. In the 2025/26 financial year, we have set aside **R3.2 million** for the installation of 48 CCTV cameras complementing the existing 828 CCTV cameras operated by Agri-EC. We will be working with Agri-EC and other interested partners to implement our stock theft prevention programme.

Vet school

Honourable Speaker, livestock plays a critical role in our culture *kwimicimbi yobulawu nokwelusa kwamakhwenkwe* and the economy of Eastern Cape, which requires the support of Veterinary scientists. The eastern cape government and the University of Fort Hare are focusing their combined efforts to establish a Veterinary School. As part of our intention, I have met with the Vice-Chancellor, Prof Buhlungu, and his team to strategise on our final thrust towards issuing an official letter by the Department of Higher Education and Training granting permission for the establishment of veterinary faculty. A Veterinary School project team, led by a professor and comprised of academics from the University of Fort Hare and two representatives from the DoA has been established to drive the process with a targeted date of the first intake in January 2027

Livestock Biosecurity

Honourable Speaker, the Foot and Mouth Disease (FMD) outbreak in Kouga in April 2024 had a significant impact on the livestock industry, resulting in the suspension of exports and a revenue loss of R2.5 billion for the dairy and red meat sectors in the Eastern Cape. To control the disease, strict biosecurity measures were implemented, including the establishment of a Disease Management Area, restrictions on livestock movement, and the vaccination of 95 000 cattle. We commend the commitment shown by communities, farmers, and farmer organizations such as Agri-Eastern Cape, the Milk Producers Organisation, the National Wool Growers Association, the African Farmers

Association of South Africa, as well as district and local municipalities, particularly the Kouga Municipality for providing resources and equipment during this challenging period. We also appreciate the veterinary support from the Department of Agriculture, Land Reform, and Rural Development (DALRRD), the Onderstepoort Veterinary Laboratory, and neighbouring provinces such as the Western Cape, Northern Cape, Free State, and KwaZulu-Natal.

The Foot and Mouth Disease (FMD) outbreak in Kouga and Koukamma Local Municipalities has been successfully contained. The last positive FMD case was reported on September 19, 2024, due to the effective implementation of biosecurity measures. These measures included farm isolation through quarantine notices, vaccination, declaration of disease management areas, and restricted movement. Out of the two farms in Ntabozuko that tested positive for FMD, one has been declared disease-free, and the other is expected to be cleared of the disease within approximately 90 days, as no new positive cases have been detected since May 2024.

Honourable Speaker, in the 2024/25 financial year, our veterinary support programme vaccinated 974 690 animals against controlled diseases, dipped 1.7 million animals, and vaccinated 96 000 dairy animals against FMD. In the 2025/26 financial year, the department will invest **R52 million** to maintain the health status of the provincial herd.

We have completed Biosecurity training sessions for communal and smallholder farmers in all six districts and two metros, totalling 274 sessions. Additionally, eight biosecurity plans were developed for abattoirs, primarily in the Sarah Baartman district, during the last financial year. Our biosecurity initiatives have also been expanded to include eight rural and low-throughput abattoirs in Sarah Baartman. Through our partnership with AgriEC, one of their officials has been appointed as a Biosecurity Officer under the Animal Disease Act 35 of 1984.

Animal Fibre Value Chain

Honourable Speaker, the province is a leading producer of both mohair and wool. The Department will collaborate with Mohair SA and Cape Wool SA to achieve the AAMP vision. These industry bodies have empowerment trusts that focus on including black farmers in the sector. Currently, there are 45 000 rural farmers in the Eastern Cape marketing their wool internationally through 984 shearing associations, generating about R300 million.

In the 2024/25 financial year, the Department supported communal and smallholder farmers with infrastructure, including 20 shearing sheds and 978 breeding sheep. Veterinary services administered 6.7 million treatments to combat sheep scab to ensure good quality wool.

In the 2025/26 financial year, a total of **R28.4 million** will be allocated to construct 12 new shearing sheds (wool & mohair), renovate one shed, construct fences, and install stock water systems. Additionally, a budget of **R6 million** has been set aside for the procurement of sheep and goats as part of the Livestock Improvement Scheme.

Honourable Speaker, in the 2025/26 financial year, we will initiate the aggregation of sheep through the existing network of 984 shearing sheds. This initiative will be implemented in partnerships with wool industry players i.e. Cape Wools SA, Eastern Cape Communal Wool Growers Association (ECCWGA) and National Wool Growers Association (NWGA). This project has the potential to succeed by making sure each shed aggregates 50 sheep resulting in 49 200 sheep marketed through formal markets for their wool.

Vegetable Value Chain

Honourable Speaker, in the 2024/25 financial year, vegetable producers received assistance in acquiring the necessary infrastructure to qualify for Good Agricultural Practices (GAP) certification. As a result, a total of 9 GAP certifications were awarded to farmers throughout the province. Furthermore,

in the 2024/25 financial year, two small irrigation schemes were established in Amagingqi (PSJ) and Amabomvu in OR Tambo as well as a hydroponic tunnel, fencing of 3 projects and a packshed.

In the 2025/26 financial year, the department plans to aggregate vegetable production and improve compliance. The department has set aside **R24 million** to support farmers with infrastructure, GAP compliance and expand production under irrigation.

Honourable Speaker, we are piloting Agri-Food Hubs, in partnership with local municipalities and the private sector. The target areas are Zanyokhwe (Amathole), Qamata (Chris Hani) and Port St Johns (OR Tambo). In the current financial year, the Department is converting an existing Rural Market Centre into a Rural Food Hub in Port St Johns.

Poultry Value Chain

Honourable Speaker, during the 2024/25 financial year, the department supplied approximately 60 000 broiler chicks and 16 000 tons of feed to 100 poultry producer farmers in Alfred Nzo, Amathole, Chris Hani, Joe Gqabi, OR Tambo and Sarah Baartman. In the 2025/26 financial year, the department has a budget of **RI 4.2 million** to continue with the implementation of the project. All poultry producers that are part of the project will participate in the Agribusiness Development Programme (ADEP). This programme seeks to enhance the development of the small-scale poultry value chain through the development of an aggregation model to achieve scale through partnerships with the established producers and the South African Poultry Association (SAPA).

Horticulture value chains

Somlomo Obekekileyo, our exports are mainly driven by our competitive Horticulture Value Chain, particularly Citrus and deciduous fruits, which contribute 22,7% share of the sector. In the 2024/25 a total of 33 citrus

producers in both Amathole and Sarah Baartman Districts were supported with a budget of R6.4 million to maintain their orchards for production to the export markets. This support helped our producers to maintain their yields of 25 000 tons. In the Amathole District Municipality, a total of 27 km of fencing was erected on 3 farms whilst another farm was supported with irrigation materials. In the 2025/26 financial year, we have increased our horticulture value crops funding from R6.4 million to a total of **R10 million** for expansion and maintenance of orchards. The department has also set aside **RI.5 million** for infrastructure development for the deciduous commodity.

Pineapple value chain

Madam Speaker, in the 2024/25 financial year, 3 pineapple farms received a total of **R7.5 million** in blended finance, this facilitated significant recapitalization and the acquisition of new equipment such as tractors, boom sprayers, ridgers, harvesters, and tractor trailers. This investment led to the creation of 368 jobs, both permanent and casual. In 2024, the farmers participated in a study tour to Swaziland to learn about best industry practices. There are eight pineapple farms in the region, with one supported in BCMM (Sixhenxe) and seven in Ngqushwa farms (including Bingqala, Tainton, Cornfields, Tarfield, Benton, Barthust, and Sinenjongo Bingqala) covering a total of 649 hectares. In 2025/26 financial year, the farmers will be supported to apply for the blended finance and the Land Bank funding partnership.

Aquaculture and Smallscale Fisheries Support

Madam Speaker, the 2024/25 financial year, our partnership with the World Bank Group successfully secured a ProBlue grant funding of \$500,000 for developing local value chains for seaweed, East Coast rock lobster, abalone, and fin fish, with a focus on Small-scale Fisheries Cooperatives in the province.

In the 2025/26 financial year, the Department will complete the last phase of the freshwater aquaculture demonstration facility in Dohne Agriculture Development Institute with a budget of **R9.7 million**. The department is

working with South African International Maritime Institute (SAIMI) in capacity building initiatives for aspiring aquaculture farmers. To date 20 farmers have been trained through this partnership.

Support the development of the Cannabis and Hemp industry

Honourable Speaker, our partnership with Medigrow has provided opportunities to 26 hemp permit holders that were supported to participate in the value chain. Furthermore, these Hemp permit holders were supported with 6 tons of hemp seed, whilst 18 Cannabis farmers were supported with fencing material in the preparation for the hemp cultivation. Through the Cannabis incubation programme, a total of 100 farmers were trained in cannabis cultivation techniques, building critical capacity for this emerging sector.

The ECRDA has partnered with the Agricultural Research Council (ARC) to establish controlled hemp seed evaluation trials at the Addo Experimental Research Station in November 2024. The department has also conducted research on indigenous cannabis wherein the Pondoland dagga landraces have been botanically classified as a means of preserving their distinct characteristics. Further studies will be conducted on environmental factors affecting seed germination and economical propagation protocols of cannabis. In the 2025/26 financial year, a total of **R11 million** has been set aside for cannabis development.

Fertiliser blending to reduce cost of production

Madam Speaker, the department is supporting the Chris Hani Development Agency (CHDA) to establish a fertilizer blending facility in the Komani Industrial Park. The plant will have a capacity to produce 57 600 tons of fertilizer per year, operating at a capacity of 30 tons per hour on a one-shift production plan. The plant is expected to be operational by the end of September 2025 and make blended organic and chemical fertilizers affordable to the farmers. Our experts will provide technical support to maintain compliance and quality standards of the fertilise product.

KEY DRIVERS OF AGRICULTURAL DEVELOPMENT

Research, Technology Development and Innovation to Improve Competitiveness

Honourable Speaker, at the centre of agriculture development is research to address production constraints affecting farmers and the provision of technologies that improve the productivity and competitiveness of the farmers. The department will continue to implement 38 ongoing research trials on plant and animal production focusing on climate-smart technologies, while the farming community will also be supported with laboratory services to improve productivity.

The department will be establishing a seed multiplication facility at Dohne in collaboration with the Agriculture Research Council (ARC) and the University of Fort Hare. The facility will produce quality open pollinated maize seed within industry norms and protocols which will be distributed to deserving poor resource farmers who cannot afford commercial seeds. Furthermore, a **state-of-the-art nursery** to produce seedlings will be established at Dohne that will not only support local communities with plant propagation material but also with training to produce own seedlings to reduce the costs associated with acquiring seedlings. In the 2025/26 financial year, a total of **R158 million** budget is availed in quest of data driven decision making in the department.

Extension and Advisory Services

Honourable Speaker, the implementation of our programmes is driven by 554 extension practitioners, who are deployed in all districts, local municipalities and Metros. The department is conducting a commodity-specific training to provide specialised and targeted support to different subsectors. In 2024/25 financial year, the department has trained 240 extension practitioners, which will increase to 257 in 2025/26. The department will employ 19 Assistant Agriculture Practitioners (AAPs) to increase the capacity of the department to service farmers.

Honourable Speaker, technology is key to transform the sector, thus, the department continues to implement the ArcGIS Survey 123 mobile solutions system to monitor production and provide feedback to the farmers. In 2025/26 a budget of **R76 million** has been allocated to professionalise extension services.

Improving Land Administration and Management

Honourable Speaker, the government has a huge responsibility to manage land administration across all spheres of government to reduce land invasions and misuse of productive lands. In this regard the province has established the Provincial Steering Committee on Land Administration and Management in Communal Areas to create working relations amongst all stakeholders in the implementation of land administration and management as well as controlling land invasions. The Committee, which is chaired by the Department, this financial year, is a collaboration between the Provincial COGTA, the Department of Agriculture (DoA), DALRRD, DPW&I and South African Local Government Association (SALGA) and seeks to make recommendations to the provincial executive leadership to improve on effective ways to resolve the deterioration of land use management and the proliferating land invasions.

Furthermore, the national Department has enacted the Preservation and Development of Agricultural Land Act of 2024, which will give powers to the provinces to make decisions on classification and rezoning of agricultural land, including the declaration of protected agricultural land. These powers will allow the province to exercise full control in protecting and developing agricultural land for better use.

Agri-Businesses Development and Market Access

Honourable Speaker, the department will be implementing the Market Access Programme (MAP) which aims to assist all agri-businesses to access and engage with new and existing markets. The programme aims to not only facilitate access to local markets but also to increase foreign exchange while

stimulating enterprise growth and expansion that will ultimately lead to further job creation and transformation in the sector. The Agribusiness Development Programme (ADEP) will also be piloted with a focus on training targeting market readiness and compliance, market access, product promotions and agribusiness development support. These programmes will be rolled out across the province targeting the 100 farms under commercialization, and youth (24 graduate interns) in incubation programmes and all aspiring agri-businesses. In the 2025/26 financial year, a total of **R1.8 million** has been set aside to drive this programme.

YOUTH INCUBATION PROGRAMMES

Honourable Speaker, we are continuing with our Entrepreneurial Graduate Placement Mentorship Programme which will be admitting its fourth cohort of 120 unemployed agriculture graduates to be placed on commercial farms and agri-businesses for a period of 2 years. Furthermore, these graduates will be capacitated with accredited Business Management Programme at NQF Level 7 offered by the Nelson Mandela University's Business School. We are also promoting agriculture entrepreneurship where an additional 24 graduates will be provided with business startups. This programme is designed to help them to develop credible and fundable business plans that meets all compliance requirements. To support this programme a budget of **R15.1 million** has been allocated in the 2025/26 financial year.

Furthermore, the department plans to provide a conducive workplace environment for 30 graduate interns and 100 Workplace Integrated Learning (WIL) placements for learners from TVET colleges to fulfil the requirements for their National Nated Diplomas.

AGRICULTURAL SECTOR REVIEW AND OUTLOOK

Honourable Speaker, our sector is dynamic, diverse and vulnerable to external factors which requires data driven solutions. As such, on an annual

basis the department will conduct the Eastern Cape Agriculture Economic Review and Outlook to provide sector intelligence to farmers, agri-business, investors, off-takers, etc to make informed decisions. The study aims to assess the current status of the sector, identify economic trends (such as the economic contribution of value chains), analyse the impact of government policies on the province's agricultural economy, forecast future agricultural performance, and enhance strategic planning through data-driven insights. This project has been supported with a budget of **R2 million** in the 2025/26 financial year.

PROVINCIAL MECHANISATION

Madam Speaker, access to affordable mechanization services and machinery in rural areas remains a major challenge. In the 2024/25 financial year, the department implemented production-based mechanization support by providing 21 tractors and equipment targeting youth and women in agribusiness. In the 2025/26 – 2027/28 MTEF, the department has set aside **R45 million** to establish a production based provincial mechanization centre, managed and operated by ECRDA, focusing in rural areas. ECRDA will collaborate with industry and relevant stakeholders to ensure the best operating model for the centre.

PROVISION OF AGRICULTURAL INFRASTRUCTURE

Madam Speaker, in the 2024/25 financial year, the Department provided substantial infrastructure support to communal and smallholder farmers, demonstrating a solid commitment to enabling massive production. A total of 93 infrastructure projects (4 citrus, 4 fodder, 10 grain, 33 Red meat, 4 Poultry, 2 piggery, 1 aquaculture, 12 vegetable, 23 wool and mohair production), were completed across the province.

In 2025/26, with a total budget of **R135 million**, the department will establish 112 infrastructure projects (2 Deciduous, 2 Fodder, 7 Grain, 4 Horticulture, 5 Mohair, 6 Piggery, 2 Poultry, 67 Red meat, 3 Vegetable and 14 Wool) across the province.

ESTABLISHMENT OF FORT COX AGRICULTURAL ENGINEERING DEPARTMENT

Honourable Speaker, it is worth mentioning that Fort Cox College has established an Agricultural Engineering Department, and the only one in the country hosted by an agricultural college. The Engineering Department will be hosted at the Bhisho Showgrounds. This will provide opportunities for young people to advance their skills in the agricultural engineering field. We are grateful to the Barloworld that is sponsoring this programme to the value of R1 million per annum over a five-year period. This will enable the college to plan and implement its own infrastructure projects. The Agriculture Engineering Department has a total of 34 registered students in the 2025 academic year.

AGRICULTURAL TRAINING AND DEVELOPMENT

Honourable Speaker, we are pleased to announce that we are providing accredited and non-accredited training programmes ranging from NQF 1 to 4 for farmers, farm workers, and project beneficiaries. A total of 2 501 beneficiaries will undergo training, with all participants receiving credit-bearing training. This includes training for 251 State Land and Land Reform beneficiaries and 250 farm workers. The allocated budget for these training programmes is **R9.3 million**.

Revitalisation of Agricultural Colleges

Honourable Speaker, the two agricultural colleges, namely, Tsolo Agricultural and Rural Development Institute (TARDI) and Fort Cox College will roll out their academic programmes with an annual enrolment of 600 students for qualifications in crop and animal production, agri-business, animal health and forestry. The revitalization of agricultural college's infrastructure remains paramount in maintaining credible agriculture education and training. To enhance the quality of teaching and learning, an amount of **R21.3 million** has been set aside to revamp the infrastructure at the two colleges. At Fort Cox, major projects will include refurbishment of internal roads, phase 2 of

electricity upgrades, CCTV cameras and student transport. At TARDI, key projects will be the construction of a poultry structure, upgrade of electricity infrastructure and shearing shed renovations.

CLIMATE CHANGE AND LAND REHABILITATION PROGRAMMES

Honourable Speaker, the Province is experiencing degradation of natural agricultural resources with approximately more than 150 000 ha of land severely affected by donga erosion and 8% affected by alien invasive plants. In the 2024/25 financial year, the Land Care programme rehabilitated 6 956 hectares of grazing and cropping land, resulting in the creation of 469 jobs.

In the 2025/26 financial year, a total of 6 295 hectares will be rehabilitated, leading to the creation of 546 green jobs, while Conservation Agriculture will be introduced in 243 ha. These activities will also create a total of 546 green jobs.

Disaster Management

Somlomo Obekekileyo, our province is prone to disasters due to the effects of climate change. We have completed the Eastern Cape Department of Agriculture Disaster Management Plan which will be implemented in the 2025/26 financial year. Furthermore, the department complied with the provincial policy of setting aside 2% of the total departmental budget for disaster management.

Honourable Speaker, we call upon our farmers, communities and land users to establish Fire Protection Associations (FPAs) in line with the Veld and Forest Fire Act. This will help prevent the effects of veld fires as experienced in 2024, where a total of 52 000 ha of grazing land was burnt, affecting more than 37 000 animals that were left without grazing including 300 mortalities.

The devastating veldfires have severely impacted the province, destroying hectares of grazing pastures and resulting in the loss of livestock across the region. The unfortunate incidents began on July 7th when fires broke out in Zilandana and Mahlunqulu villages in Qumbu, resulting in the confirmed deaths of over 280 sheep and goats. These fires primarily impacted communal farmers and later affected commercial farmers who depend on livestock for their livelihoods and economic stability. This situation hampers our poverty alleviation efforts and threatens food security in the province.

In some cases, the government may face constraints when dealing with emergencies alone. In this case I would like to express my appreciation for the generous donation from Mr. Ace Ncobo, who donated 280 sheep to assist farmers like Mr. Masibhozo Yilo after the destructive veld fires in Qumbu last year.

His philanthropy and collaboration with the Department demonstrate how collective action between government and compassionate citizens can restore hope and livelihoods in our rural communities. Suyabulela kuwe, Mr. Ncobo.

I appeal to all municipalities to strengthen their Disaster Management Units and collaborate with Working on Fire.

ECRDA AS OUR APEX AGRICULTURE AND RURAL DEVELOPMENT AGENCY

Honourable Speaker, as we begin the 7th Administration, it is important to highlight the strategic importance of the Eastern Cape Rural Development Agency (ECRDA) in achieving our development objectives. Our department has prioritised the repurposing of ECRDA as the key entity to promote the commercialization of rural agriculture in our province. This demonstrates a renewed dedication to enhancing the agency's capabilities, ensuring its sustainability, and enhancing its governance to establish it as a fundamental pillar in the growth of the agriculture sector and enhancement of food security.

Honourable Speaker, as part of our administration's focus on building a capable and developmental state, we are working on creating a strong business case for listing ECRDA as a Schedule 3D public entity under the Public Finance Management Act (PFMA). This reclassification will empower ECRDA to better fulfil its developmental mandate by granting it increased operational flexibility and aligning it with government priorities. This move will ensure that ECRDA is better positioned to directly support government efforts aimed at building state capacity and driving inclusive economic growth in rural communities. Furthermore, the ECRDA's ability to attract partnerships and investments necessary for scaling up agricultural commercialization and agro-processing initiatives will be enhanced.

Forestry Development

In the 2024/25 financial year, the forestry programme has delivered impressive results by planting 112 hectares of new trees, exceeding our target of 100 hectares, providing technical and management support to five forestry projects, and maintaining 160 jobs through our forestry initiatives, with 64% of positions held by women and youth. In 2025/26, we will continue planting 100 hectares of new trees and provide management and technical support to five forestry projects.

Magwa and Majola Tea Estates

Honourable Speaker, Magwa-Majola Tea Estates is a renowned agri-business spanning 1 703 hectares, with 385 hectares dedicated to commercial tea plantations, making it the largest single tea plantation in the Southern Hemisphere. Currently Magwa and Majola are experiencing challenges due to high operational costs which unfortunately the business cannot absorb. We are engaging Provincial Treasury, DALRRD (to address land tenure issues) and prospective investors with a view of securing infrastructure upgrades, equipment and revenue generating initiatives. We are also reviewing the Magwa and Majola Master Plan to diversify Magwa and Majola business beyond tea. In

the 2025/26 financial year, a total of **R32 million** has been set aside to support Magwa and Majola Tea Estates.

DISTRESSED AGRICULTURAL ENTERPRISES

Madam Speaker, the macadamia industry, once backed by government funding, has struggled due to a combination of factors, including (market volatility, climate change, financial and technical support, infrastructure and logistic constraints and financial mismanagement). Thus, in safeguarding our agricultural investments and protecting livelihoods, the department of Agriculture will implement a Distressed Industry Recovery Plan with the following key interventions: Debt Restructuring and Grant Support; Blended Finance Solutions; Market Access facilitation, Capacity Building and Technical Support (through our extension officers).

ECRDA has been tasked to conduct due diligence, develop credible business plans, facilitate investments and partnerships and source funding for these distressed agricultural businesses. We are committed in ensuring that previously funded industries do not collapse but rather evolve into sustainable economic drivers. In taking decisive action now, we can turn crisis into opportunity, strengthening the resilience of our agricultural sector and ensuring that farming remains a viable and profitable endeavour for generations to come.

STRENGTHENED INNOVATIVE CORPORATE GOVERNANCE

Honourable Speaker, over the past years, the department has consistently implemented sustainable measures to demonstrate its commitment to achieving 50% female representation in the workforce. Additionally, the department recognizes the importance of inclusivity, with 2% of the workforce consisting of individuals living with disabilities. The department has reviewed its organizational structure, and its implementation will result in a more

streamlined and agile organization, better equipped to drive the Agriculture and Agro-processing Master Plan (AAMP).

In 2024/25, the department achieved 100% compliance on financial disclosures by SMS members and the categories below SMS for the first time in many years. This must be maintained for 2025/26 and the subsequent years in line with Regulation 18(3) of the Public Service Regulations, 2016, which regulates the disclosure of financial interests of designated categories and is also a basis for Lifestyle Audits. The department is continuing to raise awareness through advocacy programmes on various ethics management areas to ensure that there is a good ethical culture in the department for a capable and ethical state.

Furthermore, the department aims to award 13 external bursaries, specifically targeting marginalized individuals pursuing qualifications in Bachelor of Veterinary Science, Bachelor of Health Science in Veterinary Technology, and Bachelor of Science in Agricultural Engineering (Bio-Resource Engineering). Once more, the department has maintained a clean audit report for over 5 years in a row.

I welcome the appointment of the new Head of Department, Mr Bongikaya Dayimani, who assumed the position effective from 01 April 2025. I would also like to extend my appreciation to management and the entire DoA staff. Your continued commitment in developing and executing our programmes is what enables this department to remain a beacon of hope – especially for emerging farmers, rural communities, and the youth who look to us for real and lasting change. Let us now deepen service delivery, strengthen accountability, and renew confidence in our work – ensuring that agriculture remains a pillar of opportunity, resilience, and inclusive growth in our province.

As we start the new term, I am reminded of **Richie Norton** when he says “Every sunset is an opportunity to reset. Every sunrise begins with new eyes.”

Masisebenzeni – ngamandla, ngentembeko, nangentlonipho!

Annexure A: Budget 2025/2026 MTEF

Programmes	2025/26	2026/27	2027/28
	Revised Baseline	Revised Baseline	Revised Baseline
Departmental Programmes Allocation			
Administration	522 821	557 217	550 041
Sustainable Resource Use and Management	144 489	144 619	159 615
Agricultural Producer Support and Development	891 436	918 554	950 997
Veterinary Services	374 310	389 939	402 968
Research and Technology Development Services	158 075	158 933	162 709
Agricultural Economics Services	43 353	42 109	46 097
Agricultural Education and Training	217 194	223 047	233 918
Rural Development	226 131	235 233	246 277
TOTAL	2 577 809	2 669 651	2 752 622
Economic Classification			
Compensation of employees	1 486 430	1 543 746	1 606 171
Goods & Services	579 851	604 385	607 217
Transfers & Subsidies	330 921	338 945	345 768
Payment for capital assets	180 607	182 575	193 466
TOTAL	2 577 809	2 669 651	2 752 622



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