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

REF: WCPP 11/6/10

Report of the Standing Committee on Agriculture, Economic Development and Tourism on the 2024/25 Annual Reports of the Department of Agriculture, and its Entity Casidra, for the year ended 31 March 2025

The Standing Committee on Agriculture, Economic Development and Tourism, having deliberated on the Annual Reports of the Department of Agriculture and its Entity, Casidra, for the year ended 31 March 2025, referred to it, reports as follows:

1. Introduction

Section 113(3)(b) of the Constitution requires that “Members of the Executive Council of a province must provide the legislature with full and regular reports concerning matters under their control.” Section 65 of the Public Finance Management Act, 1999 (Act 1 of 1999) requires the Minister of each department and public entity to table an annual report in the legislature within six months of the end of each financial year.

As part of its oversight function, the Standing Committee on Agriculture, Economic Development and Tourism (the Committee) deliberated on the Annual Reports of the Department of Agriculture (the Department) and its Entity, Casidra, on 30 October 2025.

Annual reports are the key instruments for departments to report on performance measured against their performance targets and budgets as outlined in their Strategic Plans and Annual Performance Plans.

The Annual Report Programme for the 2024/2025 financial year was advertised in various newspapers, inviting stakeholders and members of the public to participate in the discussions.

The Committee deliberated on Part A: General Information, Part B: Performance Information and Part D: Human Resource Management of the respective Annual Reports.

2. Department of Agriculture

2.1 Overview

The Department reported strong performance for the 2024/25 financial year, demonstrating fiscal discipline, strategic alignment with provincial priorities, and impactful service delivery across its programmes. The Department received a clean audit for the year under review. This outcome reflected a continued commitment to sound financial management, compliance with legislative requirements, and effective internal controls.

The Department achieved a 98% expenditure rate of its allocated budget. It also met 98% of its annual performance targets, reflecting effective planning and execution. A late allocation of R300 million just days before the financial year-end was responsibly managed, with funds rolled over and deployed in the current year.

The Department's work was closely guided by the Western Cape's Vision-Inspired Priorities, with particular emphasis on growth and jobs, climate resilience, and food security. In support of economic growth, the Department implemented commodity-based programmes that successfully leveraged over R100 million in private sector investment, fostering agricultural development across the province.

To strengthen climate resilience, the Department launched a Water Resilience Strategy that was approved by the Provincial Cabinet and continued to advance climate-smart agricultural initiatives to ensure sustainable production in the face of environmental challenges. In the area of food security, the Department partnered with Casidra to support over 7 400 food gardens, providing direct benefits to household nutrition and reinforcing community resilience.

The Western Cape accounted for 58% of South Africa's total agricultural exports, up from 55% the previous year. The Department supported producers through compliance assistance, market access facilitation, and participation in international trade platforms such as Fruit Attraction in Madrid.

2.2 Key issues discussed

2.2.1 The Committee noted the record growth in South Africa's agricultural exports during the reporting period. It was reported that, for the first time in the country's history, agricultural exports reached a total value of USD 13,7 billion, representing the largest single-year growth on record. This achievement was attributed to the collective efforts of farmers, workers, producers, and exporters across the country.

The Committee further noted that this growth occurred despite ongoing global trade challenges and potential tariff barriers. The Department informed the Committee that a comprehensive Export Strategy for the Western Cape was in the process of being finalised to strengthen and expand market access. The Strategy would be tabled before the Western Cape Cabinet and subsequently submitted to the Committee to inform oversight and future planning. The Committee welcomed the report and expressed optimism that these initiatives would continue to drive export growth within the agricultural sector.

The preliminary findings from a study conducted by the Bureau for Food and Agricultural Policy (BFAP), indicated that anticipated job losses linked to United States tariff measures may have been overstated. The analysis suggested that the actual impact on the sector was likely to be less severe than initially projected. The finalised study will be approved by the Western Cape Provincial Cabinet.

The Department reiterated its commitment to evidence-based policy making, emphasising that both the collaboration with Statistics South Africa (Stats SA) and the BFAP study formed part of a broader strategy to ensure that policy decisions, particularly those related to trade and employment, were informed by credible data and robust economic modelling.

2.2.2 The Fruitlook Project was a key climate-smart agriculture initiative. Fruitlook was a satellite-based decision support tool that monitored soil moisture and crop water use, providing farmers with daily guidance on irrigation needs. By enabling precise water management, the tool improved water efficiency, conserved resources in water-scarce areas, and supported crop productivity and quality. Initially subsidised by the Department, the project was in the process of being gradually commercialised, with continued support planned for small-scale farmers during the transition period. The Department confirmed that an external evaluation of the project had been conducted.

2.2.3 South Africa was the world's second-largest exporter of citrus, after Spain, with the Western Cape ranking as the country's third-largest producing region. Recognising the sector's strategic importance to the provincial economy, the Department allocated targeted funding of approximately R1 million to support producers, particularly in managing phytosanitary challenges such as citrus black spot and the false codling moth.

The Department actively engaged with industry stakeholders, including the Citrus Growers Association, and participated in the Citrus Summit in Gqeberha in March 2025 to discuss global trends, market movements, and export forecasts. Producers were pursuing alternative markets, with negotiations underway in several Asian countries, including the Philippines. The national Department of Agriculture has also made progress in opening markets for other fruit categories, potentially benefiting the citrus sector indirectly.

The Department continued to provide strategic support, market intelligence, and international engagement to strengthen the resilience of the citrus industry. Despite the challenges posed by US tariffs, producers were demonstrating adaptability and were actively exploring alternative market opportunities.

2.2.4 The Water Resilience Strategy was formally approved by the Western Cape Provincial Cabinet on 29 October 2025 and launched on 31 October 2025. The Strategy was designed to enhance the province's resilience to water scarcity and climate variability, particularly in the agricultural sector. It formed part of the Department's broader climate-smart agriculture agenda and aligned with the Western Cape's Growth for Jobs Strategy.

The complexity of water governance and the need for improved coordination between provincial and national departments was acknowledged. While devolution of water infrastructure responsibilities was not explicitly confirmed, the Department was actively engaging with relevant authorities to ensure effective implementation.

The Water Resilience Strategy represented a key milestone in the Western Cape's efforts to safeguard agricultural productivity and sustainability in the face of climate change.

2.2.5 In terms of veterinary and plant health services, the Department maintained its status as a leader in biosecurity, with no outbreaks of foot-and-mouth disease reported in the province. The Department is in the process of drafting a provincial veterinary services bill, following Cabinet approval, to strengthen local legislative capacity. Investments were made in laboratory infrastructure and plant health capacity to support food safety and export readiness.

2.2.6 Despite recruitment challenges in specialised scientific roles, the Department filled key vacancies and continued to build internal capacity. Supply Chain Management remained compliant, with no irregularities reported. The Department was investing in internal maintenance capacity to reduce reliance on the Department of Infrastructure and to address backlogs.

2.2.7 The Department played a leading role in the Nourish to Flourish initiative and the Interministerial Committee on Food Security, working alongside the Departments of Health, Education, and Social Development to address child nutrition and household food access.

3. Casidra

3.1 Overview

Casidra, the implementing agency for agricultural and rural development projects, reported a year of resilient performance and strategic realignment in the face of economic and operational challenges.

Casidra maintained its reputation for sound governance, receiving an unqualified audit opinion for the year under review. While audit findings were noted, corrective actions were being implemented to restore the organisation's record of clean audits, which previously stood at 36 consecutive years. The Entity successfully managed the rollover of R153 million from a late-year allocation, demonstrating its capacity to operate across multi-year funding cycles.

Casidra implemented over 7 400 food security projects, including household and community gardens, contributing significantly to nutrition and livelihoods in both rural and urban areas. The entity continued to deliver infrastructure and input support to smallholder farmers under programmes such as the Comprehensive Agricultural Support Programme and Ilima/Letsema. Despite funding constraints, Casidra maintained progress on multi-year agricultural infrastructure projects, supported by its flexible financial systems.

The Casidra Board highlighted complex challenges, including delayed national budget allocations and the intricacies of farm ownership and handover. A Business Development Manager was appointed to diversify funding sources and reduce reliance on government grants. The Board reaffirmed its commitment to risk mitigation, ethical governance, and ensuring that Casidra remained financially sustainable and impact driven.

3.2 Key issues discussed

3.2.1 The Amalienstein and Waaikraal farms were state-owned, with the Department of Infrastructure holding legal title, the Department acting as custodian, and Casidra responsible for day-to-day operational management. The long-term objective was the transfer of these farms to community management by 2030, contingent upon operational viability, governance readiness, and community capacity. Funding from private sector partners, such as Lactalis (R3,3 million), supported infrastructure upgrades and improved sustainability

The Amalienstein Farm operated a dairy enterprise and cultivated pasture crops, including irrigated pastures and lucerne, alongside diversification into onion seed and other vegetable crops. Despite commercial support from partners such as Lactalis, the farm remained challenged by old infrastructure, limited resources, and drought impacts. A turnaround plan

(2021) was in place to guide operational improvements and prepare the farm for eventual community handover. Priorities included infrastructure upgrades, water security, and securing commercial partnerships to ensure profitability and sustainability.

The Waaikraal Farm was undergoing a similar transition, with current operations constrained by past droughts, infrastructure limitations, and resource scarcity. Funding was being sought through commercial partnerships alongside support from the Department. A turnaround plan was in place, with ongoing community engagement and monitoring to build governance capacity, operational competence, and handover readiness.

The Committee noted ongoing challenges typical of rural farming, which included theft, vandalism, and stray animals. To address these issues, Casidra and the Department established several mitigation measures such as engagement with community forums and local farmer associations, collaboration with local police, imposition of penalties for repeat incursions, and the deployment of night security, with plans to explore additional surveillance measures subject to budget constraints.

Financial sustainability of the farms relied on commercial partnerships, notably with Lactalis, which has supported dairy infrastructure upgrades, increased livestock numbers, and enhanced milk production. These partnerships were considered essential for ensuring long-term viability and reducing dependence on government funding.

The handover process included regular stakeholder engagements involving the Department of Land Reform and Rural Development, the Department of Infrastructure, agriculture officials, and farm leadership. Legal and municipal processes, including land adjustments and the allocation of portions for schools, churches, and worker housing, may extend timelines but were actively managed to meet the 2030 target. Ongoing community engagement was maintained to address operational, social, and legal challenges associated with the handover.

The Committee noted the complexities associated with state farm management, including the layered responsibilities between the government institutions. The Committee emphasised that successful transfer to community management required robust governance frameworks and empowerment of local communities. Evidence from previous transfers indicated that Community Property Associations often faced challenges, including internal conflict, mismanagement, and poor operational oversight.

Alternative models, such as the aggregator approach used along the Orange River, were highlighted. In this model, community members owned individual parcels but collectively manage production of high-value export commodities, promoting shared responsibility, commercial viability, and sustainable operations. The Committee stressed that without a well-designed management model and adequate support, farm handovers risked operational chaos, increased theft, and vandalism.

The Committee noted that the Spatial Development Framework played (SDF) a critical role in long-term planning and sustainable use of these state-owned farms. The SDF provided guidance on land use, infrastructure development, and environmental management, ensuring that farm operations were integrated with local communities, land-use conflicts were minimised, and sustainable agricultural and economic development was promoted. It also informed water security, irrigation planning, access infrastructure, and risk mitigation strategies, underpinning strategic decision-making and enhancing the long-term sustainability of both the Amalienstein and Waaikraal farms.

3.2.2 Casidra faced constraints in offering market-related salaries and pay progression, impacting staff retention. In response, the entity launched a workplace culture initiative, including flexible work arrangements, wellness programmes, and bursary support for staff. Employment equity targets showed improvement, with progress in recruiting designated groups and persons with disabilities.

4. Resolutions/Actions

4.1. The Committee RESOLVED that it would invite the Department of Agriculture to brief it on the:

4.1.1 Evaluation Report of the Fruitlook Project with specific reference to its contribution to resource resilience, food security, and sustainable agricultural practices; details of the external evaluation conducted on the project and its findings; and an outline of the Department's planned support measures for small-scale farmers during the transition and phasing-out of the service; and

4.1.2 Study commissioned through the Bureau for Food and Agricultural Policy (BFAP) to assess the impact of US tariffs on agricultural exports.

4.2 The Committee REQUESTED that the Department of Agriculture provides it with the latest BFAP Report and any associated analyses on agricultural production, trade, export performance, and employment trends, to support evidence-based oversight and policy planning.

4.3 The Committee RESOLVED that Casidra be invited to brief the Committee on the implementation of the Spatial Development Framework (SDF) as it relates to the promotion of integrated rural development, environmental sustainability, and optimal land use at the Amalienstein and Waaikraal farms, with specific reference to how spatial and environmental considerations are being incorporated into the operational and infrastructure plans of both farms.

5. Conclusion

The Committee recognised the challenges experienced during the year and congratulated the Department and Casidra on sterling work under difficult circumstances. The Committee was satisfied that the predetermined objectives for the 2024/25 financial year were adequately achieved and that they were accurately reported.

MR NP MASIPA, MPP
CHAIRPERSON: STANDING COMMITTEE ON AGRICULTURE, ECONOMIC DEVELOPMENT AND TOURISM

DATE: 12 November 2025