

Thursday, 9 September 2021]

No 122—2021] THIRD SESSION, SIXTH PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

**ANNOUNCEMENTS,
TABLINGS AND
COMMITTEE REPORTS**

THURSDAY, 9 SEPTEMBER 2021

TABLE OF CONTENTS

ANNOUNCEMENTS

National Assembly and National Council of Provinces

1. Classification of Bills by JTM..... 2

National Assembly

1. Introduction of Bills 2
 2. Referral to Committee of papers tabled..... 3
 3. Membership of Committees 3

National Council of Provinces

1. Transmission of Bills for concurrence 3

TABLINGS

National Assembly

1. Speaker 4

COMMITTEE REPORTS

National Assembly and National Council of Provinces

1. Agriculture, Land Reform and Rural Development / Land Reform, Environment, Mineral Resources and Energy 5

National Assembly

1. *Ad Hoc* Committee on amending section 25 of Constitution 22

National Council of Provinces

1. Land Reform, Environment, Mineral Resources and Energy 27

ANNOUNCEMENTS

National Assembly and National Council of Provinces

The Speaker and the Chairperson

1. Classification of Bills by Joint Tagging Mechanism

- (1) The JTM in terms of Joint Rule 160(6) and Assembly Rule 280 classified the following Bill as a section 74(2) Bill:
 - (a) **Constitution Eighteenth Amendment Bill** [B 18 – 2021] (National Assembly – sec 74(2)).

National Assembly

The Speaker

1. Introduction of Bills

- (1) **The *Ad Hoc* Committee to initiate and introduce legislation amending section 25 of the Constitution**
 - (a) **Constitution Eighteenth Amendment Bill** [B 18 – 2021] (National Assembly – sec 74(2)) [Bill and prior notice of its introduction published in *Government Gazette* No 42902 of 13 December 2019.]

Bill initiated by the *Ad Hoc Committee to initiate and introduce legislation amending section 25 of the Constitution* of the National Assembly (for Committee Report, see Announcements, Tablings and Committee Reports of 9 September 2021), and classified by the Joint Classification Mechanism as a section 74(2) Bill (see Announcements, Tablings and Committee Reports of 9 September 2021).

2. Referral to Committees of papers tabled

- (1) The following papers are referred to the **Portfolio Committee on Environment, Forestry and Fisheries**:
 - (a) Government Notice No 747, published in Government Gazette No 45014, dated 20 August 2021: Publication of the Consolidated Environmental Implementation and Management Plan 2020-24 for the Department of Forestry, Fisheries and the Environment, in terms of section 15(5) of the National Environmental Management Act, 1998 (Act No 107 of 1998).
 - (b) Government Notice No 765, published in Government Gazette No 45058, dated 27 August 2021: Proposed regulations pertaining to financial provisioning for the mitigation and rehabilitation of environmental damage caused by reconnaissance, prospecting, exploration, mining or production operations, in terms of the National Environmental Management Act, 1998 (Act No 107 of 1998).

3. Membership of Committees

- (1) Mr D Stubbe was appointed as a member of the Joint Standing Committee on Intelligence on 09 September 2021, in terms of section 2 of the Intelligence Services Oversight Act, 1994 (No 40 of 1994). Mr Stubbe replaces Dr M M Gondwe.

National Council of Provinces

The Chairperson

1. Bills passed by Assembly and transmitted to Council for concurrence

- (1) Bill passed by National Assembly and transmitted for concurrence on 9 September 2021:
 - (a) **Compensation for Occupational Injuries and Diseases Amendment Bill** [B 21B - 2020] (National Assembly – sec 75).

The Bill has been referred to the **Select Committee on Trade and Industry, Economic Development, Small Business Development, Tourism, Employment and Labour** of the National Council of Provinces.

TABLINGS

National Assembly

1. The Speaker

- (a) Reply by the Minister of Tourism to *Report of the Portfolio Committee on Tourism on Budget Vote 38: Tourism*, as adopted by the House on 1 June 2021.

Referred to the **Portfolio Committee on Tourism**.

COMMITTEE REPORTS

National Assembly and National Council of Provinces

1. SPECIAL JOINT OVERSIGHT VISIT REPORT TO KWAZULU-NATAL: PORTFOLIO COMMITTEE ON AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT AND THE SELECT COMMITTEE ON LAND REFORM, ENVIRONMENT, MINERAL RESOURCES AND ENERGY, DATED 7 SEPTEMBER 2021

1. BACKGROUND AND THE AIM OF THE VISIT

The country has in the second week of July 2021 experienced unprecedented levels of unrest and destruction of public and private property, coupled with violence and looting of public and private property. Despite the fact that these acts of violence started in KwaZulu-Natal (KZN) and spread to parts of Gauteng, they have a socio-economic impact throughout the country. The unrest, which involved violent protests and looting, has had negative consequences for some farmers and agribusinesses in KZN Province. Financial losses as a result of road closures, burning of trucks and farms, damage to storage facilities and other infrastructure may have far-reaching implications for the agricultural industry, food security and sector employment. It has been reported that the violent protests amplified vulnerability and food insecurity in many communities of KZN and Gauteng Provinces.

It is against this background that the Portfolio Committee on Agriculture, Land Reform and Rural Development and the Select Committee on Agriculture, Land Reform, Environment, Mineral Resources and Energy conducted a special joint oversight visit to KwaZulu-Natal Province from 09 – 13 August 2021 to assess the impact of the unrest and destruction on the agricultural value chain and the Department's response to the sectoral challenges.

The overarching aim of the oversight visit was to obtain insights into the impact of the recent unrest that took place in KZN on the agricultural and agroprocessing value chains particularly on land reform and other Government-funded farms, institutions and infrastructure; Government plans in addressing the impact of the unrest on the agricultural sector and availability of disaster assistance and its implementation as the KZN Provincial Executive has on the 29th July 2021, declared a state of disaster in the Province.

1.1 Objectives of the oversight

The objectives of the joint Portfolio and Select Committees' oversight visit were as follows:

- (a) Ascertain the extent to which the unrest has impacted on the agricultural and agroprocessing value chains, agrologistics and damage to relevant infrastructure.
- (b) Assess the impact of the unrest on the agricultural supply chain and food availability.
- (c) Assess the impact of the unrest on current and future employment in the agricultural and agroprocessing sectors.
- (d) Ascertain Government's response and plans to address the resultant impact and relevant infrastructure damage.
- (e) Identify strengths and weaknesses as well as areas of complementarity amongst the different spheres of Government including implications for policy interventions.

2. DELEGATION

2.1 Composition of the Delegation

The delegation comprised of Members of the Portfolio Committee on Agriculture, Land Reform and Rural Development, Select Committee on Land Reform, Environment, Mineral Resources and Energy. The delegation was supported by different teams of Parliamentary Officials as reflected in Table 1 below. The number of project sites to be visited and their geographical location dictated that the delegation be split into two groups. Each group was equally supported by a team of Parliamentary officials responsible for secretarial, research and content advisory, communications, language interpreting and protection services. The delegation was also accompanied by the Minister, Deputy Minister and Members of the KwaZulu-Natal Provincial Legislature.

1. Parliamentary delegation during the oversight:

Portfolio Committee	Select Committee	Support Officials	Designation
	Ms T Modise <i>(Chairperson/leader)</i>	Ms P Nyamza Ms A Kakaza	Committee Secretaries

iNkosi ZMD Mandela (Chairperson/leader of the delegation) (ANC) Ms MME Tlhape, (ANC) Mr. N Capa, (ANC) Ms KD Mahlatsi, (ANC)	<i>of the delegation –</i> (NW) Ms W Ngwenya (Gauteng) Mr J Nyambi (Mpumalanga) Mr B Smit (Limpopo)	Ms C Maledu Ms A Zindlani	Committee Assistants
		Dr T Manenzhe	Content Advisor: Land Reform & Rural Development
		Ms N Mgxashe	Content Advisor: Agriculture
		Ms N Qwabe Ms T Siyo-Pepeteka Dr G Lekalakala	Researcher: Agriculture, Researcher: Land Reform & Rural Development Researcher: Agriculture, Land Reform, Environment, Mineral Resources and Energy
Mr N Masipa, (DA)		??	Language Practitioners
Mr. MK Montwedi, (EFF)		Ms S Govender	Communication Officer
iNkosi R Cebekhulu, (IFP)		??	Protection Services

2. Members of the Provincial Legislature in attendance:

Names	Institution
Mrs N Sibhidla-Saphetha (Chairperson) Ms JT Gumede	Portfolio Committee on Agriculture and Rural Development, KZN Provincial Legislature

The delegation was also accompanied by relevant government officials from the Department of Agriculture, Land Reform and Rural Development and KZN Provincial Department of Agriculture and Rural Development; Managers in the KZN Department of Agriculture, Project Officers and Extension Officers.

3. STRUCTURE OF THE REPORT

This report presents an account of a four-day special oversight visit conducted by the Portfolio Committee on Agriculture, Land Reform and Rural Development and the Select Committee on Agriculture, Land Reform, Environment, Mineral Resources and Energy in KZN from the 10th to 13th August 2021. It documents the delegation's engagement with presentations made during briefing sessions and observations made during project site visits where the delegation interacted with senior Department officials, farmers, business owners and other stakeholders.

4. BRIEFING SESSION BY THE EXECUTIVE

On 10 August 2021, the joint Committees (PC on Agriculture, Land Reform and Rural Development and SC on Agriculture, Land Reform, Environment, Mineral Resources and Energy) received briefings from the Provincial Department of Agriculture and Rural Development on the impact of the unrest on the agricultural sector and from the National Department of Agriculture, Land Reform and Rural Development on biosecurity and the outbreak and impact of foot-and-mouth disease (FMD) in the Province.

4.1 Overview by the Minister of Agriculture, Land Reform and Rural Development

The overview by the Minister of Agriculture, Land Reform and Rural Development, Mrs Thoko Didiza, highlighted the impact of the unrest on the agricultural sector, which has also been grappling with diseases such as foot-and-mouth disease (FMD) and avian influenza. In KZN, FMD investigations could not take place during the unrest in the Mtubatuba and Ugu Districts that have been affected by FMD. There are plans to set up a multi-stakeholder Task Team to strengthen biosecurity especially the management and control of FMD.

The unrest had a significant impact on the agricultural value chain as movement of goods from producers and distribution centres was affected during the period of the unrest due to the closure of the N3; and ports could also not operate, which affected wheat and yeast distribution at the time. There was also a direct impact on some farmers such as dairy farmers that had to spill milk as it could not be collected, sugarcane farms that were burnt and sugar milling companies that had to close due to threats.

Following the unrest, the Minister and the Member of the Executive Council (MEC) for Agriculture in KZN, Mrs Bongiwe Sithole-Moloi held meetings with agricultural industry stakeholders and visited some affected farms. Inter-ministerial meetings were held with relevant Ministries (for example, Agriculture, Trade, Industry and Competition, Health, etc.) to devise strategies for immediate response.

4.2 Briefing by the KZN Provincial Department of Agriculture and Rural Development

The Acting Chief Director (CD) for Agricultural Services from Provincial Department of Agriculture and Rural Development, Mr Lethukuthula Jongisa, presented a high level

presentation on the impact of the violent protests in the agricultural sector in the province. The presentation outlined the impact across all commodity groups, food-and-mouth disease (FMD) operations, district reports on affected farms and proposed interventions across different commodities namely: vegetable and grain commodities, livestock commodity and sugarcane commodity.

4.3 Briefing by the National Department of Agriculture, Land Reform and Rural Development (DALRRD)

The briefing by the Chief Director from DALRRD, Mr Dipenene Serage can be summarised as follows:

4.3.1 Biosecurity and Risk Management

The Durban Port, which could not operate during the period of the unrest is the most central and convenient port for agricultural goods and approximately 80% of the meat that is consumed in the country is imported and mostly comes through the Durban Port. The hacking of Transnet ICT system also had a huge and negative impact on exports especially on citrus. The cold storage facilities were also affected, which had a negative impact on the quality and value of produce. The more time export produce has to spend at cold storage, the more chances that they will lose quality and there is also a threat of pests (e.g. citrus black spot (CBS) on citrus), which may result in rejections of those containers. The export rejections due to diseases and pests presents a phytosanitary risk to the country and also has an impact on costs, which have to be borne by the producer. The Department could account for 3 million cartons of citrus that could not be moved from the Durban Port due to the unrest. As an intervention, there were attempts to move some produce through the Gqeberha Port but unfortunately it is a small port and most of the produce is geared for the Durban Port.

4.3.2 Update on Foot-and-mouth Disease (FMD)

The new FMD outbreak in the province was detected in May 2021, which was followed by the declaration of the disease management area (DMA), namely, – Umkhanyakude, King Cetshwayo and Zululand Districts. Surveillance measures are in place to control the movement

of cloven-hoofed animals and their products to prevent the spread of FMD. The decision to vaccinate or not to vaccinate will depend on the rate of the spread of the disease.

5. SITE VISITS

From the 10 – 12 August 2021, the joint Committees conducted site visits to the uMkhanyakude, Amajuba, Ugu, eThekweni Metro, King Cetshwayo and iLembe District Municipalities.

5.1 eThekweni Metropolitan Municipality

5.1.1 Frey's Abattoir (Cato Ridge)

Frey's Abattoir is based in Cato Ridge in the eThekweni Metro, with Mr Walter Frey as a sole owner of the company. Frey's food brand is a premium pork meat production company in South Africa that supplies the food service and retail industry such as Spar with meat, deli and other pork products. While there were no injuries to its personnel, the factory at Cato Ridge was affected during the unrest through extensive infrastructural damage through petrol bombing of properties and vandalism of equipment and looting of carcasses and meat products. It was noted that the damage to the abattoir/factory was not to loot per se but to destroy the property including its equipment so that it cannot function again, which will have a negative impact to the country's economy.

The facility used to process 1 000 pigs a day from slaughter to processing (bacon, sausages and other pork products) but since the unrest, processing has come to a standstill as equipment has been damaged. The company now only slaughter pigs and store them as it has contracts with some of the farmers that supply pigs and also to assist farmers to get pigs off their farms when they are ready for slaughter. The estimated damage to the facility is R500 million and the company is busy with the insurance company to assess the damage on infrastructure. It is currently not making profit, which has an impact on employment sustainability for its 1 400 employees. Due to the extensive infrastructural damage and vandalism and the subsequent inability to do processing, most employees had to be asked to stay at home and the company now operates with 60 employees. It reported that although it submitted a report and application to the Department of Employment and Labour for the Temporary Financial Relief Scheme for

Destroyed, Affected or Looted Workplaces that was gazetted by the Minister of Employment and Labour, it has not received a response from the Labour Department. The Scheme is supposed to assist with the payment of employee salaries/wages; and the company was concerned about the payment of salaries for its more than 1 200 employees that have to stay at home. Numerous follow-up correspondence to the Department of Employment and Labour have not yielded a response.

5.1.2 Meister Cold Store (Pinetown)

The Meister Cold Store in Pinetown is a commercial cold storage and distribution facility within the fresh produce segment that also has quarantine capabilities with government authority cooperation. Their storage system can be used for small, medium and large applications and in a variety of different markets. The Director at Meister Cold Store, Ms D Nairansamy reported that it was tremendously impacted by the unrest, suffering significant losses due to damage to infrastructure, burning of some of the property and looting. It was the largest cold storage facility in KZN and during the unrest, has lost 22 000 tons of cold storage facility. Approximately 90% of the lost storage capacity is imported products for the manufacturing of local food products, which will impact certain food supplies. The devastation has resulted in over a 100 job losses and negatively affected family members. The company has submitted a report and a claim and is waiting for the South African Special Risk Insurance Association (SASRIA) to expedite their claim so that it can rebuild, save jobs and prevent food shortages. The delegation was also seriously concerned that 4 weeks after the unrest, responsible authorities have not ensured a clean-up operation in the area as rotten trashed products posed a health hazard to the security personnel looking after the facility including surrounding businesses and community; and the unpleasant smell alone was quite overwhelming even before one enters the gate.

5.2 Ugu District Municipality (Sezela Sugar Mill and affected farms)

5.2.1 Provincial Department of Agriculture and Rural Development

The Provincial Department's Director for Ugu District, Mrs Gwala reported that during the unrest, commercial and smallscale sugarcane farms in the District were affected through

burning and looting in some cases. During the unrest, the Sezela Sugar Mill had to close for a week and by the time it reopened, most of the sugarcane awaiting processing had deteriorated and was not in acceptable quality for processing¹. This resulted in some of the sugarcane being rejected and farmers suffering losses. The unplanned closure resulted in backlogs in sugarcane milling, which affected sugarcane farmers owing to the loss of cane quality while waiting for processing. The District was waiting for a decision from its Principals regarding assistance for farmers. In the meantime, smallscale farmers will be assisted with production inputs such as fertilisers that they had in storage for the food security programme.

5.2.2 South African Sugar Association (SASA)

The Group Communications and Media Manager from the South African Sugar Association (SASA), Mr Cedric Mboyisa, gave an industry perspective of the impact of the unrest and looting. SASA constitutes the South African Cane Growers Association (SACGA), South African Farmers Development Association (SAFDA) and South African Sugar Millers' Association (SASMA). More than 500 000 tons of sugarcane worth millions of rands in potential revenue were destroyed by arsonists, an act that had a negative impact on 65 000 direct jobs in the sugarcane growing sector and 1 million indirect jobs. Ten KZN sugar mills were forced to cease their operations during the unrest, two warehouses holding 12 000 tons of sugar were looted, 561 200 tons of commercial land reform and smallscale growers' sugarcane was burnt by arsonists and 40 000 tons of sugarcane at Sezela Sugar Mill was unusable and had to be destroyed. The Mills associations have lost an estimated R100 million in revenue. The Association is in discussion with the Minister for a stimulus recovery package to assist the sugarcane industry.

The **Executive Chairperson of SAFDA, Dr Siyabonga Madlala** highlighted that the level of disaster tolerance among growers is not the same, while most smallscale growers have lost everything, commercial growers may have some sugarcane that can still be processed that will assist them to recover. He highlighted that the unrest has showed the slow pace of transformation in the sugar industry and the need for legislative review. Land reform growers are mostly operating on marginal land and transport remains the greatest cost for all smallscale

¹ Sugarcane deterioration was to be due to the delay in crushing, wherein "after 24 hours significant losses occur due to loss of moisture and low percentage of sucrose in juice" (Solomon, 2009)

growers, who mostly rely on contractors to cut and transport their sugarcane. He further appealed to the Committees that government should prioritise and assist the smallholder growers as it is difficult for them to recover from the impact of the unrest. He emphasised that such assistance needs to be fast-tracked as growers are approaching the planting season.

The Regional Manager from the **South African Cane Growers Association, Mr William Gillian**, reported that the association had also lost sugarcane to the value of R70 million as a result of the unrest. And the affected growers are both smallscale and commercial growers. He highlighted the plight of a land reform farmer who lost all his sugarcane through arson and incurred tremendous losses in revenue.

5.2.3 Sezela Sugar Mill

The Director for Corporate Affairs for Illovo, Mr Tshepo Marumule gave a report on the impact of the unrest on Sezela Sugar Mill including on growers that supply the Mill with sugarcane. Sezela is part of Illovo Sugar, which has 3 sugar mills. All three sugar mills of Illovo Sugar South Africa and out-alcohol plants had to shut down during the unrest and export products could not leave the port. Outbound logistics were interrupted as the main arterial road networks were blocked and movement of products such as raw sugar, coal, molasses and other essential chemicals for processing came to a halt. Due to the widespread and uncontrollable arson fires, Sezela Sugar Mill was oversupplied and imposed a burn/harvest moratorium on the 11th of July 2021 and the Mill was closed for a week. The Mill restart was adversely impacted by the extent of deteriorated crushed cane and only fresh cane was able to bring crush to normal. That resulted in growers experiencing abnormal cane quality rejection criteria as only the 'freshest cane' of a specific quantum was being considered for milling. More than 60 000 tons of sugarcane was rejected, 50% of which was from large growers and the rest from smallscale, medium scale, land reform growers and some of the company's farms. Of the proportions accepted for milling, only 17 % were from smallscale sugarcane growers, whereas their large scale counterparts 63% of their sugarcane was accepted. This has an adverse impact on the growers' revenue, recovery following the unrest and employment in the sector.

Interventions from the milling involved adjusting the sugarcane quality parameters, thus allowing more cane to be accepted.

The total loss to Illovo is estimated at R175 million, constituting R150 million in damages and lost opportunity due to the inability to operate and export during the unrest, R5 million for additional security and R20 million worth of damage to sugarcane fields that were burnt and could not be crushed. Sezela Sugar Mill lost a total of R78 million in profit in the form of 900 000 tons dumped cane, 21 million tons sugar lost and 38 million tons downstream losses. Illovo Sugar has spent in excess of R3 million combined expenditure supporting the South African Farmers Development Association (SAFDA), company employees and members of the community.

Lessons Learned from the Unrest

- Create shared value,
- Give a stake to their employees and neighbours, the mill noted that the staff defended the mill during the unrest,

5.2.4 Makhubo Sugarcane Farm

The farm is owned by Mr ZC Makhubo for whom the South African Sugar Research Institute compiled a farm agronomic assessment following a request by the former Department of Rural Development and Land Reform (DRDLR), channelled through the Sezela-Land Reform Development Committee (SLRDC). The agronomic assessment is requested to motivate grant funding for the farm. The total farm extent is 122.819 hectares (ha) of land with 81.9 ha planted sugarcane, and 40.9195 ha being indigenous bush. The farm is managed by Mr Ngcebo Makhubo (youth), whose father bought the farm. Its sugarcane is delivered to the Sezela Sugar Mill for processing. The farm was also affected and the entire 81.9 ha of sugarcane (approximately 1 000 tons) was burnt during the unrest. The Provincial Department was instructed to assist the farmer with the fertiliser and other necessary production inputs in preparation for the planting season.

5.2.5 Idwala Sugarcane Farm (Umdoni Local Municipality)

The Humberdale farm, now recorded as Idwala Farm is 199 hectares (ha) in extent and is predominantly under sugarcane. It is a land reform farm owned by Mr Sipho Wiseman Njikija, who is youth. The cane is delivered to the Sezela Sugar Mill, which is approximately 15 km

away from the farm. The farm owner reported that his farm was also burnt and looted during the unrest and he lost approximately 600 tons of sugarcane which amounts to half a million rands. It was further reported that the Provincial Department has not liaised with the farmers regarding their losses or provision of assistance. Farmers were in communication more with Farmer Organisations than the Department and reported that as farmers they are in desperate need of production inputs now in August before the rain starts. The delegation instructed the Department to assist the farmer, including Mr Makhubo, with the fertilisers and other production inputs that it has reported were available for assisting smallscale farmers.

5.3 King Cetshwayo District Municipality

5.3.1 Provincial Department of Agriculture and Rural Development

The Provincial Department's Chief Director for the District, Mr Siphoshe Shange, reported that all local municipalities in the District were affected by the unrest. There was extensive damage to infrastructure including residential areas, burning of sugarcane farms and theft of livestock. The District had 5 000 bags of fertiliser for the one-household one-hectare (1HH 1ha) food security programme and all these have been distributed to beneficiary households. The District has submitted a Preliminary Report to the Provincial Department with details of the impact of the unrest and what is required for different commodities, not just sugarcane. Approximately R127 million will be needed by the District to assist affected farmers.

5.3.2 Siyamdumisa Sugarcane Farm (Umlalazi Local Municipality)

Siyamdumisa Farm was leased from the government through the Proactive Land Acquisition Strategy (PLAS) in 2009. The farm is a family orientated agricultural company headed by the Sibiya family with Mrs Zandile Adelaide Sibiya as the Executive Director and farm owner and her daughter, Zinzile Sibiya (youth), the Farm Manager. Mrs Sibiya, a retired teacher, mentors smallscale farmers, is a member of the Women in Agriculture and Rural Development (WARD) and sits in the boards of a number of organisations. The farm is 192 hectares (ha) in extent and 127.37 ha are under sugarcane. The farm was originally producing sugarcane and grapefruit for an international market. Although cane is still the main source of profit, 50 hectares of grapefruit were later removed due to loss of the market, which had a business relationship with the previous farm owner. The Department classified Mrs Sibiya as a smallholder farmer

graduating to commercial. The farm hosts a number of interns each year to broaden their skills. Two of the students are starting a chicken/poultry business and have leased space from the farm.

During the unrest, 21.24 ha of sugarcane were burnt, which resulted in a loss of approximately R200 000 in revenue. Of the burnt sugarcane, 10.32 ha was not ready for harvest and therefore had to be dumped. The sugarcane burnt during the unrest produced a total of 1 050 tons which was cut by 10 cane cutters (seasonal workers). During the visit, field maintenance was underway with 12 field workers, 6 of whom are permanent and an additional 6 were recently hired after the fire to speed up work and ensure that salvaged burnt cane gets to the Amatikhulu Mill as quickly as possible.

The farmer reported that following the unrest, herbicide prices increased significantly with Roundup increasing from R900 to R1 500, which further had a negative impact on the recovery and sustainability of smallscale farmers. The farm needed some assistance with production inputs (herbicides, pesticides and fertilisers) for the upcoming cane growing season.

5.3.3 Zone H and meeting with a group of smallholder sugarcane growers (Gingindlovu)

The delegation visited Zone H in the Gingindlovu area, where burnt and damaged sugarcane that is not good for milling is dumped. Whilst there, it also met with a group of smallscale sugarcane growers, who wanted to raise some of their concerns. The concerns centred around struggles with competing with large scale commercial growers. The farmers reported that some of the sugarcane from smallscale growers is rejected by the Mills in favour of cane from commercial farmers. The farmers reported that they have been appealing to no avail for the prioritisation of their sugarcane for milling, which is normally ready by July to August, in order to level the playing field and ensure fair competition in the industry.

5.3.4 The Chase Farms

The Chase farms, owned by Mr JG Chennells, are made up of a number of subdivisions on the outskirts of Eshowe; growing sugarcane, bananas and flowers. The farms have been in the Chennells family for over hundred years and they have built up a strong and healthy relationship with the neighbouring communities over many years. The recent violent unrest has affected the

whole communities of Eshowe and KwaKhoza. The farm has 620 ha of sugarcane in Eshowe and during the unrest it was subjected to 41 different incidents of arson on various routes through the farms and along the main roads into the Eshowe town as looters ran to and from the town through the farm in an unnatural and terrifying anger, which caused fear and trauma on the farm owners and employees, some of whom were threatened. Mr Chennells reported that there was no assistance from the South African Police Service (SAPS) or any government department during the unrest. Farmers and the community had to help each other.

Mills were closed for weeks and farmers could not deliver sugarcane, which resulted in revenue losses. During the unrest, out of the 620 ha under sugarcane on the farm, 81 ha were burnt and 5 205 tons of sugarcane salvaged, with the estimated loss on underage cane approximately 1 850 tons with a value of R1.15 million. Estimated loss on milling delays was about R268 736 as the burnt cane took on average of 11 days to be milled instead of the normal 52 hours resulting in a substantial decrease in cane quality and thus, revenue loss.

Approximately 75 ha of the farm is under bananas and following the unrest, large volumes of bananas could not be sold and were discarded as shops, local trading stores and hawkers were closed. The total loss in banana revenue amounted to R109 350. Flowers were also thrown away as they were too old for harvesting as the closure of roads resulted in flowers ready for transportation to the airport for the international market being discarded. Some staff on sugarcane, bananas and flowers were intimidated to stop working for a number of days resulting in loss of earnings for them. However, none of the employees will lose their jobs.

The farmer also raised a serious concern with the delegation about the land reform programme beneficiary allocation. He reported that 8 years ago, he handed over to the Department a 160 ha farm next to his property for land redistribution. The Department allocated the farm to someone who knew nothing and was not interested in farming. The farm has never been fully operational since, it currently has nothing and even infrastructure has since been vandalised and destroyed.

5.4 iLembe District Municipality

5.4.1 Gledhow Sugar Mill

The Gledhow Sugar Company is reportedly the most transformed sugar milling company with a B-BBEE level 1 status, multi-stakeholder ownership that is 61% black owned and with 59% of its sugarcane coming from black growers. Gledhow shareholding constitutes 34.9% UShukela Milling, 10% Sappi Pulp & Paper, 30% Illovo Sugar South Africa and 25.1% Gledhow Growers Share Trust. The company's General Manager, Mr Andrew Francis, reported that the company incurred loss of profits ranging from R8.4 to R10.5 million due to the unrest as the Mill was also closed for 6 days during that period. The total burnt cane stock during riots was 95 100 tons and total cane rejected, 5 500 tons. In addition to losses due to burnt cane, the company also incurred additional security costs. The company has given the farmers one-month loan payment holiday to adjust due to the unrest and has extended July deliveries by a week on request from growers.

5.4.2 Comments from Farmer Organisations

Mr Mashile from the SA Canegrowers Association applauded developments at Gledhow Mill and highlighted that total revenue loss to growers in iLembe District amounted to R163 million and included smallscale, land reform and commercial growers.

Dr Madlala from SAFDA also applauded Gledhow Mill for its progressive initiatives especially grower representation in the company ownership and further emphasised the prioritisation of smallscale and land reform farmers.

6. COMMITTEE OBSERVATIONS

The Committees' delegation made the following observations during the oversight visit:

5.1 Lack of urgency on the part of the Provincial Department as 4 weeks after the unrest, Districts reported that they have submitted reports of the impact of the unrest including required interventions to the Provincial Department, which has highlighted budgetary constraints despite the declaration of the State of Disaster in the Province on 29 July 2021.

5.2 The slow pace of interventions and lack of liaison and direct communication with affected farmers by Districts while they are awaiting decisions from their principals.

- 5.3 Appreciation for the iLembe District that has timeously distributed all the available production inputs to the intended households for the 1HH1Ha food security programme; while it also submitted a report to the Province with a specific figure of how much the District will need to assist affected farmers across all commodities.
- 5.4 With the exception of Gledhow Sugar Mill, minimal or no specific role is played by the other Sugar Milling companies in assisting smallscale growers for the coming planting seasons while they are waiting for government intervention. In addition, no other avenues have been explored by Mills on the use of sugarcane whose quality has deteriorated for processing in order to assist smallscale growers.
- 5.5 In light of the significant losses and damage to critical infrastructure, there is a lack of action plans with timelines on how the Provincial Department with assistance from the National Department, will source funding to assist the sector particularly smallscale farmers to recover from the impact of the unrest.
- 5.6 There is no eminent role that is played by the Department in addressing the slow pace of transformation in the sugar milling sector as current laws and policies are said to favour large growers; and sugarcane from commercial growers is reportedly prioritised over that from smallscale growers.
- 5.7 The negative impact of the unrest on food security and employment in the agricultural and agroprocessing sectors as some of the small to medium agribusinesses and farms may take a while to recover while some may not recover.
- 5.8 Despite the continuous challenges in the sector, particularly in land reform farms, youth and women involvement was commended.
- 5.9 Lack of intergovernmental relations as throughout the site visits, there was no indication of the role of, or collaboration with, local government in respect of intervention measures to assist affected farms and agribusinesses.

- 5.10 Lack of Public-private partnership in addressing challenges, and fast-tracking provision of much needed inputs (for example, fertilizers, herbicides and pesticides) to the farmers, as part of recovery from the impacts of the unrest.

7. COMMITTEES' RECOMMENDATIONS

The Committees make the following recommendations to the Minister of Agriculture, Land Reform and Rural Development:

- 6.1 Ensure that the KZN Provincial Department of Agriculture and Rural Development makes use of the opportunity that is availed by the declaration of the State of Disaster in the Province to make budgetary adjustments in order to fast-track assistance to affected farmers in the Province particularly smallholder farmers including those that have been visited by the delegation namely, Makhubo, Idwala and Siyamdumisa farms.
- 6.2 Ensure that the KZN Provincial Department of Agriculture and Rural Development develops an Action Plan with specific details and timelines on how affected farmers will be assisted in the immediate term and in the future to save livelihoods and prevent further job losses.
- 6.3 Engage with the Ministry of Trade, Industry and Competition to address the slow pace of transformation and required legislative review in the sugarcane and sugar milling sectors including discussions on the implementation of the Sugar Master Plan that is meant to address some of the challenges.
- 6.4 Investigate the plight of the 160 ha farm that was handed over to the former DRDLR for land redistribution by Chase Farms in 2013 near Eshowe in King Cetshwayo District Municipality and submit a report to Parliament.
- 6.5 Training and support of smallscale sugarcane farmers in improving their sugarcane quality, while on farm through optimum field and water management practices, to increase chance of acceptance for milling²..

² Some of the smallscale farmers sugarcane is rejected on-farm by the harvesting contractor as it doesn't meet the requirements for milling

- 6.6 Increase allocation and flexibility of delivery of sugarcane is needed for smallscale sugarcane growers. Smallscale farmers should be educated on the benefits of creating a joint cooperative for delivery to the mill, of which can be important in reducing cost of inputs through bulk-buying and field management operations, and reduce the reliance of contractors for harvesting and transportation.
- 6.7 Explore other value adding of sugarcane, apart from sugar production, to enable for cane that doesn't meet milling quality to be used for production of other products, such as fertilizer production, animal feed, etc.³

8. References

Srivastava, R.P., Siddhant and Sharma, M.L. 2009. Studies on minimizing quality and quantity losses in stale cane. J. Sugar Tech. 11 (2): 176-180. <https://doi.org/10.1007/s12355-009-0027-3>

Response to the above recommendations should be submitted to Parliament two weeks after the adoption of this Report by the NA and NCOP.

Report to be considered.

³ This will ensure that smallscale sugarcane farmers who are unable to deliver to the sugarmill can recover their operational costs through other industries

National Assembly

1. Report of the *Ad Hoc* Committee to Initiate and Introduce Legislation Amending Section 25 of the Constitution, dated 8 September 2021

(This report should be read together with the committee's reports on public participation. See ATC No 57 – 2021, p 4 and ATC No 121 - 2021).

1. On 25 July 2019, the National Assembly noted that in the Fifth Parliament, the National Assembly and National Council of Provinces adopted a report of the Constitutional Review Committee on the Review of section 25 of the Constitution, 1996 (ATC, 15 November 2018, p 4) recommending that Parliament –
 - a) Amends section 25 of the Constitution to make explicit that which is implicit in the Constitution, with regards to expropriation of land without compensation, as a legitimate option for land reform, so as to address the historic wrongs caused by the arbitrary dispossession of land, and in so doing ensure equitable access to land and further empower the majority of South Africans to be productive participants in ownership, food security and agricultural reform programs; and
 - b) Urgently establish a mechanism to effect the necessary amendment to the relevant part of section 25 of the Constitution.

2. The National Assembly further noted that an *ad hoc* committee was established to this effect but could not complete its task by the time of the dissolution of the Fifth Parliament and that the *ad hoc* committee recommended that the matter be concluded in the Sixth Parliament (ATC, 15 March 2019, p 92). The National Assembly resolved to establish an *ad hoc* committee in terms of Rule 253 to:
 - a) Initiate and introduce legislation amending section 25 of the Constitution;
 - b) Have regard to the work done and recommendations as contained in the reports of the Constitutional Review Committee and the previous *ad hoc* committee on the amendment of section 25 of the Constitution;

- c) Consist of 11 voting members of the Assembly, as follows: African National Congress 6, Democratic Alliance 2, Economic Freedom Fighters 1 and other parties 2;
 - d) Further consist of 14 non-voting members of the Assembly, as follows: African National Congress 2, Democratic Alliance 1, Economic Freedom Fighters 1 and other parties 10; and
 - e) Exercise those powers as set out in Rule 167 that may assist it in carrying out its task.
3. The *Ad Hoc* Committee to Initiate and Introduce Legislation Amending Section 25 of the Constitution (committee) was expected to report to the National Assembly on 31 March 2020. However, due to the magnitude of the task, the outbreak of Covid-19, the declaration of the National State of Disaster and the promulgation of Regulations placing the country into lockdown, the committee could not complete its task before 31 March 2020. Further, due to significant public interest and inputs into the draft Bill, as well as further amendments based on public inputs, the deadline was extended several times and the committee is expected to table its final report on or before 10 September 2021.
4. The committee convened its first meeting on 5 September 2019 and elected Dr Mathole Motshekga as its Chairperson. The committee was briefed on the work of the Constitutional Review Committee and the *ad hoc* committee that was established in the Fifth Parliament. Parliamentary Legal Services took the committee through the process of initiating a committee bill amending the Constitution for introduction. As part of this process, the Department of Trade and Industry briefed the committee on the impact of expropriation without compensation, specifically related to land owned by foreigners, on Bilateral Investment Treaties. On 6 November 2019, the committee also held a Constitutional Dialogue on Land Ownership. These initiatives, amongst others, informed the policy choices that underpinned the Draft Constitution Eighteenth Amendment Bill.
5. On 3 December 2019, Parliamentary Legal Services briefed the committee on a Draft Constitution Eighteenth Amendment Bill. On 5 December 2019, different political parties made submissions in a committee meeting. The committee understood and agreed that a draft Bill at that stage would have to be agreed upon in order to trigger the public process of commenting on the Bill. It was understood that the initial draft Bill

constituted a compromise in that it did not address all the issues the Committee may want the Bill to address. On 13 December 2019, and in compliance with Rule 276(1)(b) and section 74(5) of the Constitution, the draft bill was published in the *Government Gazette* (number 42902) for public comments. The closing date for public comments was 31 January 2020 but was later extended to 29 February 2020. The draft bill was also sent to provincial legislatures and referred to the National House of Traditional Leaders for comments (ATC No 119–2019). No inputs were received from provincial legislatures. The draft bill was also advertised in various newspapers and in all official languages for public input. The following departments were invited to comment on the Draft Bill: Justice and Constitutional Development, Minerals and Energy, Agriculture, Land Reform and Rural Development and Public Works and Infrastructure.

6. Given the importance of the land question and the process of amending the Constitution, the committee resolved to conduct public hearings in all provinces. The committee established two groups so as to expedite the process of public consultation. All parties represented in the committee were allowed to have a representative in both groups. Public hearings commenced on 28 February 2020 but had to be postponed in March 2020 due to the outbreak of the corona virus pandemic. A public hearing session scheduled for 25 October 2020 in Polokwane had to be cancelled as a result of disruptions by some members of the public. The session was rescheduled and took place smoothly on 7 November 2020. The committee also listened to oral input from stakeholders who had requested an opportunity to address it. The list of organizations that made oral input and details of the public hearings are contained in the committee's Report on Public Participation (see ATC No 57- 2021).
7. The committee deliberated extensively on the scope of its mandate so as to ensure that it stayed within the Rules of the National Assembly. The committee was in agreement that its mandate was to amend section 25 so as to explicitly provide for expropriation of land without compensation as a legitimate option for land reform but differed on whether it was limited to the Draft Bill as published or it could amend other provisions of section 25 as per the public hearing submissions. It was argued that section 25 had to be read and interpreted as a whole. Therefore, the committee could amend other sections as per its mandate.
8. The committee noted that although it had not advertised the whole section for comments, members of the public had submitted comments on the whole section. It

was argued that the committee could not simply ignore such submissions. A contrary view was that the committee required permission of the Assembly before it could amend other sections not listed in the Bill.

9. On 16 April 2021, the committee deliberated on its Report on Public Participation, oral inputs by stakeholders and views expressed during provincial public hearings. Informed by these inputs, and in accordance with Rule 274(2), the committee revised the Draft Constitution Eighteenth Amendment (Revised Draft Bill) and proposed further amendments to section 25 of the Constitution. The Revised Draft Bill was also advertised for public comments (see Second Report on Public Participation: ATC No 121 - 2021) and referred to the National House of Traditional and Khoi-San Leaders for comments (ATC 98-2021).

10. On 26 August 2021, Committee Section presented a summary of comments/ report on public input on the Revised Draft Constitution Eighteenth Amendment Bill. At the request of the Management Committee, Parliamentary Legal Services also presented possible amendments to the Revised Draft Bill based on comments received from the public. Members of the committee were given an opportunity to consult with their parties before any decision could be taken on the proposed amendments. On 1 September 2021, the committee deliberated on the Revised Draft Bill and proposed amendments and provided final drafting instructions to the Parliamentary Legal Services. The committee met on 3 September and adopted the following amendments to the 18th Constitution Amendment Bill as put out for public comment as follows: with the Democratic Alliance and Freedom Front Plus dissenting:
 - i. Section 25(2)(b) is amended to read “*subject to compensation, the amount of which and the time and manner of payment of which have either been agreed to by those affected or decided or approved by a court: Provided that where land and any improvements thereon are expropriated for purposes of land reform as contemplated in subsection (8), the amount of compensation may be nil.*”. The Ad Hoc Committee indicated that proposed amendments under this subsection (2) on ‘*nil compensation*’ for expropriated land and any improvements thereon must be read concurrently with subsection (3) of Section 25, wherein the clause makes provision for circumstances under which expropriation of land with nil compensation can take place.

 - ii. Section 25(3) is amended to read “*The amount of the compensation as contemplated in subsection (2)(b), and the time and manner of any payment, must be*

just and equitable, reflecting an equitable balance between the public interest and the interests of those affected, having regard to all relevant circumstances". This proposed amendment is read in conjunction with subsection 2 of Section 25.

iii. New Insertion (3A) is proposed following subsection 3 of Section 25 to read as thus "*For the furtherance of land reform, national legislation must, subject to subsections (2) and (3), set out circumstances where the amount of compensation is nil.*"

iv. Section 25 (4) is amended with an insertion (4A) to read "*The land is the common heritage of all citizens that the state must safeguard for future generations*".

v. Section 25 (5) reads "*The state must take reasonable legislative and other measures, within its available resources, to foster conditions which enable state custodianship of certain land in order for citizens to gain access to land on an equitable basis.*"

The Ad Hoc Committee made no amendments to subsections (1); (6); (7); (8) and (9).

11. Having complied with Rules of the National Assembly and the Constitution of the Republic of South Africa and having considered the Draft Constitution Eighteenth Amendment Bill, the *ad hoc* committee introduces the Constitution Eighteenth Amendment Bill in terms of Rule 297.

Report to be considered.

National Council of Provinces

1. DRAFT OVERSIGHT VISIT REPORT TO LIMPOPO PROVINCE: SELECT COMMITTEE ON LAND REFORM, ENVIRONMENT, MINERAL RESOURCES AND ENERGY, DATED 7 SEPTEMBER 2021

1. BACKGROUND AND THE AIM OF THE VISIT

The Committee has prioritised oversight over the department's capacity to supply support to small-scale and emerging commercial farmers since the second half of the 5th Parliament. The reasoning behind this is that a significant amount of financial resources has been directed at the development of rural and peri-urban agriculture support infrastructure through Conditional Grants without satisfactory departmental outlining on the impact of expenditure.

The success of Conditional Grant allocation towards the establishment of Agriculture support infrastructure is vital for the revitalisation of the entire agriculture value chain for small-scale and emerging commercial farmers in rural provincial economies, particularly those residing on communal land in former homeland areas, where investment in critical infrastructure has always been a challenge. The Department's stated goal of the industrialisation of the rural economy, and the creation of vibrant, equitable and sustainable rural communities that is food secure, depends not on the repeated allocation of the grant funding, but the establishment of viable support services, farms and value chains to ensure the sustainability of farming enterprises.

Conditional Grants of the Department include:

Comprehensive Agriculture Support Programme

To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform, restitution and redistribution, and other black producers who have acquired land through private means and are engaged in value-adding

enterprises domestically, or involved in export; to address damage to infrastructure caused by floods.

Illima/Letsema

To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production.

Land Care

To promote sustainable use and management of natural resources by engaging in community based initiatives that support the pillars of sustainability (social, economic and environmental), leading to greater productivity, food security, job creation and better well-being for all.

Oversight experience and external performance reviews indicates that the above targets are not always evaluated to determine impact and effectiveness of interventions. The impact of conditional grant focus and application need to be determined through comparison with the success of other farming applications in the same district. There is concern in the committee that the initial investments made by the Department would be lost if conditional grant allocation is not effective and does not lead to target outcomes. There is also concern whether the envisaged redesign of the programme will require significant further investment, or will reduce the reach of support into rural districts where it is needed most. The oversight is required to provide answers to these questions.

As stated in the preceding paragraph, air quality monitoring and enforcement challenges in the lower spheres of government is a key concern for the committee. South Africa is a signatory of the Paris Agreement and as such, need to implement an emissions reduction strategy through the sub-national government structures of the country. Readiness, capacity to implement and funding challenges could all negatively influence this stage of South Africa's move towards a low-carbon economy.

1.1 Objectives of the oversight

During the latter half of the 5th Parliament, and continuing to the present, members of the committee had highlighted information coming from their constituencies indicating that the establishment of critical agriculture support infrastructure in rural municipal districts are behind schedule or not in place at all. Departmental presentations highlighted inconsistencies between National and Provincial officials, with contradicting evidence on state of development and readiness being received from different briefing. The latest strategic Plan of the department further indicates a potential concentration of development support away from many rural communities, with changes in the measurable targets for the development of a vibrant rural economy suggesting a reduction in targeted infrastructure development.

The Committee has not had the opportunity to perform follow-up site visits since the most recent changes in funding focus and planned outcomes were outlined in the most recent Departmental Strategic Plan. Before this announcement, the committee was close to developing a position on the impact of conditional Grant programmes on rural farming communities. The departmental refocus and continued reports of the slow roll-out of grant-funded agriculture support infrastructure has required an additional provincial visit to determine whether the change in approach would negatively affect past investment in rural farming communities. Limpopo province was chosen as it is a province traditionally associated with agriculture, and where many land claims have been finalised. It was therefore the ideal environment to measure the impact of conditional grant expenditure, as well as determine what recommendations could be made to improve programmes, should shortcomings be noted.

Additional to the agriculture and rural development focus of the oversight, the committee also wishes to be briefed, via a virtual platform, by the Department of Fisheries, Forestry and the Environment on the provincial air quality monitoring and enforcement capacity. Air quality challenges, including capacity and resource constraints in lower government sphere is a major focus area of the committee. Numerous national-level briefings have been received by the

committee, but it fails to provide a clear picture of the provincial and local government perspective, which will be sought during this virtual briefing.

2. DELEGATION

2.1 Composition of the Delegation

The delegation comprised of Members of the Select Committee on Land Reform, Environment, Mineral Resources and Energy, and supported by Parliamentary Officials as reflected in Table 1 below. Depending on sites visited, the delegation was also accompanied by relevant Departmental and Provincial Officials as well as members of the Provincial legislature. As a result of Covid-19 protocols observed, all briefing sessions requested during the oversight was held virtually on the Zoom platform, with only site visits taking place in person.

1. Parliamentary delegation during the oversight¹:

Select Committee	Support Officials	Designation
Ms T Modise (<i>Chairperson/leader of the delegation – (NW)</i>) Mr J Nyambi (Mpumalanga) Mr B Smit (Limpopo)	Ms A Boss	Committee Secretary
	Mr D Mvaba	Committee Assistant
	Mr J Jooste	Content Advisor
	Dr G Lekalakala	Researcher

The delegation was also accompanied by relevant government officials from the Department of Agriculture, Land Reform and Rural Development and KZN Provincial Department of Agriculture and Rural Development; Managers in the KZN Department of Agriculture, Project Officers and Extension Officers.

3. STRUCTURE OF THE REPORT

¹ Different members logged into the committee briefing sessions and committee meeting that took place during oversight. These interactions will be reported on and the list of participants captured individually.

This report presents an account of a four-day oversight visit conducted by the Select Committee on Agriculture, Land Reform, Environment, Mineral Resources and Energy in Limpopo Province from the 16th to 20th August 2021. It documents the delegation's engagement with presentations made during briefing sessions and observations made during project site visits where the delegation interacted with senior Department officials, farmers, business owners and other stakeholders.

4. BRIEFING SESSIONS

4.1 Briefing by the Limpopo Department of Agriculture and Rural Development, led by Lead by Hon. MEC Ndalani, on: Support Provided to Farmers throughout the Value Chain State of Nwanedi Agri-Hubs

4.1.1 Members of the committee attending the virtual briefing session:

Status	Name of Member	Political Party	Province
Present	Ms W Ngwenya	African National Congress	Gauteng
	Ms L Bebee	African National Congress	KZN
	Mr AJ Nyambi	African National Congress	Mpumalanga
	Ms TC Modise	African National Congress	North West
	Mr TB Matibe	African National Congress	Limpopo
	Mr M Nhanha	African National Congress	Eastern Cape
	Mr FAB Du Bruyn	Freedom Front Plus	Free State
	Ms M Mokause	Economic Freedom Fighters	Northern Cape
Mr CFB Smit	Democratic Alliance	Limpopo	

Apologies	Mr A Arnolds	Economic Freedom Fighters	Western Cape
	Ms C Labuschagne	Democratic Alliance	Western Cape

The two presentations were introduced by the respective responsible officials, followed by questions from members and deliberations related to specific points of interest. The first presentation focused on a provincial situational analysis, including the policy and strategic context, MTSF priorities, Departmental priorities, and the revitalisation of production and the value chain, members further received greater details regarding the different agricultural zones within the province, strategic commodities focused on and the various farmer support programmes in place.

The second presentation provided an overview of the Nwandeni Agri-Hub, including lessons learnt, the development model currently being implemented and the current situation of the Hub. In particular, the presentation focused on the realities faced by smallholder producers, the co-operatives and CPA's that they are often organised in, and the current challenges that have to be overcome before there can be significant improvement in the financial stability and security of small-scale farmers.

The delegation expressed their appreciation for the detailed presentations received, and required further details on a few matters raised. One of the key concerns was that the department provided too little focus on the challenges that it is currently experiencing w.r.t. agriculture development and support, and what role the NCOP could potentially play in resolving these. Members were concerned about the stability of Boards governing the various initiatives, and requested greater clarity regarding the departments input on the large differences in financial reward (return from yields) between different production and market agreement scenarios. Lastly, members wanted to get further clarity on actions that the department have taken to support the struggling tea estate that the committee visited during the morning.

The department responded to highlight some of the challenges they were facing. The biggest disruption in developing capacity among CPA's and co-operatives was the disruptions caused by internal conflict within groups. There was no single approach that worked for all groups,

resulting in a large amount of facilitation required to optimise each individual farming group. This also resulted in the need for different operational models, as there was no one-size-fits-all solution for all projects. The next biggest challenge faced by the department is that the receptiveness of communities varies regarding the advice given by the department. Finally, the department highlighted financial constraints within its farmer support programmes could ultimately have long lasting, negative impacts on programmes.

Discussing the tea plantations visited during the morning oversight, the department expressed the opinion that these were not considered viable at present and that it was unlikely that they would be viable in future. Venteco, an arm of LEDEC, was responsible for supporting the farms but that the department continues to engage with stakeholders at Tshivhase Tea Estate and Makumbani Tea Factory. The department had advised that the farm diversify into other high value crops as well.

Discussing the challenges of containing Foot and Mouth disease outbreaks, the department highlighted a number of key issues. First, it was difficult to maintain the buffer zone between wild game from the Kruger National Park and farm livestock adjacent to the reserve as large game continually breaks through the fence, creating points of possible contamination. The state of the border fence between South Africa and Zimbabwe was also a concern. Second, a steady, reliable supply of vaccine remains a challenge. Stocks are being supplemented with purchases from neighbouring countries. The third challenge highlighted was the fact that numerous farmers, ranging from small-scale to large commercial farms, continue to ignore disease management protocols. In response to the most recent outbreaks, the department stated that vaccination drives in affected areas have been initiated, while funding from other programmes is being re-allocated to improve vaccine supply.

4.2 Specialist Presentation on Air Quality Monitoring and Forecast by the South African Weather Services (SAWS) State of Nwanedi Agri-Hubs, and Provincial Air Quality Monitoring and Enforcement by Limpopo Department of Economic Development Environment and Tourism (LEDET)

4.2.1 Members of the Select Committee attending the virtual briefing session:

Status	Name of Member	Political Party	Province
Present	Ms W Ngwenya	African National Congress	Gauteng
	Ms L Bebee	African National Congress	KZN
	Mr AJ Nyambi	African National Congress	Mpumalanga
	Ms TC Modise	African National Congress	North West
	Mr TB Matibe	African National Congress	Limpopo
	Mr M Nhanha	African National Congress	Eastern Cape
	Mr FAB Du Bruyn	Freedom Front Plus	Free State
	Ms M Mokause	Economic Freedom Fighters	Northern Cape
	Mr CFB Smit	Democratic Alliance	Limpopo
Apologies	Mr A Arnolds	Economic Freedom Fighters	Western Cape
	Ms C Labuschagne	Democratic Alliance	Western Cape

The two presentations were introduced by their respective responsible officials, followed by questions from members and deliberations related to specific points of interest. The first presentation focused on the impacts of changes in atmospheric composition/air quality deterioration in South Africa. This included atmospheric composition observations and monitoring, as well as services offered by the South African Weather Services. The second presentation provided an overview of Provincial Air Quality Monitoring and Enforcement by Limpopo Department of Economic Development Environment and Tourism (LEDET).

The delegation expressed their appreciation for the detailed presentations received, and required further details on a few matters raised. Members wanted more details on the role that the Weather services play in addressing poor air quality in South Africa, and wanted more input from the Weather Services regarding the efficacy of air quality management in South Africa. The delegation further wanted to know if LEDET has any co-operative partnerships to assist in the enforcement of air quality regulations in municipalities, and whether the Weather Services are collaborating with local government in order to emphasize the need for air quality regulatory enforcement towards attaining the targets of Agenda 63. The Weather Services responded that the enforcement of air quality regulations are not a function of the Weather Services, but that their monitoring and advisory role informs the development and implementation of regulations across the three spheres of government. A further advantage of the role of the Weather Services is that their measurement of air quality at local government level assists in the integrated relative health risk management of local government. Local government is able to determine health risk hot spots, to which provincial and local government can respond. The data reported by stations is also interpreted by the Weather Services and made available to the public via web- and app-based interactive communication systems.

In terms of South Africa's international climate change commitments, the Weather Services indicated that it is involved with the quantification of long-term emission analysis, which feeds into the country emissions inventory. It further assists in determining the contribution of "natural" sources of air quality impacts, such as dust storms, although it acknowledged the need for improved satellite-based estimations of the presence and origin of particulate matter. A final input on collaboration with Local Government i.r.t air quality Management was highlighting an interactive tool developed for Mpumalanga province. This tool can be expanded to cover the whole of the country, and is used to assess three climate response scenarios in terms of real cost estimation. The tool can be employed by local government to predict the cost-benefit relationship in various air quality management scenarios.

In terms of the interactions between the Weather Services and the general public, the committee asked why it appeared as if the local television stations appeared to be carrying less detailed weather broadcast than in the past and why this has occurred. The committee also wanted to

know whether the Weather Service was able to assist with mapping crop pest predictions, and what role it plays in the monitoring of Greenhouse gases. The Weather Services responded that they have diversified away from only providing weather-related broadcasts on television to using a number of other digital media platforms to disseminate weather information and forecasts. It is also working towards developing further tools to target specific communities with impact reporting services. Additionally, the directorate responsible for education is targeting traditional leadership structures and schools (green schools programme) to improve air quality awareness and promote related environmental issues.

Responding to the presentation content related to the influence of air quality on local Covid-19 infections, the committee requested further details on this relationship. The Committee also linked this enquiry in follow-up to the role the Weather Services play in collecting data on, and warning communities about extreme weather conditions. In response, the Weather Services clarified that their air quality applications can indeed indicate a link to poor air quality and increased Covid-19 incidence. The demonstration of this ability will also lead to further product launches that will assist in the development of responses to the health risks associated with poor air quality. In terms of extreme weather prediction, the Weather Services clarified that they are focused on impact-based weather prediction, which targets the forewarning of communities against extreme weather incidences.

The delegation wanted to know what public engagement activity LEDET engages in to improve public awareness on air quality, extreme weather conditions. The committee further wanted to know how accurate the country's air quality assessments were, which companies were responsible for the most air pollution in the country, and whether these polluters are fined/penalized as a result. The Weather services indicated that they could forward information to the committee regarding the number of monitoring stations in operation. In terms of mine monitoring, the Weather Services clarified that mining companies employ independent consultancies that collect emissions samples. The samples are analysed in accredited laboratories. The results are compared with reference samples and using data validation to ensure reporting accuracy.

Following up on questions regarding the Department's (Forestry, Fishery and the Environment) relationship and information sharing with the Department of Mineral Resources and Energy, The delegation wished to know what transpires when air quality monitoring indicates that mining companies are responsible for poor air quality. The Department responded that it is difficult to pinpoint point sources of air quality impacts from monitoring data. As a result, taking polluting mines to task is not a straightforward task. Related to this, determining where communities deserve compensation for diseases suffered as a direct result of poor air quality is just as difficult and typically does not occur. Where mine employees are paid compensation because of disease, it is typically where the workplace can be directly linked with the disease experienced. In general, though, Vhembe district is not that heavily impacted by mining or other polluting industry and there are no cases of compensation because of poor air quality recorded. The Department clarified that the responsibility for responding to non-compliance from mines is that of the DMRE and that they cannot respond to questions focusing on such matters.

5. SITE VISITS

5.1 The Mukumbani and Tshivhase Tea Estates

The plantation was established under the Venda Development Corporation, and employed as many as 2,000 workers. That enterprise has dwindled to the present, with the workforce reduced to 231, only 80 of whom are farmworkers. In terms of production area, the original plantation covered 1,057 hectares. At present, the farm utilizes 70 hectares.

When in full production, the original Sapekoe tea plantation sold tea in bulk to centers in London and Egypt, among others. Sapekoe was forced out of business by rising input costs in 2004. When it was decided to revive the venture, specialists were asked to survey the state of the plantation and determine what can be done to reduce operating costs. The experts found all the tea plants in good health, though overgrown. The provincial government was advised to change some of the farming practices and sell the tea under its own brand rather than exporting in bulk.

In the 2004/5 financial year, the provincial government invested R160 million in the re-development of the plantation. The tea produced was marketed under the Midi brand, and commitments were obtained from a number of large retailers, should the tea match the quality of imported brands. At this point, the estate employed about 2500 people, of whom about 2200 are tea pickers in the 1077ha plantation. The venture failed to retain momentum and over time, the two production companies have lost more than 1800 employees, remaining with only 231 workers including administrative staff, farmworkers and general workers.

At present, the Limpopo Economic Development Agency is again reported to be² considering further financial aid to get the venture up to full capacity, but the concerns remain as tea production has drastically reduced. The business has been struggling to make sales, and are competing with other countries that produce tea at a lower cost. The published estimate is that just more than R10 million is needed to get back to business in full capacity.

5.2 Day 3: Visits to different farmers (Different scale and ownership models)

5.2.1 Easy Farm (private ownership, commercial operation)

Easy Farm is a citrus and banana farm near Thohoyandou in Northern Limpopo. The farm was started by Israel Nemaorani in 1990, with him receiving his title deed in 1994. The Farm is just over 200 ha in size, with most of it under citrus orchard. Currently, the farm is run by Israel's son Lavhengwa. The farm produces citrus, bananas, as well as mangoes. The farm is supported by CGA (Citrus Growers Association) and CRI (Citrus Research International). This support has enabled the farm to increase production and export volumes over the past few years.

In 2013, the Department of Agriculture sponsored the construction of a new pack house adjacent to the existing one. The current packing machinery was bought second-hand, and is not suitable for packing soft citrus, which has been established on the farm recently.

² <https://www.dailymaverick.co.za/article/2021-05-04-moves-to-sweeten-mukumbani-tea-estate/>

Some of the challenges faced by the farmer is theft, electricity cost and transport costs. The increasing cost of transport for our fruit has a significant effect on its profitability. It is around 800km from here to the Port of Durban. The pallets used to transport fruit to Durban has to be collected from Tzaneen (1 ½ hour's drive away). The advantage of being as far north as we are is that the farm's fruit ripens a few days earlier than in the production areas around Tzaneen.

5.2.2 Small scale female cash crop farmer

The farmer has a number of hectares of land under cultivation on land occupied through a P.T.O. agreement. The farm focuses on a number of crops (chillies, peppers, cabbage, maize and other vegetable crops) with individual markets for each crop type. The markets are local or regional, depending on the crop type. The farm is under drip irrigation but the infrastructure is far away (borehole) and old (drip lines and pipes). Apart from the lack of water at the site and ageing infrastructure, the farmer also has some theft challenges, as the farm is not fenced.

In terms of farm infrastructure shortcomings, the farmer further highlighted the need for a pack house and that she does not have equipment with which to de-bush some of the land at her disposal in order to expand her operations. In the past, the department had assisted her with inputs (chemicals and fertiliser) as well as technical support.

The Department, in response to hearing the challenges the farmer faced, stated that it is working on a “package deal” for the farmers in the area. The department outlined that for farmers to receive support, they require the development of a business plan, but that it will work on a plan to address water supply and fencing needs. The delegation requested that the department provided a clear timeline for the interventions, as working on plans does not equate to providing support.

5.2.3 Goddard farm

The delegation met up with a collective of small-scale farmers at the farm of Mr Goddard. The farmers were well organised, were supported in stages by the department and other agriculture businesses/organisations. The farmers were all affiliated with AFASA (African Farmer's Association of South Africa), Vuyani Farmers Association and Buhle Farmers' Academy. As a result of large purchases from a local seedling supplier, Sakata Seed of South Africa. Goddard farm has 15 full-time and 5 students (forming part of practical training and supplied with stipend) as staff.

Goddard farm itself is 18 Ha in size, and is occupied through a PTO agreement since 2007 with the local traditional authority. While some of the farmers present felt that this arrangement (a PTO) was perfectly fine for them, and works out much cheaper than trying to own the land, others acknowledged that access to finance is a challenge where there is no assets to offer as security for a bank or lending institution.

Goddard farm is a mixed farm cultivating cabbage, mango, litchis, tomatoes, peppadew and butternut. Because of the size of the operation, however, most produce is sold without contracts and farmers have to be price takers. Some crops are lost or have to be sold informally for a low price as there are over-supply at times.

The farmers highlighted the following challenges:

- The lack of offtake agreements for produce results in reduced income potential;
- The roads surrounding them are in a poor state of repair, making it difficult to have crops collected at the farm;
- There are no fences, resulting in loss from theft being common;
- There are no on-farm pack houses;
- The farms need mechanisation support;
- Poor maintenance of fire-breaks in area resulted in fire damage to irrigation infrastructure;
- Considering tunnels to protect crops during hottest part of growing season, and could benefit from having a nursery section on the farm.

The farmers raised concerns about the manner in which the R35 000 covid relief to farmers were administered. They stated that they did not receive the full financial value of the grant, as they had to accept whatever support was made available to them by the department through a set of redeemable vouchers. The value of the products received, although appreciated, was well below R35 000. They questioned the process and how it came about that middle-men decided on their behalf what assistance the R35 000 was to be spent on. The Department responded that the R35 000 Covid relief was arranged by the DARDLR and used contracted suppliers to disburse the grant.

From the Department's response, it could be gathered that there is a certain level of disconnect between the farmer group and department. It is not clear whether the farmers have chosen to distance themselves from the departmental support programmes, or whether the department's extension services had not done enough to reach all farmers. Farmers acknowledged that they did not attend the department's information days, and were not aware of some of the services offered by the department free of charge, such as mechanisation support. The department further highlighted that all of the government procurement schemes are based on a tender system, and cannot simply be assigned to individuals. The department further highlighted that it is in the process of completing the district pack house, and that it will hopefully be functional by December this year. The nearest FPSU is 21 km away, and has 12 tractors from the district planning unit at its disposal for farmer support (mechanisation support).

5.3 Ravele and Ratombo Farming Enterprise CPA

Background on establishment and operation:

The history of CPA's in Limpopo province from establishment in the early 2000's to the collapse of initial co-management arrangements have been well documented.³ In most cases,

³ Inclusive Business Models in the Agricultural Sector: Case Studies from South Africa's Limpopo Province.

including the two CPA's to be visited by the committee, the outcomes have had lasting financial implications for the CPAs concerned.

5.3.1 Ratombo CPA:

According to Departmental reports, but disputed by the CPA, this CPA did not receive the deeds to the land. The state agencies originally involved with the procurement of farms proposed that the beneficiaries enter into co-management agreements with companies set up for this purpose. In the Levubu Valley, the South African Farm Management (SAFM) and Mavu Management Services, formed by a number of white farmers from Levubu, with individual black partners, as a second strategic partner for the Levubu claimants. SAFM was set up specifically to engage in such partnerships by established interests in the agricultural sector (existing commercial farmers) and new black empowerment partners. Ratombo CPA was partnered with Mavu Management Services.

The partnership was never favourable for the CPA, with a large number of issues reported on in the study cited. Some of the issues include:

- Development grants that had been promised to the proposed joint ventures did not materialise at this time, however, and Mavu pulled out of the arrangement in June 2007, before any formal agreement was signed.
- South African Farm Management, was appointed in a caretaker capacity by agreement with the provincial Department of Agriculture, but again without any formal agreement with the community of Ratombo.
- In December 2007, however, the Ratombo community signed a 15-year lease and strategic partnership agreements with a new strategic partner, Umlimi Holdings. Umlimi Holdings was a black-owned and predominantly black managed investment holding company heavily involved in black economic empowerment deals.
- During the first two years after the agreement was signed, harvesting and farm maintenance was sub-optimal, while community members complained that all farm revenues and grant income from the state was effectively under the exclusive control of

Umlimi, with little or no involvement by community representatives in decision making and no reporting of financial affairs.

- By late 2009, the Ratombo farms managed by Umlimi were in serious financial trouble. Umlimi representatives resigned from the boards of the two joint venture companies and were replaced with people previously unknown to the communities. Within a short time both operating companies were in provisional liquidation.
- The financial stress caused by the mismanagement of grant funds and farm income also lead to problems within the CPA, with groups aligned to the traditional authority and those opposed to their dominance in the management of the CPA forming.
- following the withdrawal of strategic partners, community members have been left trying to manage operations on their own. This, however, is under adverse conditions, and it is questionable what long-term prospects the farms have without dedicated support as expansion and renewal of orchards are needed.

5.3.2 Ravele CPA:

Government transferred 16 macadamia, avocado, banana, sweet potato and litchi farms worth R42 million in the subtropical Limpopo area to the Ravele Community Property Association (CPA) in 2005. The CPA represents 324 families with around 880 beneficiaries. The majority of them lives in nearby villages. The CPA was formed in April 2004. Since taking over the farms, the CPA in partnership with a managing agent has divided the area into four business units, each managed by one person supervising a group of farm workers. By 2017, the four business units employ 175 permanent staff who are all from the community and employ 51 seasonal employees.

Over time, however, discord developed within the CPA. News reports highlight challenges within the CPA stretching back to the first decade after its establishment. At the center of the conflict appears to be a common theme in the post establishment evolution of CPA's – conflict between some of the recipients of land reform and the local tribal authority, which is also represented in the CPA as beneficiaries.

There were previous reports of court action being considered by the department as a result of complaints by this group of CPA members, and there appears to be little improvement in the situation. It does not appear as if the whole group of beneficiaries can operate as a unified group, and accusations of mismanagement included corruption, nepotism and maladministration is still being made by the “concerned group”. The “concerned group” of 100 beneficiaries remain unhappy with the manner in which the CPA is administrated, and claim to have been side-lined by CPA committee.

The Concerned Group claim to have sought assistance from the Department of Rural Development and Land Reform, as well as the Public Protector’s office, without success, and have decided to appoint an attorney and take the matter to court.

5.4 Nwanedi Agri-hub and local small scale farmers

The agri-hub is completed and appeared to be operational, although the department did not offer the committee a tour of the facility. The department stated that a recent covid-19 positive case at the facility was the reason for this. The committee therefore could not assess the degree to which the hub was being utilised. One concerning matter raised regarding the service provision capacity of the hub was that an amalgamation of municipal boundaries has led to a significant change in the number of farmers that could be within the hub’s service provision area. The agri-hub was initially designed to support around 100 farmers, but due to the demarcation changes that had taken place within the district, it now serves 3 times as much. It can be assumed that it was not designed to support that number of farmers and will struggle to service outlying areas efficiently.

The operations of the Agri-hub is managed by a not-for-profit company in order to reduce financial pressure on tit. It provides extension, mechanisation, advisory, pack house and cold storage services to surrounding farmers. The Agri-hub is only using about 0.5 ha of the 5 ha land allocated to it at present. It is considering expanding operations, including:

- a. The installation of a solar power array to lower electricity costs;

- b. The addition of shade netting tunnels to protect seedlings in the hottest part of the growing season;
- c. Using an area adjacent to the hub for crop demonstration or for testing different crops / production methods;
- d. Developing a nursery area in order to be able to provide seedlings to adjacent farmers.

The department highlighted some challenges with farming in the area. These included the need to purify borehole water as it was not always useable for crops in its raw form, as well as the now common theme of high electricity costs. The hub is close to the country's border with Zimbabwe, and the concern was raised that poor border control has resulted in an increase of crime in the area.

The mode of operation of the two CPAs that owned farms in the area around the Agri-hub was also interesting. After receiving the land, the CPA decided against trying to farm the whole area as a collective but are leasing out land to small-scale farmers that wish to farm. This has led to less conflict within the CPA, and almost no interference with those who wish to farm.

Farmers visited in the area were operating relatively effectively, but did not appear to use all the facilities on offer at the Agri-hub. During the visit, gem squashes and butternut were being harvested and packed on the farm for transport to buyers (local school feeding scheme for butternut, gem squashes for the local market). The farmer again was not very concerned about leasing the land (in terms of a PTO) agreement instead of owning it, as he could not grow tomatoes in this area. He has a supply contract for tomato to Tiger Brands and needs to lease land 100km from this site in order to service that contract.

Again, the pattern of success appear to revolve around experienced farmers that have a relatively solid track record in farming (the farm visited was operated by a previous winner of young farmer of the year title for the province, and although not the owner of any land had developed a sufficient track record to secure operational finance), renting land from CPA owners who are not forced into attempting to farm. The small-scale farmers still faced many of

the same challenges as listed in other areas, such as volatile markets, lack of pack house infrastructure, cost of electricity and theft challenges, they appear to be making a stable income. The group seemed better aligned with their markets though, supplying Tiger brands, local school feeding schemes and regional markets, depending on crop type.

An additional challenge experienced is that farmers without supply contracts are often challenged with supplying produce to local factories. There appears to be a lack of communication between the factory and the farmers. There are periods when the factory is closed, and any produce that is ripe for harvest in this window (up to two weeks) could be lost.

6. COMMITTEE OBSERVATIONS

MAIN OBSERVATIONS FROM EACH SITE VISIT

6.1 The Mukumbani and Tshivhase Tea Estates

1. There appears to be an urgent need to focus efforts at this site as significant funds had been invested in the past and recently earmarked for further assistance, while there is disagreement between the two entities involved (LEDEC and DARDLR) about the basic viability of the operation.
2. There is a need to clarify the reported R10 million investment reported in news articles and raised by the provincial legislature during the site visit as it was not clear from the response given on site whether all involved with the project knew about this.
3. There appears to be a lack of in-depth knowledge of the project with the different provincial departments that should be working together to determine the correct way forward for the farm and then implement a business plan.
4. Even with the benefit of no land-related cost of operation (rent/bond), there is serious doubt regarding the basic business premise – that operating the farm at full labour contingent would be an employment creation exercise that can remain financially viable.

The previous farm operators abandoned the project because of the non-profitability of the high labour demands of tea farming.

5. The previous business model was simple – grow tea and sell in bulk to export market. This was likely the most viable approach, but it was not duplicated when the resuscitation of the venture was implemented. Now operating on a mere 10% of the original farm extent, the operators are attempting to launch its own branded tea into a market that is already saturated. It is also attempting this without any significant brand-awareness plan or funds allocated to an expensive brand-building program.
6. The farm had been advised to diversify into other high value cash crops but had not done so in the past. The poor management of the remaining tea plants and the lack of foresight to diversify previously has resulted in the farm being in a very compromised position financially. Funds are not sufficient to endure the cost of diversification and then the wait for the first yield, or alternatively to rehabilitate more of the farm in order to increase production of tea.

6.2 Easy farm

1. The owner is the second-generation farmer in the family. His father built up the farm with support of commercial growing and production support from industry and other farmers.
2. The farm had been secured on full title, which, together with the expertise developed by the farmers and support from private sector organisations had contributed significantly to the success of the farm. The department had supported the farm in the past through the construction of a new pack house, but commercial success requires greater integration into the private sector support structures such as grower organisations, produce agents, specialised fertilizer, pesticide and herbicide supply and access to finance. While it is noted that the department aims to develop farmers into fully-fledged commercial farmers, it is unlikely that the resources of an agri-hub will be sufficient to achieve this. The support models of the department should consider greater integration with the private sector when it comes to the development of commercial farmers.

3. The current owner spent 5 years after tertiary training working in the full value chain of citrus farming in order to learn as much of the industry as possible before starting to work with his father.
4. The export role of the venture is handled by agents and not any of the government structures envisaged under the Agri-hub concept.
5. Farm expansion is possible if a 600ha piece of communal land available to the farmer could be developed, but this will require a hybrid funding model from industry that supports farming on communal land or alternatively government support without interference from departments wishing to impose their business models or administration on the project. Both of which do not have the track record of achieving viability and export quality.
6. The export market operates on fine margins and small windows within which to shift produce over the border. Where instability disrupts port and transport infrastructure, such farms become extremely vulnerable and can suffer significant financial losses.
7. The management of his orchards also requires a management routine consisting of herbicide/pesticide spray routine and fertilization. The unrest and transport disruptions affecting KZN and Gauteng has put a question mark over the availability of such chemicals needed before September. Being unable to perform critical farm management at this time could compromise an entire year's crop.
8. Margins already under pressure as a result of fuel and input costs. The same issue was raised at tea farm (competitiveness and profitability), raising questions about the ability of farmers to be able to compete against subsidised farming from all over the world in the local and export market. This raised questions whether South African small-scale and commercial farmers will continue to be able to compete in an open, unregulated market without subsidisation or preferential procurement support.
9. For experienced farmers like the owner to expand his business, there will likely be a need to develop a hybrid funding model to allow financing options for farms and communities with a PTO to collaborate with experienced farmers wishing to expand operations beyond the land that they hold title for.

6.3 Small-scale (lady) farmer:

1. The farm is not set up to supply a single market or offset point. It further does not appear to rely on the department for assistance with marketing her produce. She sells each crop type to a different market, ranging from regional to local.
2. The farmer has received some technical support from the Department in the past, and continues to receive periodic support in the form of fertilizer, chemicals and advisory services. The support, however, has not taken her challenges into consideration. It appears to be more down the line of a generic suite of services on offer by the department, with specific challenges highlighted by the farmer not being addressed. These operational challenges are not resolved by the advice and inputs supplied by the department. This observation is not restricted to the one farm only. There appears to be a common thread of a miss-match between farmer needs and assistance even though the farmer is clear in what it is that is required to secure/expand/improve her operation. This includes:
 - a. Fencing to protect against livestock and to improve security as there are theft challenges;
 - b. A water source closer to her farm as she has to source water from far away;
 - c. The irrigation system is ageing and is in need of replacement;
 - d. There is no pack house close to her (or an agri-hub close by for that matter);
 - e. For her to be able to expand land under cultivation, some of the land at her disposal need to be prepared (de-bushed)
3. In contrast, the Departmental support proposals was the following:
 - a. The department is working on a package deal to assist all farmers i n the area:
 - b. There is a need to develop a business plan for the farm, and to secure a better water source
 - c. There is a need to supply the farm with fencing.
4. The key issue to consider could therefore be that the solution for the farmer's needs is not in the generation of generic models and package deals that is then offered to all, but to listen to each farmer's needs and then to respond to those needs. The need for a business plan is also questionable as the farmer obviously has markets for her produce and has a stable operation she wishes to improve and expand. The current approach is

just a micro scale of the agri-hub concept that requires compliance with an arbitrary set of conditions and envisages a uniform set of needs from all farmers.

6.4 Goddard Farm:

1. The farm is not owned by the farmer, but he has a PTO for the property. Having discussed the matter of PTO vs Title Deed with other farmers present, it was interesting to note that some farmers are not concerned with requiring ownership. They stated that the PTO was cheaper by far. It might also allow for more flexibility regarding moving to larger or better land options on short notice as it does not require costly and time-consuming land transactions. The lack of ownership did, however, result in financing challenges, suggesting that the PTO option needs further financial support development from the Department in order to ensure that farmers opting for this route are able to access finances. The funding models that can be applied to those farmers who only have a PTO need serious re-working. This is particularly true for those not seeking ownership and being happy within the PTO sphere. There is a critical need to address how these farmers will access resources to expand farming as departmental programmes simply cannot cover the developmental aspirations of all farmers.
2. While a diverse range of crops are grown, the farmers could improve operations. The production is not targeted at a known or contracted market and as a result, an over-supply of commonly grown crops in the region results in challenges to find markets and good prices for crops.
3. The department and the farming group seem to be operating in parallel to each other, with little overlap. The full support of the Agri-hub is therefore not at the disposal of the farmers, while the department is also not fully aware of their individual needs. The farming group had built up its own support network outside of the government sphere. This included forming a farming association, being members of AFASA, and receiving support from a private seed and seedling producer, Sakata.
4. The farming group (not just Mr Goddard) present stated that they received support with farming (inputs such as fertiliser and chemicals, technical advice) input from the Department, and acknowledged that the R35000 Covid-19 relief fund that they could apply for was made available. The R35000 support was not available for use to the

farmer to his or her own needs but came in the form of vouchers. These vouchers were, in the opinion of the farmers, heavily overpriced and in some instances, administrative fees were deducted, resulting in far less than R35000 in value being trickled down to farmers.

5. The farmers' operational and funding challenges were discussed. It is apparent from the issues listed that some may overlap with services from the Agri-hub, but not all. The distance between the farm and nearest hub is 21 km, thus also adding additional cost should farmers want to use facilities such as pack houses (which in terms of this site, is not functional yet). The issues raised by the farmers shows an interest in developing individual operations rather than having to make use of a centralised departmental support system.
6. The district does not have a pack house yet. This is another possible sign of resource concentration by the department trying to house too much of the farmer services located in agri-hubs that is not central to the province/district and thus not accessible to the farmers.
7. There is a need to look into how the departmental programmes synergise with the municipal LED in order to determine how issues of offtake and infrastructure can be addressed.
8. Farmers need to take greater care of developing a business model that maximised profit and market demand for produce rather than hoping that they can strike an offtake deal with the government. Government procurement is in the form of competitive tender and cannot be restructured in such a way that it is instructed to purchase everything that is produced by small-scale farmers.
9. There is a need to consider the value of government procurement support vs the development of a decentralised supply system, where small-scale producers feed into the national supply chain as is the case with countries such as Russia. It is possible, as has been demonstrated over time by this example, that up to 80% of a country's production of a specific crop could be sourced from smallholder plots no larger than 2 ha in size.

6.5 Ravele CPA

1. The history of the CPA post-settlement has been well-documented and the CPA acknowledged that it had experienced challenges in the past. From media reports, however, it may not be entirely over yet. There still appears to be a group within the original beneficiaries that are at odds with the CPA board. The current board stated that the department should have followed a better verification process before including people into a group of beneficiaries that they considered not part of the family group with historical claim to a piece of land. This matter does not appear to have received any further investigation by the Department.
2. While the CPA is described as stable by the board, and the representative indicated that the CPA is working hard to comply with all the legal requirements for the CPA, stability has only returned in 2017. The issues of the past are being addressed and the farm is trying its best to improve income. Some costs, such as electricity costs, remain high, however, and although the farm is profitable, it does not pay out big dividends to all members of the CPA on a frequent basis.
3. The CPA board further acknowledged that the past challenges of mismanagement of finances and the farm by the strategic partner unilaterally appointed by the department had created a major financial burden for the CPA. The debt has since been repaid by the CPA itself, without any assistance from the department or any other arm of government potentially involved with auditing the actions of the strategic partner.
4. The CPA went into details of the profit sharing (labelled performance bonuses) that it undertakes with farm labour and management. Farm workers (167 permanent plus seasonal) are paid well above the minimum wage for farm workers. The CPA further provides bursaries for academic achievers at school and were able to assist school-going children of the beneficiaries/community.
5. Farm operations is stable, but there is a need to re-plant some of the older orchards as they will soon be reaching the end of their production cycle and will have to be replaced.
6. It would appear as if the CPA is being run effectively as an asset of the community rather than a source of income for all beneficiaries to share in income generated. Those CPAs are typically over-exploited without sufficient recapitalisation of the infrastructure, and regularly experience infighting and collapse as a result. The CPA board is however still

concerned about the long-term sustainability of the venture and is looking into improving cost containment and increasing income.

Key points:

1. Sometimes there is a blur between traditional authorities and CPAs. In this instance, the current traditional leader was part of the group (mostly the Ravele Family) that successfully claimed land back. Under such circumstances, it is understandable if the traditional leader structure comes to dominate the CPA. This is different from a claim instituted by individuals that wish to control their CPA but is challenged in doing so by a traditional authority that was not part of the claim or beneficiary group.
2. The beneficiaries of the Ravele claim was given the title deeds to the land they claimed. This is not standard practice by the Department but it does provide the CPA with the option of borrowing against the land asset for future financial needs.
3. The challenges that CPAs experienced after the department unilaterally employed “strategic partners” need to be investigated. Strategic Partners frequently spent the development grant associated with the completion of the claim, as well as created debt in the name of a CPA. An audit of all CPAs where this took place is needed, inclusive of:
 - a. Details of the departmental oversight processes in place where financial mismanagement by a strategic partner took place;
 - b. Details of the amount of funds mismanaged or borrowed in the name of the CPA without its consent;
 - c. A police report/affidavit/internal audit/external audit report or paper trail indicating that the department instituted an investigation into the alleged financial mismanagement;
 - d. A record of outcome/decision regarding such an investigation.

6.6 Ratombo CPA

1. Ratombo CPA revealed a number of typical challenges recipients of land experience. These include:
 - a. The allocation of land without allocating the farms’ water rights as well;

- b. Zero farming experience within the beneficiary group;
 - c. Delays in finalising claims resulting in the neglect of farms prior to transfer;
 - d. Delays in finalisation of old order claims to the point that many of the claimed land has been traded at least once since claims were brought and where large-scale development is taking place on land, which could affect claims;
 - e. Poor support of the CPA after the claim was finalised, leading to infighting and poor performance;
 - f. Unilateral appointment of strategic partners that did not benefit the farm and where questionable business practices resulted in the mismanagement of development grants. This debt still impacts on the creditworthiness of the CPA;
2. In order to address the operational challenges of the CPA, the board formed a company in 2006 and is adhering to the corporate governance requirements and legislation. The lack of farming experience in the past led to some trail-and-error learning and reduced vitality of parts of the farm. A farm manager has been appointed but the farm is struggling with the sheer area to manage compared to the limited financial resources now at its disposal.
 3. Ratombo CPA has applied for support under RECAP before the current redirection of CASP to COVID-19 relief funding, but has not been able to secure any funding.
 4. The farm is able to generate some income through its operations, but the 100 permanent employees of the farm is a huge drain on disposable income. Capital is needed to replace old equipment, renew orchards and expand operations. The CPA also repeated the challenge highlighted by Ravele CPA, that the price of electricity is elevated as it is not procured from ESKOM but from the municipality, that adds a mark-up.

Key points:

1. The CPA also had issues with a strategic partner thus the same comment as for the Ravele CPA applies;
2. Funding models remain a challenge. RECAP is not sufficient to cover all needs, and either a lack of title deeds or poor creditworthiness as a result of periods of poor management hampers access to finance. The following points can be considered:
 - a. Focus on alternative strategic partnerships and funding models that reduces the pressure on departmental programmes but delivers real benefits to CPAs;

- b. Preferential electricity procurement options for CPAs and other supported land reform beneficiaries as is the case for large industry;
 - c. Resolution of water rights issues and finalisation of old-order claims should be priorities of the department;
- 3. It is clear from this case that skills development and training of beneficiaries could have been handled better. These programmes of the department has shown to be problematic in the past and are difficult to audit during budget and strategic plan reviews. The appointment of poorly-managed strategic partners was obviously a significantly flawed attempt to manage the skills shortages of the beneficiaries as, apart from the negative financial impact caused, no real skills transfers took place during the time strategic partners were involved.
- 4. The departmental focus on land reform without having sufficient plans and finances in place to ensure or at least attempting to ensure that CPAs becomes financially viable and that the farming practice is sustainable is laid bare by the two CPAs visited. It is necessary to determine what lessons the department, if any, had learnt from these and many other similar cases and to determine:
 - a. What response these experiences have caused in government planning and implementation of land reform through CPAs
 - b. How funding allocation for post settlement has been refocused as a result of these cases;
 - c. How skills development have been re-assessed as a result of the challenges experienced by CPAs
- 5. The CPA stated that they have received title deeds for the restituted land, but this is contradicted by the CPA report used to compile a background document for the oversight. The issue of land ownership needs to be clarified.
- 6. There appears to be a reluctance with CPAs to approach commercial lenders for capital needed to expand. Some of this reluctance may be attributed to past experiences with strategic partners, but there may also be a factor of government reliance, with beneficiaries assuming that the department should continue allocating funds to CPAs to ensure that the farms succeed. This results in CPAs addressing their finance needs at the department instead of securing commercial funding or entering into new, beneficial

partnerships. The difference in approach between Easy Farms and the CPA is a case in support of this statement. There is therefore a need to revisit post settlement farmer support to assess whether:

- a. the department properly plans for the capitalisation, training and initiation of farming activity in order to ensure that CPAs can find their feet operationally;
 - b. a clearly planned and communicated exit strategy has been developed, at which point alternative funding sources are available should farms be in need of it;
 - c. as is the case with Easy farm, a close working relationship is developed between the farmer and the commercial support structures / associations / service providers / funding agencies in order to allow for effective development and expansion as it can be commercially afforded and implemented.
7. The pace at which old order claims, some dating back more than 20 years, need to be addressed. These farms are being traded on the open market and being developed, which ultimately is affecting the value of the farms and could lead to protracted legal battles should current owners resist government attempts to return the land to rightful owners. The fact that the farms are being developed also imply that they would not fall into the categories of land identified for expropriation should that process be finalised.

6.7 Nwanedi Agri-hub and farmers:

2. The agri-hub is completed and appeared to be operational, although the department did not offer the committee a tour of the facility. The department stated that a recent covid-19 positive case at the facility was the reason for this. The committee therefore could not assess the degree to which the hub was being utilised.
3. The agri-hub was initially designed to support around 100 farmers, but due to the demarcation changes that had taken place within the district, it now serves 3 times as much. It can be assumed that it was not designed to support that number of farmers and will struggle to service outlying areas efficiently.
4. The operations of the Agri-hub is managed by a not-for-profit company in order to reduce financial pressure on tit. It provides extension, mechanisation, advisory, pack house and cold storage services to surrounding farmers.

5. The Agri-hub is only using about 0.5 ha of the 5 ha land allocated to it at present. It is considering expanding operations, including:
 - a. Solar array to lower electricity costs;
 - b. Shade netting tunnels to protect seedlings in hottest part of growing season;
 - c. Crop demonstration or testing farm areas;
 - d. Nursery services
6. Challenges with farming in the area include:
 - a. Water quality, although a basic purification system is usually all that is needed for boreholes;
 - b. Electricity costs;
 - c. theft
7. The mode of operation of the two CPAs that owned farms in the area around the Agri-hub was also interesting. After receiving the land, the CPA decided against trying to farm the whole area as a collective but are leasing out land to small-scale farmers that wish to farm. This has led to less conflict within the CPA, and almost no interference with those who wish to farm.
8. Farmers visited in the area were operating relatively effectively, but did not appear to use all the facilities on offer at the Agri-hub. During the visit, gem squashes and butternut were being harvested and packed on the farm for transport to buyers (local school feeding scheme for butternut, gem squashes for the local market).
9. The Farmer interviewed was not very concerned about leasing the land instead of owning it, as he could not grow tomatoes in this area. He has a supply contract for tomato to Tiger Brands and needs to lease land 100km from this site in order to service that contract.

Key points:

1. A once-size-fits-all approach to agricultural support in provinces through the placement of Agri-hubs in a few district municipalities will not be efficient. Some districts, such as Vhembe, has far more small-scale farming activity and expansion potential for agriculture than what can be supported by government's current distribution of hubs. Rather than simply trying to spreading these thinly on the

ground in all rural districts that are labelled as “poor” or “under-developed” and therefore in need to be supplied with farming options, more agriculture support infrastructure need to be provided in intensive agriculture areas.

2. Even where there is significant agriculture activity close to the Agri-hub, farmers do not appear to be using all the services equally. There is potentially a need to look at the basic design of the Agri-hub and the needs of farmers in each location in order to determine which services should be optimised.
3. The example of land use in this area should better inform departmental decision making in terms of the farming models it is promoting. Not all CPAs are going to make a success of farming and not all farmers find themselves inside CPAs with access to land. CPAs that rent out land to those that wish to farm appears to be a better model than the expensive and frequently unsuccessful approach of attempting to make a large CPA operate a complex farming model when no one in the CPA has that experience. It would also not have created the opportunity for dubious “strategic partners” to seriously damage the financial strength of many CPAs.

7. COMMITTEE’S RECOMMENDATIONS

7.1 The Mukumbani and Tshivhase Tea Estates

1. The committee noted the history of investment in the tea estates and factory and applauds the province’s desire to rebuild these assets. It is a great concern, however, that the departments involved do not appear to have a common business vision and opinion about the financial viability of further investment in the farms.
2. The committee further noted what it considers a lack of in-depth knowledge of the project with the different provincial departments/entities involved. This included the costing of alternative operational strategies such as crop diversification, producing for bulk sale or investing in brand development.
3. The committee believes that a viable business model should urgently be developed for the farms before more resources are invested. To this end, there is a need to clarify the

reported R10 million investment into the farms reported in news articles and raised by the provincial legislature during the site visit.

7.2 Easy farm

4. The committee commends the dedication towards building an export quality citrus farm by the current owner and his father before him.
5. The committee feels that valuable lessons can be learnt from this example, including:
 - a. The value of owning a farm secured on full title which enables owners to access financial support for expansion and development;
 - b. The need for the development of expertise by farmers and specialised support from both government and private sector organisations to ensure the success of an export-focused farm.
6. The committee noted that most, if not all of the infrastructure the farmer requires to fulfil export commitments had to be located on site. This observation has to be contrasted with the objectives of the department. While it is noted that the department aims to develop farmers into fully-fledged commercial farmers, it is unlikely that the resources of an Agri-hub will assist to achieve this. The support models of the department should consider greater farm-focused support and better integration with the private sector when it comes to the development of commercial farmers.
7. The committee notes with interest that the owner of Easy Farms could expand his operation to include a 600ha piece of communal land available to him. Such a development will require a hybrid funding and support model from government and private industry that supports farming on communal land.
8. The committee further notes that the current support models of the department is not aimed at such development options, rather opting for a one-size-fits-all agriculture support model that integrate with the District Development Model and does not have the flexibility required to support experienced farmers.
9. The committee therefore propose that the Department, working with private industry, develop a viable model of support for experienced farmers or CPAs with a track record of farming success to expand operations onto under-utilised state land. This model

should be sensitive to the funding needs of farmers coupled with the fact that full title of the land to be developed might well be held by state or a third party not involved with the actual farming activity.

10. The Committee further noted with concern the impact that unrest in KZN and Gauteng has had on Easy Farm. Export markets operate on fine margins and small windows within which to shift produce over the border. Where instability disrupts port and transport infrastructure, such farms become extremely vulnerable and can suffer significant financial losses. The management of his orchards also requires a management routine consisting of herbicide/pesticide spray routine and fertilization. The unrest and transport disruptions affecting KZN and Gauteng has put a question mark over the availability of such chemicals needed before September. Being unable to perform critical farm management at this time could compromise an entire year's crop.
11. The committee therefore urges the Department to continue to monitor the impact of export constraints and the availability of critical inputs on the country's commercial farming sector with the aim of extending financial aid to farmers who continue to suffer losses because of the unrest.

7.3 Small-scale (lady) farmer:

12. The committee noted that the farm was effectively targeting more than one market with produce, which indicates that the farmer in question is well-established in the market and capable of gearing production to selected markets.
13. The committee was concerned, however, that it appeared as if specific on-site needs of the farmer could not have been met to date. This highlighted a shortcoming of the Department's district-based development focus.
14. The committee acknowledges that the farmer has received technical support from the Department in the past, and continues to receive periodic support in the form of fertilizer, chemicals and advisory services. The support, however, has not taken her on-farm challenges into consideration. This observation is not restricted to this one farm only. There appears to be a common thread of a miss-match between farmer needs and services offered at Agri-hubs of FPSUs.

15. The committee proposes a re-evaluation of the focus of conditional grant expenditure, moving away from the generation of generic support models or the concentration of resources at district level where it will likely not be utilised by farmers such as this. The department needs to step away from a support model that requires compliance with an arbitrary set of requirements and envisages a uniform set of needs from all farmers.

7.4 Goddard Farm:

16. The same observations made regarding on-farm needs of farmers versus the centralised, generic support functions of the District Development Model applies to this site.

17. The observations made at Easy farm regarding hybrid funding models for farmers wishing to farm on communal land with a PTO also applies to this site.

18. The committee noted with concern that the department and the farming group seem to be operating in parallel to each other. The full suite of support services on offer by the department is therefore not at the disposal of the farmers, while the department is also not fully aware of their individual needs. The farming group had built up its own support network outside of the government sphere. This included forming a farming association, being members of AFASA, and receiving support from a private seed and seedling producer, Sakata.

19. The committee urges the department to improve its communication with all small-scale farmers in order to ensure that service available to farmers are optimally utilised.

20. The committee notes with concern statements made by the farming group (not just Mr Goddard) that the R35000 support was not available for use to the farmer to his or her own needs but came in the form of vouchers. These vouchers were, in the opinion of the farmers, heavily overpriced and in some instances, administrative fees were deducted, resulting in far less than R35000 in value being trickled down to farmers.

21. The committee requests, as soon as possible, that the National department, with the support of provinces if required, brief the committee on how the Covid-19 relief support was structured, and what help actually reached farmers vs deductions made by appointed service providers.

22. The committee observed that many farmers produced crops without having secured a buyer up front. The committee agrees with the department that farmers need to take greater care of developing a business model that maximised profit and market demand for produce rather than hoping that they can secure an offtake deal with the government. The committee need clarity, however, how much the department focuses on this aspect of business development and support in its advisory services offered to the farmers.
23. As a possible solution for generating a secure market for a large number of small-scale producers, the committee wishes to investigate the potential for the development of a decentralised supply system, where small-scale producers feed into the national supply chain as is the case with countries such as Russia. It is possible, as has been demonstrated over time by this example, that up to 80% of a country's production of a specific crop could be sourced from smallholder plots no larger than 2 ha in size.

6.5 Ravele CPA

24. The committee acknowledges the effort that the CPA has made to stabilise the operations and income of the CPA, and appreciates the degree to which financial support is offered to employees and surrounding communities, particularly where bursaries are offered to scholars.
25. The committee further acknowledges the fact that the CPA had been able to pay off the debt created in its name by a previous strategic partner.
26. The committee is concerned about the frequency of similar reports from CPAs. Both CPAs visited during the oversight had been assigned with a strategic partner that was not contracted by the CPA and did not act in the best interests of the CPA. Of great concern is the possibility that the development grants assigned to each CPA upon settlement of the land claim was mismanaged.
27. The committee requests a briefing by the department on the matter, highlighting:
- a. How the department selected and appointed strategic partners;
 - b. The investigations that took place for Ravele and Ratombo CPAs after complaints about strategic partners were received;

- c. The outcomes of the investigations, and if any mismanagement was identified, what steps the department took to recuperate misappropriated funds;
- d. What allocations, if any, were made by the department to compensate CPAs for losses suffered as a direct result of the actions of strategic partners.

7.5 Ratombo CPA

28. The comments on strategic partners made i.t.o Ravele CPA also applies to Ratombo CPA.
29. The committee learnt with concern that the CPA is still awaiting the finalisation of a number of old-order claims on land surrounding the farms for which claims were finalised already. The delay in finalising land claims has a negative impact on the claimants and could negatively influence the cost of acquiring and redeveloping the farms. The committee requires feedback from the department on the number of outstanding claims in Limpopo Province, including:
- a. The total number of outstanding claims affecting the Ratombo CPA;
 - b. The total number of claims outstanding in the province;
 - c. Reasons for delays in finalising claims, and;
 - d. Timelines for the completion of the claims.
30. The committee learnt that after financial losses was suffered under the strategic partner, the CPA applied for RECAP (before the current redirection of CASP to COVID-19 relief funding), but has not been able to secure any funding. The committee requests feedback on the reasons for turning down the application, particularly considering the challenges it is facing with the maintenance and development of the farms returned to the community at great cost.
31. The committee is concerned that current post settlement support options remain a challenge. RECAP is not sufficient to cover all needs, especially where large farms such as with the Ratombo claims are transferred. Either a lack of title deeds or poor creditworthiness as a result of periods of poor management hampers access to finance. The committee proposes that the following points should be considered by the department:

- a. Focus on alternative strategic partnerships and funding models that reduces the pressure on departmental programmes but delivers real benefits to CPAs and leaves CPAs in control of the partnership;
- b. Preferential electricity procurement options for CPAs and other supported land reform beneficiaries as is the case for large industry;
- c. Resolution of water rights issues and finalisation of old-order claims should be priorities of the department;

32. The committee expresses its concern about the departmental focus on land reform without proven implementation plans and sufficient finances in place to ensure or at least attempting to ensure that CPAs becomes financially viable. The committee wishes to be briefed by the department to determine:

- d. What response these experiences have caused in government planning and implementation of land reform through CPAs
- e. How funding allocation for post settlement has been refocused as a result of these cases;
- f. a clearly planned and communicated exit strategy has been developed, at which point alternative funding sources are available should farms be in need of it;
- g. as is the case with Easy farm, a close working relationship is developed between the farmer and the commercial support structures / associations / service providers / funding agencies in order to allow for effective development and expansion as it can be commercially afforded and implemented.
- h. How skills development have been re-assessed as a result of the challenges experienced by CPAs
- i. What efforts have been put in place to build relationships between beneficiaries and private entities capable of assisting with financial or skills development partnerships;
- j. Whether the department had considered advising CPAs that they can lease the farm out to other farmers should they wish, as has been seen successfully implemented during this oversight.

7.6 Nwanedi Agri-hub and farmers:

33. The committee appreciated the fact that the Agri-hub appeared to be completed and operational, although the department did not offer the committee a tour of the facility.
34. The committee is concerned about the fact that, due to demarcation changes in the municipality, an Agri-hub that was initially designed to support around 100 farmers, may have to serve 3 times as many. It can be assumed that it was not designed to support that number of farmers and will struggle to service outlying areas efficiently.
35. Under these circumstances, and having observed the impressive scale at which successful small-scale farmers were operating in the province, the committee propose that the Department re-evaluates its roll-out plans for Agri-hubs and other centralised farmer support infrastructure. At present, the plan had placed such infrastructure evenly across the country, but many of the facilities appear not to be functional. Limpopo province clearly has a greater agriculture capacity and need for support infrastructure, and should be implementing these in sufficient numbers to adequately support the number of farmers in each district..
36. The committee was interested to learn about the mode of operation of the two CPAs that owned farms in the area around the Agri-hub was also interesting. After receiving the land, the CPA decided against trying to farm the whole area as a collective but are leasing out land to small-scale farmers that wish to farm. This has led to less conflict within the CPA, and almost no interference with those who wish to farm. The committee wishes to engage with the department on this option taken by the two CPAs as it would appear a far better operational plan than what has been put into operation for most other CPAs.
37. The committee observed that farmers visited in the area were operating relatively effectively, but did not appear to use all the facilities on offer at the Agri-hub. During the visit, gem squashes and butternut were being harvested and packed on the farm for transport to buyers (local school feeding scheme for butternut, gem squashes for the local market). The committee is interested in receiving an update from the Department regarding the use of all the different services offered at Agri-hubs, and whether the envisaged range of services are all being used by farmers. If it becomes apparent that

some services are required more than others, how will the Department respond to this knowledge?