



# Wes-Kaapse Provinsiale Parlement Western Cape Provincial Parliament IPalamente yePhondo leNtshona Koloni

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Report of the Standing Committee on Agriculture, Economic Development and Tourism on its engagement with agricultural stakeholders in Paarl on 22 April 2025, as follows:

## **Delegation**

The delegation consisted of the following members:

Brinkhuis, G (Al Jama-ah)  
Bryant, DW (DA)  
Constable, N (PA)  
Masipa, NP (DA: Chairperson)  
Mbombo, N (DA)  
Nkondlo, ND (ANC)

An apology was received from member Wessels (DA).

## **1. Introduction and background**

At its meeting on 4 March 2025, the Committee resolved that it would prioritise a full day engagement with the agricultural industry to understand their challenges so that it could escalate these challenges to the relevant executive authority.

The Committee invited the following organisations to attend the engagement; Agri-Western Cape, the Citrus Growers' Association, Summer Fruit South Africa, Hortgro, SA Wine, the National Wool Growers' Association, the Milk Producers' Organisation, the South African Pork Producers' Organisation, and the Red Meat Producers' Association.

## **2. Overview**

The meeting commenced with a presentation by the Agricultural Business Chamber on the macro-level overview of the economic outlook. The presentation also included an industry-specific analysis, highlighting both the regulatory and policy-related challenges currently constraining the sector, as well as recent positive developments and progress within the agricultural industry. Presentations were then made by the stakeholders that were invited. The Department of Agriculture, the Department of Economic Development and Tourism and Wesgro were also in attendance.

## **2.1 Agri-Western Cape**

### **2.1.1 Issues discussed**

- 2.1.1.1 The agricultural sector in the Western Cape played a pivotal role in the province's economy, yet it operated within an increasingly complex and challenging environment. At the forefront was the capital-intensive nature of modern agriculture, which demanded substantial investment in infrastructure, technology, and compliance, placing strain particularly on small and medium-scale farmers.
- 2.1.1.2 One of the most pressing concerns was land reform and policy uncertainty, especially around expropriation and tenure security. These issues created an atmosphere of hesitation among investors and has negatively impacted long-term planning and growth in the sector. Climate change and drought conditions continued to pose significant risks to both crop and livestock production, while disease and pest control remained persistent threats that required robust management systems. Compounding these biological challenges were the rising costs of inputs, such as energy, fuel, fertilisers, and feed, which were exacerbated by inflation, weak infrastructure, and supply chain disruptions.
- 2.1.1.3 The sector also struggled with minimal or zero subsidies, placing South African farmers at a disadvantage compared to international competitors. Meanwhile, policy uncertainty, compliance burdens, and bureaucratic delays further constrain growth and innovation. Labour shortages, alongside difficulties in retaining skilled workers, were intensified by urban migration and an aging workforce. Labour regulations and wage structures, while necessary, often presented additional pressures on producers.
- 2.1.1.4 Infrastructure deficiencies, including poor logistics, port delays, and unreliable electricity supply, severely limited operational efficiency and market access. These issues not only increased production costs but also weakened the province's competitiveness in both domestic and export markets.
- 2.1.1.5 The sector was also affected by social challenges, including rural crime, unemployment, and the need for transformation and inclusion within the agricultural value chain. At the same time, there was growing pressure to meet food safety, traceability, and environmental compliance standards to maintain export readiness and consumer trust.

## **2.2 Milk Producers Association (MPO)**

### **2.2.1 Issues discussed**

- 2.2.1.1 The dairy industry in the Western Cape, despite its significant contribution to the national agricultural economy, faced a range of complex and interrelated challenges that threatened its sustainability and long-term viability. One of the most pressing issues was the slow pace of economic growth, which impacted job creation, limited disposable income, and constrained fixed investment. This broader economic stagnation undermined the operating environment for dairy farmers and limited the potential for expansion. To address this, the MPO advocated for a shift towards functional economic growth, revitalisation of state-owned enterprises, and the removal of obstructive regulations that inhibited the effective application of production factors. Additionally, crime and corruption remained major concerns that eroded business confidence and operational stability.

- 2.2.1.2 Another critical area of concern was animal disease control. While legislation existed, its implementation and enforcement were often inconsistent, weakening the agricultural sector's biosecurity. The MPO emphasised the need for more effective public-private partnerships to ensure that disease control measures were practical and outcomes-driven.
- 2.2.1.3 High input costs continued to place pressure on producers. Although the South African dairy sector was generally cost-efficient by global standards, the Western Cape's reliance on Total Mixed Ration systems, which required feed inputs like maize and soybeans not produced locally, exposed producers to elevated costs. These inputs were transported over long distances or imported, compounding expenses due to unreliable infrastructure such as port and rail systems.
- 2.2.1.4 Labour was another challenge. The industry faced increasing difficulty in sourcing skilled workers, partly due to an aging rural workforce and ongoing urban migration. Labour compliance obligations and minimum wage regulations also placed a disproportionate burden on small and medium-sized farms, limiting their competitiveness.
- 2.2.1.5 The ongoing debate and uncertainty around land reform, particularly fears of expropriation without compensation, created an atmosphere of insecurity. This has led to hesitancy among current and potential investors, as long-term planning was undermined by policy ambiguity and tenure risk.
- 2.2.1.6 Access to markets and price volatility remained a hurdle. For new entrants, the high upfront capital requirements made entering the industry difficult. For established producers, long-term investments in infrastructure and livestock meant that even in unfavourable market conditions, farmers could not easily exit the industry without facing significant losses. Compounding this was the limited bargaining power that producers had against large processors and retailers, and the volatility introduced by currency fluctuations, which affected both imports and exports.
- 2.2.1.7 The Western Cape's production-consumption balance was very fragile. The province was prone to both milk surpluses and shortages depending on market fluctuations. Complicating this was the fact that approximately 60% of national dairy consumption occurred in Gauteng, requiring strategic distribution planning and exacerbating the pressure on local producers to remain viable in a tightly constrained regional market.

## **2.3 Citrus industry**

### **2.3.1 Issues discussed**

- 2.3.1.1 The South African citrus industry was currently facing a range of serious challenges that threatened its competitiveness and sustainability in international markets. The imposition of 30–40% tariffs by the United States added approximately \$4,50 per carton of citrus exported, making South African produce uncompetitive in that market. Many growers and exporters have already committed produce to these programmes and could not easily divert fruit to other markets due to logistical and phytosanitary specifications. Other key export markets such as India and South Korea also applied similarly high tariffs of approximately 30%, creating broader systemic pricing challenges for South African citrus in global trade.

- 2.3.1.2 In the European Union, stringent phytosanitary regulations, particularly those targeting the False Codling Moth, resulted in increased compliance costs, greater logistical pressure at ports, and overall uncertainty for growers. This hampered long-term planning and profitability. The inefficiency of South Africa's ports was a critical bottleneck, exacerbating export delays and increasing costs. There was an urgent call for private sector involvement to modernise and streamline port operations.
- 2.3.1.3 The Red Sea crisis and fears of a global economic slowdown added further strain. These global disruptions could reduce consumer purchasing power and dampen demand for premium imports like South African citrus.
- 2.3.1.4 The citrus industry was a major employer, particularly in rural areas like the Western Cape, where it formed the economic backbone of many communities. Job creation and retention depended heavily on maintaining market access and competitive pricing. Government action was both needed and appreciated. The Department of Trade, Industry and Competition and the National Department of Agriculture have lodged a World Trade Organisation dispute to challenge unfair tariffs. Additionally, support for pest control initiatives like the Sterile Insect Technique was vital for ensuring compliance with international market standards.

## **2.4 Hortgro**

### **2.4.1 Issues discussed**

- 2.4.1.1 South Africa's deciduous fruit industry, steered by Hortgro, stood at a critical juncture. The challenges it faced were not only numerous but also deeply interconnected, each amplifying the others in a cycle that threatened the viability of one of the country's most important agricultural sectors.
- 2.4.1.2 At the heart of the issue was climate change, which was altering pest behaviour, reducing water availability, and forcing producers to rapidly adapt. Innovation was necessary, but costly. Meanwhile, rising electricity prices and labour costs impacted margins further. In addition, logistics, an essential link between farm and market, was in a state of collapse. Malfunctioning ports, unreliable roads and rail, and a lack of private sector involvement were delaying shipments and raising costs, putting South African fruit at a competitive disadvantage on the global stage.
- 2.4.1.3 These production and logistical issues were compounded by tedious government processes. New market access often took more than a decade, with growers left waiting in long queues for phytosanitary clearance while global compliance standards were becoming stricter, and meeting them required both money and skilled auditors, resources that were in short supply.
- 2.4.1.4 Land reform proposals and slow public sector delivery undermined investor confidence, making it difficult for producers to commit to the long-term innovations and sustainability initiatives that were needed. The deciduous fruit sector was not only about profit margins, but it was also about jobs, rural livelihoods, and economic stability in regions where few alternatives exist.

## **2.5 South African Wine (SA Wine)**

### **2.5.1 Issues discussed**

2.5.1.1 Over the past three decades, the wine industry has experienced steady and significant growth across multiple indicators. Between 1994 and 2024, the total vineyard area increased modestly from 84 030 hectares to 86 544 hectares, reflecting sustained cultivation and land investment. During the same period, total production grew from 1 020 337 tons to 1 116 780 tons, indicating improvements in productivity and output.

One of the most notable developments has been in export performance, which surged from 50 million litres in 1994 to an impressive 306 million litres in 2024. This growth underscored the industry's expanding global footprint and competitiveness in international markets. The economic contribution of the industry has also grown substantially. In 1996, the industry contributed approximately R10 billion to the Gross Domestic Product, a figure that rose to R56 billion by 2022, highlighting its increasing importance to the national economy.

Employment figures further illustrated this upward trajectory, with the number of jobs supported by the industry rising from 211 874 to 270 364. This demonstrated the sector's continued role as a key job creator and economic driver within the broader agricultural and agri-processing landscape.

2.5.1.2 As of July 2023, the South African wine industry underwent a major structural shift with the consolidation of key sector functions under a unified body, SA Wine. This new umbrella structure was designed to enhance coordination, streamline decision-making, and improve overall agility and accountability within the industry. The establishment of SA Wine marked a significant step forward in aligning the sector's priorities and resources. It enabled more cohesive action across the value chain, from producers and processors to marketers and exporters, ensuring that the industry could respond more effectively to both local and global opportunities and challenges.

2.5.1.3 The South African wine industry adopted a robust Environmental, Social, and Governance Framework to guide sustainable practices. As part of this commitment, the sector has implemented certification seals and was in the process of introducing a "Digi-Label" system to ensure greater traceability and transparency for consumers, both locally and abroad. The industry also embraced principles of circularity, biodiversity conservation, and climate-smart agriculture, reinforcing its dedication to long-term environmental stewardship and responsible production.

2.5.1.4 Despite the significant progress made in recent decades, the South African wine industry continued to face a range of structural and systemic challenges that threatened its long-term sustainability and competitiveness. These challenges span the value chain, from farm-level economics and environmental pressures to market access, transformation, and social development.

One of the most pressing concerns was the persistently low return on investment at the farm level, which stood at just 2.6% in 2024. A significant proportion of wine producers were either operating at a loss or breaking even, placing considerable strain on the economic viability of farms and undermining reinvestment and innovation. Addressing

profitability was foundational to ensuring a healthy and resilient primary production base.

The sector was becoming increasingly vulnerable to climate-related risks, particularly recurring droughts and inadequate irrigation infrastructure. These challenges were exacerbated by growing pressure on critical water systems, including the Clanwilliam and Brandvlei dams, which played a key role in agricultural water supply. Long-term solutions would require integrated water management, infrastructure upgrades, and broader climate resilience planning.

SA Wine competed in a fiercely contested global market. To succeed, the industry would have to address port inefficiencies that hindered export logistics, as well as proactively engagement in tariff negotiations with key markets such as the European Union, the United Kingdom, China, and the United States of America. Additionally, the value disparity between bulk and packaged wine exports remained a challenge, limiting the country's ability to move up the value chain and capture premium margins.

While transformation was a longstanding priority, progress on the development of black-owned brands remained slow. Access to finance, distribution networks, and retail shelf space continued to be a barrier for many small and emerging producers. Achieving inclusive growth required a concerted effort to remove structural obstacles and to ensure that black entrepreneurs were not just present but thrived across the value chain.

The wine industry operated in a highly regulated environment, and there was an urgent need to streamline liquor legislation and provide greater tax clarity. Currently, a disconnect between various government departments and industry stakeholders resulted in policy inefficiencies and delays that hindered both compliance and growth.

## **2.6 National Wool Growers Association (NWGA)**

### **2.6.1 Issues discussed**

2.6.1.1 The South African wool industry remained a critical pillar of the country's agricultural sector, contributing significantly to rural livelihoods, exports, and the broader agri-economy. In the 2023/24 production year, total national wool production (excluding Lesotho) reached approximately 40, 6 million kilograms, emphasising the resilience and productivity of the industry amid challenging climatic and market conditions.

Within this national landscape, the Western Cape continued to play a prominent role. The province produced 8,28 million kilograms of wool during the reporting period, representing a substantial share of the country's total output. Of this, 6,77 million kilograms were sold on the market, generating an estimated R688 million in revenue, highlighting the economic importance of wool farming to regional development and rural economies.

The average price achieved for Western Cape wool was R101,69 per kilogram, reflecting both the quality of the product and prevailing market conditions. The province was home to 1 361 registered wool producers, a mix of commercial and emerging farmers, who collectively contributed to a vibrant and competitive sector.

- 2.6.1.2 The sector supported over 8 000 commercial wool farmers, who formed the backbone of the country's high-volume, export-driven production. Equally significant was the contribution of the more than 45 000 communal farmers, many of whom operated in rural and resource-constrained areas. Through targeted support and capacity building initiatives, often led by the NWGA, these farmers were increasingly integrated into the formal wool value chain, enhancing livelihoods and driving rural development.

A major contributor to South Africa's wool output was the Merino breed, known globally for its fine, high-quality fleece. In the 2023/24 season, Merino sheep were responsible for an estimated 29,8 million kilograms of wool, reinforcing their dominance and commercial value in both domestic and international markets.

Approximately 65% of South African wool was certified under internationally recognised sustainability schemes, such as the Responsible Wool Standard. These certifications reflected the industry's commitment to ethical, environmentally sound, and socially responsible production practices, an increasingly important factor in global buyer and consumer decisions.

- 2.6.1.3 The NWGA continued to drive a comprehensive strategy aimed at strengthening the competitiveness, sustainability, and inclusivity of South Africa's wool sector. These focus areas were designed to address both systemic challenges and emerging opportunities across the wool value chain, particularly for communal and developing producers.
- 2.6.1.4 At the core of the NWGA's strategy was a strong commitment to sustainable wool production. This included not only environmental stewardship but also a focus on animal welfare, social responsibility, and economic viability. By aligning with global sustainability standards and encouraging compliance across the value chain, the association was ensuring that South African wool remained competitive and responsible in international markets.
- 2.6.1.5 Capacity building remained a top priority. The NWGA facilitated extensive training programmes aimed at both youth and adult learners. Initiatives included school outreach, reaching approximately 475 learners annually to introduce young people to careers in agriculture; technical training courses covering shearing, wool handling and classing to improve product quality and job readiness; and on-farm training for both farmworkers and producers to promote best practices and improve productivity.
- 2.6.1.6 The NWGA's Genetic Improvement Programme was a cornerstone of its work with communal farmers. Through this initiative, high quality rams were introduced into communal flocks with the aim of improving wool yield, fibre quality, and ultimately, farmer income. The Programme enhanced the genetic base of flocks while promoting sustainable breeding practices.
- 2.6.1.7 To improve outreach and knowledge-sharing, the NWGA embraced digital platforms to connect with farmers more efficiently. It established nine regional WhatsApp groups that reached over 225 farmers weekly, providing timely information on market prices, training opportunities, animal health, and weather alerts.
- 2.6.1.8 The NWGA identified 512 developing wool producers in the Western Cape for targeted support. These farmers were at various stages of production readiness and were being engaged through tailored training, access to improved genetics, and assistance with market integration. This outreach was part of a broader strategy to accelerate inclusive growth, especially in historically underserved rural areas.

- 2.6.1.9 While South Africa's wool sector demonstrated strong growth potential and strides in sustainability and inclusivity, it still faced a series of structural and developmental challenges, particularly in the communal farming context. These issues impacted productivity, market access, and the long-term sustainability of the industry. The NGWA continued to play a vital role in identifying and addressing these barriers.

One of the most pressing limitations was the lack of proper shearing infrastructure, especially in rural and communal areas. Currently, only 20% of communities had access to adequate shearing facilities. This deficit directly undermined the ability of farmers to maintain quality control, achieve uniform bale preparation, and meet the standards required for formal market participation. Infrastructure investment was critical to improving both efficiency and market readiness across the value chain.

Despite notable progress in farmer support, there remained 512 developing wool producers in the Western Cape who have yet to benefit from NWGA's programmes. These producers often faced significant barriers to accessing improved genetics, technical training, and funding, all of which were vital for increasing productivity and competitiveness.

Many communal wool producers were still not fully integrated into formal commercial value chains. Due to constraints related to fibre quality, consistency, and logistics, a considerable volume of wool was either underutilised or traded informally. Strengthening linkages to auctions, brokers, and export markets was a priority if inclusive growth was to be realised at scale.

Although South Africa was a global leader in responsible wool production, with 65% of its wool certified under internationally recognised schemes, full compliance remained an aspirational goal. Extending certification to small-scale and communal farmers, many of whom faced technical or administrative hurdles, required additional resources, training, and institutional support.

The sector was also grappling with a shortage of skilled workers, particularly in areas such as animal husbandry, fibre grading, and sustainable farming practices. While outreach programmes and school-based training initiatives were active, more needed to be done to attract and retain youth, ensuring a future workforce that was prepared to meet the demands of a modern, high-value wool industry.

The wool industry remained reliant on government and donor funding, including support from the Comprehensive Producer Assistance Cooperative and the Department of Land Reform and Rural Development. While these interventions were essential, the process of preparing and approving funding applications was often slow and administratively complexed.

## **2.7 South African Pork Producers Association (SAPPO)**

### **2.7.1 Issues discussed**

- 2.7.1.1 The pork industry remained an important contributor to the agricultural economy, offering both commercial and emerging producers a pathway to food security, job creation, and value chain participation. However, the industry operated in a complex and rapidly evolving environment that required proactive management across several fronts.



2.7.1.2 Key focus areas of the presentation included slaughter statistics, providing insight into production volumes and market trends across provinces; current challenges, such as input cost volatility, climate-related impacts, and infrastructure constraints; disease outbreaks, including the ongoing risks associated with African Swine Fever and the urgent need for heightened surveillance and response mechanisms; food safety and biosecurity where SAPPO was driving efforts to improve on-farm practices, traceability, and compliance with veterinary standards; and market access, particularly around export potential, local demand stimulation, and inclusion of smallholder farmers in formal value chains. Through collaboration with industry stakeholders, government, and research institutions, SAPPO was working to build a more sustainable, safe, and inclusive pork industry that met both domestic and international expectations for quality, health, and ethical production.

2.7.1.2 Several key challenges and trends were influencing the sector's stability, growth potential, and overall sustainability.

One of the foremost concerns was market volatility, driven by fluctuating consumer demand, pricing uncertainties, and broader economic pressures. Inflationary trends and shifting consumption patterns, particularly regarding protein preferences, created a less predictable environment for producers and processors alike.

Food safety was becoming increasingly central to the pork value chain. Consumers, retailers, and regulators were demanding higher levels of traceability, quality assurance, and compliance with both local and international standards. This forced the industry toward stricter biosecurity protocols and certification systems, which while necessary, also placed financial and operational strain on smaller producers.

Gaining access to formal domestic markets and expanding into international export channels remained a challenge, particularly for emerging and small-scale producers. Barriers such as inconsistent quality, limited infrastructure, and a lack of integration into value chains continued to restrict inclusive growth and competitiveness.

The pork sector continued to contend with recurring animal health risks, including African Swine Fever, which significantly disrupted trade, eroded producer confidence, and limited the industry's ability to meet market demands. The need for improved surveillance, rapid response, and veterinary capacity remained urgent to ensure sector resilience.

A critical structural weakness in the industry was the presence of inconsistent or incomplete data, which hampered effective strategic planning, policy development, and market positioning. Without robust, real-time data on production, health trends, and market dynamics, the industry struggled to align with global benchmarks or effectively advocate for trade and investment.

2.7.1.3 In response to the evolving challenges facing the pork industry, SAPPO has implemented a series of targeted interventions aimed at strengthening the sector, promoting resilience, and advancing inclusive growth. These initiatives were designed not only to address immediate threats such as biosecurity risks and market instability but also to build a more robust, competitive, and socially responsible pork industry over the long term.

SAPPO was actively investing in skills development and enterprise support to empower both emerging and established producers. Through tailored training programmes, mentorship, and resource-sharing, the organisation was equipping farmers with the technical, financial,

and operational competencies needed to thrive in a modern agricultural economy. These efforts were critical to improving productivity, supporting transformation, and enhancing market readiness in underserved rural communities.

To improve public perception and increase domestic demand, SAPPO was leading strategic marketing campaigns focused on consumer education, trust-building, and the promotion of pork as a safe, affordable, and nutritious protein source. These initiatives aimed to shift consumption patterns, diversify local markets, and build long-term brand loyalty within South Africa's dynamic retail environment.

## **2.8 Red Meat Producers Organisation (RPO)**

### **2.8.1 Issues discussed**

- 2.8.1.1 The RPO was a voluntary, non-profit body that represented producers across the red meat value chain in the region. As a key voice in the agricultural sector, RPO played a central role in advocating for producer interests, coordinating with stakeholders, and responding to sector challenges ranging from biosecurity to market access.
- 2.8.1.2 The red meat sector remained a vital part of South Africa's agricultural economy. In the 2023/24-year, animal products contributed 43,2% of agricultural income nationally, with cattle and calves slaughtering accounting for 10,4% of this. However, the industry experienced some economic pressure, with income from sheep slaughtering declining by 6% and that from cattle and calves by 3,2%, according to the 2023/24 Economic Review.
- 2.8.1.3 The red meat export market was an essential driver of value for South African producers, with the Western Cape contributing 11% of national red meat export value in Quarter two of 2024. While this included live animals, meat, and offal, live sheep and goat exports make up the largest portion from the province (9%).
- 2.8.1.4 Export earnings were sensitive to factors such as trade relationships, animal health compliance, and logistical efficiencies. In Quarters one and two of 2024 red meat exports from the Western Cape included R33 million from meat (beef and sheep/goats), R10,3 million from live animal exports and smaller values from offal trade.
- 2.8.1.5 RPO emphasised the importance of biosecurity to protect both domestic production and international trade. Key challenges included Foot and Mouth Disease outbreaks; limited Onderstepoort Biological Products vaccine availability and inconsistencies in state veterinary service capacity. To improve traceability and disease control, the organisation supported the rollout of systems such as Livestock Identification and Traceability System and the Animal Identification, Movement, and Safety System. These were essential in managing unregulated livestock movements, protecting export status, and bolstering consumer confidence in meat safety and origin.

Stock theft remained a persistent and costly issue for producers. Between 2022 and 2024 reported incidents in the Western Cape increased from 729 to 752, with slight increases in successful prosecutions. Nationally, reported cases decreased slightly, but theft remained widespread, affecting tens of thousands of animals annually. This ongoing threat eroded farmer income, undermined rural security, and increased costs for producers who now needed to invest in surveillance and fencing.

Predation presented a major economic challenge, especially for small stock farmers. In 2018 alone, losses due to predation were estimated at R2,34 billion for small stock farmers and R479 million for cattle farmers. The total economic impact likely exceeded R3 billion when game farms and small-scale producers were included. These losses represented approximately 7.5% of the gross value of free-ranging livestock production. The knock-on effects impacted feedlots, abattoirs, tanneries, processors, and retailers, illustrating the broad vulnerability of the red meat value chain to predation-related disruptions.

- 2.8.1.6 RPO acknowledged and appreciated various forms of government support, particularly drought and disaster relief, including locust outbreak management, assistance with Foot and Mouth Disease containment and efforts by law enforcement in addressing stock theft. However, the organisation continued to advocate for stronger institutional support, particularly in biosecurity, veterinary capacity, and infrastructure development.

### **3. Summary of key concerns raised**

- 3.1 Foot and Mouth Disease (FMD) - South Africa was facing significant challenges in managing FMD, primarily due to outdated legislation that only allowed vaccination after animals tested positive, limited vaccine availability, and the absence of a long-term national strategy. Current vaccines were imported, short-acting, and not suited for mass prevention. Without a 12-month coverage vaccine and a proactive plan, the country remained vulnerable to recurring outbreaks and was unable to effectively move toward FMD eradication.
- 3.2 Illegal undocumented foreign nationals - The agricultural sector in the Western Cape was grappling with a significant and growing issue related to the influx of undocumented foreign nationals. Organised agriculture stated clearly that it does not support the employment of illegal foreign workers. However, verifying the authenticity of documents presented by foreign nationals has proven extremely difficult, as even law enforcement agencies struggle to distinguish fraudulent documentation from genuine paperwork issued by the Department of Home Affairs. This issue extended beyond agriculture and required a coordinated, multi-departmental response involving Home Affairs, border control, the Department of Labour, and other relevant entities. The inability to track or identify undocumented individuals posed serious safety and security risks, particularly in rural areas, where undocumented individuals may be involved in crimes, without any way to trace or identify them.
- 3.3 Labour Legislation – the agricultural sector faced challenges in aligning with Employment Equity (EE) legislation, primarily due to the unique characteristics of the sector. The rigid application of EE targets, without considering these unique factors, posed compliance difficulties due to the specific nature of the agricultural sector that included the rural location of most farming operations with limited access to a diverse, skilled labour pool; many farms are family-owned with longstanding employees, offering few opportunities to change workforce demographics quickly; and in terms of skills shortages, a lack of qualified candidates, especially in technical and managerial roles. The absence of detailed criteria from the Department of Employment and Labour created uncertainty around acceptable reasons for non-compliance.
- 3.4 Operational inefficiencies at the Port of Cape Town significantly impacted Western Cape agricultural stakeholders, particularly those involved in the export of perishable goods.
- 3.5 The use of agricultural land for mining purposes – The Preservation and Development of Agricultural Land Act, 2024 (Act 39 of 2024), which was intended to protect and sustainably

manage South Africa's agricultural land, played a critical role in regulating land use changes, particularly where land was being considered for prospecting or mining purposes. The Act sought to prioritise agricultural use for land deemed suitable for farming. When prospecting or mining activities were proposed on agricultural land, this triggered a conflict between land preservation for food security and economic development through resource extraction.

- 3.6 The informal structure of the South African Pork Producers Organisation – This limited accountability, transparency, and inclusive representation, particularly for smallholder and emerging farmers. It also hampered effective coordination with government, access to funding, and implementation of critical measures like biosecurity and traceability. These weaknesses could undermine transformation, sector resilience and policy alignment.

#### 4. Resolutions

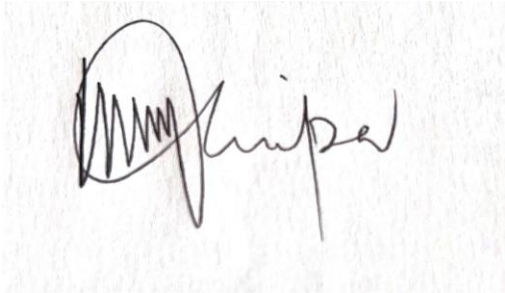
- 4.1 The Committee **REQUESTED** that the Department of Agriculture provides it with:
- 4.1.1 An update on the status and progress of the draft Veterinary Bill;
  - 4.1.2 A proposed plan or intervention to support the South African Pork Producers Organisation in establishing a more formal and structured organisational framework; and
  - 4.1.3 An update on the current biosecurity measures in place, as well as the associated budget allocations and expenditure related to biosecurity.
- 4.2. The Committee **RECOMMENDED** that the Minister of Agriculture, Economic Development and Tourism engage with the following national counterparts and provide regular updates to the Committee:
- 4.2.1 The Minister of Employment and Labour, regarding ongoing changes in labour legislation affecting the agricultural sector, particularly in relation to the alignment of the sector with Employment Equity (EE) requirements. The Committee noted that the rigid application of EE targets, without due consideration for the unique characteristics of the agricultural sector, posed significant compliance challenges; and
  - 4.2.2 The Minister of Home Affairs, regarding the issue of illegal foreign nationals. The Committee emphasised the need for urgent and collaborative intervention to address this matter, as it impacted not only employment compliance, but also broader concerns related to rural safety and social stability.

#### 4. Acknowledgements

The Chairperson expressed sincere appreciation to the members of the Committee and to the stakeholders from the agricultural industry for their valuable contributions and constructive engagement, which significantly contributed to the success of the meeting.

A special word of thanks was extended to the Chief Executive Officer of Casidra for generously making the venue available and for the support provided by his staff throughout the day and to the Head of the Department of Agriculture for the support afforded to agricultural stakeholders in the province.

These engagements reaffirmed the vital role of the agricultural sector in the western cape economy and underscored the importance of maintaining strong, supportive relationships between Parliament, industry stakeholders, and government entities. The Committee remained committed to applying the insights gained to strengthen its oversight work and to advocate for solutions that unlock the full potential of South Africa's agricultural sector.

A handwritten signature in black ink on a light-colored, textured background. The signature is stylized, starting with a large, circular loop on the left, followed by several vertical strokes, and ending with a long, sweeping tail that curves upwards and to the right.

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**MR NP MASIPA, (MPP)**

**CHAIRPERSON: STANDING COMMITTEE ON AGRICULTURE, ECONOMIC DEVELOPMENT AND TOURISM**

**DATE: 18 June 2025**