



doa

Department:
Agriculture
PROVINCE OF THE EASTERN CAPE

DEPARTMENT OF AGRICULTURE

VOTE 8 BUDGET AND POLICY SPEECH

**“Accelerating Implementation to
Drive Agriculture as a Growth Frontier”**

Honourable Speaker

Honourable Deputy Speaker

Honourable Premier

Honourable Members of the Executive Council

Honourable Members of the Executive Council

Honourable Members of the Provincial Legislature

Honourable Members of the Portfolio Committee on Agriculture

Honourable Members of the House of Traditional and Koi-San Leaders

Leadership of farmers' organisations and rural communities of our beloved Province

Women and Youth in agriculture and rural development

Religious leaders

Distinguished Guests

Members of the media

Manene nani Manenekazi

I greet you all. Molweni

Honourable Speaker, many years have passed since defining moments in our nation's history that continue to shape the South Africa we are building today. This year marks significant anniversaries in the history of our country: 70 years since the 1956 Women's March against pass laws, where brave women stood united against injustice; 50 years since the 1976 student uprising, a turning point in our struggle for freedom led by courageous young people; and 30 years since the adoption of the Constitution of the Republic of South Africa, recognized as one of the most progressive in the world.

These milestones serve as a reminder that the fight for freedom was not just about political liberation, but also about ensuring economic opportunities, restoring dignity, and building a better life for all. Despite the advancements

made in recent years, our country and province still grapple with ongoing challenges of unemployment, inequality, and food insecurity, which underscore the urgent need for accelerated and more inclusive development.

In this context, the situation is characterised by **food insecurity, child malnutrition, and stunting**, which undermine **human dignity and the developmental prospects of our children**. These realities directly contradict the values enshrined in our Constitution, particularly **Section 27(1)(b)**, which guarantees everyone the right to access sufficient food and water, and **Section 28(1)(c)**, which affirms every child's right to basic nutrition. These constitutional obligations require urgent and purposeful action to strengthen food systems and expand agricultural production to restore dignity to the communities in the Eastern Cape.

The 7th administration has set three strategic priorities: **Inclusive Growth and Job Creation, Reduce Poverty and Tackle the High Cost of Living, and Building a Capable, Ethical, and Developmental State**. To achieve these goals, the provincial government has formulated the **Provincial Medium-Term Development Plan (PMTDP) 2025-2030**, focusing on nine key integration areas. The department is specifically responsible for driving Food Security, Land Reform, and the Commercialization of Agriculture. Furthermore, the Department is contributing to the Anti-Poverty & Sustainable Livelihoods, Inclusive Economic Growth, as well as the Infrastructure, Human Settlements, and Broadband Key Integration Areas.

I. REDUCING POVERTY AND ADDRESSING THE HIGH COST OF LIVING

LOCALISED FOOD PRODUCTION

Honourable Speaker, the Eastern Cape continues to face persistent challenges of food insecurity, with 73% of households facing some form of food insecurity. The main challenge faced by communities when it comes to

food security is access to nutritious and adequate food at the household level. In his **State of the Province Address (SONA)**, the **Honourable Premier** acknowledged progress in poverty reduction, with the province's poverty rate dropping from 36% in 2015 to 23% in 2023, according to Stats SA's Poverty Trends Report of 2025. This reduction demonstrates the government's concerted efforts to combat poverty through various initiatives, including social grants. **Approximately 65.6% of households in the province rely on social grants as their main source of income**, as indicated by the **Statistics South Africa General Household Survey (2023)**, underscoring the importance of expanding livelihood opportunities while strengthening local food production systems.

In the 2025/26 financial year, the department **launched Ilima Lokulima** as a key strategy to address food insecurity in the province. Through this programme, the department supported over 33 000 households in producing their own food. This was **achieved through partnerships with Traditional Authorities** in various districts. Amongst the areas supported was Emalahleni Local Municipality, Ward One (1), Tshatshu Village, Liphumile llanga Tshatshu Co-Op where 7.5 hectares of vegetable gardens was successfully implemented through this initiative, 10 poultry households, and 5 piggery households. In Umzimvubu Local Municipality, Farmers Network South Africa partnered with four (4) villages to produce grain on 207.5 hectares.

Honourable Speaker, in the 2026/27 financial year, the Department will support **35 000 households** with a budget of **R65 million** by enhancing partnerships with NGOs, traditional authorities, and community organizations. To advance the Ilima Lokulima initiative, the Department has partnered with the Departments of Education and Social Development to enhance community-based food production. Furthermore, partnerships have been strengthened with community-based organizations, including OXFAM, Farmers Network South Africa, Graca Mitchel Foundation, Meals on Wheels, Walter Sisulu University, and others.

The Department is collaborating with the Department of Education to **expand production in 1 930 schools with school gardens**. This effort aims to strengthen local food production and enhance nutrition for learners and the surrounding communities. Additionally, community food production is being supported through nine (9) Climate Smart Tunnels in all districts. **These combined initiatives are helping to establish sustainable community food systems and promote food sovereignty throughout the province.**

Honourable Speaker, in the 2025/26 financial year, the Department introduced household mechanisation equipment by distributing 12 self-propelled hand-held machines to all districts. In the upcoming 2026/27 fiscal year, we plan to expand this initiative to support communities through the Ilima Lokulima programme by providing 50 hand-held production, harvesting, and processing tools with a budget of **R3 million** allocated for this purpose. These tools aim to enhance labour efficiency, increase productivity, and support household value addition.

PROTECTION OF SPRING WATER FOR FOOD PRODUCTION

Honourable Speaker, we recognise the importance of reliable access to water for sustainable food production and household food security, and the Department has prioritised the implementation of **spring water protection projects** as a strategic intervention to enable year-round fresh food production at the community level. The Department has completed **six (6) spring water protection projects**, which have led to the installation of **146 taps** benefiting **1 380 households**. These projects **created 319 jobs** during the construction phase. This initiative not only enhances water access but also establishes a solid foundation for consistent household food production and improved livelihoods.

Madam Speaker, building on this progress, the Department will expand the Spring Water Protection Programme as a key mechanism to address water scarcity for sustainable agricultural production. In the upcoming

2026/27 financial year, **R9.6 million** has been allocated to protect **13 more springs** in water-stressed districts. This intervention aims to provide reliable irrigation water access to communities, **strengthen household resilience, and expand local food availability year-round.**

II. INCLUSIVE GROWTH AND JOB CREATION

Honourable Speaker, the **Bureau for Food and Agricultural Policy (BFAP)** study commissioned by the Department confirms that the agriculture, forestry, and fishing sector remains a **critical pillar of the Eastern Cape economy**. It contributes approximately **2% to the provincial GDP** and **8% to employment**, while also supporting 24% of income and 30% of jobs in the agro-processing industries. Despite broader economic constraints, the sector continues to show resilience, with **agricultural GDP growing at 2.4%, surpassing the overall provincial economic growth of 1.9%.**

Honourable Speaker, the province's agricultural gross income increased from R35 billion in 2023 to R36 billion in 2024, with animal products remaining dominant at 58%, followed by horticulture at 28%, led by citrus as the largest contributor. While the sector continues to diversify, the provincial agricultural economy remains **anchored in livestock production**, with dairy alone contributing a 22% share of farm income. This concentration in **livestock and export-oriented horticulture** underscores both the strength of the sector and its **heightened vulnerability to biosecurity threats.**

BIOSECURITY SYSTEMS

Biosecurity Livestock

Honourable Speaker, in respect of the **livestock sector**, the ongoing **Foot and Mouth Disease (FMD) outbreak** has highlighted the critical importance of strengthened biosecurity systems. The outbreak has

disrupted production, constrained livestock movement, and reduced access to key export markets, resulting in significant financial losses, placing strain on farmers and the broader food system. In response, the province has mobilised resources to implement **comprehensive disease control and containment measures**, including an allocation of **R55 million** for the procurement of **over 1 million FMD vaccine doses** and **R22 million for critical consumables**. The response is aligned with the **National Mass Vaccination Strategy**, focusing on risk-based vaccination to stabilise the herd and reduce disease incidence, with over **160 000 cattle already vaccinated** in high-risk areas. Targeting the key industries such as dairy and feedlots, as well as creating a very critical buffer zone with KwaZulu-Natal, which seriously threatened our communal herd. Our vaccination drive is the key part of the first phase, which focuses on stabilization during the first 2 years. The response across various sectors has been encouraging, with both the Provincial and District Joint Operations Centres fully operational and receiving support from all our partners, such as Agri- EC, Milk Producers Association, Wool Growers' Associations, private veterinarians, SAPS, Municipal Law Enforcement, Wildlife Associations, and sister departments. The Department is further strengthening capacity through the appointment of 63 animal health personnel to enhance disease surveillance, control, and response.

Madam Speaker, *Siyaqhubeka nokuqinisekisa imfuyo yabantu bethu iyayiphucula impilo nentlalo yabo*. In the 2026/27 financial year, the Department is investing a **sum of R25 million in developing infrastructure** that would support the implementation of biosecurity and reduce climate change risks in livestock production. To ensure that farmers of the Eastern Cape access lucrative red meat markets, the Department is **commencing with the development of an export quarantine facility at Dohne Agriculture Development Institute**. This facility will enable both smallstock and large stock producers to quarantine the animals that are earmarked for the export market, as is a requirement of all importing countries. Furthermore, in facilitating trade requirements, the department will continue to roll out the **Livestock Identification and Traceability**

System (LITS), and **R4.5 million** is budgeted for this programme. This programme will increase the number of livestock and farmers that are complying with the Animal Identification Act, and individual animals will be fully identified for market and disease control.

University of Fort Hare (UFH) Veterinary School

Honourable Speaker, the long-term dream of hosting a Veterinary Faculty in the Province at the **University of Fort Hare** is getting closer to realization, and this will strengthen our biosecurity capacity in the province. Already, the University has garnered support from the national Department of Higher Education and Training (DHET) and the Department of Agriculture. The DHET has approved an R80m grant to build the first phase of veterinary science facilities, and the University hopes to admit its first group of 30 students in 2027 or 2028 once final approvals are secured.

The University has refurbished the research farm, Honeydale, which will serve as a facility for practical training of students on Livestock Production and Medicine. We will be supporting all these endeavours and implementing Livestock Identification and Traceability on the Fort Hare herd on an annual basis, emphasizing the importance of livestock traceability on biosecurity and trade. The veterinary programme and qualification mix (Curriculum) has been developed and submitted to the Department of Higher Education and Training (DHET) for approval, and we are convinced that it will pass the scrutiny and be granted the stamp of approval by the National Minister of DHET.

FAO Partnership on Animal Health for Biosecurity

Honourable Speaker, strengthening biosecurity systems also requires sustained investment in human capital and decentralised service delivery. In this regard, the Department is proud to highlight the **collaboration between TARDI and the Food and Agriculture Organization (FAO) of the United Nations** in reskilling and upskilling unemployed

Animal Health Technicians (AHTs) for **entrepreneurial development**. Following the legislative amendment by DALRRD in December 2022, which enabled Animal Health Technicians to operate as private sector entrepreneurs offering primary animal health services, **FAO launched the project “Sustainable Business in Animal Health Service Provision through Training for Veterinary Paraprofessionals.”** Through a Letter of Agreement, FAO appointed TARDI to provide refresher clinical training and introductory business skills. In 2026/27, this partnership will train 60 unemployed graduates, and the **intervention is critical in reinforcing the province’s biosecurity system**, expanding access to animal health services, and improving resilience across the livestock value chain.

IMPLEMENTATION OF AGRICULTURE AND AGRO PROCESSING MASTER PLAN

Honourable Speaker, the department has entered into a formal agreement with the **National Agriculture Marketing Council (NAMC)** to implement the **Agriculture and Agro-Processing Master Plan (AAMP)** and ensure that all value chain commitments are province-specific and farmer support is aligned to the National Production Scheme agenda. The collaboration aims to enhance value chain development, the commercialization of agricultural production, and improve market access, particularly for small-scale producers in the province. The implementation seeks to **improve the black share output from the current 13 % to 19 % by 2030**, hence the commitment to commercialize 100 farms.

The Commercialization of 100 Farms

Honourable Speaker, the analysis of **Proactive Land Acquisition Strategy (PLAS)** farms in the province reflects that 56% of farms have the potential to operate at a commercial level and a further 27% at medium scale. Performance of these farms remains significantly constrained, with 66% of them producing below their potential. This underperformance is not due to land quality, but rather systemic challenges, including low beneficiary

capability, where only 3% demonstrate high potential, while 62% show limited potential to become successful commercial farmers. These findings highlight a critical gap between potential and actual performance, reinforcing the need for a deliberate, structured, and targeted intervention. It is precisely this gap that the **100 Farms Commercialisation Programme** seeks to address. Building on the scientific assessment of **PLAS** farms, the Department has prioritised farms with strong agricultural potential. The Land Development Support grant implemented by the Department of Land Reform and Rural Development is supporting **26 farms** to strengthen infrastructure, production systems, and value chain integration.

At a provincial level, a **commodity-based clustering approach** has been adopted to enable production and product aggregation to achieve economies of scale and strengthen value chain development across districts. This includes a **deciduous fruit corridor in the Langkloof area, a grain production corridor in Elundini and Matatiele**, ensuring that land reform translates into **sustainable production, market access, and inclusive agricultural growth**. This includes Citrus District Corridor in Amathole and Sarah Bartmaan; Deciduous District Corridor in Sarah Bartmaan; Grain District Corridor in O.R Tambo; Joe Gqabi, Alfred Nzo, and Amathole; and Livestock District Corridor in all districts across the province.

Honourable Speaker, to ensure that the commercialization programme gains momentum, we have partnered with **Development Funding Institutions (FDI's)** through the ECRDA. To date, these partnerships have raised in excess of **R365 million in blended finance funds**. The participating institutions in these funds include Agri Seed Capita, Africa Seeds Group, Land Bank, Small Enterprise Development and Finance Agency SEDFA, and Eastern Cape Development Corporation ECDC.

In the 2025/26 financial year, the partnerships resulted in a total investment of R142.9 million in the province for production support, benefiting 46 Agribusinesses and creating 227 jobs. We are encouraged by the repayments

on the Eastern Cape Agriculture Blended Finance Scheme that we established with ECDC, in that **73 % of beneficiaries are paying their accounts as expected**, and only 27 % are under a watchlist. In the last financial year, the partnership with the **Land Bank leveraged a total R56.5 million** for more than 16 black commercial farmers, of which grain farmers were able to put into production more than 2 198 ha, while pineapple producers sustained 479 ha. In the 2026/27 financial year, the Department will continue supporting this partnership with a **R42 million** allocation to ECRDA.

The 100 Farms Commercialisation Programme has prioritised **capacity building as a key pillar of farmer development**. Targeted farmer training sessions were conducted across four districts: **Alfred Nzo, Amathole, Chris Hani, and Joe Gqabi**. A total of **155 participants** were capacitated through **agribusiness training** focused on business management, compliance with statutory requirements such as SARS, labour management, and farm record-keeping, thereby strengthening the managerial and operational capabilities required to support sustainable commercial production.

COMMODITY VALUE CHAINS

Livestock Value Chain

Red Meat Value Chain

Honourable Speaker, the **Bureau for Food and Agricultural Policy (BFAP)** report that has been released shows that the provincial role in the red meat production has been steadily growing over the past decade, and this growth happens from a low base of production. Between 2010 and 2024, production increased from 36.2 thousand tons to 70.2 thousand tons (a 194% increase). In recent years (2019-2024), beef production volumes increased with an annual average rate of 2.1% from 60.8 thousand tons (2019) to 70.2 thousand tons (2024). This is fully attributed to increased slaughter volumes in the province, which between 2019 and 2024, increased annually at a rate

of 1.9% from 220 thousand head slaughtered in 2019 to 252 thousand head slaughtered in 2024.

The low base of production is a result of finishing and processing within the Eastern Cape being far lower than in other provinces, with the Eastern Cape only having 4 cattle Feedlots and 9 high-throughput beef abattoirs. To address this anomaly, the department is aggressively embarking on developing the systems and infrastructure that will enable the export of red meat. The partnership with Ngqushwa Local Municipality in building Ngqushwa Beef Complex, in 2025/26, the Department completed the construction of Phase I of this project. This development was further enhanced by supporting cattle farmers in this local municipality with 390 beef cattle. To increase farmer resilience to the impact of climate change, the Department **completed the construction of 22 stock-water systems**, eight (8) dipping facilities, six (6) handling facilities, and 149 km of fencing, while renovating seven (7) dipping tanks, and 3.4 million cattle were dipped against tick-borne diseases.

Honourable Speaker, stock theft remains the biggest threat in the province, putting people's lives at risk and jeopardizing the livelihoods of many in the communal and commercial space. According to national crime statistics, 10 Eastern Cape police stations are among the country's top 30 stations for stock theft, highlighting the scale of the crisis facing rural communities. The Department has partnered with Agri-EC and SAPS in fighting the scourge by rolling out **16 surveillance cameras** at strategic points in the major routes in parts of OR Tambo, Amathole, Chris Hani, and Joe Gqabi, adding to the existing network that was set up in the commercial areas.

Animal Fibre Value Chain

Honourable Speaker, the province remains a major producer of **wool (38%) and mohair (75%)**, with more than 45 000 **smallholder black producers**, who produce about 5.4 million kilograms of wool and mohair

that is sold **in the formal export market**. The support for the animal fibre sector has been the provision of infrastructure, veterinary services, and genetic material. In 2025/26, a total of **16 shearing sheds were constructed**, 10 km of fence in two farms was erected, and 8.2 million treatments were applied for sheep scab control. Furthermore, a **total of 1 129 sheep and 190 goats were distributed** across the province to smallholder producers.

Honourable speaker, in the 2026/27 financial year, the department will capitalise and maintain the gains achieved by the sector **through partnerships**. **To date, the province has signed partnerships** with the Eastern Cape Communal Wool Growers Association, National Wool Grower Association, and the Wool Empowerment Trust. These partnerships will ensure that all producers benefit from sector transformation programmes. To fast-track sector transformation, the Department will support industry initiatives of supporting smallholder land reform beneficiary support programmes that will ensure these farmers receive support to be commercial wool producers, aligning with the 100 Farms Commercialisation Programme.

Furthermore, the Department is investing a total of **R23.3 million to construct 17 shearing sheds and implement eight (8) stock water projects** across the province. On the genetic improvement, the Department will continue to support wool producers with 900 sheep and goats with a budget of **R8 million**.

Honourable Speaker, the work done by the Mohair Empowerment Trust in the province is noticeable. The farmers supported by this Trust are benefiting from the Eastern Cape Blended Finance implemented by the Eastern Cape Development Cooperation (ECDC). The Department is currently exploring a partnership with this industry and will ensure that the province remains the global capital of Mohair production and processing.

Poultry Value Chain

Somlomo Obekekileyo, poultry production nationally is the biggest sector based on its GDP contribution. This sector has demonstrated strong resilience and competitiveness in the face of disease outbreaks. The resilience of the sector is premised on being the cheapest and most accessible animal protein to vulnerable households in the form of both eggs and meat. Demand for eggs and meat in the Eastern Cape outstrips the provincial supply. Approximately 50% of the lowest income households in the Eastern Cape spend 12.5% of their food expenditure on meat and eggs as a source of animal protein, and only 8.4% on other meat.

In the 2025/26 financial year, the department supported 136 broiler and egg producers with 252 tonnes of broiler feed and 145 tonnes of layer feed. This support has enabled producers to produce approximately 457 tonnes of meat and 145 tonnes of eggs. On the infrastructure support, five (5) projects were completed, these include three poultry houses and two boreholes for water provisioning. In the 2026/27 financial year, the Department is investing a budget of **R18.3 million** on **poultry production support**, 40% of this budget will be spent in supporting youth and women enterprises. Furthermore, an investment of **R7.5 million** on **poultry infrastructure development** will be made in seven (7) enterprises in Sarah Baartman, OR Tambo, and Chris Hani. To be effective, biosecurity challenges will have to be addressed, with traceability remaining important.

Grain Value Chain

Honourable Speaker, grains and oilseeds are critical to South Africa's agricultural economy and food security. According to the latest BFAP Report of the Eastern Cape Agriculture Review and Outlook, maize remains the second largest agricultural sector after poultry, with gross production value expected to rise from R60 billion to R65 billion. In our province, yellow maize remains the dominant crop and has grown. Over the past five years, there has been a 12% increase in planted area and a 13% rise in production. Farmers

in the province are diversifying their crops by including oilseeds like soybeans and canola. This is made possible by the fact that our rural farmers are leading in the non-commercial (smallholder) sector's production, contributing 46.75% of that segment's total maize production in the 2024/25 season. These grains are critical in the development of the red meat and poultry sectors. The aggressive maize commercialisation is the foundation for sustainable protein production.

Honourable Speaker, in 2025/26, the department planted over 23 000 hectares across various grain corridors, primarily through the provision of production inputs, mechanisation, and grain partnership services. The number of hectares planted in the province is supported and driven by a new generation of farmers, as demonstrated during the 2025 Women Entrepreneur Awards, where Nandipha Sodwele (production and milling) and Kabelo Puling (194 ha), young women, participated meaningfully in commercial grain production in the communal areas of Alfred Nzo. The OR Tambo District is not left behind in this space; the R61 is attracting attention, where young farmers running Jay Jay Farming Enterprise are planting in excess of 700 ha of communal land under maize and oilseeds. The commercialisation fund that was managed by the ECRDA supported 16 grain producers to plant more than 3000 ha with an investment of R63.2 million from the Land Bank partnership. The area under production is being increased by fencing of 45km in Amathole, Alfred Nzo.

Somlomo Obekekileyo, grain and oilseed production will be intensified by increasing area planted with grain partnerships in the 2026/27 financial year, with a production budget of **over R80 million** that will support **24 000** ha of winter and summer grains and oilseeds. This production will be done under dryland and irrigation. The Department will continue to protect croplands and in the coming financial year, 62 km of fencing will be erected.

Honourable Speaker, the BFAP study recommends that the province explore the establishment of feed manufacturing facilities in areas with high grain production potential, as a means to strengthen local value chains and

reduce input costs within the livestock sector. In response, the Department is exploring that opportunity, with a view to unlocking Agro-processing capacity, improving feed availability, and enhancing the competitiveness of producers across the province.

Citrus Value Chain

Honourable Speaker, Citrus, being the second largest agricultural commodity in the Eastern Cape, contributed 28.2% to the total agricultural gross income and was also the leading creator of jobs with 38 % of the total jobs created. This commodity is set to grow in the future, with 41% of the lemon trees between 5 and 9 years old; their competitiveness will be sustained for a couple of decades, and as such, lemons will surpass oranges as the citrus type with the highest volume of production. Based on this competitive situation, it is logical that the need for a value-added facility to generate an additional income stream for lower-grade products should be considered.

Black producers farm on 2 680 ha of citrus, of which 1 981ha is of bearing age, producing about 25 773 tons, which would increase by 101 390 tons (393%) to reach 127 163 tons if industry efficiency levels were to be obtained. At the same time, the current 2 598 citrus jobs could increase to 3 705. Hence, we have continued to support this industry, and in 2025/26, a total of R23.2 million was allocated from the Land Bank and DoA to fund 15 farms for operations, production, and expansion. Going forward, the department will, through the ECRDA, seek to leverage an investment of **R50 million** targeting the 36 black smallholder farms.

Honourable Speaker, the province's **horticulture sector, particularly citrus**, which is a key driver of export earnings, is equally dependent on **robust biosecurity and phytosanitary compliance systems**. Any breach in these systems poses a direct risk to **market access and international trade**, with potentially severe economic consequences. The Department is therefore intensifying **inspection, monitoring, and**

compliance measures, working closely with industry stakeholders to ensure adherence to international standards, protection of export markets, and sustained growth in this high-value sector. To improve the competitiveness of the citrus industry, the department is partnering with Citrus Growers Association (CGA), the industry players, the national and Western Cape governments, to implement the cost-effective method of controlling the False Codling Moth using the Sterile Insect Technique in more than 4 500 ha of citrus in the province. The department will be investing **R9 million** in the medium term in this initiative.

Deciduous Fruit Value Chain

Honourable Speaker, this commodity may not be as large as the citrus, but it is also positioned to grow in the future with 490 ha of deciduous fruit owned by black producers, of which 364 ha is of bearing age. These farmers harvested 199 ha, totalling to 8 082 tons of deciduous fruit produced. The potential benefit to these farmers, if industry efficiency levels were to be obtained for bearing and harvesting, is that the harvest could be increased by 17 293 tonnes (214%) to 25 374 tonnes, and the jobs could increase from 451 to 613. This commodity will also benefit from the blended finance initiatives that the department will drive with the ECRDA, much like the citrus industry alluded to above.

Cannabis Value Chain

ECRDA will continue to drive Cannabis and Hemp production throughout the province. They will accelerate private sector partnerships and support private sector-led industrial hemp trials in the Buffalo City and Amathole District, where they will scale up to 100 hectares in 2026/27 to complete project bankability. In 2026/27, ECRDA will facilitate 150 hectares of hemp production. Furthermore, they will train 100 hemp producers. Lastly, ECRDA will establish a cannabis oil extraction incubator with the Technology Innovation Agency (TIA) in the O.R. Tambo District.

Revitalisation of Irrigation Schemes

Honourable Speaker, during the term, the government has committed to expanding the area under irrigated production to 10 000 ha in the irrigation schemes. The programme was launched in 2025/26. This year saw an increase in the area under vegetable production in the OR Tambo, Amathole, and Chris Hani to 1 178 ha in the Zanyokhwe, Qamata, Port St Johns, Keiskamma, and Tyhefu irrigation schemes. To date, Zanyokhwe Irrigation Scheme has led the way in revitalisation with various commodities that are championed by individual enterprises in the scheme, like Juta Agri Tech, driving potato and butternut production, while Sihle Maseko is driving cabbage and butternut production. Furthermore, the Department of Water and Sanitation commenced with the bulk water infrastructure repairs in three schemes, which included the upgrade of the bulk water pipelines from the water reservoir, the repair and cleaning of dams, and the repair of water pumps and valves. The Department supported irrigation producers of Zanyokhwe and Qamata with in-field irrigation infrastructure and repaired the potato wash line of Zanyokhwe Irrigation Scheme. The rehabilitation of the potato washer in Zanyokhwe ensured that potato producers were able to sell their potatoes to high value market channels like Steers and Fresh Produce Markets at competitive prices.

Honourable Speaker, the landowners and farmers in the irrigation schemes have limited capacity to produce due to access to production machinery and technology to optimize production. The Department is partnering with the Agriculture Research Council (ARC), driving water use efficiency through irrigation scheduling technology that is funded to the value of **R900 000** to ensure irrigation schemes align with precision agriculture. To improve production efficiencies in the schemes, a budget of **R5.2 million** is set aside to develop a commodity-specific shared mechanization centre offered by the irrigation scheme to farmers of the scheme. Furthermore, the introduction of production partners in the schemes will ensure that production efficiencies and market access issues are addressed.

Somlomo Obekekileyo, milk production is by far the largest (22%) income generator of farm income in the livestock sector of the province. There are five (5) milk-producing schemes where landowners partnered with Amadlelo dairies. Currently, these **schemes are producing approximately 16 million litres of milk annually**. In the 2026/27 financial year, the Department is investing an amount of **R1.5 million** to revitalize the milk pasteurizing facility at the Seven Stars Dairy, which will be utilised by the three dairies in that area. Furthermore, the dairies will be supported with production inputs to improve the productivity of pastures, which will improve milk production. The milk from these dairies is currently sold to the commercial milk processors. Their market will further be expanded with the government markets through the **Government Procurement of Agricultural Products (GPAP)** model.

Vegetable production is currently the second biggest user of irrigation scheme land, and by the end of 2026/27, it would be 2 200 ha. To support this commodity, the department is investing **R8.5 million** in the development of fences and infield irrigation in Qamata, Billaty, and Zanyokhwe. To ensure that fresh vegetables are marketable, the Zanyokhwe and Qamata irrigation scheme will be supported with SA-GAP compliance infrastructure and cold storage infrastructure to the value of **R2 million**. The success that has been achieved in vegetable production would be maintained and improved with production support of **R25 million** in the 2026/27 financial year. A total budget of **R9 million** is set aside to produce 1 000 ha of winter and summer grains and oilseeds in the irrigation schemes to ensure that the irrigation land is utilised for full production year. Furthermore, Lucerne is one of the anchor commodities in the schemes and is vital for dairy and other livestock sectors. Qamata and Zanyokhwe will be supported with a budget of **R4 million** to produce on 300 ha of land.

PRODUCTION BASED MECHANIZATION SUPPORT

Madam Speaker, the Department is receiving an overwhelming number of requests from farmers for support with mechanization equipment, including

tractors and specialized machinery. In the 2025/26 financial year, the Department provided six (6) youth agri-businesses with six (6) tractors and equipment on Youth Day. Additionally, on Women's Day, two Queens from the Kingdoms of AmaXhosa and Abathembu baseNtshona received two (2) tractors each to support production in their areas.

Honourable Speaker, the Department plans to expand production-based mechanization by distributing **25 tractors to qualifying producers who cultivate a minimum of 50 hectares and have demonstrated sustained production over at least three production cycles. These producers must also be registered in the Farmer Register Database.** This targeted support aims to improve efficiency, increase output, and facilitate the transition of producers towards full commercialization. The programme will be implemented with a budget of **R12 million**. The department will collaborate with the private sector to introduce innovative financing and leasing models that will allow smallholder and commercial producers to access affordable mechanization solutions, thereby reducing production costs and enhancing competitiveness in key value chains. Drawing from the success of the SMART Mechanisation concept by Ukhanyo Development and John Deere, the department will replicate this model. In Phase 1, eleven (11) agribusinesses were funded, achieving a 99% repayment rate within 3 years.

SUPPORT FOR MARKET READINESS AND ACCESS

Honourable Speaker, market readiness support is a crucial aspect of the Eastern Cape Department of Agriculture's transformation agenda. Increased production alone is not enough to ensure food security. Farmers need to be equipped to access formal markets, meet quality standards, and compete effectively in value chains.

In the 2025/26 fiscal year, the Department successfully assisted 10 agribusinesses in obtaining South African Good Agricultural Practice (SAGAP) certification. This initiative improved food safety compliance, enhanced

record-keeping systems, and positioned these businesses to access various markets. The programme received significant interest from producers in the province looking to meet formal market requirements.

To meet this demand, the Department has allocated **R6.2 million** in the 2026/2027 fiscal year to enhance market readiness interventions. A primary focus of this funding will be to expand SA GAP support to 45 agribusinesses across all districts. This support will help farmers meet compliance standards, enhance product quality, and improve competitiveness in high-value markets. In addition to certification, the Department is promoting aggregation models through cooperatives, commodity associations, and rural food hubs to increase economies of scale and bargaining power. Investments in packaging, storage, and cold-chain support will also help reduce post-harvest losses.

Market exposure platforms are also part of our readiness strategy. In the 2025/2026 fiscal year, the Department successfully piloted four Agricultural Shows in municipalities, connecting producers with buyers and partners. Building on this success, in the 2026/2027 fiscal year, the Department will host nine Agricultural Shows covering all municipalities, including Nelson Mandela Bay Metro and Buffalo City Metro Municipalities.

Through partnerships with organizations like the Eastern Cape Rural Development Agency (ECRDA), Eastern Cape Development Co-operation (ECDC), and private sector buyers, we are creating pathways for emerging farmers to participate meaningfully in the agricultural economy. This targeted investment demonstrates our dedication to developing a compliant, competitive, and inclusive agricultural sector that promotes job creation and sustainable economic growth in the Eastern Cape Province.

AGRICULTURAL SKILLS DEVELOPMENT AND CAPACITY BUILDING

Agricultural Colleges

Honourable Speaker, a significant milestone has been reached in the transformation of our agricultural education system. Following the approval and gazetting of the Policy on Institutional Type in October 2025, agricultural colleges are now formally incorporated into the national framework, with their mandate clearly defined.

Honourable Speaker, in alignment with this shift, Colleges collectively engaged the Department of Agriculture and the Department of Higher Education and Training to facilitate the transition into centres of excellence aligned to the country's skills development and innovation agenda. This process marks a significant step towards establishing our colleges as **nationally recognised centres of competency**, capable of strengthening **agricultural training, research integration, and farmer-focused innovation**. Through this shift, the colleges will play a pivotal role in **building a skilled, capable, and future-ready agricultural workforce**, not only for the Eastern Cape but for the country as a whole.

Honourable Speaker, as we strengthen the agricultural ecosystem in the province, skills development remains a critical pillar for building farmer capability and supporting sector growth. In this regard, the Tsolo Agricultural and Rural Development Institute (TARDI), Fort Cox College, and Mpofo Training Centre continue to play a pivotal role in strengthening human capital in the sector, and as such, a total of 3 269 participants were trained across the province on agriculture and agribusiness skills. The two Colleges have a combined annual enrolment of approximately **600 students** undertaking qualifications in **crop and animal production, agri-business, animal health, and forestry**. On **12 March 2026**, TARDI hosted its **9th Graduation Ceremony**, where **38 out of 41 learners graduated**, representing a **93% completion rate**. The Fort Cox graduation will be

held in May 2026. These outcomes contribute directly to building the skilled workforce required to support agricultural development, strengthen rural economies, and empower young people to participate meaningfully in the agricultural sector and broader rural development initiatives across the Eastern Cape.

Youth Skills Development and Agribusiness Placement

Honourable Speaker, on youth incubation, we are pleased to announce the continuation of our **Entrepreneurial Graduate Placement Mentorship Programme**, which is in its fourth term with a cohort of **120 unemployed agricultural graduates** placed on commercial farms for entrepreneurial development. These graduates also undergo further business development training at the NMU Business School. We have expanded the programme with a further intake of 20 graduates who have been placed at Magwa/Majola Tea Estates to understudy the unique tea industry.

AQUACULTURE AND SMALL-SCALE FISHERIES SUPPORT

Honourable Speaker, in 2025/26, the Department completed the development of Dohne Freshwater Aquaculture Demonstration Centre. This facility will enable the government to develop freshwater aquaculture utilising available water resources through the production of high-quality and cheaper protein. The second phase, scheduled for 2026/27, will validate the findings and finalize the project for sector development.

In the 2026/27 financial year, the department will operationalize the facility to begin fish fingerling production for farmers and inland dam stocking to promote inland fisheries development. The Department will collaborate with research institutions and universities to advance the province's research agenda. Furthermore, the department will support farming of oysters and sea urchins in the Keiskamma River Mouth, in Hamburg, with a budget of R200 000.

Small-scale fisheries support programme

The department will continue to provide fishing gear and equipment to 10 fishing cooperatives with 15-year fishing rights. These cooperatives are located across the coastal District Municipalities of Alfred Nzo, OR Tambo, and Sarah Baartman. An investment of **R2 million** will be made to enhance livelihoods, food security, and economic development.

CLIMATE CHANGE AND NATURAL RESOURCE MANAGEMENT

The Eastern Cape Province faces extensive land degradation, declining soil fertility, overgrazed rangelands, invasive species encroachment, and increasing climate-related risks affecting more than 1.6 million ha of agricultural land. These challenges undermine agricultural productivity, threaten household food security, and limit rural economic development. To address these, we are participants in the proposed Integrated Natural Agricultural Resources Management (NARM) Programme, which aims to rehabilitate degraded land, strengthen sustainable agriculture practices, improve climate resilience, and build the capacity of rural communities and institutions.

Honourable Speaker, to encourage the adoption of controlled Land Use to achieve sustainable use and management of natural agricultural resources through application of Conservation of Agricultural Resource Act 43 of 1983 and Subdivision of Agricultural Land Act 70 of 1970, in the current financial year the Department has managed to successfully protect and rehabilitate 6 311 hectares of productive land, restoring production on previously degraded land affected by invasive species and creating 556 jobs.

Honourable Speaker, the province will be hosting the **National Land Care Conference** in September this year. This conference will see the convergence of experts from around the country, farmers, learners, and youth converging to discuss and develop plans to promote the sustainable

use of natural resources, address natural resource challenges, restore degraded agricultural resources, mobilize resources from government and donors, and provide advice on necessary control measures.

As part of our interventions in converting the liability of invasive vegetation into an economic asset, the department will be partnering with the Centre for Sustainable Agricultural Livelihoods and Rural Development, a non-profit organization within the Rabula Rural Area, for a biochar facility that will control hundreds of hectares of invasive vegetation and create 300 jobs. For the 2026/27 period, 9,575 hectares will be rehabilitated, resulting in the creation of 590 green jobs. Conservation Agriculture will be implemented on 224 hectares of arable land to reduce soil degradation caused by continuous monocropping and excessive use of chemicals, thus promoting sustainable crop production. Additionally, 180 youth will participate in and benefit from the Junior Land Care Initiative in their schools and communities throughout the province. A budget of **R18 125 000** has been allocated to support land rehabilitation programmes, create awareness, and generate green jobs through Land Care.

SUPPORT THROUGH EXTENSION AND ADVISORY SERVICES

Honourable Speaker, in the 2025/26 financial year, the Department aimed to increase the training of extension personnel in various commodities from 240 to 257. During this time, 216 practitioners were trained in Cannabis production, 104 in Aquaponics, and 129 in Citrus production. Despite challenges in employing 19 Assistant Agricultural practitioners, the province successfully appointed 22 Assistant Agricultural Practitioners, bringing the total staff count to 560. The utilization of the Survey 123 reporting system is progressing well, with Programme 4 fully integrated. The ICT directorate is collaborating with ESRI South Africa to enhance ICT capacity for the programme's department-wide rollout.

To better understand and support farmers in the province, they are registered in the Farmer database to identify their practices and commodities in line with the producer support policy. Currently, there are 100 302 registered farmers in the provincial database, with the highest concentration of farmers in Chris Hani and the least in Sarah Baartman. This database helps in servicing farmers and understanding their production levels.

The extension and advisory service is allocated a budget of **R79.066 million** through the CASP ERP grant to train 504 extension practitioners in various skills programmes, including Extension CAPRI Big 5, Pinnacle Extension, SHEP, and climate-smart and precision agriculture. Furthermore, to recruit and appoint 101 extension practitioners on contract for a period of 3 years.

Somlomo Obekekileyo, to ensure that government priorities of reducing food insecurity and commercialization of agriculture, extension and advisory practitioners are critical change agents. The extension approach that the country and province adopt is “Smallholder Horticulture and Empowerment Promotion,” easily known as SHEP. This approach emphasizes market-led production by introducing farmers to the concept of **"Grow to Sell" rather than just "Grow and sell."** In the upcoming year 2026/27, a total of 9 330 producers will be trained in this approach, and 6 000 projects will be supported to access local, formal, and export markets.

To enhance production and align with key commodities in the province, the extension programme will promote specialist extension services by collaborating with commodity groups. In the 2026/27 fiscal year, 72 extension practitioners will be deployed in priority commodities to pilot the rollout of the Specialist Extension Service. These will be deployed as follows: 20 in animal fibre working with The Wool Empowerment Trust and Mohair Empowerment Trust, 20 in the grain and vegetables, six (6) in the citrus working with CGA-GDC, 20 in poultry and piggery. These officials will work directly with industry partners in the identified commodities. The success of the sector to grow fully depends on the adoption of production technology and farmers meeting the required market standards. That is why today I am

making a sincere call to the industry to join hands with the department in providing support to farmers. I have instructed the HOD and his management to actively engage more organisations to deliver on the Specialist Extension Services for growing an inclusive sector.

Research and Technology Development

At the core of agricultural development is research aimed at addressing production constraints faced by farmers and providing technologies that enhance production, improve productivity, and boost competitiveness. In the 2025/26 financial year, Cannabis (Intsangu) research studies that seek to preserve the indigenous strains were completed, resulting in the production of six scientific papers. To enhance agricultural innovation through research, technology development, and knowledge transfer, during the period under review, a total of 40 research presentations were made at peer review events. A total of 34 research presentations were made at technology transfer events as a means of technology transfer in conjunction with Extension and Advisory Services across various districts. The Seed Multiplication Project was implemented with 5 hectares of maize planted at Cradock Research Station. This will provide free maize seed to no less than 2 000 resource-poor households in support of *Ilima Lokulima*. The provision of analytical services to farmers resulted in 2 600 soils, water, and feed samples being analysed to improve decision-making, especially when it comes to fertilizer applications.

In the 2026/27 financial year, the planning phase for **the state-of-the-art nursery at Dohne** will be completed, which will provide seedlings to farming communities while also serving as a training facility for farmers to produce their own seedlings. In pursuit of seamless technology transfer and integration with Extension and Advisory services, a **Technology Transfer Services Centre** will be established at Dohne, which will serve as an in-house facility that integrates the advancement and application of agricultural technology, innovation, ICT, and climate-smart agriculture. The facility will be open to farmers, extension officers, and the public at large. Dohne, in

collaboration with researchers in OR Tambo, will provide technical services and production plans for the ambitious **Pondoland Beef Project driven by the Qaukeni Great Place**, an initiative to breed and rear calves and sell to Karen Beef company on about 1 800 ha with 200 ha of grain and planted pasture production for animal feed.

ECRDA POSITIONED TO DRIVE AGRICULTURE DEVELOPMENT

The Department is currently positioning ECRDA as an agricultural developmental finance institution that will provide commodity/production cycle-based funding mechanisms to the farmers. We will achieve this by strengthening the institutional capacity of the entity to partner with other DFI's such as Land Bank, ECDC, IDC, and the private sector. The ECRDA has demonstrated a great deal of success in these partnerships through the MOA with the Land Bank, where they have provided R97 million in grants and R103 million in Blended Finance to support the commercialisation of black producers to participate in value chains.

Madam Speaker, we have also tasked the ECRDA to develop agriculture investment business cases that will attract much-needed investment to the province. They are expected to achieve this through project packaging, targeting priority projects such as economic commercial development initiatives, Magwa and Majola diversification, Agro-Eco Tourism, and specific niches in the agriculture value chain. All the strategic projects are expected to be packaged and submitted to BFI for funding to stimulate growth and employment in the province.

Honourable Speaker, the successful implementation of the programmes we are advancing in the province is underpinned by strong institutional partnerships that can unlock investment, strengthen rural infrastructure, and expand market access for emerging producers. In this regard, the Eastern Cape Rural Development Agency (ECRDA) is being strategically positioned as a **catalyst in driving the Government Procurement of**

Agricultural Products (GPAP) model. Through this role, the ECRDA is not only driving programme coordination and delivery, but also **leveraging additional funding through blended finance instruments**, crowding in resources from other **Development Finance Institutions and the private sector**, and strengthening value chain financing to support sustainable agricultural growth.

The GPAP model was approved by EXCO in June 2025, and subsequently, the Project Management Office was established at the ECRDA. Through the ECRDA, we conducted supplier readiness wherein **16 million litres of milk per month are readily available from Amadlelo Agri Dairies (Ncora, Middledrift, Keiskammahoek, and University of Fort Hare)**. **Red and poultry meat are available from a total of 98 abattoirs** that are registered and certified by the department across the province, while poultry and eggs are available from various producers across the province. **Fresh vegetables are also available at Zanyokhwe and Qamata irrigation schemes, with volumes exceeding 200 tons of potatoes, 75 tons of cabbage, and 30 tons of butternut**, while various types of fresh fruit are available from several pack sheds, including Ripplemead, Kat River, Sundays River, and Langkloof. The programme will be phased over a period of five years, wherein in the first and second year, the government market would target 30% - 40% of the volumes indicated, in the third and fourth year, 50% to 60%, which could be increased to more than 80% in the fifth year.

III. CAPABLE, ETHICAL AND DEVELOPMENTAL STATE

STRENGTHENED GOVERNANCE

INNOVATIVE

CORPORATE

Honourable Speaker, in advancing a capable and ethical developmental state, the Department has aligned its organisational structure with the Strategic Plan and Service Delivery Model, strengthening accountability,

operational efficiency, and the implementation of the Agriculture and Agro-processing Master Plan, while promoting inclusive employment practices. The new organisational structure, approved in July 2025, has seen the **successful migration of senior management, with the process currently underway for the remaining levels within the Department.**

Honourable Speaker, the Department continues to prioritise human capital development to address scarce and critical skills within the agricultural sector. In the 2025/26 financial year, bursary support was provided to four students pursuing Veterinary Science at the University of Pretoria, contributing to strengthening veterinary capacity in the province. Building on this, in **2026/27, the Department will expand the programme by awarding bursaries to eleven Eastern Cape students in critical fields, including Veterinary Science, Veterinary Technology, and Agricultural Engineering.** The Department remains committed to absorbing these beneficiaries upon completion of their studies and compulsory community service, thereby strengthening technical capacity within the sector.

To enhance transparency and performance, the Department is strengthening monitoring and evaluation through an ICT-enabled, real-time project tracking system, complemented by quarterly oversight visits by senior management, with outcomes reported to ensure accountability.

The Department remains **committed to clean governance** through the development of a **Fraud Prevention and Anti-Corruption Strategy**, strengthened financial management controls, and adherence to ethical standards to prevent irregular expenditure and improve audit outcomes.

Honourable Speaker, the Department remains committed to creating pathways for youth employment and skills development within the agricultural sector. Currently, 200 TVET learners are placed under the Work Integrated Learning Programme to complete their National Nated Diplomas.

While 42 graduate interns are hosted across various directorates to bridge the gap between academic training and workplace experience.

CONCLUSION

Honourable Speaker, as we reflect on the progress made and the work that lies ahead, it is clear that agriculture remains a powerful lever to drive inclusive growth, reduce poverty, and restore dignity to our people. The programmes we have outlined are not isolated interventions, but a deliberate, integrated response to unlock the full potential of our land, our farmers, and our rural economies.

We are therefore committed to moving faster in implementation, strengthening partnerships, and ensuring that every rand invested translates into increased production, expanded market access, job creation, and improved livelihoods

While the challenges we face are significant, we are confident that through **focused leadership, coordinated action, and sustained investment**, we can reposition agriculture as a **growth frontier** for the province, capable of transforming rural communities and contributing meaningfully to the broader provincial and national economy.

Let us move forward with renewed determination and a shared commitment to build a food-secure, inclusive, and prosperous province for all.

I thank you.

Annexure A: Budget 2026/2027 MTEF

Programmes	2025/26	2026/27	2027/28
	Revised Baseline	Revised Baseline	Revised Baseline
Departmental Programmes Allocation			
Administration	532 845	533 260	517 967
Sustainable Resource Use and Management	140 021	153 105	163 789
Agricultural Producer Support and Development	896 551	882 615	939 949
Veterinary Services	387 006	474 902	415 934
Research and Technology Development Services	158 344	166 378	163 996
Agricultural Economics Services	42 388	145 766	136 360
Agricultural Education and Training	201 301	196 012	227 207
Rural Development	220 167	161 262	165 288
TOTAL	2 578 623	2 713 300	2 730 490
Economic Classification			
Compensation of employees	1 479 410	1 531 922	1 605 777
Goods & Services	559 821	675 522	583 189
Transfers & Subsidies	347 145	341 642	344 441
Payment for capital assets	192 247	164 214	197 083
TOTAL	2 578 623	2 713 300	2 730 490