



agriculture

Department:
Agriculture
PROVINCE OF THE EASTERN CAPE



STRATEGIC 25 PLAN 2030



Inclusive Economic Growth





agriculture

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Agriculture
PROVINCE OF THE EASTERN CAPE

STRATEGIC PLAN 2025 - 30

DATE OF TABLING
08 APRIL 2025

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EXECUTIVE AUTHORITY STATEMENT

I am pleased to present the Strategic Plan for the Department of Agriculture.

This plan aligns with key government priorities outlined in the National Development Plan (NDP) and the Provincial Development Plan (PDP). It aims to support the strategic priority of fostering innovation and economic growth through an effective infrastructure network. Our strategy is in line with the PDP's focus on developing high-value agriculture as a foundation for rural sector growth and livelihood enhancement. To position our department as a driver of radical socio-economic transformation, we will prioritise delivering efficient and effective services to our constituents in the 7th administration. In the final phase of the NDP, we are committed to accelerating the implementation of PDP initiatives and revising our delivery approach and operational framework.



A report by the Human Sciences Research Council (HSRC) has highlighted significant food access challenges in the Eastern Cape Province. According to the Household Food Insecurity Access Scale (HFIAS), 73,4% of households in the province are food insecure, with 20,2% experiencing severe food insecurity. Severe food insecurity is more prevalent in younger-headed households in specific districts, particularly in Alfred Nzo (20%) and Sarah Baartman (23%). These high levels of malnutrition in the province are unacceptable and require deliberate and bold programs to urgently address this challenge.

In response to the South African Human Rights Commission's (SAHRC) 2022 recommendations, the department will support 111 500 vulnerable households more especially in Anti-Poverty sites to produce their own food using available lands and gardens. This initiative will specifically target women, youth, persons with disabilities, and military veterans. However, DoA alone, cannot solve food security issues. Despite having various programs and initiatives, the lack of a unified strategy has led to a fragmented and less effective approach. Therefore, the Office of the Premier (OTP) has coordinated government departments and agencies to develop a Provincial Food and Nutrition Security Plan (PFNSP).

The Agriculture and Agro-processing Master Plan (AAMP) is the overarching agriculture sector plan that guides our 2025-2030 Strategic Plan. The goal is to position the agriculture sector as a globally competitive agricultural and agro-processing sector that drives market-oriented and inclusive production to develop rural economies, ensure food security, create employment and entrepreneurship. The key pillars shaping this Strategic Plan include resolving policy ambiguities, creating an investment-friendly climate, develop enabling infrastructure, provide comprehensive farmer support, establish developmental finance, rural development and extension services. This will help ensure food security, increase production and employment, enabling market expansion, improving market access and trade facilitation, develop localised food production to reduce reliance on imports and expand agro-processing.

Through stakeholder consultations, during the development of our 5-year strategy, we have identified areas of alignment and collaboration amongst the department, its agencies, and other entities responsible for agriculture and rural development across the province. We are dedicated to meeting stakeholders' expectations and achieving our shared goals.

The Department is committed to advancing the government's mandate to stimulate economic growth, combat poverty, unemployment, inequality and promote economic transformation that benefits all sectors of society. DoA's commitment to inclusive growth and sustainable development is unwavering, and we are dedicated to realising our vision of a prosperous and equitable agricultural sector.



MEC Nonceba Kontsiwe
Executive Authority
Department of Agriculture

ACCOUNTING OFFICER STATEMENT

As the 7th Administration commences, we recognize that the years 2025 to 2030 mark the final phase of the province's commitment to achieving the goals set out in the Provincial Development Plan (PDP), Vision 2030. This vision aims to create a dynamic and interconnected province where all residents can reach their full potential. The 7th administration has embraced the Medium-Term Development Plan (MTDP), focusing on three main priorities: promoting inclusive growth and job creation, reducing poverty and tackling the high cost of living, and building a capable, ethical, and developmental state. The province's Provincial Medium-Term Development Plan (P-MTDP) has identified five key areas of focus, with the department playing a role in expanding job opportunities and driving re-industrialization



The province identified nine (9) Integration Areas that serve as the foundation of the P-MTDP, aimed at enhancing service delivery efficiency to achieve better developmental outcomes and impact. In the upcoming term, the Department will prioritize the execution of critical integrated focus areas, including Food Security, Land Reform, and Agricultural Commercialization. Key initiatives include the commercialization of 100 farms, enhancing business compliance (such as business plans, registrations, SA GAP standards, and record-keeping) to facilitate access to funding, advancing irrigated agriculture development, aggregation of communal land parcels for production purposes, fostering cannabis industry development, and implementing an import substitution program centered on poultry and oilseed production, and agriculture finance schemes.

Eastern Cape's Gross Domestic Product (GDP) contracted by 0,3% in the fourth quarter of 2024 when compared to the third quarter 2024. All the ten industries contracted, except Agriculture, forestry and fishing industry and wholesale retail trade hotels and restaurants and finance, with agriculture forestry and fishing leading with 18,3% growth rate. However, the number of people employed in the agricultural sector of the Eastern Cape declined from 111 000 in the third quarter to 107 000 in the fourth quarter of 2024. Over the last 5 years, maize production in the Eastern Cape has more than doubled from 93 200 tons in 2018 up to 198 650 tons in 2022. Between 2021 and 2022, the province has seen significant increase in commercial grain production from 20 000 to 30 750 ha.

Agriculture is the main driver of rural economies, along with sectors such as tourism, agro-processing, fisheries, and the ocean economy. Our focus is on transitioning traditional subsistence agriculture to commercial agriculture to increase production. The provincial agricultural income has shown significant growth over the past 15 years, especially between 2007 and 2017, when it increased by 380% from R5.6 billion to R27.0 billion, ranking the province 8th nationally. In the period from 2021 to 2022, the sector grew by 17% to R38 billion, surpassing Limpopo and moving the province to 7th position.

The province spends approximately R34 billion on social grants annually, with 44% (R12 billion) allocated to food expenses. This presents an opportunity for the province to enhance its local food production. Key food items include rice, vegetables (potatoes, cabbage, spinach, and carrots), dairy products, flour, sugar, maize meal, and cooking oil (canola and sunflower oils). Our program aims to boost localized production and agro-processing of vegetables, fruit, maize, dry beans, oilseeds, red meat, dairy, and poultry products to create affordable and nutritious food options. This initiative aims to not only reduce the cost of food but also increase access to nutritious food for more people. Additionally, this presents an opportunity for the province to keep a significant portion of the R12 billion food expenditure circulating within the province, thereby stimulating local economies and creating employment opportunities. Therefore, the envisioned agriculture and economic development aims to build productive, economically vibrant, connected, healthy, socially cohesive, equitable, and sustainable rural spaces and livelihoods.

During this term, we are committing to develop and establish local food hubs where the government will support massive cultivation of land, targeting high-potential arable areas such as irrigated lands. The community food production scheme has been initiated to support communities in putting their land into production at a required scale, enabling them to store, process, package, and sell surplus produce. The Eastern Cape Rural Development Agency (ECRDA) is tasked with spearheading the localisation of food production through aggregation initiatives. This includes aggregating produce from local farmers and processing it into food products that meet both local consumption needs and export standards. By leveraging modernized Industrial Parks, Special Economic Zones (SEZs) (Coega and East London). This is envisaged to be the driver of Government Procurement of Agricultural Products, which will be implemented through a partnership between DoA, ECRDA, Provincial Treasury, Eastern Cape Development Cooperation (ECDC) and Department of Economic Development, Environmental Affairs and Tourism (DEDEAT).

Despite its vast potential, the province is currently the second lowest contributor to SA's agricultural economy. This could change through an increased focus on the untapped potential in soybeans, maize, wool, beef, mohair, citrus, pigs, lucerne, sheep and goats. In this term, the focus will be on the implementation of the Eastern Cape based Agriculture and Agro-processing Master Plan to take advantage of the opportunities presented above. The Agriculture and Agro-processing Master Plan (AAMP) will ensue integration of smallholder farmers into the commercial value chains. The focus is to increase participation of smallholder farmers' share in grain from 4,2% to 20%, citrus 2% to 19%, deciduous 3% to 19%, beef 34% to 50%, dairy 7% to 10%, wool 11% to 16%, mohair 12,8% to 15%, poultry 4,2% to 15%, Soyabean 3,1% to 12%, and potato 1% to 20%.

A globally competitive agricultural and agro-processing sector is essential for the growth of agriculture in the Eastern Cape. Improved competitiveness opens up better opportunities for market access, expansion, and penetration. This term, our focus will be on biosecurity and control measures for transboundary pests and diseases such as foot-and-mouth disease and Highly Pathogenic Influenza (HPI). We will collaborate with all stakeholders to leverage and implement the Climate Change Adaptation and Mitigation Plan for the sector. The development of agriculture infrastructure is crucial, with a specific emphasis on primary and agro-processing infrastructure to meet market compliance requirements and enable farmers to access a wide range of domestic and export markets. The agricultural sector has seen a significant increase in stock theft, making it a key area of focus for the upcoming term. We will work with stakeholders to develop initiatives and programs to prevent stock theft across the province.

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

Our department has prioritised the repurposing of ECRDA as the key entity to promote the commercialization of rural agriculture in our province. This demonstrates a renewed dedication to enhancing the agency's capabilities, ensuring its sustainability, and enhancing its governance to establish it as a fundamental pillar in the growth of the agriculture sector and enhancement of food security. As part of our administration's focus on building a capable and developmental state, we are working on creating a strong business case for listing ECRDA as a Schedule 3D public entity under the Public Finance Management Act (PFMA). To promote holistic development, the department will support initiatives for Inclusive Economic Growth, prioritizing the establishment of Rural Economy Development (RED) Hubs for food distribution, advancements in Aquaculture and Fisheries Development, the business growth of Magwa and Majola Tea Estates, and the facilitation of market access through adherence to market standards and food safety regulations. Additionally, these farms will be equipped with essential infrastructure, tools, and market access throughout this period.

The department's remarkable performance in audit results and financial performance highlights the impact of strong leadership, good governance, effective internal controls, and comprehensive performance monitoring. These improvements not only resolved past issues but also established a foundation for sustained excellence in the future.



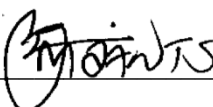
Mr Bongikaya Dayimani
Head of Department
Department of Agriculture

OFFICIAL SIGN-OFF

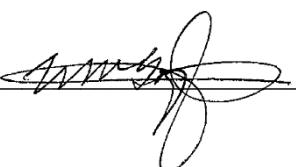
It is hereby certified that this Strategic Plan:

- Was developed by the management of the Department of Agriculture under the guidance of MEC Nonceba Kotsiwe.
- Takes into account all the relevant policies, legislation and other mandates for which the Department of Agriculture is responsible.
- Accurately reflects the Impact and Outcomes which the Department of Agriculture will endeavour to achieve over the period 2025 - 2030.


Ms. S Mzantsi
Programme 1: Administration

Signature: 


Mr. WM Goqwana
Programme 2: Sustainable Resource Management

Signature: 

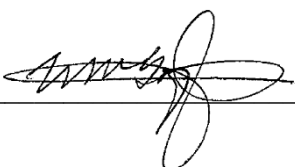
Ms. M Macanda
Programme 3: Farmer Support and Development

Signature: 

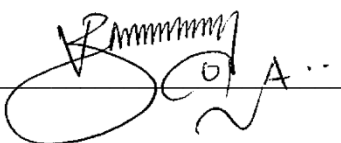
Dr. C Mnqeta
Programme 4: Veterinary Services

Signature: 

Mr. WM Goqwana
Programme 5: Research and Technology Development

Signature: 

Ms. V Majola
Programme 6: Agricultural Economic Services

Signature: 

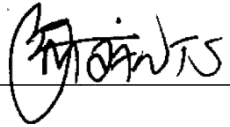
Ms. N Moiloa
Programme 7: Structured Agricultural Education and Training

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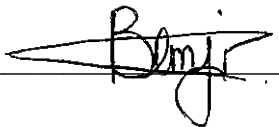
Dr. AM Soares
Programme 8: Rural Development

Signature: 

Ms. S Mzantsi
Chief Financial Officer

Signature: 

Mr. BL Majova
Head Official responsible
For Planning


Signature: 

Mr. B Dayimani
Accounting Officer

Signature: 

Approved by:

MEC Nonceba Kontsiwe
Executive Authority

Signature: 



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PART A

**OUR
MANDATE**



I. CONSTITUTIONAL MANDATE

The mandate of the department is derived from section 27(1) (b) and 2 of the Constitution: “take reasonable legislative and other measures, within its available resources, to achieve the progressive realization of the right (of everyone) to have access to sufficient food”. The Eastern Cape Provincial Department of Agriculture is an integral part of the South African Public Service established in terms of section 197 of the Constitution and read with section 7 (1) and 7 (2) of the Public Services Act of 1994.

The South African Constitution section 197 (1) indicates that, within public administration, there is public service for the Republic which must function and be structured. It compels the public service to execute the policies of the government of the day. The South African Constitution requires government departments to plan for their service delivery programmes.

The South African Constitution divides socio-economic development services into three spheres of government: the national sphere, the provincial sphere, and the local sphere. The mandate of the Provincial Governments is to ensure service delivery and support to the Local Sphere of Government.

2. LEGISLATIVE AND POLICY MANDATES

The department’s legislative and policy mandates are informed by national, provincial and local legislation and policies.

The Department’s mandates are informed by the following Acts and Regulations:

ACT NO. AND YEAR	PURPOSE
Agricultural Debt Management Act, 2001 (Act No. 45 of 2001)	Provides for the establishment of the Agricultural Debt Account and the use of the account as a mechanism to manage agricultural debt repayment.
Agriculture Law Extension Act, 1996 (Act No. 87 of 1996)	Provides for the extension of the application of certain laws relating to agricultural matters to certain territories, which form part of the national territory of the Republic of South Africa; the repeal of certain laws which apply in those territories; and for matters connected therewith.
Agricultural Law Rationalisation Act, 1998 (Act No. 72 of 1998)	Provides for the rationalisations of certain laws relating to agricultural affairs that remained in force in various areas of the national territory of the Republic prior to the commencement of the Constitution of the Republic of South Africa.
Agricultural Pests Amendment Act, 1992 (Act No. 9 of 1992)	To amend the Agricultural Pests Act, 1983, so as: To emend certain definitions; To provide for the designation of more than one executive officer; To provide that the Minister may assign certain of his powers to a person who is not an officer; To make other provision in connection with the person to be notified of the presence of certain pests; To extend the powers of the Minister to prescribe control measures so as to include red-billed quelea; and To provide for matters connected therewith.
Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992)	Provides for the establishment of an Agricultural Produce Agents Council and fidelity funds in respect of agricultural produce agents and for the control of certain activities of agricultural produce agents.

ACT NO. AND YEAR	PURPOSE
Agricultural Product Standards Act, 1990 (Act No. 119 of 1990)	Provides for the control over the sale and export of certain agricultural products, control over the sale of certain imported agricultural products and control over other related products.
Agricultural Research Amendment Act, 2001 Act No. 27 of 2001	To amend the Agricultural Research Act, 1990, so as to make further provision for the procedure to be followed in the appointment of members of the Council; and to provide for matters connected therewith.
Animal Diseases Act, 1984 (Act No. 35 of 1984)	Provides for the control of animal diseases and parasites, and for measures to promote animal health.
Animal Identification Act, 2002 (Act No. 6 of 2002)	Provide the consolidation of the law relating to the identification of animals and incidental matters.
Animal Improvement Act, 1998 (Act No. 62 of 1998)	Provides for the breeding identification and utilisation of genetically superior animals to improve the production and performance of animals.
Animals Protection Act, 1962 (Act No. 71 of 1962)	Provides the consolidation and amendment of the law relating to the prevention of cruelty to animals.
Broad Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)	Promotes economic transformation in South Africa by enabling meaningful participation of black people in the economy. The Act aims to achieve this through increased participation in ownership and management structures, greater involvement of communities and employees in economic activities, and skills development and training.
Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)	To give effect to the right to fair labour practices, as referred to in Section 23(1) of the Constitution, by establishing and providing for the regulation of basic conditions of employment.
Constitution of the Republic of South Africa, Act 108 of 1996 (Act No. 108 of 1996)	It is the supreme law of our country. It provides the legal foundation for the existence of the Republic, sets out the rights and duties of its citizens, and defines the structure of the Government.
Conservation of Agricultural Resources, 1983 (Act No. 43 of 1983)	Provides for control over the utilisation of the natural agricultural resources of the Republic to promote the conservation of the soil, water sources and vegetation and the combating of weeds and invader plants.
Division of Revenue Act, 2009 (Act No. 12 of 2009)	To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government.
Drugs and Drug Trafficking Act, 1992 (Act No. 140 of 1992)	To provide for the prohibition of the use or possession of, or the dealing in, drugs and of certain acts relating to the manufacture or supply of certain substances or the acquisition or conversion of the proceeds or certain crimes; for the recovery of the proceeds of drug trafficking.
Eastern Cape Rural Finance Corporation, Act 1 of 2012 (Act No. 9 of 1999 as (Amended by Act of 2012)	Mobilising financial resources and providing financial and supportive services to persons domiciled, ordinarily resident or carrying on business within the Province. Promoting and encouraging private sector investment in the Province and the participation of the private sector in contributing to economic growth. Promoting, assisting and encouraging the development of the Province's human resources and financial infrastructure, in association with other institutions having similar or related objectives. Acting as the governments' agent for performing any development-related tasks and responsibilities that the government considers may be more efficiently or effectively performed by a corporate entity. Driving and coordinating integrated programmes of rural development, land reform and agrarian transformation in the province.

ACT NO. AND YEAR	PURPOSE
Employment Equity Act, 1998, (Act No. 55 of 1998)	To remove discrimination, implement affirmative action and to promote equity, equality, opportunity, remuneration and development for all employees in the workplace.
Engineering Profession Act, 2000, (Act No. 46 of 2000)	To provide for the establishment of a juristic person to be known as the Engineering Council of South Africa. To provide for the registration of professionals, candidates and specified categories in the engineering profession. To provide for the regulation of the relationship between the Engineering Council of South Africa and the Council for the Built Environment.
Fencing Act, 1963, (Act No. 31 of 1963)	To consolidate the laws relating to fences, the fencing of farms and other holdings and matters incidental thereto.
Fertilisers, Farm Feeds Agricultural Remedies and Stock Remedies Act, 1947 (Act No. 36 of 1947)	Provides for the appointment of a Registrar of Fertilizers, farm feeds, agricultural remedies and stock remedies; the registration of fertilisers, farm feeds, agricultural remedies, stock remedies, sterilising plants and pest control operators; the regulation or prohibition of the importation, sale, acquisition, disposal or use of fertilizers, farm feeds, agricultural remedies, stock remedies and the designation of technical advisers and analysts.
Fort Cox Interim Provision Act, 2015 (Act No. 7 of 2015)	Provides for the repeal of the Fort Cox Institute Decree, the continued existence of Fort Cox Institute as an autonomous institution, and administration and control of the affairs of the Institute and matters incidental thereto.
Genetically Modified Organisms Act, 1997 (Act No. 15 of 1997)	Provides for measures to promote the responsible development, production, use and application of genetically modified organisms, to provide for an adequate level of protection during all activities involving genetically modified organisms that may have an adverse impact on the conservation and sustainable use of biological diversity, human and animal health.
Intellectual Property Laws Amendment Act, 2013 (Act No. 20 of 2013)	To provide for the recognition and protection of certain manifestations of indigenous knowledge as a species of intellectual property. To this end to amend certain laws so as to provide for the protection of relevant manifestations of indigenous knowledge as a species of intellectual property.
Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005)	To establish a framework for the national government, provincial governments and local governments to promote and facilitate intergovernmental relations; to provide for mechanisms and procedures to facilitate the settlement of intergovernmental disputes; and to provide for matters connected therewith.
Land Tenure Rights Act, 1991, (Act No. 112 of 1991)	To provide for the upgrading and conversion into ownership of certain rights granted in respect of land; for the transfer of tribal land in full ownership to tribes; and for matters connected therewith.
Labour Relations Amendment Act, 2014 (Act No. 6 of 2014). Amendment of section 32 of Act 66 of 1995, as amended by section 7 of Act No. 42 of 1996	To facilitate the granting of organisational rights to trade unions that are sufficiently representative; to strengthen the status of picketing rules and agreements; to amend the operation, functions and composition of the essential services committee and to provide for minimum service determinations.
Livestock Improvement Act, 1997 (Act No. 25 of 1997)	To amend the Livestock Improvement Act, 1977, so as to uniformly regulate the exportation of declared animals: to make provision for the

ACT NO. AND YEAR	PURPOSE
	approval of Indigenous and locally produced breeds to be exported; and to provide for matters connected therewith.
Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996)	To authorise the establishment and enforcement of regulatory measures to intervene in the marketing of agricultural products, including the introduction of levies on agricultural products; to establish a National Agricultural Marketing Council.
Medicines and Related Substances Act, 1965 as amended (Act No. 14 of 2015)	Aims to amend the Medicines and Related Substances Act, 1965, so as: to define certain expressions and to delete or amend certain definitions; to provide for the objects and functions of the Authority; to provide for the composition, appointment of chairperson, vice-chairperson and members, disqualification of members, meetings and committees of the Board of the Authority.
National Environmental Management Act, 1998 (Act No. 107 of 1998)	To provide for co-operative, environmental governance by establishing principles for decision-making on matters affecting the environment, institutions that will promote co-operative governance and procedures for co-ordinating environmental functions exercised by organs of state; and to provide for matters connected therewith.
National Environmental Management: Biodiversity Act, 2002 (Act No. 10 of 2004)	To provide for the management and conservation of South Africa's biodiversity within the framework of the National Environmental Management Act, 1998; The protection of species and ecosystems that warrant national protection; The sustainable use of indigenous biological resources; The fair and equitable sharing of benefits arising from bioprospecting involving indigenous biological resources; The establishment and functions of a South African National Biodiversity Institute; and for matters connected therewith.
Natural Scientific Professions Act, 2003 (Act No. 27 of 2003)	Intends to provide for the establishment of the South African Council for Natural Scientific Professions. The registration of professional, candidates and certificated natural scientists; and. to provide for matters connected therewith.
National Youth Policy (NYP) 2015-2020, Act No. 54 of 2008)	Consolidate and integrate youth development into the mainstream of government policies, programmes and the national budget. Strengthen the capacity of key youth development institutions and ensure integration and coordination in the delivery of youth services.
Occupational Health and Safety Act, 1993 (Act No. 85 of 1993)	To provide for the health and safety of people at work or in connection with the use of plant and machinery.
Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)	To give effect to section 217(3) of the Constitution by providing a framework for the implementation of the procurement policy contemplated in section 217(2) of the Constitution; and. to provide for matters connected therewith.
Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)	To give effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights; and. to provide for matters connected therewith.
Protection of Personal Information Act, 2013 (Act No. 4 of 2013)	To protect people from harm by protecting their personal information.
Promotion of Administrative Justice Act, 2000 (Act No. 2 of 2000)	To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative

ACT NO. AND YEAR	PURPOSE
	action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996.
Public Finance Management Act, 1999 (Act No. 1 of 1999)	To ensure that all revenue, expenditure, assets and liabilities of that government are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in that government; and. to provide for matters connected therewith.
Public Service Act, 2007 as amended (Act No. 30 of 2007) & Public Service Regulations, 2016 as amended	To provide for the organisation and administration of the public service of the Republic, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and matters connected therewith.
Public Administration Act, (Act No. 11 of 2014	To promote the basic values and principles governing the public administration referred to in section 195(1) of the Constitution; to provide for the transfer and secondment of employees in the public administration; to regulate conducting business with the State; to provide for capacity development and training; to provide for the establishment of the National School of Government; to provide for the use of information and communication technologies in the public administration; to establish the Public Administration Ethics, Integrity and Disciplinary Technical Assistance Unit; to provide for the Minister to set minimum norms and standards for public administration; to establish the Office of Standards and Compliance to ensure compliance with minimum norms and standards; to empower the Minister to make regulations; and to provide for related matters.
Skills Development Act, 1998 (Act No. 97 of 1998)	Aims to expand the knowledge and competencies of the labour force in order to improve productivity and employment. The Main Aims of the Act are: To improve the quality of life of workers, their prospects of work and labour mobility.
Spatial Data Infrastructure Act, 2003 (Act No. 54 of 2003)	To establish the South African Spatial Data Infrastructure, the Committee for Spatial Information and an electronic metadata catalogue; to provide for the determination of standards and prescriptions with regard to the facilitation of the sharing of spatial information; to provide for the capture and publishing of metadata and the avoidance of duplication of such capture.
Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013)	To provide a framework for spatial planning and land use management in the Republic; To specify the relationship between the spatial planning and the land use management system and other kinds of planning; To provide for the inclusive, developmental, equitable and efficient spatial planning at the different spheres of government; To provide a framework for the monitoring, coordination and review of the spatial planning and land use management system; To provide a framework for policies, principles, norms and standards for spatial development planning and land use management; To address past spatial and regulatory imbalances; To promote greater consistency and uniformity in the application procedures and decision-making by authorities responsible for land use decisions and development applications; and To provide for the facilitation and enforcement of land use and development measures; and to provide for matters connected therewith.
Statistics Act, 1999 (Act No. 6 of 1999)	To provide for a Statistician-General as head of Statistics South Africa, who is responsible for the collection, production and dissemination of official and other statistics, including the conducting of a census of the population, and for co-ordination among producers of statistics;

ACT NO. AND YEAR	PURPOSE
	To establish a Statistics Council and provide for its functions; To repeal certain legislation; and To provide for connected matters.
Subdivision of Agricultural land Act, 1970 (Act No. 70 of 1970)	To control the subdivision of agricultural land.
The Agriculture Development Act, Act No. 8 of 1999.	Promulgated to promote, support, and facilitate agricultural development in the Eastern Cape Province, by providing for the introduction of programmes, schemes for agricultural assistance and disaster relief to farmers, for improving agricultural standards, the efficiency and competitiveness of the agricultural sector; to provide for the creation of an agricultural development fund; and to provide for matters connected therewith.
The Animal Identification Act, 2002 (Act No. 6 of 2002)	To consolidate the law relating to the identification of animals and to provide for incidental matters.
The Meat Safety Act, 2000 (Act No. 40 of 2000)	To provide for measures to promote meat safety and the safety of animal products; to establish and maintain essential national standards in respect of abattoirs; to regulate the importation and exportation of meat; to establish meat safety schemes; and to provide for matters connected therewith.
Treasury Regulations issued in terms of PFMA Act, 1999 (Act No. 29 of 2000)	To regulate financial management in the national government and provincial governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments.
Veterinary and Para veterinary Professions Act, 1992 (Act No. 19 of 1992)	Provides for the establishment, powers and functions of the South African Veterinary Council.

3. INSTITUTIONAL POLICIES AND STRATEGIES GOVERNING THE FIVE-YEAR PLANNING PERIOD

The departmental strategic plan is hinged on the following policies and governing strategies:

- The National Development Plan is the overarching government strategic vision and plan.
- The Provincial Development Plan (PDP).
- MediumTerm Development Plan (MTDP).
- National Youth Policy.
- Agriculture and Agro-Processing Master Plan (AAMP).
- National Policy on Comprehensive Producer Development Support (NPCPDS).
- DoA Food Production (*Policy will be reviewed and aligned with the National Comprehensive Producer Development Support Policy*).
- Partnership Policy.
- Mechanisation Policy (*will be reviewed and aligned with the Comprehensive Producer Support Policy*).
- Eastern Cape Agriculture and Agro-processing Blended Finance Scheme.
- Agricultural Economic Transformation Strategy.
- Integrated Aquaculture and fisheries Strategy.
- Cannabis Development Strategy.
- DoA ICT Strategy.

-
- Eastern Cape Agriculture Investment Framework (ECAIF).
 - Integrated Rural Development Sector Strategy 2023.

The government has identified six pillars to revitalise the rural economy:

- Rural infrastructure development and investment;
- Economic development, industrialisation, and job creation;
- Education and skills development;
- Provision of basic services in rural areas;
- Land, agrarian reform, and tenure security;
- Social and community development.

4. RELEVANT COURT RULINGS

The Constitutional Court ruling on 18 September 2018 declaring section 4(b) and 5(b) of Drugs and Drug Trafficking Act (Drugs Act) as well as section 22A(9)(a)(i) of the Medicines and Related Substances Act (the Medicines Act), is constitutionally invalid with regards to cannabis use, as it infringes on a person's fundamental rights to privacy. It should be noted that several caveats associated with this ruling were identified.

DALRRD issued a notice, dated 29 Sept 2023, on Amendments to the Guidelines of Hemp Cultivation (low THC Cannabis) for Agricultural and Industrial Purposes stating that a Police Clearance Certificate is no longer applicable/required when applying for hemp permits as of 01 Oct 2023. Because of this amendment, in which a police clearance certificate is not a mandatory support document in the hemp permit application, people with criminal records are allowed to apply for hemp permits.

In this regard the department supports cannabis production in the province and has approved the Eastern Cape Cannabis Strategy aimed to champion legislative reform that allows for commercialisation of cannabis.



agriculture

Department:
Agriculture
PROVINCE OF THE EASTERN CAPE



PART B

**OUR
STRATEGIC
FOCUS**



1. VISION

A thriving sustainable agriculture and agro-processing value chains, driving inclusive economic growth and food security for all.

2. MISSION

To drive agriculture and agro-processing through inclusive partnerships, sustainable and innovative agricultural practices, promote local and international trade biased towards commercialisation of smallholder farmers.

3. VALUES

Our values are driven by making an **IMPACT** – not only as an acronym, but as a reflection of our daily commitment to ethical, responsive, and people-focused service delivery.

I – Integrity

We act with honesty, transparency, and ethical responsibility, upholding the highest standards of professionalism while respecting the dignity and rights of others.

M – Mutual Respect

We value the contributions and diverse perspectives of all individuals. We treat one another with fairness, courtesy, and professionalism in pursuit of our shared goals.

P – People-Centredness

We place the people we serve at the heart of our work. We engage equitably, collaborate effectively, and strive for excellence in service delivery that improves lives and livelihoods.

A – Adaptability

We are responsive and flexible in a constantly changing environment. We welcome innovation, adopt new technologies, and seek continuous improvement to remain effective and relevant.

C – Collaboration

Bambisanani – We work hand in hand across sectors, institutions, and communities, recognising that collective efforts yield greater and more lasting results than individual action.

T – Transformation

We are committed to sustainable, inclusive agricultural growth. Through innovation, empowerment, and excellence, we drive change that redresses past inequalities, promotes environmental stewardship, and secures a better future for generations to come.

4. SITUATIONAL ANALYSIS

Agriculture remains one of the success stories in South Africa's economic progress, despite the success story of this sector is led by large commercial agriculture, the growth left behind smallholder and rural farmers. The success of the sector is based on the tremendous Gross Domestic Product (GDP) growth over the past 30 years of democracy that doubled in real value terms. The low proportional contribution of the sector to countries GDP illustrates the classic story of how the South African economy has changed over time, diversifying from primary sectors to tertiary sectors that grew faster than agriculture. Even with the change, there is convincing evidence that, on average, agriculture has a greater potential to uplift and diversify rural livelihoods and economies. Inclusive growth in agriculture is associated with widely shared income and employment benefits and has higher multiplier effects on other sectors of the economy. This is why inclusion is a key feature in the Agricultural and Agro-processing Master Plan (AAMP) and the national and provincial development plans and strategies in South Africa.

The preparation for the Strategic Plan for 2025-2030 is based on the Census 2022 report, which was presented to President Cyril Ramaphosa on October 10, 2023. The report provides a comprehensive dataset of important development indicators necessary for policy and program planning. The key findings from the report focus on population demographics and poverty trends. Furthermore, AAMP is the agriculture sector compact between the government, private sector and social partners. The latest reports conducted in the province by Human Rights Commission and Human Sciences Research Council both these entities focused conducted studies on food and nutrition security in the Province. The two reports demonstrated a bleak picture when it comes to household food and nutrition security.

4.1 EXTERNAL ENVIRONMENT ANALYSIS

Population & Demographics

The population of the Eastern Cape has increased from 6.357 million in 2011 to 7.200 million currently, representing an 11,7% increase. In terms of population composition by gender, 52,6% are females and 47,4% are males. The population distribution by ethnic group shows that 85% are Black African, 7,5% are Coloured, 5,6% are White and 0,5% are Indian/Asian. The median age of the Eastern Cape population is 27 years. Based on the current age-gender structure and fertility, mortality, and migration rates, the population is projected to grow at an average annual rate of 1,0% from 7.4 million in 2021 to 7.78 million in 2026. This projected growth rate poses a threat to sustainable food security. In response to this population growth, the agricultural sector must increase its contribution to the GDP through focused intervention programs.

Poverty Trends

The 2022 Census Report shows the number of people living in poverty, based on the upper poverty line definition, was 5.43 million, a 25,38 % increase from the 4.33 million recorded in 2011. The percentage of people in poverty rose from 64,66% in 2011 to 73,35% in 2021, an increase of 8,68 percentage points. The African population group had the highest poverty rate at 79,2% using the upper poverty line definition. Notably, the Alfred Nzo District Municipality had the highest poverty rate at 86,9%, while the Nelson Mandela Bay Metropolitan Municipality had the lowest at 59%. Furthermore, the SAHRC made the following recommendations:

- Investigate initiatives to further support and empower small-scale farmers, particularly women, through training, access to resources, and linkages to markets. Explore sustainable agriculture practices to enhance food security and encourage the uptake of undistributed vouchers.
- Collaborate with local authorities to explore and implement food security initiatives, such as community gardens and urban agriculture projects, to increase the availability of fresh produce and improve dietary diversity.
- To develop intervention measures that are well targeted and address the root causes of household food and nutrition insecurity, current data at lower geographic levels and contextually relevant scientific evidence are crucial.

The HSRC, 2024 report show that the Buffalo City had the highest proportion of households that were food secure (36%), followed by the Nelson Mandela Bay District, with 30% of the households that were found to be food secure. About 24% of the households in both Sarah Baartman and Amathole districts were severely food insecure. This was followed by households from Alfred Nzo District, with also 23% of the households from this district experiencing the severely food insecurity. About 20% of the households in Nelson Mandela Bay also experienced severe food insecurity while another 19% the severely food insecure households were also each from the Buffalo City (Figure 1).

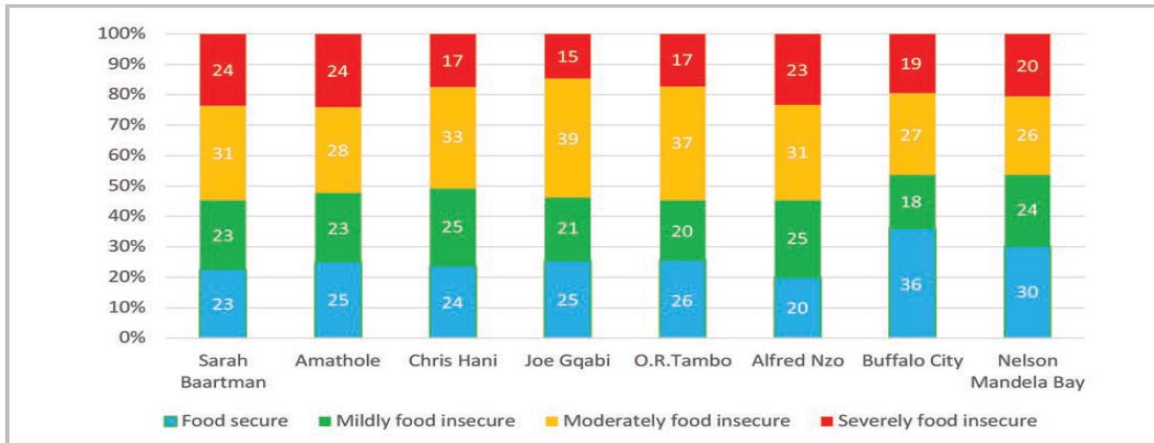


Figure 1: Food insecurity across district and metro of the Eastern Cape (HSRC; 2024)

Employment

The number of people employed in the agricultural sector of Eastern Cape declined from 111 000 in the third quarter to 107 000 in the fourth quarter 2024.

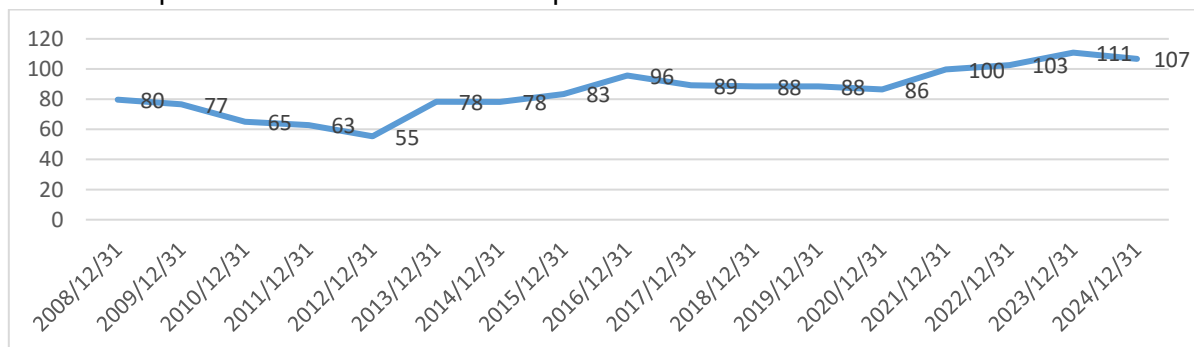


Figure 2: Number of individuals employed
Source: Quantec (2024)

Economic growth

Eastern Cape's gross domestic product (GDP) contracted by 0,3% in the fourth quarter of 2024 when compared to the third quarter 2024. All the ten industries contracted, except Agriculture, forestry and fishing industry and wholesale retail trade hotels and restaurants and finance, with agriculture forestry and fishing leading with 18,3% growth rate.

Table 1: South Africa GDP: Q1 2024

GVA per sector	2024Q3	2024Q4	% Growth
GVA01: Agriculture, forestry and fishing: Gross value added (GVA) at basic prices	5 165,112	6 112,872	18,34927
GVA06: Wholesale & retail trade; hotels & restaurants: Gross value added (GVA) at basic prices	5 1110,8	51 818,57	1,384772
GVA08: Finance, real estate and business services: Gross value added (GVA) at basic prices	66 992,19	67 428,9	0,651876
GVA03: Manufacturing: Gross value added (GVA) at basic prices	41 407,32	41 282,49	-0,30146
GVA02: Mining and quarrying: Gross value added (GVA) at basic prices	623,8022	621,8352	-0,31534
GVA09: Community, social and other personal services: Gross value added (GVA) at basic prices	97 259,47	9 6875,4	-0,39489
GVA05: Construction: Gross value added (GVA) at basic prices	8 214,989	8 182,021	-0,40132
GVA10: General government services: Gross value added (GVA) at basic prices	3 7748,4	37 589,22	-0,42168
GVA07: Transport and communication: Gross value added (GVA) at basic prices	21 579,78	21 383,35	-0,91025
GVA04: Electricity and water: Gross value added (GVA) at basic prices	4 612,564	4 520,434	-1,99738
GVA00: All industries: Gross value added (GVA) at basic prices	33 4714,4	33 5815,1	0,328837

Source: Statistics SA

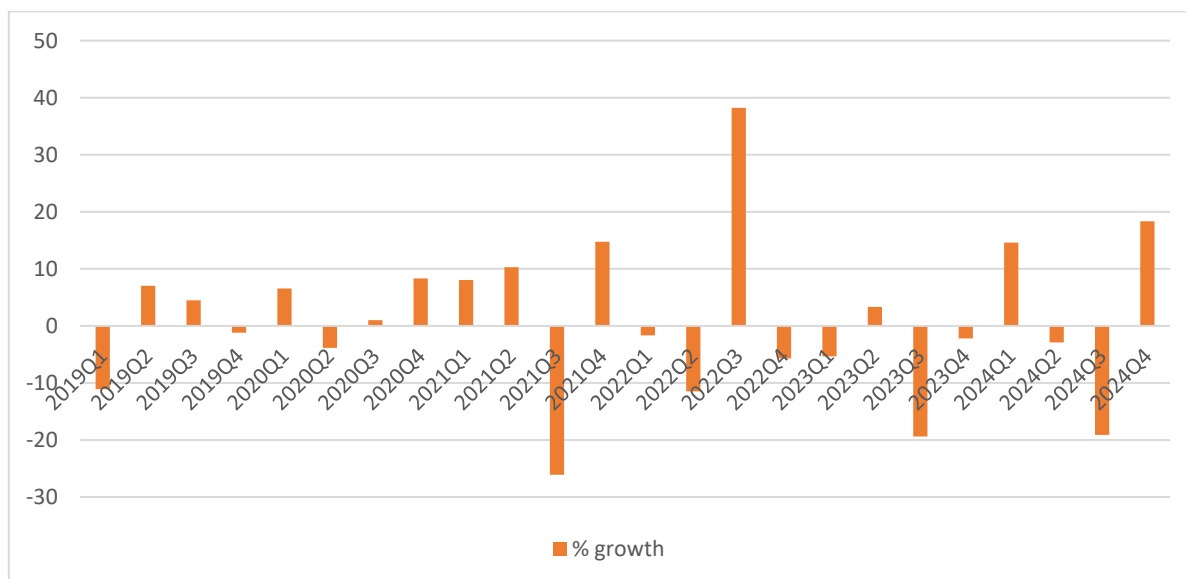


Figure 3: Eastern Cape GDP: Q1 2019 –Q4 2024

Source: Quantec (2024)

The NDP enjoin us to create a better life for all citizens in an inclusive society. It provides a framework in which government, organised business, labour, and citizens work together to accelerate economic growth and resolve the triple challenge of unemployment, poverty, and inequality.

Natural Resources

The province is rich in natural resources that could establish it as a significant player nationwide in food production and drive provincial economic growth. It benefits from a suitable climate with a wide range of rainfall (from 1 100 mm to less than 400 mm), optimal temperatures, and soils that support various crops. Additionally, the province has an underutilised 800 km shoreline that offers vast opportunities in the ocean economy and related industries. However, the combination of climatic, geological, and geomorphological factors limits crop potential to about 7%, with over 75% of the land suitable for livestock production. As a result, the province is known for having the largest provincial herds and flocks of livestock. The degraded land is divided into abandoned fallow lands (520 000 ha) and barren land (853 460 ha), with a third of the barren land (282 000 ha) severely degraded, reducing its current potential unless remedial action is taken.

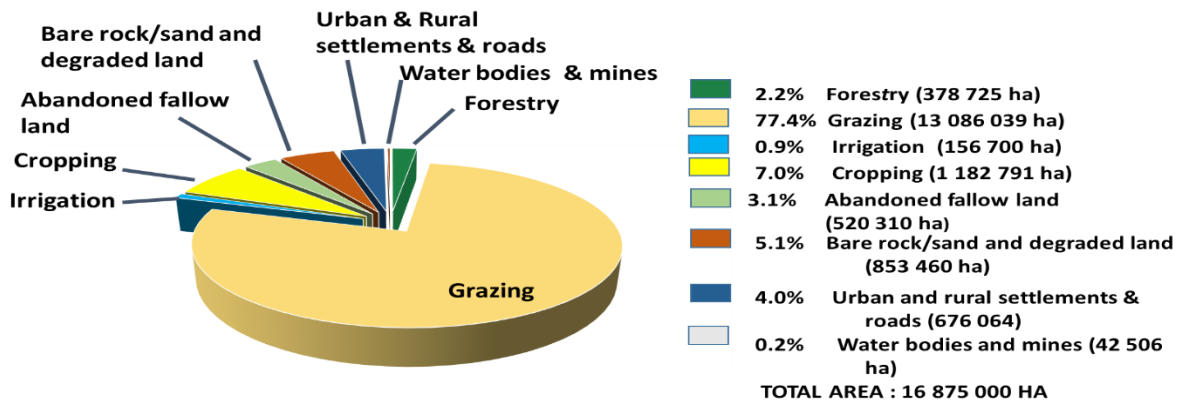


Figure 6: Land Use in the Eastern Cape (Source: Land cover survey 2018)

The agricultural potential in the region has not been fully realised due to the lack of investment needed to develop these underutilised opportunities and resources. This hinders the optimal exploitation of natural resources for essential socio-economic development.

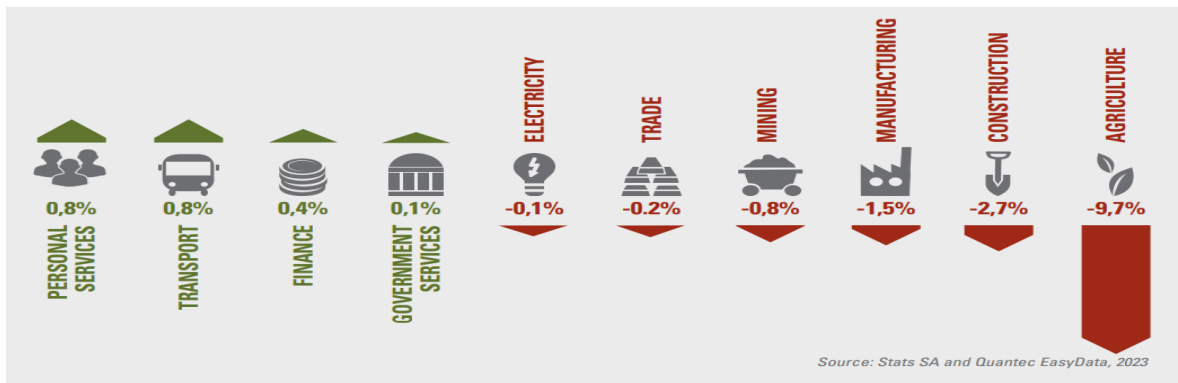
As part of the Agriculture Economic Transformation Strategy, the Department has identified and quantified the provincial potential of key commodities and their job creation potential. Additionally, the required investment to unlock the full potential of these commodities has been determined, as shown in Table I.

Table 1: The 10-year potential of the agricultural commodities to create growth and employment:

Commodity	Baseline		Targeted EC Expansion	Increased Annual Gross Value (R000'S)	Increase in Provincial Gross Value Contribution (%)	New Jobs	Projected Total Investment Required (R 000's)
	EC	% of RSA					
Citrus	16 949 ha	29%	5 500 ha	9 814 010	38,4%	7 355	R825 000
Dairy	157 752 cows	28%	30 000 cows	6 457 788	33,7%	617	R390 000
Pineapples	3 000 ha	85%	2 200 ha		99,0%	2 200	R143 000
Grain/oil seeds	215 000 ha (20 000 commercial & 195 000 smallholder)	1%	600 000 tons	575 655	3,8%	7 926	R7 800 00
Deciduous fruit	6 380 ha	5%	3 300 ha	3 105 027	7,6%	5 310	R2 14 000
Wool	5 005 092 sheep	25%	4 000 000 kg	1 879 434	45,0%	6 583	R619 048
Mohair	483 952 goats	83%	550 000 kg	1 325 434	99,0%	2 450	R85 119
Red Meat	2.5 mil. Cattle, 7.7 mil sheep, 2.8 mil goats	9%	79 848 tons	3 860 284	16,2%	9 779	R972 175
Poultry	1 874 052 tons production/yr	12%	374 800 tons	2 965 567	20,0%	365	R2 811 000
Pork	13 739 tons	6%	4122 tons	758 460	30,0%	320	R2 338 240
Aquaculture	519 tons	8%	3 114 tons		600,0%	4 032	R107 808
Vegetables	1 900 ha	5%	550 ha	1 579 786	6,4%	220	R38 500
				R32 321 445		52 422	R20 179 590

EASTERN CAPE AGRICULTURAL PERFORMANCE

Despite the ongoing conflict between Russia and Ukraine, which is having a negative impact on global energy and food supplies and causing prices to rise, South Africa's economy grew by 2,0% in 2022, with the real GDP in the Eastern Cape reaching 1,6% in the same year (Stats SA, 2023). A growing economy is essential for the government to address the various challenges facing the province. However, factors such as load shedding and other economic disruptions may hinder the implementation of the Provincial Economic Reconstruction and Recovery plan. As the effects of load shedding become more pronounced and the energy crisis continues to impact businesses, growth in the province is expected to slow to 1,3% in 2023 before rebounding to 1,8% in 2024. This growth rate, which is below 2%, is insufficient to create significant employment opportunities in the province and falls short of the "Vision-2030" target of 5.0% set by the Eastern Cape Provincial Development Plan (EC PDP) for 2030.



Source: Stats SA and Quantec (2023)

FORESTRY AND FISHING

Eastern Cape agricultural forestry and fishing industry also contracted sharply by 5,7% during 2023. Agricultural production costs and loadshedding were the reason behind the decline in agricultural economic performance.

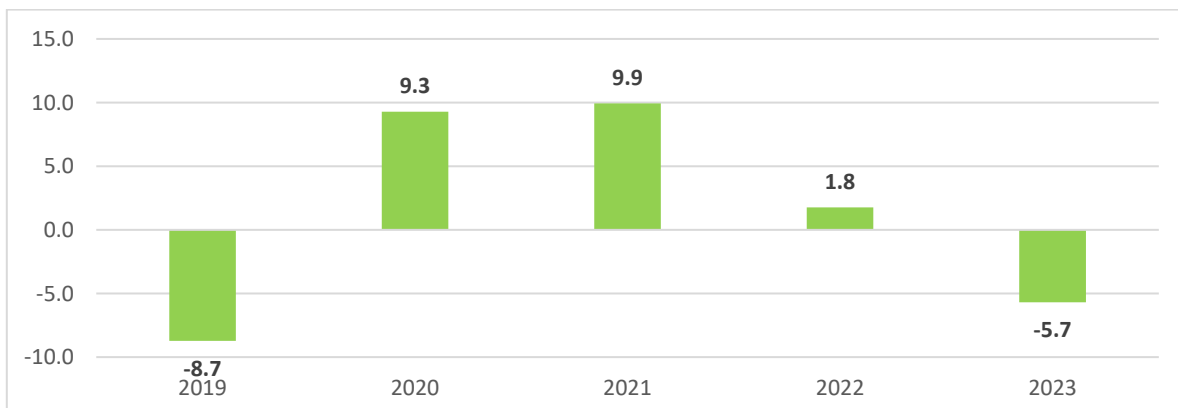


Figure 5: Eastern Cape Agriculture Forestry and Fishing
Quantec (2023)

ECONOMIC DRIVERS IN THE EASTERN CAPE AGRICULTURAL SECTOR

The year 2023 was faced with increase global inflation caused by Ukraine-Russian war, the cost of production was high which resulted high producer prices. On the other side consumers were also faced with high food inflation, reducing the basket of goods they could purchase. As a result of high prices, the total gross income of the Eastern Cape agricultural products increased by 16% from R28 billion in 2022 to R35 billion in 2023, as depicted in Figure 5. Animal products have the largest gross income compared to other products with R20 billion followed by horticulture at R14 billion and grain have the smallest gross income of R592 million.

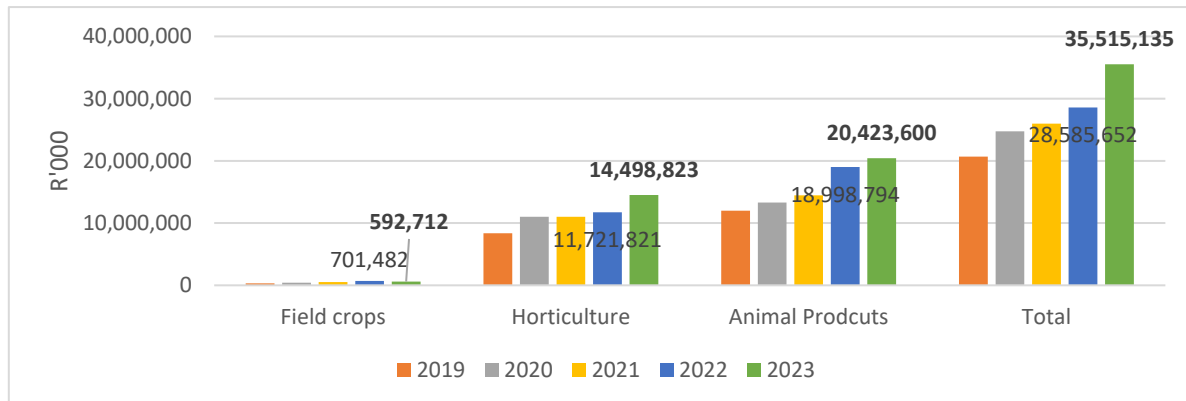


Figure 6: Eastern Cape Agricultural Commodity
Source: Own Calculation

AGRICULTURAL COMMODITY PERFORMANCE

ANIMAL PRODUCTS

The Eastern Cape Province is a key player in South Africa's agricultural sector, boasting the largest share of livestock in the country, including 38% of goats, 30% of sheep, and 25% of cattle. It also produces over 15 million kilograms of wool annually and supplies more than half of the world's mohair. Additionally, the province is home to 16% of the country's milk producers, contributing 26% of the total milk production in South Africa. This agricultural potential can be leveraged to reduce poverty and increase employment in the region. An inclusive approach to agricultural development is essential to ensure that smallholder farmers benefit from the diverse and vibrant agricultural sector in the country. Consistent policies and programs are needed to address the challenges faced by small producers and integrate them into South Africa's advanced agricultural value chains, particularly in the Eastern Cape.

Beef (cattle slaughtered)

Beef income is the largest contributor to in the red meat commodities in Eastern Cape, it contributes approximately 80% to the red meat commodity income. In Figure 7, beef contributed by 9,86% to the total Eastern Cape gross income but declined by 8,76%, when compared with 2022. Figure 6 shows that beef producer prices are the reason behind the decline in beef gross income in 2023, the declined by 9,82% during 2023 from R59,7/kg in 2022 to R53,95/kg in 2023. When food prices are high, consumers replace the expensive food item with a cheaper alternative such as chicken and pork. Low-income households will stop consuming the red meat for alternative chicken and other

protein source. As the demand for beef decreases, prices will drop. Farmers had already to high prices farmers enjoyed in 2022 and had already the time lag for farmers to respond to decreasing prices. The increase in the number of cattle slaughtered was the farmer's response to high prices in the past 2 years, more animals for slaughter were produced, and farmers could not adjust to the decreasing prices in 2022 immediately.

The same is true for the mutton, during 2023, sheep slaughtered gross income declined by 5,04% due to producer prices decreased by 9% from R93,58/kg to R85,38/kg whilst the number of slaughtered sheep remained the same.

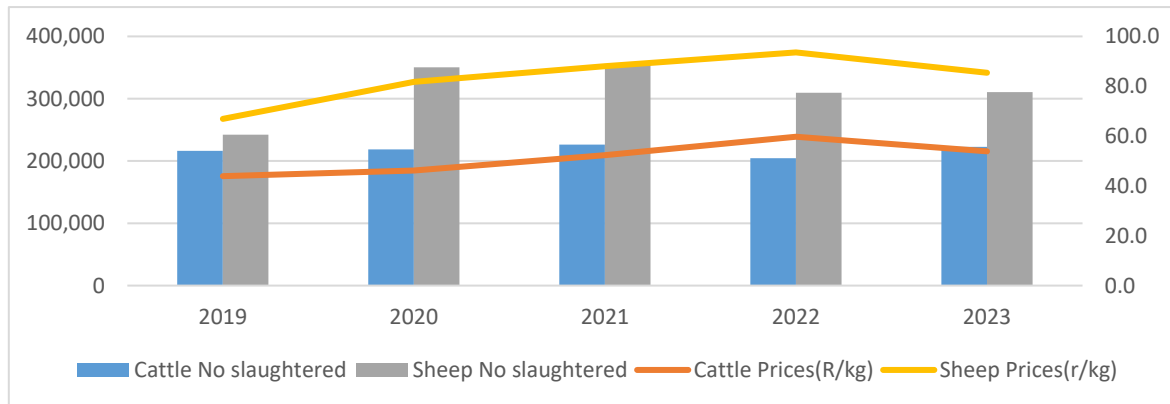


Figure 7: Number of cattle and sheep slaughtered in Eastern Cape and producer prices: 2019-2023
Source: RMMA

(Pork) Pigs slaughtered

The gross income of pigs slaughtered contributed by 2,37% to the Eastern Cape agricultural gross income and grew by 9,9% in 2023. Producer Prices increased on average by 17,5% from 2019 to 2023. Figure 8 shows that prices escalated by 10,5% between 2021 and 2022 from R25,20/kg to R27,83/kg and by 2,5% to R28,52/kg in 2023. Pork was the cheaper alternative to beef, therefore, prices increased in 2023 as the demand increased.

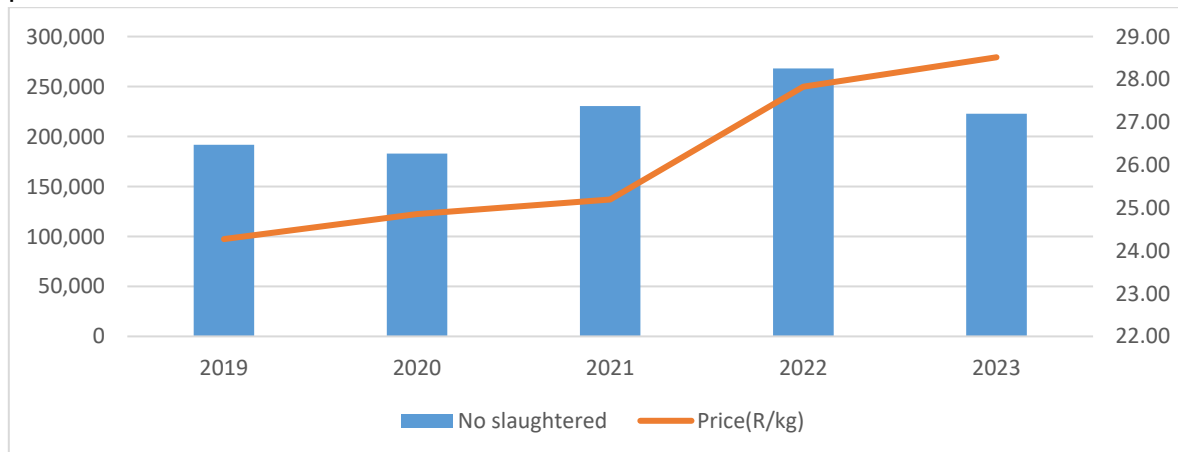


Figure 8: Number of pigs slaughtered in Eastern Cape and producer price from 2019-2023
Source: RMMA

Milk

Milk is an animal product, that is highly consumed by South African population. According to Figure 9, milk is the second largest contributor to the Eastern Cape agricultural gross income, it contributed with 19,9% and is the fifth in terms of growth rate at 14,47%. As the litres sold declined, milk prices have been increasing since 2019 and have accelerated since.

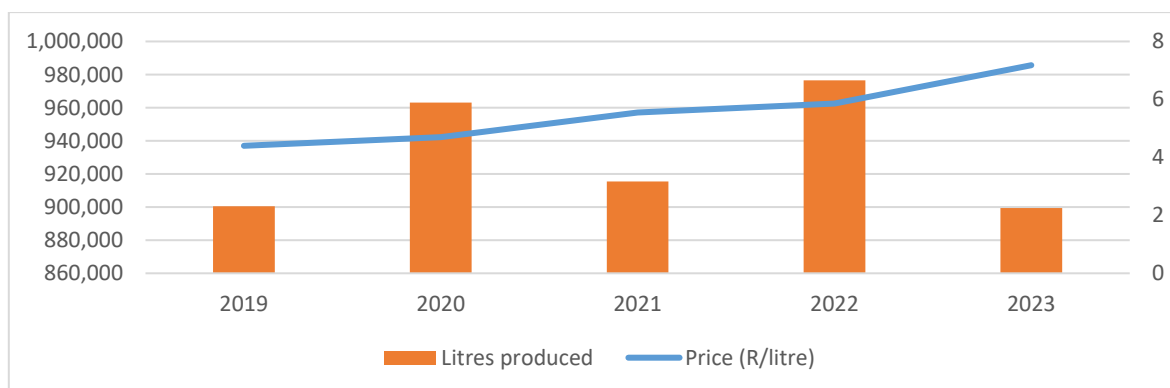


Figure 9: Milk produced in Eastern Cape and price 2019- 2023

Source: MPO

Poultry

Poultry meat is the one of the commodities with largest gross income in Eastern Cape, it contributed by 14% to the Eastern Cape agricultural gross income and has grown by 11,6% in 2023. The growth was due to prices increases from 2020, they increased by 38,4% over since 2019, the highest increase was between 2021 and 2022 from R26,2/kg to R29,4/kg (12% increase), to 31,7% in 2023(8% increase) as shown in Figure 10. Although the prices of poultry increased, it was still a cheaper alternative to beef for consumers. However, the quantities of poultry meat produced decreased from 110 million tons to 105 million tons, due to high production costs especially feed costs, some poultry producers stopped especially the small producers.

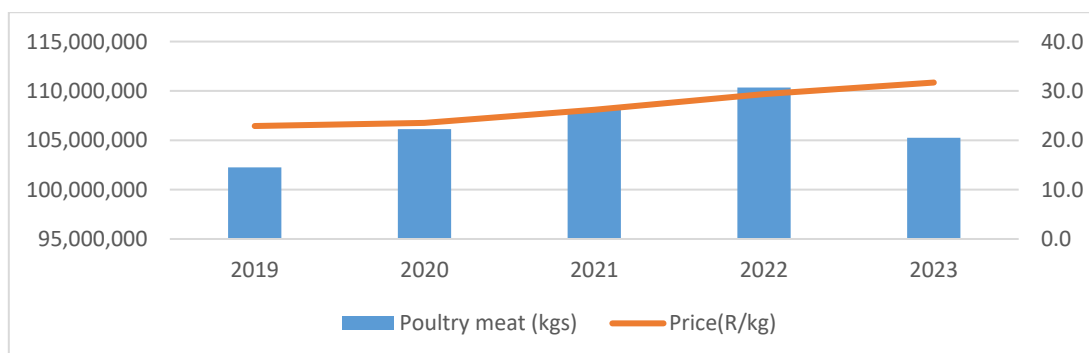


Figure 10: Poultry meat produced in Eastern Cape and producer prices 2019-2023

Source: SAPA

HORTICULTURE CROPS

Citrus

Citrus is the largest agricultural commodity in the Eastern Cape, it contributed by 30,35% to the total gross income of the Eastern Cape agricultural commodities. Citrus gross income increased by 24,5% in 2023. Although, quantities sold on the local market decreased from 24 800 tons to 22 400 tons, prices increased by 32% from R4 151/ton to R5 476/ton in 2023. Prices in the local market contributes to the growth in the gross income of citrus. Citrus also performed in the international market, both quantities and price of citrus exported increased in 2023, resulting in increased value of exports form Eastern Cape from R4.6 billion in 2022 to R5.6 billion in 2023.

Table 2: Value of citrus fruit exports from Eastern Cape to the World

Citrus			
Year	Quantity (Kgs)	Price(R/kg)	Export value (Rands)
2019	388 755 842	R9	3 664 464 398
2020	444 288 984	R12	5 263 482 419
2021	404 406 159	R10	4 215 238 555
2022	434 879 190	R11	4 644 177 902
2023	438 251 743	R13	5 697 272 659

Source: DALRRD and Own Calculation

Deciduous fruit

Deciduous fruit contributed by 9,6% to the total gross income of the Eastern Cape agricultural commodities. Deciduous fruit gross income increased by 24,4% in 2023. Although, quantities sold on the local market decreased from 38,4 tons to 30,6 tons, prices increased by 22% from R9 420/ton to R11 496/ton.

On international markets quantities of deciduous fruit exported in 2023 increased from 9 million tons to 7 million tons, however, prices decreased from R19/kg to R15/kg resulting in the value of exported deciduous fruit decreasing from R180 million to R176 million. The local market prices were the drivers in the growth of deciduous fruit.

Table 3: Value of deciduous fruit exports from the Eastern Cape to the World

Deciduous fruit			
Year	Quantity (Kgs)	Price(R/kg)	Export value (Rands)
2019	3 259 769	R13	41 417 769
2020	2 113 705	R20	42 343 375
2021	3 436 470	R18	62 709 209
2022	9 349 047	R19	180 330 945
2023	11 798 962	R15	176 984 427

Source: DALRRD and Own Calculation

Vegetables

Vegetables are sold locally, they contributed by 4,89% to the Eastern Cape agricultural gross income and had the highest growth rate in all the agricultural commodities of 31,73%. The growth was largely influenced by high prices which increased by 38% in 2023 from R5 776/ton in 2022 to R7 900/ton in 2023. Quantities sold decreased by 5% from 244 000 tons to 232 000 tons.

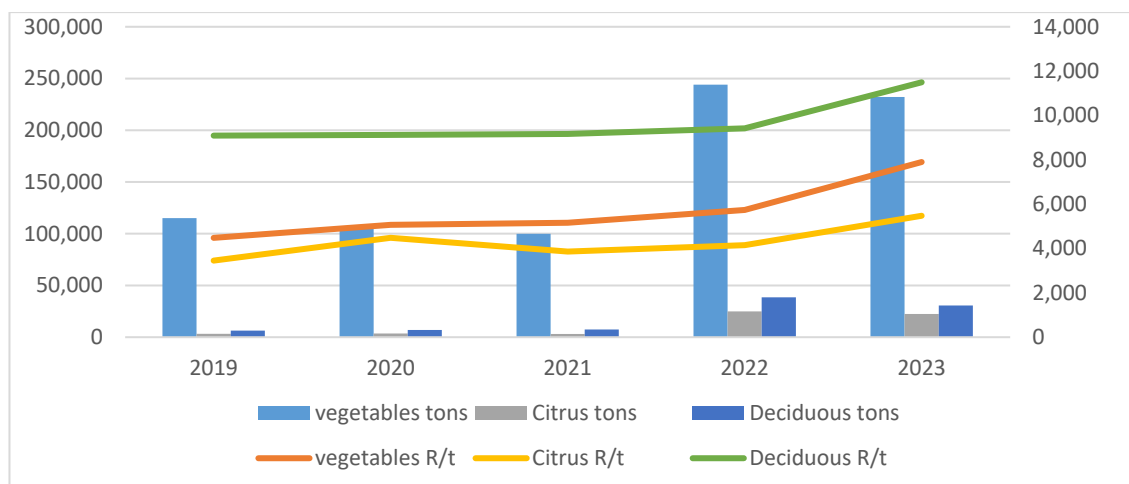


Figure 11: Quantities sold and prices of horticultural products in Eastern Cape fresh produce 2019-2023.
Source: DALRRD

FIELD CROPS (MAIZE, SOYBEAN AND SUNFLOWER)

Field crops contribution to the Eastern Cape agricultural gross income is extremely small less than 2%. Maize and soybean the gross income declined by 20,83%, and 41,99% respectively, whilst sunflower gross income grew by 8,50% in 2023. Prices of maize were the main reason for the decline in gross income as depicted in Figure 12 maize prices fell from R4 447/ton to R4 038/ton.

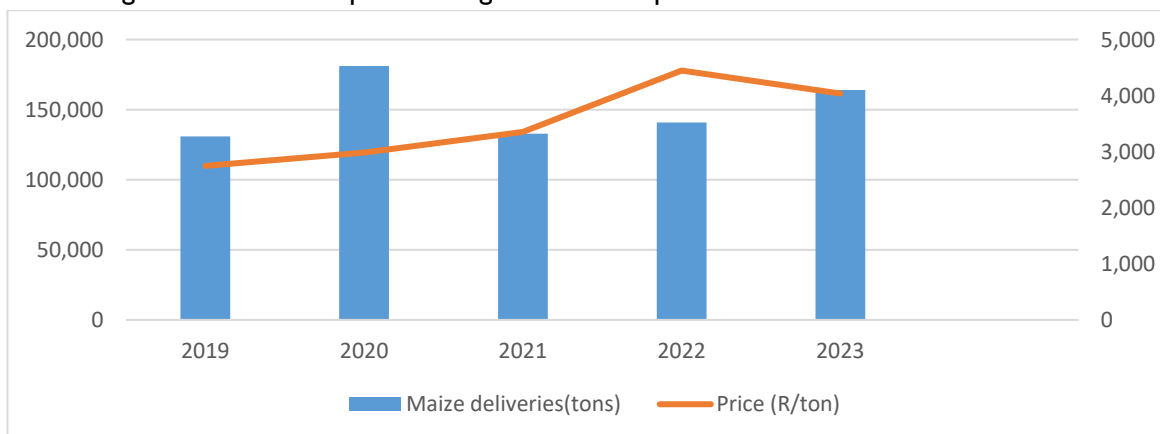


Figure 12: Eastern Cape maize deliveries and prices
Source: Grain SA and SAGIS

GROWTH INHIBITING FACTORS:

INPUT COST TRENDS

The cost of production remains extremely high for the South African farmer in the year 2023. This was due to the international markets that supply the major agricultural inputs, the Russia Ukraine War affected fuel prices and fertiliser prices significantly. Fuel prices still high although they have petrol prices that started to go down, diesel prices are still high. The average price of petrol dropped to 20,82c/litre in 2023 from 21,71c/litre (-4,15%), the average price for diesel was 22,11c/litre in 2022 to 22,43 c/litre in 2023.

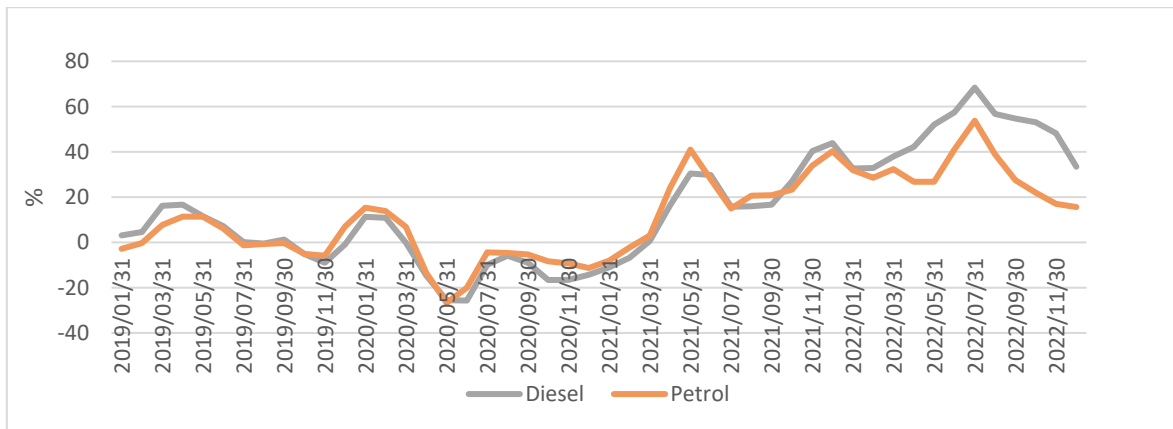


Figure 13: Fuel prices: 2019-2023
Source: Quantec (2023)

The Figure 14 below shows that the prices of fertiliser (LAN) have declined significantly by 25% in 2023, from R20,895/ton to R15,607/ton. This has encouraged an increased production in farming and improvement in farm revenues. In June 2022, the price of fertiliser (LAN) was at its highest at R25,583/ton and they started to fall towards the end of the year.

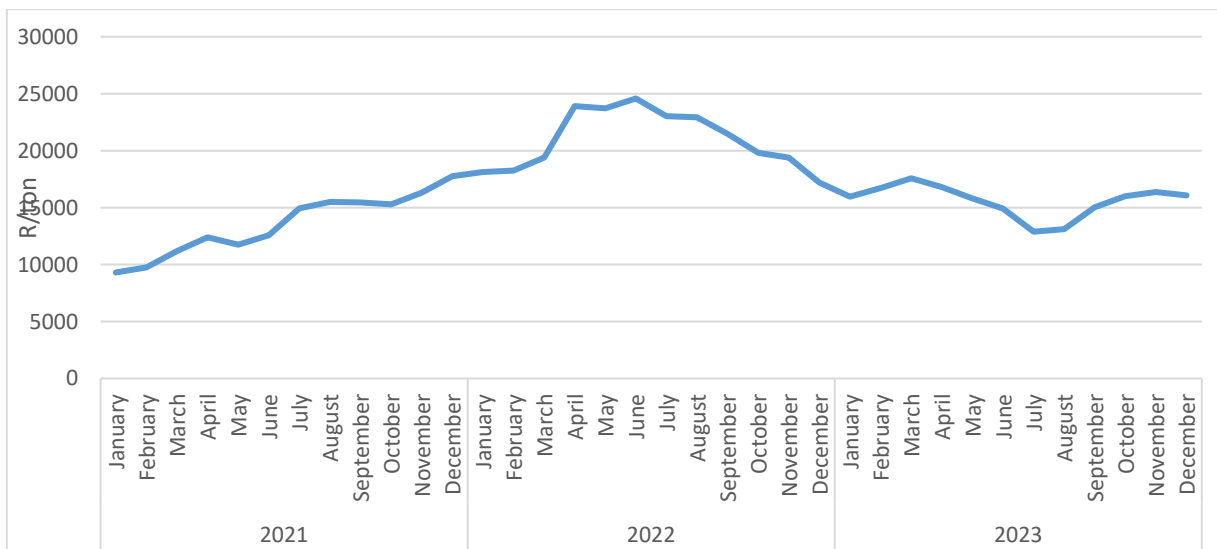


Figure 14: Fertiliser prices: 2021-2023
Source: Quantec (2023)

FOOD PRICES

Food is a basic need for humans, prices of food influence the accessibility and availability of food. The more expensive the food items, consumers reduced their spending on food, thereby affecting the demand of agricultural products from the markets thus reducing farmer profits. It has severely affected communities with low income resulting in increased inflation.

Inflation

The annual inflation for South Africa was at 6,3% whilst for Eastern Cape was at 6,7%. The Eastern Cape province is more rural as a result food tends to be more expensive. The Eastern Cape has high poverty rates, Consumer Price Index (CPI) that is above the national CPI means that the Eastern Cape population have less money to spend now compared to the previous year. The inflation rate is above the inflation bracket of (3-6%).

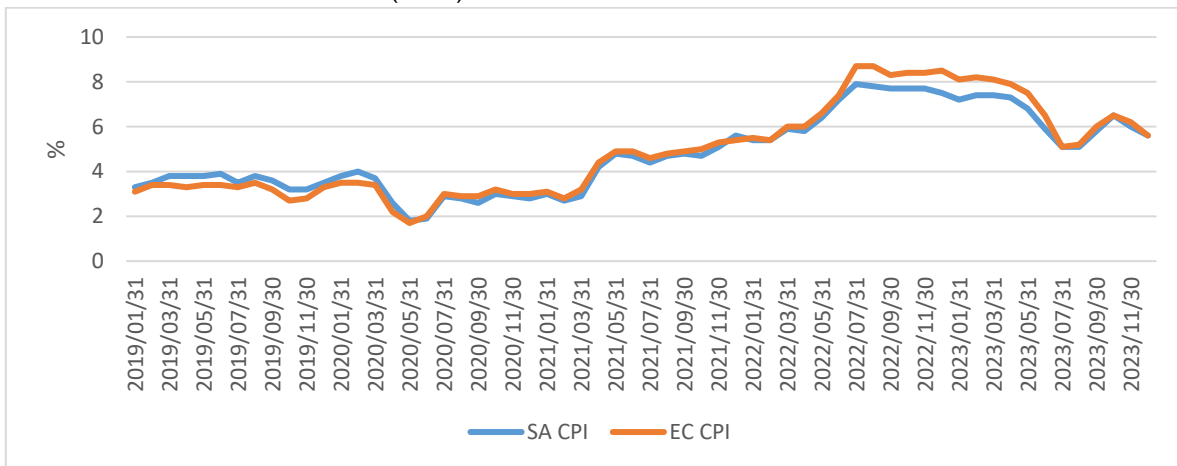


Figure 17: Eastern Cape vs South Africa Consumer Price 2019-2023
Source: StatsSA

Food and Non-Alcoholic Beverages

Food and non-alcoholic beverages' CPI is on average higher than the Eastern Cape CPI over the past 5 years, Eastern Cape CPI at 4,8 whilst food and non-alcoholic beverages are at 7%. The gap became wider in 2023 with Food and non-alcoholic beverages which are 53% higher than the Eastern Cape CPI. This literally means that food and non-alcoholic beverages had the higher share in the consumer price index of the Province. Since 2022, food and non-alcoholic beverages have been increasing at an alarming rate until the middle of 2023 where 14,6% was reached. The lowering of fuel and fertilisers prices had a positive impact in depressing both consumer price index and the food and non-alcoholic beverages inflation rates towards the end of 2023 as shown in the Figure 18 below.

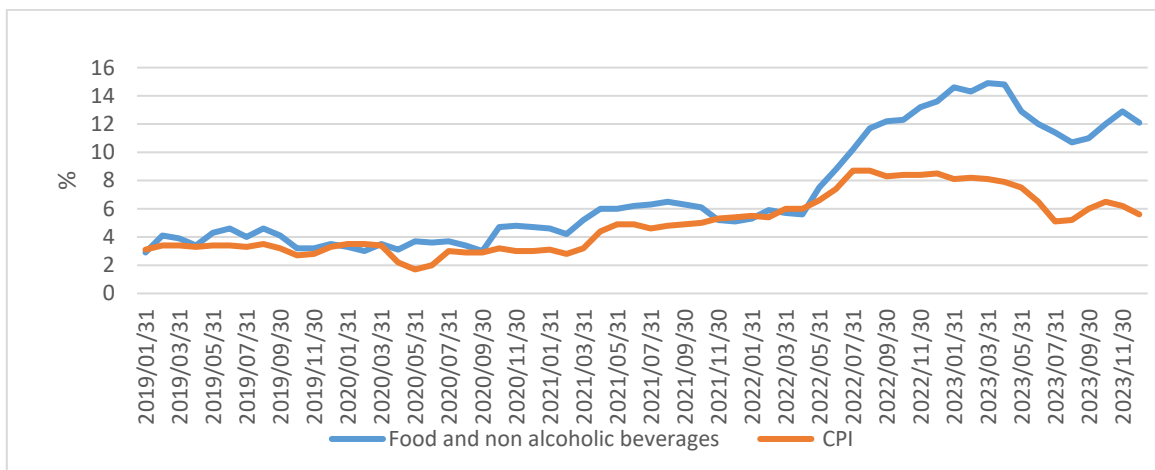


Figure 18: Food and Non-Alcoholic Beverage vs EC Consumer price Index: 2019-2023

Source: StatsSA

LAND RELATED ISSUES POSING THREATS TO AGRICULTURAL POTENTIAL

The agricultural productivity’s potential continues to be threatened by land degradation and is mainly affected by climate change (drought and disasters) amongst other factors. The levels of soil and veld degradation are significantly high in the Eastern Cape, compared with the other eight provinces.

In general, the communal areas are significantly more degraded than the commercial farming areas. Magisterial districts with the highest soil degradation index values include Herschel, Qumbu, Mount Fletcher, Ngcobobeni and Middledrift. Cropland, grazing land and forestry areas are all affected by gully and sheet erosion. Wind erosion and salinisation are problematic in croplands, particularly in commercial farming areas. The Eastern Cape has a high provincial veld degradation index, with commercial farming areas amongst the worst affected.

The magisterial districts of Qumrha, East London, Komani, Kariega and Herschel have the highest veld degradation index values. In commercial farming areas, bush encroachment, change in species composition and alien plant invasions are the most serious veld degradation problems. Agriculturally important alien species include black wattle, Lantana camara, prickly pear and blue bush.

In communal areas where mixed herds of cattle and goats limit bush encroachment, deforestation and loss of plant cover due to overgrazing are of greater concern. If all magisterial districts in South Africa are considered together, eight of the twenty districts requiring priority attention in terms of land degradation are found in the Eastern Cape. On the other hand, poor land management in many communal areas continues to threaten agricultural production and, land invasion of human settlements poses a threat to grazing land. The abovementioned conditions should be considered when developing sustainable land use policies and programmes to address land degradation in the Eastern Cape.

Lastly, stock theft threatens the desired agricultural value chain. The Eastern Cape is the highest province with the highest numbers of stock theft among the nine provinces. Stock theft has increased from 2022 to 2023 in the Eastern Cape Province where the most stolen animals were sheep (16 875) followed by cattle (12 055). The latter threatening the effective implementation of the Agriculture and Agro-Processing Master Plan (AAMP) through the District Commodity Corridors in driving

productivity and competitiveness wherein the livestock commodity value chain is prioritised. It is for this reason that the department has established a working relationship with the department of Community Safety.

Infrastructure Backlog

Infrastructure provision is a key focus of the South African public sector. The government recognises the vital role of infrastructure in driving economic growth, alleviating poverty, and shaping spatial development. Service delivery protests often stem from issues related to infrastructure, such as inadequate roads, water leaks, power failures, and waste management problems. High-quality economic infrastructure plays a crucial role in lowering business costs, enhancing competitiveness, and attracting investments, thereby fostering economic growth and creating job opportunities. The World Economic Forum's Global Competitiveness Index includes infrastructure as one of the twelve pillars of economic competitiveness, ranking at number 11.

In addressing challenges related to the shrinking budget, the Eastern Cape Provincial Government (ECPG) is prioritising economic revival. One key strategy is to focus on infrastructure development, particularly on projects that promise a return on investment, such as catalytic or economic projects. To ensure that funding does not hinder these efforts, the province is participating in the Budget Facility for Infrastructure (BFI), established by the National Treasury in 2016 to reform the budget process. The BFI supports the implementation of national priority projects by providing specialised structures, procedures, and criteria for allocating fiscal resources to public infrastructure spending, in addition to the funding received through Equitable Share and Conditional Grants allocations.

The Eastern Cape Province quantified the infrastructure backlogs at R151.1 billion in 2016 and submitted the costed backlogs to the FFC and National Treasury (NT). The Eastern Cape Province has to date not received a response from the FFC and NT for the funding of the backlogs costed in 2016.

Table 3: PESTEL Analysis a Tool for External Environmental

Factor	Trends	Opportunities	Threat
Political	Positive towards the sector and driving sector transformation to develop inclusive rural economies.	<ul style="list-style-type: none"> The commercial sector is supportive of the country inclusive agenda. All political parties support the sector. GNU's continuation with the implementation of NDP and AAMP, thus continuity. Certainty on land ownership based on Section 25 of the Constitution. 	<ul style="list-style-type: none"> Sector regarded as the answer to rural under development. Geo-political alignments and international market protection regulations.
Economical	The sector in value terms has grown and this growth driven by the export markets. In the past 30 years of	<ul style="list-style-type: none"> Newly signed China trade agreements, these open the biggest importer of agriculture products from the world. 	<ul style="list-style-type: none"> The EU market regulations making it difficult for South African commodities to reach market.

Factor	Trends	Opportunities	Threat
	democracy the sector has doubled in value terms.	<ul style="list-style-type: none"> • Saudi Arabian beef export trade agreement. • Africa Continental Free Trade Area (AfCFTA) is the key enabler to promote trade between African countries with limited restriction. • Three ports within the province and all with capacity to handle different agricultural commodities. • The Al Mawashi South African office in East London, the company fully coordinating the export of live animals and chilled meat to Kuwait, Qatar and United Arab Emirates. 	<ul style="list-style-type: none"> • Old port infrastructure to handle fresh produce destined for high value markets. • Poor security of land tenure resulting in large tracts of high potential land in the rural space not attractive to private investment. • Poor access to development finance for smallholder and rural producers. • Global geo-political influence on key agriculture inputs that automatically increase price of production.
Social	The sector has demonstrated dualism for longest period of development. While smallholder and rural communities continue to practice agriculture.	<ul style="list-style-type: none"> • Rural communities Agriculture is practiced. • 67% of rural dwellers have access to land and only 37% of this is utilised. 	<ul style="list-style-type: none"> • 74% of households practicing agriculture in the province have no matric. • Majority of household leaders practicing agriculture are in age group 55 – 69 years; • The young people participating in agriculture have reduced since 2011 to 2022. • 73,4% of the households in the province are food insecure.
Technological	The technological advances in the sector are driving sector productivity and competitiveness, these production technologies are not accessible to the developing sector.	<ul style="list-style-type: none"> • The agriculture technology has advanced to implementation of precision agriculture. • Use of drone technology in crop and animal production. • The genetics used in both animal and crop production are comparable to first world countries. 	<ul style="list-style-type: none"> • The slow process of approving new technologies through Act 36 of 1947. • Slow or no improvement of indigenous genetics as the response to climate change to ensure resilient food system. • Low investment into the agriculture research.
Environmental	Increased frequency of extreme weather conditions is affecting the	<ul style="list-style-type: none"> • Diverse environmental endowment allowing the 	<ul style="list-style-type: none"> • Extreme weather conditions increase chances of plant and

Factor	Trends	Opportunities	Threat
	decision making of farmer's production activities.	province to produce variety of high value commodities. <ul style="list-style-type: none"> • Diverse aquatic environment with high value aquatic species required by international markets. • Eastern Cape getting wetter according to climate change predictions, thus opportunity of increased production. • Approximately 17 000 ha of new water available in the province to increase area under irrigation. • The Department of Water and Sanitation commenced with the development of Umzimvubu Dams. 	animal disease outbreaks. <ul style="list-style-type: none"> • Frequency of extreme weather conditions inclusive of heavy rains, heat waves and droughts. • Increase/spread invasive plants. • Environmental and soil degradation.
Legal	<ul style="list-style-type: none"> • Strong regulatory environments to ensure environmental integrity, food safety, and market environment. 	<ul style="list-style-type: none"> • Shared legal services in the province. 	<ul style="list-style-type: none"> • Lack of regulatory framework for the management of small-scale irrigation schemes for efficient production and attract investment. • Heavily regulated aquatic environment to drive inclusive aquatic-based economy.

The external environment of the department is influenced by various factors. Politically, the region experiences relatively stable conditions at the national and provincial levels, which augurs well for investment opportunities, but it faces challenges related to state capacity, infrastructure development, inefficiencies in policy delivery, corruption, and lack of integration of government programs across different spheres. These aspects are improving but it is worth keeping here so that we may not rest on our laurels. Economically, the country's economy is growing below the targeted rate, with rising agricultural production costs and high unemployment, especially among the youth.

Socially, despite a marginal decline in poverty, rural communities still face high levels of poverty, increasing inequality, social instability, and high crime rates. Moreover, the region grapples with low broadband penetration, limited agricultural technology uptake, and inadequate investment in research and innovation. Environmentally, climate change, water scarcity, land degradation, and alien invasive plants pose significant challenges. Legally, there is uncertainty regarding the Land Expropriation Bill and slow progress on land tenure, contributing to the complexity of the department's external environment.

4.2 INTERNAL ENVIRONMENTAL ANALYSIS

DoA's internal analysis of its services, systems, structure, and people is aimed at gaining an understanding of the Departmental challenges in order to find ways to turn these challenges into opportunities.

Organisational Environment

The recent national general elections have resulted in a new Government of National Unity (GNU), bringing about uncertainties. It is important to note that there has been no policy shift so far. This new political environment signifies continuity in government legislations, strategies, policies, and programs.

The departmental planning process involves thorough consultation by departmental officials at the Ward level to gather the needs of rural communities, including farmers. Each district compiles this data, which is then submitted to the Provincial Office for quality assurance and alignment with government priorities. DoA presents the final draft plans during Integrated Development Plans (IDPs) sessions with local and District Municipalities.

The department must design a service delivery model that outlines the nature, scope, and level of work required for providing agriculture and rural development services. The DoA Service Delivery model was developed considering the evolving economic, technological, and social landscape at international, national, and provincial levels, with a focus on value addition.

The department has reviewed its organisational structure to accelerate the implementation of agricultural reforms and position itself as a catalyst for socio-economic transformation. This restructuring aims to contribute to job creation, poverty alleviation, and food security. The department anticipates that the implementation of these changes will result in a more streamlined and agile organisation, better equipped to drive the Agriculture and Agro-processing Master Plan (AAMP). This plan outlines practical steps to promote growth in the agricultural sector within the province. Additionally, the department will continuously review its policies to adapt to the post-COVID era and the new challenges presented by the pandemic. It will align its plans with the nine integrated areas identified by the Eastern Cape Provincial government.

We will focus on aligning the purpose and delivery frameworks among departments, agencies, and other entities responsible for agriculture and rural development at the municipal level. Collaboration is crucial during times of fiscal challenges to eliminate duplication and maximise social impact.

The department aims to cultivate a skilled and dedicated workforce by implementing effective People Management strategies that align with DoA's strategic objectives and foster a positive work environment. We will prioritise human capital development to ensure that individual capabilities are in line with organisational goals, supporting strategic human resource planning.

We commit ourselves in establishing an enabling and safe environment through implementation of a Safety, Health, Environment, Risk and Quality (SHERQ) initiatives. In ensuring compliance with the Occupational Health and Safety (OHS) Act, the department will ensure the functioning of the

governance structures that include the Health and Safety Committee and Safety Health and Environment (SHE) Representatives, fire marshals and first aiders.

To enhance service delivery efficiencies, Operations Management Framework (OMF) will be institutionalised through establishment of functional governance structures and reporting systems, which will result in business process modelling and mapping of DoA services. Furthermore, we will implement knowledge management system which will enable and encourages sharing of ideas, collaboration, access to information, cultural changes needed to evolve the department to meet changing service delivery needs.

The department will continue to implement strategies aiming at maintaining and promoting professional ethics within the department, which will yield principles of good human resource management that is career developed that is capable of maximising and cultivating human potential.

To effectively implement the AAMP with a focus on district commodity value chains, the department will introduce commodity specialists. These specialists will establish connections with all commodities and key industry stakeholders, develop commodity development plans aligned with government and sector priorities, and manage commodity and agro-processing development support tools. They will also monitor and report regularly on the progress and performance of commodities and Agro-processing initiatives, with a specific focus on grains and cereals, livestock and livestock products, including animal fibre, and horticulture.

The department will continue to institutionalise and implement youth, person with disabilities including gender based responsive programmes, through empowerment, employment opportunities and improvement of their livelihoods.

The department will implement its Digital Technology (ICT) Strategy to enhance efficiency by digitising business processes, focusing on innovation, training, and streamlining operations for internal and external consumption. The interventions will prioritise Spatial Data Collaboration, Agricultural Data Collection Platform, Digital Records Management, and Risk Management Platform. The department is dedicated to upgrading its ICT infrastructure in Amathole, OR Tambo, Chris Hani, Mpofu, and Dohne by enhancing internet connectivity and digital voice communication. To protect departmental information from risks such as disasters and data loss, the department will continue implementing a disaster recovery plan.

The organisation will continue its efforts to reduce corruption within the public service and conduct Lifestyle Audits as part of our commitment to clean governance and a corruption-free administration. Additionally, a Risk Appetite Framework will be developed and implemented to provide guidance on acceptable risk tolerance levels. Special attention will be given to the effective and efficient management of financial resources to prevent fruitless, irregular, and unauthorised expenditures by ensuring compliance with financial management processes aimed at achieving a clean audit outcome.

In line with Chapter 10, Section 195 of the Constitution of South Africa (Act 108 of 1996 as amended), the Department continues to prioritise professionalism as a key principle in achieving its mandate of rural development and agrarian reform. Professional ethics, intertwined with the concept of efficiency, competency, and accountability, remain central to the Department's operations. This

approach aligns with the broader democratic values and the rule of law, ensuring that public servants maintain the highest standards of conduct in their service to the people.

The Department, under the leadership of the Member of the Executive Council (MEC), remains steadfast in its commitment to fostering a culture of ethical conduct, trust, and servant leadership. As the Department moves forward, the focus is on strengthening the management of change while instilling a deeper sense of responsibility to serve the public good. Having achieved clean audits for three consecutive years, the Department continues to prioritise good governance, ensuring that strong financial management attained is aligned with tangible service delivery outcomes on the ground. This strategic plan emphasises the Department's pivotal role in driving sustainable development and improving livelihoods across the province, contributing meaningfully to the broader principle of a better life for all.

	STRENGTHS	WEAKNESSES
INTERNAL	<ul style="list-style-type: none"> • Skilled human resources. • Strong partnerships. • Enabling environment (policies). • Research capacity. • International collaborations. • Skilled communication team (senior and young professionals). • Media partnerships driving departmental agenda. • Agro-industry Market Intelligence Portal, linking producers to buyers. 	<ul style="list-style-type: none"> • Low staff morale. • Skills-job mismatch. • Poor ethics and professionalism. • Siloed planning and duplication of efforts. • Ineffective career pathing implementation. • Inability to place ATI graduates. • Limited agro-processing for value chain beneficiation. • Lack of farmer and information management systems. • Underutilisation of digital and systems.
	OPPORTUNITIES	THREATS
EXTERNAL	<ul style="list-style-type: none"> • Soil and climate potential. • Market availability. • Strategic partnerships for sustainable quality, quantity and market access. • Institutional memory. • Capacity of irrigation schemes for further development and expansion. • 4IR (production efficiencies, Climate-smart technology, E-learning). • Strong media partnerships. • Social media platforms. • Natural resources. 	<ul style="list-style-type: none"> • Climate change. • Social conflicts. • Natural disasters. • 4IR-related job losses. • Ageing workforce. • Water rights issues. • Cannabis licensing delays. • High litigation risk. • Ageing farmer population. • Lack of reliable farmer database. • Unsustainable youth participation. • Price volatility in agricultural markets. • Inadequate succession planning.

Overarching strategic imperatives

Through the Sustainable Development Goals, the Department has a role to play in contribution in the Goal Strategies below:

-
- Goal 1: End poverty in all its forms.
 - Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
 - Goal 3: Ensure healthy lives and promote well-being for all at all ages.
 - Goal 4: Ensure inclusive and quality education for all and promote lifelong learning.
 - Goal 6: Ensure access to water and sanitation for all.
 - Goal 13: Take urgent action to combat climate change and its impacts; and
 - Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

Furthermore, the Department has considered NDP Vision 2030 and PDP Vision 2030 as overarching policy imperative to guide the development of this Strategic Plan toward achieve government's prescribed outcomes. The PDP goals are as follows:

- Innovative, inclusive and growing economy.
- An enabling infrastructure network.
- An innovative and high-value agriculture and rural sector.
- Human development.
- Environmental sustainability and
- Capable democratic Institutions.

The national department in consultation with all provinces, all stakeholders and industry players have embraced the AAMP, which was signed in May 2022, as a road map towards revitalizing the sector **from** its sluggish growth and inability to attract investment. The AAMP is premised on 6 pillars as listed below and the department is dedicated to contribute meaningfully towards:

- Resolving policy ambiguities and creating an investment-friendly environment.
- Investing in, and maintaining enabling infrastructure critical to industry, such as electricity, roads, rail and ports.
- Providing comprehensive farmer assistance, development finance, research and development and extension services;
- Improving food security, increasing production and employment and ensuring decency and inclusivity.
- Facilitating market expansion, improving market access, and promoting trade; and
- Improving localised food production, reducing imports and expanding agro-processing exports.

The annual performance plan is the product of extensive consultation by departmental officials at ward level to obtain the needs of the rural communities (including the farmers). Each district consolidates data, which is submitted to the Provincial Office for quality assurance and alignment with government priorities. DoA presents the final draft plans at the Integrated Development Plans (IDPs) sessions with the local and District Municipalities. The department will review its policies and procedures to ensure that they are in line with its mandate and are responsive to the ever-changing service delivery environment.



agriculture

Department:
Agriculture
PROVINCE OF THE EASTERN CAPE



PART C

MEASURING OUR PERFORMANCE



I. INSTITUTIONAL PERFORMANCE INFORMATION

In the next 5 years, the Department will focus on implementing key integrated areas: Food Security, Land Reform, and Agriculture Commercialisation. This includes the Commercialisation of 100 farms, Development of irrigated agriculture, Aggregation of communal land parcels for production, Cannabis Development, Import substitution program through poultry and oilseeds, and Agriculture finance schemes. Additionally, the department will provide support for Inclusive Economic Growth (IEG) with a specific focus on Rural Economic Development (RED) Hubs for food distribution, Aquaculture & Fisheries Development, Magwa and Majola Tea Estate business development programs, and market access through market standard and food safety compliance. Our strategy for commercialising the 100 farms involves repurposing the Eastern Cape Rural Development Agency (ECRDA) to serve as a trade and business aggregator for various commodities.

The department, in collaboration with strategic commodity partners, will persist in implementing the Agricultural Economic Transformation Strategy to promote commercialisation. This strategy emphasises agriculture as a business, facilitating partnerships between the private sector and smallholder and clustered communal farmers. The goal of these partnerships is to empower black smallholder and communal farmers to engage in the agricultural value chain as financially sustainable entities.

Support provided to smallholder and communal farmers includes enhancing their commercial viability through increased production, market access, secure off-take agreements, value addition, technology transfer, skill development, investment, and employment opportunities. The strategy also emphasises local procurement, especially by government entities, to take advantage of market opportunities and enhance the sector's contribution to economic growth and employment.

Commercialising agriculture aims to improve productivity and competitiveness among black smallholder and communal farmers. This includes increasing economically sustainable yields and labor efficiency per unit area, as well as expanding and retaining market share. Critical success factors include access to finance, skills, business networks, infrastructure, land, technology, and cost-effective production, processing, and packaging methods.

During the term, the department will implement service delivery initiatives based on the following key integration areas (KIAs) programs:

KIA No.	KIA Of DoA Participation	DoA Role	Key Focus Areas	DoA Service Delivery Initiatives
6.	Food Security, Land reform & agriculture Commercialisation.	Lead	Land reform Food security Agriculture Commercialisation.	<ul style="list-style-type: none"> • Commercialisation of 100 farms • Development of irrigated agriculture. • Aggregation of communal land parcels for production. • Cannabis Development • Import substitution program through poultry and oilseeds. • Agriculture finance schemes.
4.	Anti-Poverty & Sustainable Livelihoods.	Contributor	Food production programs.	<ul style="list-style-type: none"> • Home based food production (Siyazondla). • Rural Food hubs. • Spring protection program for community food production. • Marine and freshwater fisheries.
7.	Inclusive Economic Growth.	Contributor	Government procurement Agro-processing Youth unemployment Skills development Ocean Economy.	<ul style="list-style-type: none"> • RED Hubs for food distribution Aquaculture & Fisheries Development. • Repositioning ECRDA Institutional Arrangement. • Magwa and Majola Tea Estate. • Business development program. • Market access through market standard and food safety compliance.
5.	Infrastructure, Human Settlements & Broadband.	Contributor	Economic infrastructure.	<ul style="list-style-type: none"> • Agriculture infrastructure. • Agriculture marketing infrastructure.
3	Social cohesion, moral regeneration, community safety & GBVF.	Contributor	Social cohesion and safer communities.	<ul style="list-style-type: none"> • Stock theft control measures.

I.1. IMPACT STATEMENT

Impact Statement	A climate-resilient and environmentally sustainable food systems that drives inclusive agro-processing and contributes to integrated development and equitable wealth creation.
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I.2. MEASURING OUTCOMES

MTDP PRIORITY 01: INCLUSIVE GROWTH AND JOB CREATION			
Outcome	Outcome Indicators	Baseline	5 Year targets
Commercialisation of sustainable district commodity value chains and increased employment opportunities thereby reducing severe food insecurity.	Share of Black Agri-business in the Agricultural commodity value chain.	5%	19%
Strengthen the implementation of rural development projects.	Improved rural livelihoods.	120	600

MTDP PRIORITY 2: REDUCED POVERTY AND TACKLE THE HIGH COST OF LIVING			
Outcome	Outcome Indicators	Baseline	5 Year targets
Increased access to nutritious food.	Number of households producing food in surplus.	111 121	111 500

MTDP PRIORITY 03: A CAPABLE, ETHICAL AND DEVELOPMENTAL STATE			
Outcome	Outcome Indicators	Baseline	5 Year targets
Strengthened innovative corporate governance systems.	Maintain a clean audit outcome.	Clean Audit	Clean Audit
	Number of digital systems implemented and extend of utilisation to improve productivity across departmental programmes.	2 systems (E-memo and Survey 123) in selected programmes.	Full utilisation of 2 systems across all departmental programmes.

1.3. EXPLANATION OF PLANNED PERFORMANCE OVER THE FIVE-YEAR PLANNING PERIOD

Outcome 01: Commercialisation of sustainable district commodity value chains and increased employment opportunities thereby reducing severe food insecurity

The NDP provides a framework for re-industrialisation and localisation of agricultural commodity value chains to drive an integrated and inclusive rural economy. This is further translated into Provincial Development Plan (PDP) Goal 3: an Innovative high-value agriculture and rural sector with a specific focus on:

- Sustainable Community Agriculture and diversified livelihoods.
- Land Reform and land rehabilitation programmes.
- Development of agricultural value chains.

In implementing the PDP the department will focus on implementing food security, land reform, and agricultural commercialization as key integration areas. These efforts will be complemented by other key integration areas of the PMTDP, including inclusive economic growth, anti-poverty and sustainable livelihoods, infrastructure, human settlements and broadband, transformation municipal support, youth development, skills development and training for the economy.

The Eastern Cape has adopted the AAMP to re-industrialise and localise agriculture value chains. The AAMP aims to establish a globally competitive agriculture and agro-processing sector, promote market-oriented and inclusive production to boost rural economies to ensure food security, and generate decent and inclusive employment and entrepreneurship opportunities for all stakeholders in agriculture and agro-processing value chains.

The province aims to leverage its natural resources and human capital to drive agriculture as the new frontier for rural economic growth. The inclusion of smallholder farmers in agriculture value chains is crucial for poverty reduction and creating employment in rural communities. Broad-based growth in agriculture leads to shared income and employment benefits, as well as higher multiplier effects on the economy. Inclusion is a key focus of the AAMP, and the DoA will collaborate with other economic sector departments to address developmental challenges through inter-government forums. The department will seek innovative ways to maximise benefits from primary, secondary, and tertiary agriculture activities, with a focus on empowering women, youth, and people with disabilities. These initiatives will stimulate economic growth, promote industrialisation in rural areas, foster an inclusive agriculture sector, and generate sustainable jobs.

To drive industrialisation in rural areas, agriculture commodity value chain corridors will be identified based on the natural resource potential for each commodity. A product development approach beyond primary production and the production of export-oriented commodities will be a key focus in all corridors. The re-industrialisation of the sector will be facilitated through the commercialisation of 100 farms that will serve as nucleus primary production centres. This initiative will also focus on attracting investments for value addition, implementing skills transfer programs, improving access to local and international markets, and ensuring access to development finance for smallholder producers.

The NDP 2030 vision prioritises economic growth, employment, and integrated rural development. In line with this vision, DoA will explore strategies to provide new entrants with access to product value chains, expand commercial agriculture, and offer support through partnerships with commodity and private partners. Additionally, the department will seek innovative ways to maximise the benefits of primary, secondary, and tertiary production, with a focus on empowering women, youth, and people with disabilities. These initiatives aim to stimulate economic growth and create sustainable job opportunities.

To develop a sustainable agriculture value chain, it is crucial to have a community of farmers and farm workers who are trained in agriculture production practices, agri-business, and new agricultural technologies. The transfer of critical skills to black producers and the investment in high-value crops with export potential, high employment opportunities, and expansion in production areas are essential. Priority support will be given to designated groups, especially women and youth.

Outcome 2: Strengthen the implementation of rural development projects

The department will ensure, prioritisation of community engagement and participation, conducting thorough needs assessments, building local capacity, ensuring transparent project management, fostering partnerships with local stakeholders, integrating sustainability into project design, and regularly monitor and evaluating project impact to adapt and improve interventions based on real-time data

Outcome 3: Increased access to nutritious food

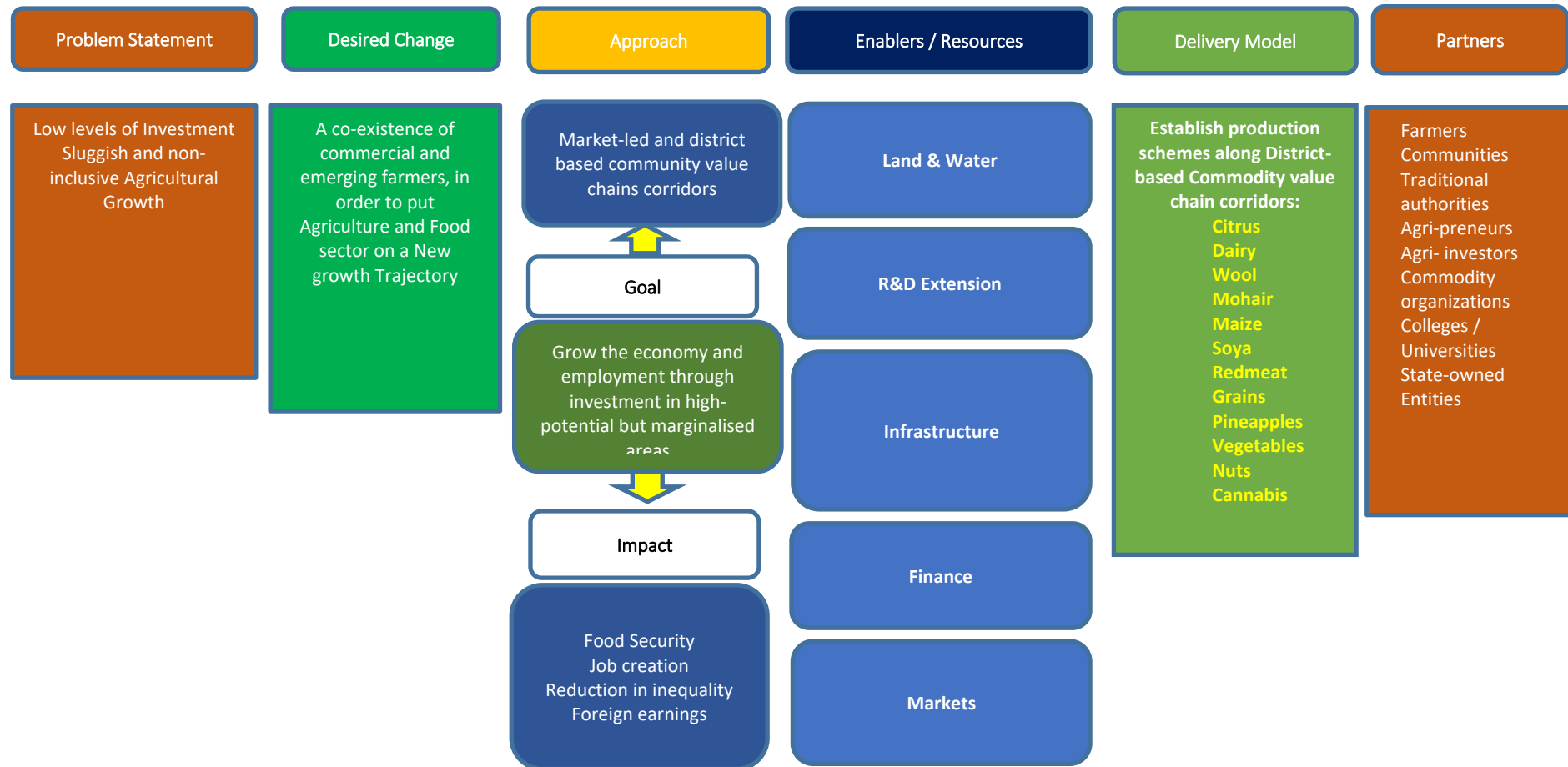
The right to have access to sufficient food is embedded in Section 26 and 27 of the South African Constitutional Law of 1996. The Bill of Rights enshrined in the Constitution states that "every citizen has a right to have access to sufficient food, water and social security" and that "the State must take reasonable legislative and other measures, within its available resources, to achieve the realisation of this right". Through its programmes the department will strive to ensure realisation of this right.

Outcome 04: Strengthened innovative corporate governance system

The department will improve governance systems by implementing the Provincial Financial Management Accountability Framework, Risk Management Framework, Performance Management Development Systems, and ICT Strategy, as well as Ethics and Security Management as strategic enablers to enhance governance and efficiency. This will strengthen the control environment and facilitate the achievement of desired outcomes. The department will engage with key stakeholders from government, NGOs, and the private sector to exchange best practices and implement new systems to achieve results.

To strengthen internal control systems and implement regulatory frameworks and policies, the department has established governance structures for effective performance management, including an Audit Committee, Risk Management Committee, ICT Governance Committee, and a merged Ethics and Security Management Committee.

Agriculture and Agro-processing Master Plan



AAMP PILLARS

Resolving policy ambiguities and creating investment-friendly climate.

- Land.
- Water.
- Labour and conditions of employment.
- Transformation of the sector.

Investing in and maintaining enabling infrastructure is critical to the industry.

- Water and electricity.
- Road, rail and logistics.
- Marketing and biosecurity.

Providing comprehensive farmer support, development finance, R&D, and extension services.

- Extension services.
- Farmer support.
- Finance.

Ensuring food security, expanded production and employment creation, decency, and inclusivity.

- Develop value chains.
- Employment.

Enabling market expansion, improving market access and trade facilitation.

- Domestic markets.
- Regional markets.
- Export markets.

Developing localised food, import replacement and expanded Agro-Processing exports.

- Routes to markets.
- Localisation.
- Retail lease.

To expand agricultural production and transform the industry, over the next five years, DoA will focus on increasing sector commodity production through following agricultural value chains. The following interventions are the aspirations of the department and will make concerted efforts to source funding for their implementation:

Grain Value Chain

- Number of tons produced (80 000 ha x 5 tons) = 400 000 tons.
- Revenue generated - R1.4 Billion.
- Jobs created – 1 000 jobs.
- 4 Grain clusters targeting - Elundini, Matatiele, Sakhisizwe, Inxuba Yethemba.

PRODUCTIVITY	INFRASTRUCTURE	AGRO-PROCESSING	MARKETS
5 tons/ha on 70 000 ha 80:20 – yellow vs white maize.	<ul style="list-style-type: none"> • Grain storage – one per LM on average 100 000 tons. • Access roads. • Production infrastructure. • Machinery and equipment. • GAP/ HACCP compliance. 	<ul style="list-style-type: none"> • Grain millers. • Feed manufacturing. • Fertilizer blending. 	<p>LOCAL</p> <ul style="list-style-type: none"> • Mealie-meal. • Samp. • Animal feed. • Fertilizer. • Grain. • Government Procurement. <p>EXPORT</p> <ul style="list-style-type: none"> • Grains.
Oil seed grains - 2 tons/ha – on 10 000 ha.	<ul style="list-style-type: none"> • Oil processing. • Ports and harbours. 	<ul style="list-style-type: none"> • Oil presser. 	<p>LOCAL</p> <ul style="list-style-type: none"> • Oil. • Oil cake. <p>EXPORT</p> <ul style="list-style-type: none"> • Oil seeds.

Commercial Red Meat

- 85 000 tons of red meat.
- Sector revenue generated R3 billion.
- Jobs created – 1 000.
- 5 Red meat Clusters targeting whole province.

PRIMARY PRODUCTION	INFRASTRUCTURE	MARKETS	AGRI-PROCESSING
<ul style="list-style-type: none"> • 228 000 cattle slaughtered. • 10 000 bulls. • 50 000 heifers. • 10 black breeders. 	<ul style="list-style-type: none"> • 6 commercial feedlots. • Machinery and equipment. • Access roads. • Off and on farm infrastructure (handling facilities dip tanks, multipurpose sheds, etc.). 	<ul style="list-style-type: none"> • Local and exports. • Live animals. • Mutton. • Beef. • Frozen meat. • Government procurement. 	<ul style="list-style-type: none"> • 4 Abattoirs. • 2 Meat processing facilities.

Citrus value chain

- Move black producers from 25 000 tons to 40 000 tons output per year.
- Revenue generated R9.8 billion.
- Jobs created – 7 800.
- 3 Citrus clusters targeting Kat, Keiskamma and Sunday Rivers.

PRIMARY PRODUCTION	INFRASTRUCTURE	MARKETS
<ul style="list-style-type: none"> • 40 000 tons of various citrus. 	<ul style="list-style-type: none"> • Pack sheds. • Access roads. • Production infrastructure. • Machinery and equipment • Cold storage. • Ports and harbours. 	<ul style="list-style-type: none"> • Local - fresh fruit. • Exports - fresh fruit. • Government procurement.

Pineapple value chain

- Increase production from 3 000 ha to 3 500 ha over term – realising 227 000 tons.
- Revenue generated R225 million generated.
- Jobs created – 500 additional.
- Ngqushwa, Buffalo City.

PRIMARY PRODUCTION	INFRASTRUCTURE	MARKETS	AGRO-PROCESSING
<ul style="list-style-type: none"> • 227 000 tons. 	<ul style="list-style-type: none"> • Pack sheds. • Access roads. • Production infrastructure. • Machinery and equipment. • Cold storage. • Ports and harbours. 	<ul style="list-style-type: none"> • Local - fresh fruit. • Exports - fresh fruit. • Government procurement. 	<ul style="list-style-type: none"> • Summer Pride – juice concentrate.

Deciduous value chain

- Increase by an addition 750 ha from 6 300 ha.
- R3.1 billion.
- Jobs created – 750 additional.
- Gamtoos River Valley.

PRIMARY PRODUCTION	INFRASTRUCTURE	MARKETS
<ul style="list-style-type: none"> • 45 000 tons. 	<ul style="list-style-type: none"> • Pack sheds. • Access roads. • Production infrastructure. • Machinery and equipment. • Cold storage. • Ports and harbours. 	<ul style="list-style-type: none"> • Local - fresh fruit. • Exports - fresh fruit. • Government procurement.

Cannabis Value Chain

- Increase production by planting 10 000 ha = R1.6 billion.
- 1 Hemp processing plant.
- Jobs created – 2 000.
- All districts.

PRIMARY PRODUCTION	INFRASTRUCTURE	AGRO-PROCESSING	MARKETS
10 000 ha of hemp. 1.6 million broilers.	<ul style="list-style-type: none"> • Irrigation infrastructure. • Magwa & Dohne incubator centre. • Access roads. • Machinery and equipment. • Sustainable energy. 	<ul style="list-style-type: none"> • Pharmaceuticals. • Industrial fibre. • CBD products. 	<ul style="list-style-type: none"> • Export. • Local.

Forestry Development

- Increase production by an addition 7500 ha new plantings.
- Revenue R915 million.
- Jobs created – 700.
- Izinini Forestry in Bizana.

PRIMARY PRODUCTION	INFRASTRUCTURE	AGRO-PROCESSING	MARKETS
<ul style="list-style-type: none"> • 7 500 ha of new forestry. 	<ul style="list-style-type: none"> • Pole treatment plant. • Access roads. • Production infrastructure. • Machinery and equipment. 	<ul style="list-style-type: none"> • Pole treatment. 	<ul style="list-style-type: none"> • Local market.

Irrigation Development (10 Schemes)

- Increase land under production to 87% of available water
- Revenue generated R1.6 billion
- Jobs created – 2 000 jobs
- Targeting Chris Hani and Amathole
- Targeting R3.1 billion BFI funding

PRIMARY PRODUCTION	INFRASTRUCTURE	AGRO-PROCESSING	MARKETS
<ul style="list-style-type: none"> Aggregated vegetable – 200 000 tons. Grain - 60 000 tons. Lucene - 30 000 tons. 	<ul style="list-style-type: none"> Grain storage. Access roads. Production infrastructure. Machinery and equipment. Irrigations. Pack houses. Cold storage chain. 	<ul style="list-style-type: none"> Dairy. Feed manufacturing. 	<p>LOCAL</p> <ul style="list-style-type: none"> Processed vegetables. Animal feed. Dairy products. Grain. Government procurement. <p>EXPORT</p> <ul style="list-style-type: none"> Grains.

Dairy Value Chain

- Increase production by additional 30 000 cows in the existing schemes (commercial) - 216 million litres.
- Introduction of community dairy from 1000 households - 9 million litres.
- Increase sector revenue – R6.5 billion.
- Jobs created – 1 100.

PRIMARY PRODUCTION	INFRASTRUCTURE	AGRO-PROCESSING	MARKETS
<ul style="list-style-type: none"> Additional 216 million litres. 	<ul style="list-style-type: none"> Milking parlours. Irrigation systems. Access roads. Infrastructure. Biosecurity. Machinery and equipment. 	<ul style="list-style-type: none"> Milk processing plant (yoghurt, cheese UHT milk). 	<ul style="list-style-type: none"> Local. Government procurement. Export.
<ul style="list-style-type: none"> 9 million litres. 	<ul style="list-style-type: none"> Irrigation infrastructure. Animal feed. 	<ul style="list-style-type: none"> Milk processing. Cold storage. 	<ul style="list-style-type: none"> Local.

Aggregated Communal Grain Value Chain (5 clusters)

- Number of tons produced (100 000 ha x 5 tons) = 500 000 tons.
- Revenue generated - R1.7 billion.
- Jobs created – 500.
- Targeting Intsika Yethu-Dr AB Xuma-KSD-Mhlontlo, Umzimvubu-ORT, Mnquma-Mbhashe.

PRIMARY PRODUCTION	INFRASTRUCTURE	AGRO-PROCESSING	MARKETS
5 tons on 70 000 80:20 – yellow vs white maize.	<ul style="list-style-type: none"> Grain storage – one per LM on average 100 000 tons. Access roads. Production infrastructure. Machinery and equipment. 	<ul style="list-style-type: none"> Grain millers. Feed manufacturing. Fertilizer blending. 	LOCAL <ul style="list-style-type: none"> Mealie-meal. Samp. Animal feed. Fertilizer. Grain. EXPORT <ul style="list-style-type: none"> Grains.
Oil seed grains - 2 tons/ ha – at 20 000 ha.	<ul style="list-style-type: none"> Oil processing. Ports and harbours. 	<ul style="list-style-type: none"> Oil presser. 	LOCAL <ul style="list-style-type: none"> Oil. Oil cake. EXPORT <ul style="list-style-type: none"> Oil seeds.

Aggregated Wool Value Chain

- Increase current production output from 15 million to 16 million kgs.
- Increase sector revenue - R7 million.
- Jobs created – 500.
- All districts

PRIMARY PRODUCTION	INFRASTRUCTURE	MARKETS
1 million kilograms of wool. 1.4 million kg of mutton.	<ul style="list-style-type: none"> Shearing sheds. Access roads. Production infrastructure. Machinery and equipment. Biosecurity. Dipping facilities. 	LOCAL <ul style="list-style-type: none"> Mutton. EXPORT <ul style="list-style-type: none"> Wool.

Poultry Value Chain

- 2 million eggs, 1.6 million broilers.
- 100 black out-growers.
- Jobs created – 2.000.
- All districts.

PRIMARY PRODUCTION	INFRASTRUCTURE	AGRO-PROCESSING	MARKETS
2 Million eggs produced. 1.6 Million broilers.	<ul style="list-style-type: none"> Poultry houses. Hatcheries. Parents stock farms. Access roads. Production Infrastructure. Machinery and equipment. Sustainable energy. 	<ul style="list-style-type: none"> Feed manufacturing. Chicken abattoirs. 	<ul style="list-style-type: none"> Meat. Eggs.

Magwa Majola Tea Value Chain

- Increase production from 400 ha to 2 100 ha (field restoration is required).
- Tea factory upgrade for food safety compliance and tea bagging.
- Revenue generated - R40 million.
- Jobs – 2 400.
- Diversify production.

PRIMARY PRODUCTION	INFRASTRUCTURE	AGRO-PROCESSING	MARKETS
3000 in production.	<ul style="list-style-type: none"> • Refurbish processing plant. • Agri tourism centre. • Access roads. • Machinery and equipment. • Sustainable energy. 	<ul style="list-style-type: none"> • Tea. • Sub-tropical fruits. 	<ul style="list-style-type: none"> • Export. • Local.

Aggregation of agricultural produce for markets

- Increase value addition from 11 500 tons of maize to 150 000 tons of various products for markets (maize meal, animal feed, dry beans, samp, vegetables, meat, eggs etc).
- Revenue generated - R1 billion.
- ECRDA as implementing agent and trade aggregator.
- Jobs - 180.

INFRASTRUCTURE	PRODUCTS	MARKETS
<ul style="list-style-type: none"> • Refurbish RED Hubs for warehousing, processing and packaging. • Distribution logistics. • Access roads. • Production infrastructure. • Machinery and equipment. • GAP compliance infrastructure. 	<ul style="list-style-type: none"> • Fresh produce. • Dairy products. • Maize products. • Vegetables. • Meat. • Poultry. • Eggs. • Tea. • Coffee. 	<ul style="list-style-type: none"> • Government procurement. • Private markets. • ECRDA to provide funding and project management.

Aquaculture Value Chain

- 2 East Coast Rock lobster Clusters - 2 000 tons.
- 2 Trout production dams - 20 000 tons.
- 40 small-scale fishing cooperatives.
- Increase sector revenue – R905 million.
- Jobs created – 300.
- Alfred Nzo, OR Tambo, Amathole, Sarah Baartman and Chris Hani.

PRIMARY PRODUCTION	INFRASTRUCTURE	AGRO-PROCESSING	MARKETS
<p>2 tons of East Coast Rock Lobster. 20 tons of freshwater fish. 500 kgs of sea urchin.</p>	<ul style="list-style-type: none"> • Cages for freshwater culture. • Freshwater aquaculture demonstration centre. • Boats. • Sea launching sites along wild coast. 	<ul style="list-style-type: none"> • Feed manufacturing. • Chicken abattoirs. 	<p>Export</p> <ul style="list-style-type: none"> • Sea Urchin. • Rock lobster. • Abalone. <p>Local</p> <ul style="list-style-type: none"> • Finfish. • Rock Lobster.

OUTCOME 02: STRENGTHEN THE IMPLEMENTATION OF RURAL DEVELOPMENT PROJECTS

The Integrated Rural Development Sector Strategy 2023 defines rural landscape which is characterised by high poverty levels, poor spatial planning, landlessness and overcrowding in former homeland areas. These areas are also devoid of economic opportunities for the disadvantaged majority, a lack of basic infrastructure such as access to water, electricity and roads, and a lack of skills, experience and rural finance.

Government has identified six pillars to revitalise the rural economy:

1. Rural infrastructure development and investment
2. Economic development, industrialisation, and job creation
3. Education and skills development
4. Provision of basic services in rural areas
5. Land, agrarian reform, and tenure security
6. Social and community development

ECRDA beyond agriculture: The ECRDA is a provincial rural development agency established to support government and municipalities at all levels. Our aim is to facilitate project management of catalytic infrastructure, business, and trade to boost the rural economy and industries. This will be achieved through strategic partnerships with public, private, NGO, and CBOs. The ECRDA must develop expertise in engineering, infrastructure planning, investment, trade, and industrialisation to capitalize on government incentives for rural development. It must create credible business plans to attract investment to rural areas. Agencies can no longer rely solely on government funding and must seek partnerships and secure funding for projects that promote industrial development. Additionally, the ECRDA will collaborate with municipalities and their agencies to mobilise resources for economic initiatives province wide. In this term, the department will ensure that the entity is registered as the PFMA Schedule 3D.

Forestry Industry Development: The initiative to develop inclusive industries in forestry for rural development has made notable progress and has garnered strong community involvement. However, a major obstacle in the value chain is the lack of provincial capacity for wood processing. Plans are in motion to set up a timber processing facility in Bizana with a monthly capacity of 20 000 tons, to attract R230 million in investments from both the government and private sector. The objective is to cultivate 5 000 hectares over 5 years through collaborations with the public, private, and community sectors.

Development of Bio-Fuel Industry: DoA is committed to creating new opportunities for our rural communities. The department actively involves stakeholders in the biofuel initiative in the Inxuba Yethemba Local Municipality of the Chris Hani District. Additionally, in partnership with Petro SA, ECRDA is working to establish Emalahleni RED Hub as a Bio-Fuel Hub, utilising sorghum as the primary feedstock.

Recapitalize and Diversify Magwa–Majola: Supporting Magwa & Majola Enterprise Tea is crucial as the current state of infrastructure and lack of modern technology and equipment hinder its competitiveness in the market. To overcome these challenges, significant capital investment is needed for Magwa and Majola. Discussions are ongoing to determine the best way to provide the

necessary resources for these estates to reach their full potential. The Department has submitted an infrastructure business plan to the Budget Facility for Infrastructure of the National Treasury to attract investment for infrastructure development. This plan includes upgrading water and sewage services, promoting alternative energy, improving building and road infrastructure, and enhancing eco-tourism facilities. Diversifying production at these estates by exploring options such as vegetables and subtropical fruits like mangoes, bananas, avocados, guavas, and paw-paws will increase productivity and create new income opportunities for local communities.

Develop Food Distribution Centres Through RED Hubs: all farmers supported by the department will be required to supply the ECRDA with their produce, at market price. This approach will ensure the Red Hubs' security of supply to store, package, and process primary produce into food and feed products on a commercial scale. The ECRDA Red Hubs will be transformed into Food Distribution Centres and supply public and rural retail stores and government nutrition programs. We aim to supply schools, clinics, hospitals, and other government entities through the Red Hubs.

Support Woman Cooperative on Clothing and Textile: The department plays a crucial role in promoting rural development, economic growth, and job creation by providing support to cooperatives with sewing machines and materials.

OUTCOME 03: INCREASED ACCESS TO NUTRITIOUS FOOD

Food and nutrition security is one of the fundamental strategic imperatives of the government of South Africa. The right to access sufficient food is firmly entrenched in the Constitution of the Republic of South Africa (Sections 27, 28, and 35). Many policies, programmes, and intervention measures such as social grant systems (which include child support, school feeding schemes, farmer support programmes) have been developed and implemented to help improve the food and nutrition security situation at a household level in the country. These programmes are reflected in the National Policy on Food and Nutrition Security in 2014 and, subsequently, the National Food and Nutrition Security Policy Implementation Plan (2018-2023).

The high levels of malnutrition in the province are unacceptable and requires deliberate and bold programmes to urgently address this challenge. As per the South African Human Rights Commission's (SAHRC) 2022 recommendations, the department will provide support to 111 500 vulnerable households in Anti-Poverty sites over the next 5-year term to produce their own food in utilising the available lands and gardens. This will be targeting women, youth, people with disability and military veterans.

Food Security

- 111 500 food secure household.
- Small-to-Medium Enterprises (SMMEs).
- All Districts.

PRIMARY PRODUCTION	INFRASTRUCTURE	AGRO-PROCESSING	MARKETS
<ul style="list-style-type: none"> Vegetable production. Grain production. Poultry production. Climate smart food production systems. 	<ul style="list-style-type: none"> Climate smart boxes. Community gardens. Fencing. 	<ul style="list-style-type: none"> Food hubs. 	<ul style="list-style-type: none"> School nutrition. Local markets.

Impact of implementing the Departmental Outcomes

At the end of the 2025-2030 electoral cycle, DoA will be able to conduct a rigorous assessment of its contribution in supporting the Province and National Government in realising the P-MTDP Priorities for 2025-2030 electoral cycle. This will be done by conducting an Impact Assessment or Outcomes Evaluation to determine if whether the Department, by implementing its Outcomes has managed to achieve its Impact and thereby contributing in the realisation of the P-MTDP and the National Government MTDP.

2. KEY RISKS AND MITIGATIONS

Table 10: DoA Risk Analysis and Mitigation Strategies

Outcome	Key Risks	Risk Mitigations
Improved corporate governance.	Lack of scarce skills and critical skills.	Implement strategy which will yield principles of good human resource management that is career developed capable of maximising and cultivating human potential.
	Non-compliance with financial and non-financial performance information and prescripts.	Develop and effective monitoring and evaluation system for adherence to policies and procedures for managing financial and non-financial performance information.
	Inability to respond to the strategy through ICT interventions due to non-responsive ICT infrastructure.	Upgrading of its ICT infrastructure targeting by improving internet connectivity and digital voice communication.
Re-industrialisation and localisation of agricultural commodity value chains and Increase Employment opportunities.	Persistent drought affecting production outputs.	Adopt and apply climate smart agriculture practices Promote the use of new cultivars that are drought tolerant.
	Failure of agri-businesses.	Implementation of skills development programmes for farmers. Establishment of partnerships with private sector to source the latest technology from various industries.
	Low participation of farmers on Cannabis farming.	Establishment of provincial Cannabis steering committee to assist farmers in obtaining licenses and permits.

Outcome	Key Risks	Risk Mitigations
	Failure to assist smallholder farmers to progress to commercial farming.	Develop and implement Business Performance Assessment Tool prior to providing financial support.
Integrated rural development.	Working in silos and thereby delaying the impact and in some instance even fail to make a meaningful contribution.	To ensure that there is collaboration with all relevant stakeholders in an attempt to achieve great success.
Improved access to nutritious food.	Late delivery of production inputs.	Initiate planning and procurement processes earlier to ensure early delivery of production inputs and mechanisation services.

3. PUBLIC ENTITIES

Name of Public Entity	Mandate	Outcomes	Current Annual Budget 2025/26 (R thousand)
Eastern Cape Rural Development Agency (ECRDA).	<p>Eastern Cape Rural Finance Corporation Amendment, Act 1 of 2012.</p> <p>*Mandate is to promote, support and facilitate rural development in the province through the following objectives;</p> <ul style="list-style-type: none"> • Mobilising financial resources and providing financial and supportive services to persons domiciled, ordinarily resident or carrying on business within the province. • Promoting and encouraging private sector investment in the province and the participation of the private sector in contributing to economic growth. • Promoting, assisting and encouraging the development of the province's human resources and financial infrastructure, in association with other institutions having similar or related objectives. • Project managing rural development interventions in the province. • Promoting applied research and innovative technologies for rural development in the province. • Facilitating the participation of the private sector and community organizations in rural development programmes. 	<ul style="list-style-type: none"> • Reduced unemployment • Research based solutions for industry & enterprise development. • Integrated rural development. • Increased provincial GDP • Catalytic Ocean's Economy Eco-System. • Reduced enabling economic infrastructure backlog of the province. • Access to financial & non-financial support for projects, rural enterprises and entrepreneurs • Sustainable exit opportunities for project/rural enterprises. • Increased regenerative agriculture and waste recycling to combat climate change. • Good ethical and efficient administration. • Impact Driven and accountable ECRDA. 	R198 026



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PROVINCE OF THE EASTERN CAPE



PART D

TECHNICAL INDICATOR DESCRIPTIONS



TECHNICAL INDICATOR DESCRIPTION

Outcome I	Commercialisation of sustainable district commodity value chains and increased employment opportunities thereby reducing severe food insecurity
Outcome Indicator Title	Share of Black Agri-business in the Agricultural commodity value chain
Definition	This indicator evaluates the extent to which black agribusinesses have gained a share in the sector's economy (to sell their products and services to a wider range of clients), including both local and international markets. It can be measured through metrics such as infrastructure established, commercialised black farmers, contracts secured, the volume of produce sold, and the value of exports.
Source of data	Annual reports, surveys conducted among Black agri-businesses to gather information on their market access, sales, and customer base. Tax information of registered entities. Data on trade agreements, export subsidies, and market regulations.
Method of Calculation / Assessment	% share of the total sector output.
Assumptions	It is assumed that a regulatory environment supported by appropriate funding mechanisms will be in place. Furthermore, it is assumed that The definition of Black Agri-Businesses clearly defines the criteria for classifying a business as a Black agri-business. The data collected through surveys and other sources is accurate and representative of the population of Black agri-businesses. Any improvement in market access can be attributed to the department's interventions while controlling for other factors that may influence it (e.g., economic conditions, policy changes).
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Number of Women. • Number of Youth. • Target for People with Disabilities. Furthermore, beneficiaries are divided into <ul style="list-style-type: none"> • Business size, e.g., small, medium, large to identify specific challenges and opportunities. • Product category to assess market access for different types of agricultural products. • Geographic location to identify regional disparities in market access.
Spatial Transformation (where applicable)	All the Districts of the Province.
Reporting Cycle	Annually.
Desired performance	Higher performance is desired.
Indicator Responsibility	Responsible Deputy Director General

Outcome 2	Strengthen the implementation of rural development projects
Outcome Indicator Title	Improved rural livelihoods
Definition	Improved rural livelihoods through the implementation of rural development initiatives/projects, such as household food security, household agri-processing, spring water protection projects, renewable energy, early learning centres, rural ICT interventions, and rural enterprise development. The Department will work with others to ensure integrated rural development in all six districts and the two Metros.
Source of data	Annual Rural Development Reports depicting data on public spending allocated to rural development initiatives/projects.
Method of Calculation / Assessment	Quantitative (the total number of rural development initiatives/projects implemented over the reporting period).
Assumptions	Budget availability to implement the projects/initiatives. The definition of Rural Development initiatives clearly defines all activities that take place in the rural space.
Disaggregation of Beneficiaries (where applicable)	Women. Youth. Persons with disability.
Spatial Transformation (where applicable)	Rural Space.
Reporting Cycle	Annually.
Desired performance	High Performance.
Indicator Responsibility	Responsible Programme Manager.

Outcome 3	Increased access to nutritious food.
Indicator Title	Number of households producing food in surplus.
Definition	Household production refers to primary production for own consumption to meet the daily dietary needs and the sale of surplus.
Source of data	Annual Reports.
Method of Calculation / Assessment	Simple Count.
Assumptions	Factors that are accepted as true and certain to happen without proof.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Number of Women • Number of Youth • Number of designated groups Furthermore, beneficiaries are divided into <ul style="list-style-type: none"> • Geographic location to identify regional disparities in access to nutritious food. • Income level to assess the impact of interventions on different socioeconomic groups.
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities. Reflect on the spatial impact area.
Calculation type	Cumulative.
Reporting Cycle	Annually.
Desired performance	High Performance.
Indicator Responsibility	Sub-Programme Manager.

Outcome 4	Strengthened innovative corporate governance system
Outcome Indicator Title	Maintaining a Clean Audit Outcome
Definition	A clean audit outcome indicates that the financial statements of the Department of Agriculture have been examined by an independent auditor and found to be presented fairly, in all material respects, per applicable accounting standards.
Source of data	The audit report as issued by the independent auditor.
Method of Calculation / Assessment	A clean audit outcome is a qualitative assessment, not a numerical value. It is determined based on the auditor's findings and conclusions.
Assumptions	<ul style="list-style-type: none"> • It is assumed that the Department of Agriculture maintains accurate, complete, and up-to-date financial records that support the financial statements. • It is assumed that the department has implemented effective internal controls to prevent and detect errors, fraud, and irregularities. • It is assumed that the department's financial statements are prepared in accordance with applicable accounting standards (e.g., International Financial Reporting Standards). • It is assumed that the independent auditor conducting the audit is qualified, independent, and performs the audit with professional care and competence. • It is assumed that the department has sufficient resources, including qualified personnel and technology, to maintain effective financial management practices.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Not applicable.
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Not applicable.
Reporting Cycle	Annually.
Desired performance	A clean audit outcome is the desired performance.
Indicator Responsibility	Deputy Director General: Administration

Outcome 4	Strengthened innovative corporate governance system
Outcome Indicator Title	Percentage Increase in Productivity Among Programs Implementing Digital Technology.
Definition	This indicator quantifies the percentage increase in output or efficiency achieved by programmes implementing digital technologies, compared to their pre-implementation levels or similar programmes without digital technology adoption.
Source of data	Records from GITO will provide expert assessments of productivity improvements.
Method of Calculation / Assessment	Percentage Increase in Productivity = $[(\text{New Productivity} - \text{Old Productivity}) / \text{Old Productivity}] \times 100$ New Productivity The productivity level after implementing digital technology. Old Productivity The productivity level before implementing digital technology.
Assumptions	<ul style="list-style-type: none"> • All departmental programs incorporate and utilize digital technologies such as E-memo, E-leave, Survey123, weather stations, drone technology, and various other digital platforms. • It is anticipated that network connectivity will be enhanced at the head office, district offices, and local municipality service centers to support these implementations.
Disaggregation of Beneficiaries (where applicable)	All programmes and districts of the department.
Spatial Transformation (where applicable)	Not applicable.
Reporting Cycle	Annually.
Desired performance	Higher performance is desired.
Indicator Responsibility	Responsible Manager.



ANNEXURES TO THE STRATEGIC PLAN

ANNEXURE A: DISTRICT DEVELOPMENT MODEL

Areas of Intervention	Project description	Budget allocation	District Municipality	Project Leader	I. Social Partner
Increase land under sustainable crop production. (grain and horticultural crops).	Agronomic and horticultural crop development with the primary objective to commercialise the various industries. Targeted groups are land reform beneficiaries and smallholder producers, promoting the participation of women and youth. Provision of mechanisation services and production inputs.		<ol style="list-style-type: none"> 1. Alfred Nzo 2. Amathole 3. Chris Hani 4. Joe Gqabi 5. O.R. Tambo 6. Sarah Baartman 	Director: Food Security	<ol style="list-style-type: none"> 2. GFADA 3. GRAIN SA 4. CGA 5. Whiphold
Provision of agricultural infrastructure.	<p>Horticulture: land preparation, fencing, construction of multipurpose shed and storage facilities, of packline, bulk infrastructure.</p> <p>Cropping: fencing, multi-purpose storage facility, cold room, hydroponics, sprinkler irrigation (5ha) and drip irrigation (3ha).</p> <p>Livestock: stock proof fence, dip tank stock, water system, new shearing sheds with equipment, stock handling facilities, EIA study for piggeries.</p> <p>Institutional Development: TARDI, Fort Cox and Dohne.</p>		<p>Amathole, Chris Hani, OR Tambo</p> <p>Sarah Baartman</p> <p>Alfred Nzo, Amathole, Chris Hani, Joe Gqabi & OR Tambo</p> <ol style="list-style-type: none"> 1. Alfred Nzo 2. Amathole 3. Chris Hani 4. Joe Gqabi 5. Sarah Baartman 6. OR Tambo Head Office 	Director: Farmer Settlement	<p>Local Government</p> <p>Traditional Leaders</p> <p>Farmers</p> <p>Movements/Associations</p> <p>CPA's</p> <p>Provincial Department of Public Works</p>
Commercialisation of livestock production.	<p>Livestock development targeting smallholder producers and land reform beneficiaries.</p> <p>Provision of the genetic material and feed in the feedlots.</p> <p>Key commodities to be supported are Red Meat, Wool and Mohair.</p>		<ol style="list-style-type: none"> 1. Alfred Nzo 2. Amathole 3. Chris Hani 4. Joe Gqabi 5. O.R. Tambo 6. Sarah Baartman 	Director: Food Security	<ol style="list-style-type: none"> 1. NWGA 2. RPO 3. NAMC 4. NGUNI TRUST

Areas of Intervention	Project description	Budget allocation	District Municipality	Project Leader	I. Social Partner
Revitalisation of Irrigation Agriculture.	The NDP prioritise irrigated agriculture as means to mitigated against inconsistent rainfall for food production. Currently in the province there are 8 irrigation schemes and these schemes are supported. with production infrastructure. Irrigation: Design and installation of irrigation system in section 1c. The eastern side of the province have rivers that have not be used for large scale irrigation. The Department will commission a feasibility study of establishing new scheme in that area of the province.		<ol style="list-style-type: none"> 1. Amathole 2. Chris Hani 3. Sarah Baartman 4. OR Tambo 	Director: Farmer Settlement	Local Government Traditional Leaders Farmers Movements/Associations CPA's
Support vulnerable households for food and nutrition security.	Support of the Indigent households for Food security and nutrition. Provision of production inputs to produce vegetable crops in the backyard gardens and provide with mono-gastric and feed.		<ol style="list-style-type: none"> 1. Alfred Nzo 2. Amathole 3. Chris Hani 4. Joe Gqabi 5. O.R. Tambo 6. Sarah Baartman 	Director: Food Security	<ol style="list-style-type: none"> 1. Department of Social Development 2. Department of Health 3. Department of Education 4. O.T.P 5. FAO 6. DALRRD
Provision of mechanisation services.	Establishment of mechanisation centres. Provision of tractors implements and workshops. The primary objective is to support grain production.		<ol style="list-style-type: none"> 1. Alfred Nzo 2. Chris Hani 3. O.R. Tambo 	Chief Director: District Co-ordination	<ol style="list-style-type: none"> 1. ECRDA 2. Farmers Movement/Association 3. Traditional Leaders





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