

REPORT OF THE PORTFOLIO COMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS

TAKING LEGISLATURE TO THE PEOPLE IN THE STEVE TSHWETE LOCAL MUNICIPALITY, NKANGALA DISTRICT, 13 – 17 MARCH 2017

1. INTRODUCTION

The Mpumalanga Provincial Legislature (the Legislature) has a responsibility in terms of Section 118 of the Constitution of the Republic of South Africa, Act 108 of 1996, (the Constitution) to facilitate public involvement in its legislative and other processes. Sections 114 and 133 of the Constitution, read with Rule 190(4) and Rule 131 of the Rules and Orders of the Mpumalanga Provincial Legislature (the Rules) directs the Legislature to hold the Executive accountable for the exercising of powers and performance of their functions. Therefore, the Portfolio Committee on Agriculture, Rural Development, Land and Environmental Affairs (the Committee) regularly conducts public hearings and oversight visits to projects of the Department of Agriculture, Rural Development, Land and Environmental Affairs (the department) and other projects; in the various municipalities of the Province.

One of the instruments that enable the Portfolio Committee to execute their mandate is to undertake oversight-visits to various projects in the Province.

2. PURPOSE OF THE “TAKING LEGISLATURE TO THE PEOPLE” PROJECT (TLP)

The purpose of the TLP is to reach out to the communities and to enable the people to have access to the Legislature, especially people who are living in deep rural areas. The Legislature seeks to hear the voice of the people and to ascertain whether provincial government delivers services effectively and efficiently within the respective municipalities.

3. OBJECTIVES OF THE VISITS

The following objectives shaped the oversight visits to the projects of the department:

- To evaluate the progress made on projects reflected in the Annual Performance Plan (APP) implemented by the department. The Legislature seeks to ascertain whether provincial government delivers services effectively and efficiently within the respective municipalities.
- To determine the extent to which public funds are efficiently, economically and effectively used by the department in the implementation of its projects;
- To interact with project beneficiaries in order to hear their concerns.
- To fast track service delivery of core services to the communities within the municipality in which the department has funded projects.

3. METHOD OF WORK

In preparation for the TLP, the research section conducted pre-site visits to the Municipality. Comprehensive research reports were compiled that informed the Committee's programme for the oversight visits. The Committee met with the HOD, District Director and Project beneficiaries at Elandspruit Fortune-40 Project. The Committee also conducted a Stakeholder Engagement with farm dwellers at the Themba Sinamela Stadium.

4. OVERSIGHT ON GOVERNMENT FUNDED PROJECTS

4.1. ELANDSPRUIT FORTUNE 40 PROJECT.

4.1.1. Project background

This is one of the Fortune-40 projects that was introduced by the Honourable Premier during the 2015 SOPA pronouncements. The Fortune-40 programme is aimed at equipping the youth with agricultural expertise so that they can become successful commercial farmers in future and create job opportunities. The department started the Steve Tshwete project in the 2015/16 financial year. The project comprises of 3 groups of cooperatives from Steve Tshwete Local Municipality and Emalahleni Local Municipality. Initially the farm was identified for Isibaya Esitsha Cooperative. Due to challenges to acquire land, two cooperatives (Siyaqhuba and Bankfontein Agricultural Cooperatives) were incorporated to this farm so that they are not left behind on the incubation programme. . It is reported that six members resigned from the project.

The project is situated at Elandspruit 291 JS along the R555 Road from Middelburg to Witbank in ward 29. The department has appointed an Incubator (JMB trading) on behalf of the cooperatives to capacitate them on both theoretical and technical aspects of farming.

The farm is 331 hectares in extent with 70 hectares of arable land and 236 hectares of natural grazing land. The cooperatives have planted 5ha (five hectares) of sugar beans in the previous production cycle, but the crops were affected by droughts.

4.1.2. Project Profile

The department provided the following information in terms of the project profile:

District and Municipality	Nkangala District Municipality, Steve Tshwete Local Municipality
Village name and ward	Elandspruit Ward 29
Form of ownership	Title Deed under Manala CPA
Number of hectares	331 Ha
Source of funding	DARDLEA

4.1.3. Support Provided by the DARDLEA

The project is funded by the department through CASP with an amount of **R6 984 787.27** in the current financial year and the expenditure as of February 2017 is **R4 200 000**. The budget is for renovation of a student hostel, renovation of training centre, rehabilitating 5 centre pivots for irrigation, construction of a dam, and electricity installation. The work is supposed to be completed by the end of the financial year.

Progress on the work done as of March 2017:

- Scoping and soil analysis was done on the project.
- Renovation of student hostel is 90% complete.
- Renovation of training centre is completed.
- Electricity connection fee was paid, waiting for Eskom to connect.
- Construction of 3000 cubic meters dam is complete.
- Rehabilitation of four Centre pivots is 90% complete, only few snag list that are in the store-room for safety reason. It is reported that the snag list will be corrected once electricity is connected.

- Two pump stations are 100% complete only testing left.
- 2 boreholes were drilled, but not yet equipped.
- Boundary fencing of 4km is underway, service provider has been appointed.
- The beneficiaries are transported on site every morning to make sure that they are on time with the incubator.
- The beneficiaries attended four formal trainings: soil fertility and plant nutrition, identify basic function of the ecological environment, basic maize production and mechanization management.
- The beneficiaries attended skills development training which includes vegetable production, co-operative governance and management, mushroom and sweet potato production techniques production.

4.1.4. Progress and Achievements

The department reported that the cooperatives managed to plant spinach, cabbage, onion and tomatoes last season and they supplied to Witbank fresh produce market. Currently, the co-operative planted yellow maize on 30ha, lattice, tomatoes, cabbage and green pepper in the 2 old tunnels. The cooperative also planted about 3ha of dry beans.

4.1.5. Challenges

The Committee noted that the project has a shortage of water due to unavailability of electricity.

4.1.6. Interaction during the TLP oversight visit

Steven Ntuli of the Bankfontein Cooperative reported that:

- He is the only person left at the project representing Bankfontein Cooperative;
- Beneficiaries of the Bankfontein Cooperative are being suppressed at the project;
- They are always left behind and without information of what is really happening at the project;
- He reported that they do not have working equipment and are not getting the required skills on the project;
- He requested for the Legislature's involvement in resolving issues at the project.

Dumsani Djiana of the Isibaya Esitsha Cooperative reported that:

- He appreciated the intervention by the department and reported that he is satisfied by the working relationship that the cooperative has with the department.

Fikile Sindane of the Siyaqhuba Agricultural Cooperative reported that:

- She is happy in the project and that everything is in order.

Inputs and responses by the department

The HOD presented on the interventions made in the project since inception and reported that the major challenge remains the slow progress in completion of planned activities. She reported that procurement is a major challenge, mainly because the incubator was put into a clause. In terms of land ownership she reported that the farm was leased to an incubator for five years and will be renewed for the next 30 years. As an intervention, the department reported that certain hectares that will benefit the project will be demarcated.

The committee requested clarity on the incubator leasing the farm. The department reported that an incubator who is also a lessor of the farm was appointed. The committee also tasked the department of Rural Development and Land Reform to correct the lease agreement in order to maintain the future of the farm. The department committed to provide the committee with progress report on the lease agreement of the farm.

In terms of the concerns raised by the Bankfontein cooperative, the HOD reported that she was not aware of the challenges that were raised by the project beneficiaries, in particular the sidelining of cooperative members. She reported that there are rules of engagement with the youth and the department has an open door policy whereby some of the youth can call her direct when there are challenges. The Committee raised a concern that there seem to be a lack of communication between project beneficiaries and the department. The committee raised a concern that officials at district level were not adequately supporting the project.

The committee enquired whether the market on government nutrition programme has started for the project to supply hospitals. The HOD reported that the school nutrition programme will start on 1 April 2017.

The Committee congratulated the department on the Fortune-40 programme and encouraged the young people to appreciate the opportunity given to them on the project. The committee highlighted the importance of the Fortune-40 programme which gives youth the opportunity to be able to alleviate poverty, when mines are retrenching people. The committee reiterated that the program allows youth to be job creators rather than job seekers.

Furthermore, the Committee enquired on the progress made by the department in engaging Eskom to install electricity in the farm. In response, the department reported that Eskom has started with the installation of transformers and solar panels will be installed at the hostels. The Committee enquired on the possibility of installing windmills in the farm to move away from constantly depending on electricity. In response the department indicated that windmills will be considered in the farm, as the windmills project has started in other projects.

The committee enquired about the accreditation status of the training provided by the department and also the involvement of Agri-Seta in the program. In response the department indicated that some of the appointed incubators have their own accreditation and the youth will receive accredited certificates. In addition, the department reported that it is partnering with the National Skills Fund.

The committee enquired whether the department will be able to spend all the money allocated to the project before the end of March 2017. In response the HOD reported that most of the work in the project is at 90% completion and most parts have been procured but not yet installed. In addition, the HOD indicated that the department spent almost all the money allocated for the project, and there is a small portion of the budget left as of March 2017.

4.1.7. FINDINGS EMANATING FROM THE OVERSIGHT VISITS

The Committee made the following findings:

1. There seem to be a lack of communication between project beneficiaries and the department.

2. The elandspruit farm is leased to the incubator, thus affecting the future of the investments made by government in the farm. DARDLEA committed to work with DRDLR and provide the committee with progress report on the lease agreement.
3. The youth will receive accredited certificates on completion of the training programme.
4. The project will be part of the Government Nutrition Programme and will start on 1 April 2017.
5. Most of the work done in the project is at 90% completion.
6. Most stakeholders are not actively involved in the project. This was noted on the poor road condition to the farm.

4.1.7. RECOMMENDATIONS EMANATING FROM THE OVERSIGHT VISITS

The Committee recommends that the department must:

1. Ensure that officials at District level come close to the project and continuously monitors its implementation and working relations.
2. Report on the status of the lease agreement and plans to secure government investments made on the farm.
3. The department must ensure that all cooperative members exit the programme with accredited certificates and acquired the necessary capacity to become future commercial farmers.
4. Ensure that the project is part of the Government Nutrition Project and is capacitated to deliver the required volume in the market.
5. Ensure that the budget of **R6 984 787.27** allocated to the project is used for its intended purpose. Furthermore, the department must ensure that the renovation of student hostel, rehabilitating 5 Centre pivots for irrigation, construction of the dam and electricity installation is completed within the specified timeframe.
6. Engage all stakeholders including Steve Tshwete Local Municipality to participate in the project and ensure that the road to the project is properly graded and remains in a good condition.
7. Submit a list of all Fortune-40 projects in the province, indicating the beneficiaries per project. The list must be submitted to the Committee 7 days after adoption of this Committee report by the House.

5. STAKEHOLDER ENGAGEMENT

The following issues relating to the department were raised during the Stakeholder Engagement:

- a) **Ward 29** – a widow living on a farm for past 4 years. Her husband died. The house she is living in can fall down anytime. She requested for a house to be provided to her.
- b) **Mandlakayise Mthombeni** – raised a concern that the department was taking too long to address issues they have with ALZU farm. Furthermore, he requested the government to buy the farms from the white farmers
- c) **Juluka Farmers Association** –houses in ALZU are collapsing but farmer does not allow them to rebuild. The councilor visited them many times but could not assist them. They have been living there for 50 years and the area where their livestock was has been removed.
- d) **Johan Mlangeni of Ward 3** – requested the municipality to recognize people living in farms.
- e) **ALZU Farm**- They do not have electricity, but all farms have electricity. They also need grazing land.
- f) **Funding for farmers.** Farm dwellers enquired why the Mpumalanga Agricultural Bank does not exist.
- g) **John Skosana of Ward 7** – requested for grazing land for livestock. He reported that last year he lost 10 cows.
- h) **Sarah Mokoena (ALZU)** – reported that her house was demolished. She requested the Department of Education to also include them in the School Transport Programme.
- i) **Andries Masemola (Mhluzi)** – Shortage of water. They have a borehole but no pump. They are requesting for a tractor and a jojo tank so they can water their vegetables.

The MEC responded to the above mentioned issues as follows:

- a) The MEC reported that all issues that were raised in the stakeholder engagement will be taken seriously.

- b) He reported that the ALZU issue was at court. The Department of Rural Development and Land Reform (DRDLR) has appointed a lawyer. He requested that since the matter is under sub-judice, the matter be left at the hands of the courts to come up with a solution.
- c) The department will conduct a Land Summit from 4 – 6 April 2017.
- d) The MEC will visit all regional offices to ensure that people can be assisted at the offices.
- e) The issue of land and abuse of black people in farms is not an easy issue to deal with. However, the department together with the DRDLR is doing its best to address all issues raised.
- f) He committed the department that it will engage the Department of Public Works, Roads and Transport and the Local Municipality to ensure that roads that go to farms are properly graded and in good condition.
- g) The MEC made a commitment that jojo tanks, tractors and implements will be provided to the farmers in their projects.
- h) The young man who requested to be assisted with skills, the MEC committed the department that he will be assisted to draw and if needs be, officials of the department will assist him to access MEGA through the Department of Economic Development and Land Reform.

6. RECOMMENDATIONS EMANATING FROM THE STAKEHOLDER ENGAGEMENT

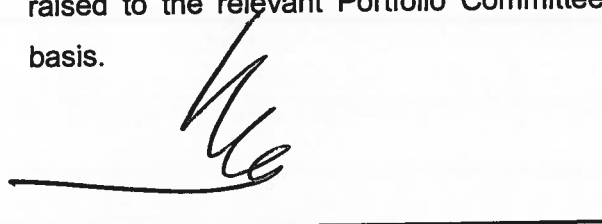
- a) The Committee notes all the concerns raised by farm dwellers and the commitments made by the MEC in his response. The department must ensure that all the commitments made are realized and a report be submitted to the Committee in this regard.

7. CONCLUSION

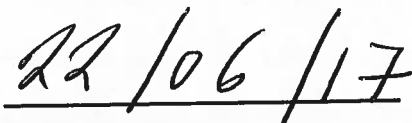
The Chairperson of the Portfolio Committee, Hon BD Dube, extends his appreciation to Members of the Committee, the MEC and departmental officials, all stakeholders and the support staff of the Legislature for their participation during this oversight visit to the community of the Steve Tshwete Local Municipality, in enhancing the oversight role of the

Legislature. The Portfolio Committee tables this report to the House for adoption with its recommendations.

Unless otherwise stated, the department should provide progress reports on all issues raised to the relevant Portfolio Committee by **31 July 2017** and thereafter on quarterly basis.



HON. BD DUBE (MPL)



DATE

**CHAIRPERSON: PORTFOLIO COMMITTEE ON
AGRICULTURE, RURAL DEVELOPMENT, LAND
AND ENVIRONMENTAL AFFAIRS**