



**MINISTRY
AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
REPUBLIC OF SOUTH AFRICA**

26 March 2020

**Speaking notes by Ms. Thoko Didiza, MP Minister of Agriculture, Land Reform
and Rural Development**

A Message to the Agriculture and Food Sector of South Africa

The agriculture and food supply sector remains a vital cog during this period. In terms of the Regulation No. 398 of the Disaster Management Act, 2002, the sector as a sector responsible for food security has been declared as essential. This declaration reemphasises that entire food value chain, from farm-related operations, agro-processing and food manufacturing, logistics and related services, wholesale and retail services, and all support functions that ensure efficient delivery of the agro-food system have to be functional to ensure that there is access to sufficient, safe and nutritious food.

I need to also reiterate that there is no need for panic buying of food. This type of buying only serves to create distortions and artificial scarcities within the food supply sector.

The intervention measures that Government and the agricultural food value chain have put in place are:

1. Monitor availability and stability of food supply – the monitoring is done via an End-to-End Agricultural value chain Tracker, which has a 24 to 48 hour reporting cycle. The Department with its own sector organisations is responsible for a number of statutory measures, as stipulated by the relevant legislations. Among others, we have the records and returns collected under the Marketing of Agricultural Product Act (47) 1996 collected by statutory measures' administrators to help the Minister and industry to make informed decisions. It is on the basis of this information that industry role-players and my department, including our SOEs that we have been consistent in saying that we have enough food supplies for this period.

The Agricultural Value Chain Tracker has been developed in partnership with the industry role players to serve as a tool to monitor food availability and prices. The plan is to strengthen the tool and in time centralise it within government. The entire industry from production, processing and retail will report through the system to ensure seamless functioning of our food supply system. The Department will release status updates every 48 hours in relation to these monitoring activities. In case there are extreme cases where the security of supply of staple commodities is threatened, the Department will recommend to the Department of Trade, Industry and Competition to impose appropriate export restrictions.

2. Conducting food price monitoring on the 35 zero rated food items that are critical for the poor, low income and vulnerable groupings - The Department will provide consumers with monthly updates on this price monitoring.
3. Providing support to small scale and communal farmers - On Tuesday I announced that the Department has set aside a package of R1.2 billion for assisting small-scale farmers with production support utilising commercial banks and commodity and organised agriculture. Furthermore I indicated that the Department will avail details on this package and the application channels that will be available for the farmers. The Department has allocated R400 million of this funding to farmers within the Proactive Land Acquisition Strategy (PLAS). The remainder will be channelled through commercial banks that have agreements with the Department. For now ABSA and First National Bank are the two banks with agreements with the Department. The Department will use provincial extension services, commodity groups and secondary cooperatives to facilitate these applications. The use of extension services will ensure that farmers in communal areas are reached for assistance. The following criteria will apply in this regard:

- **Qualifying criteria**

- South African citizens who have been actively farming for a minimum of 12 months;
- Communal farmers and smallholder farmers;
- Smallholder farmers;
- Preference will be given to women, youth, people with disabilities in the above-mentioned categories.

- **Exclusions**

- Farmers with distressed accounts;
- Applications for mechanisation, infrastructure and overhead costs;
- Farmers who are preparing for the 2020 summer production season;
- Maximum allocation of R500 000.

- **Key industries**

- *Poultry*: Day old chicks, Point of lay chickens, feed, medication and sawdust.

- *Vegetables*: Seedlings, fertilizer, pesticides, herbicides and soil correction.
- *Fruits*: Fertiliser, pesticides and herbicides.
- *Other Livestock*: Feed and medication.
- *Winter field crops*: Soil correction, fertilizer, seeds, herbicides and pesticides.

Farmers can visit the following website for further details:

www.drdlr.gov.za

4. Allocating R100 million to the Land Bank to assist farmers under financial distress - The following criteria will apply for the disbursement of the allocated funding to farmers:

- **Qualifying criteria**

- Existing Land Bank Development Clients
- This refers to customers with an annual turnover ranging not exceeding R10 million; and
- Maximum allocation per client is R2 million.

- **Exclusions**

- Distressed accounts due to other reasons, not Covid-19 related, are excluded from this support, but may apply using normal credit criteria;
- Over-indebted customers; and
- Non-Land Bank clients.

- **Key industries**

- Vineyards, fruits and other;
- Grains and other field crops; and
- Livestock.

Farmers can visit the following website for further details:

www.landbank.co.za

5. Ensure that critical agricultural production activities such as harvesting continue uninterrupted – this is done under strict prescripts as provided for in Regulation No. 398 of the Disaster Management Act, 2002 and Department of Health COVID-19 hygiene protocol. To this end the codes of good practice for production and agro-processing facilities have been made available to the industry. The safety of our farmers and farmworkers on and off work is very important to us.
6. Ensure that general hygiene measures are strengthened - together with industry we had committed to ensure improved general hygiene measures for enclosed markets or animal product markets. I have proposed to the MECs responsible for agriculture that their departments prioritise the procurement of sanitizers, masks and gloves for the sector, especially for farm workers. I have requested the MECs to request virements from Provincial Treasuries to ensure provision of these critical requirements for the sector.

7. Ensure household food security - the Provincial Departments will also cater for household food security initiatives through the Ilima/Letsema Conditional funds. This intervention will be done through the provision of agricultural start-up packages. Information on the Ilima/Letsema funding is available at the provincial offices of the Provincial Departments responsible for agriculture.
8. Identify alternative suppliers of agricultural inputs - the Department and the industry partners are identifying alternative suppliers of agricultural inputs to mitigate events where there are supply constraints. The Department is ready to consider emergency agricultural input applications in cases that warrant such a regulatory action.
9. Facilitate exports of strategic agricultural commodities - Government is in contact with international trading partners to facilitate safe and smooth trade during this period. Relating to citrus, an agreement has been reached with Japan for alternative measures that would ensure uninterrupted trade for the 2020 citrus export season. Communication with other trading partners, including South Korea, Taiwan and the USA relating to the exports of fruits to their destinations is on-going. We hope to conclude these discussions soon.
10. According to regulations from the DPSC all staff will be on special leave from Friday 27th March 2020 to 16 April 2020 except essential services. We have designated the following:
 - a. Minister/ Deputy Ministers and MEC's;
 - b. Director Generals/Deputy Director Generals and Heads of Department of Provincial Departments of Agriculture;
 - c. Selected staff that support Ministers;
 - d. Veterinary staff and animal and plant health professionals;
 - e. Agricultural Extension and Inspection professionals;
 - f. Finance and Human Resources; and
 - g. Support to farmers on production.
11. Anyone performing essential services within the agricultural sector must get permission from the nearest agricultural centre in line with the Regulation No. 398 of the Disaster Management Act, 2002.

It must be noted however that all will work from home unless there is a need to move out of the house. We think this will be the best way to ensure the call by the president is implemented. For all queries relating to matters relating to COVID-19 within the sector, kindly contact the Department at COVID-19info@dalrrd.gov.za or phone the following toll free number 086 024 6640.

Ends