

R100m to boost farmers in homelands

Emerging farmers from the former homelands are set to receive a R100 million boost in the form of tractors from government.

In a pre-budget briefing this morning, Minister of Agriculture, Forestry and Fisheries Tina Joemat-Pettersson said the first consignment of the department's mechanisation programme would be delivered this year to Mpumalanga and KwaZulu-Natal in support of the Masibuyele Emasimini, a food production intensification programme.

The mechanisation programme will be rolled out in other provinces and supported by investments of R50 million per province over the next three years.

Joemat-Pettersson said the department had also received offers from a number of multinational companies to help develop smallholders, while guaranteeing them access to international markets.

The US supermarket Walmart had approached the department to develop a mentorship programme and market access model for their outlets.

The department would also conduct an audit on land reform projects and had been allocated R577.6 million through the Comprehensive Agricultural Support Programme.

The support would also include training and services such as information technology support.

Rescue operation

"We are not just throwing money at failed projects. We have assessed the affected projects and determined projects that can be rescued," said Joemat-Pettersson.

The department was also in consultation with the Department of Higher Education about opening agricultural colleges to boost learning facilities and opportunities.

Joemat-Pettersson commended Old Mutual's pledge to make available R10 million to bolster subsistence and smallholder enterprises and Nedbank's creation of a R6 billion agricultural fund, which would invest half its corpus in South African farming projects in areas ranging from crop production, animals, skills and marketing.

Nedbank had emphasised that they wanted to partner with the department both locally and abroad, she said, while pointing out that private-public partnerships would take the country a "long way" in its developing farming.

Monitoring

She said the department planned to conduct an audit of its mentorship and equity scheme programmes, as these had not worked, despite the investment of millions to bridge skills.

The department would also investigate and implement equity sharing schemes that would involve equal ownership between land reform beneficiaries and white commercial farmers.

Joemat-Pettersson explained that the plan was for commercial farmers to engage in joint ventures with land reform beneficiaries, who were supported by government.

She said the land would not be a part of the shareholding investment, and that the government would recapitalise the equity portion, through its development finance organisations such as the Industrial Development Corporation and the Land Bank.

“When the business is running profitably, the commercial farmers can then sell shares and exit the arrangement,” she said.

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