

Tuesday, 30 January 2024]

No 10 - 2024] SIXTH SESSION, SIXTH PARLIAMENT

PARLIAMENT OF THE PROVINCE OF THE WESTERN CAPE

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

TUESDAY, 30 JANUARY 2024

COMMITTEE REPORTS

- Report of the Standing Committee on Agriculture, Environmental Affairs and Development Planning on its oversight visit to the Cederberg area on 7 September 2023, as follows:**

Delegation

The delegation consisted of the following members:

America, D (DA)
De Villiers, PT (GOOD)
Marran, P (ANC)
Murray, CA (DA)
Van der Westhuizen, AP (DA: Chairperson)

An apology was received from Member Peter Marais (FF Plus).

1. Introduction and background

Section 114 (2)(b)(i) of the Constitution of the Republic of South Africa mandates provincial legislatures to provide for mechanisms to maintain oversight over the Provincial Executive Authority in the province.

The floods that occurred in the Cederberg area on 15 June 2023 caused considerable devastation to infrastructure, including that of the farming community and Nature Reserves. The Standing Committee on Agriculture, Environmental Affairs and Development Planning therefore resolved to undertake an oversight visit to the Algeria

Camping Site and surrounding area, to meet with the Department of Agriculture and the Citrus Growers Association and visit affected farms in the Citrusdal area.

The purpose of the visit to the Algeria Camping Site was to discuss and observe the impact these floods have had on the Reserve and surrounding areas, to assess the impact of the flood damage to infrastructure and biodiversity and to discuss the impact on tourism revenue. Similarly, the purpose of the meeting and visit to the affected areas near Citrusdal was to discuss the impact these floods have had on the agricultural industry, particularly the citrus sector, and to observe firsthand the extent of the damage. The Committee also engaged with the Citrus Growers Association on challenges experienced in the export of citrus and other crops.

This report highlights the Committee's findings and recommendations stemming from the visits.

2. Algeria Camping Site

2.1 Overview

The visit commenced with a welcome by CapeNature's Landscape Manager and a briefing by the Conservation Reserve Manager. The Acting Mayor and Director Support Services from the Cederberg Municipality were also in attendance. The briefing focused on the flood damage to the campsite. Photographs that were taken shortly after the June 15th flood were shared with the Committee as well as recent photographs that gave the Committee an indication of progress and rehabilitation to date. This was followed by a site visit to areas in the campsite and reserve that were badly affected by the flood.

2.2 Findings and observations

2.2.1 Damages to the Algeria Camping site included a paved road leading to a river crossing that was washed away. Picnic benches, tables, and braai areas as well as campsite topsoil were also washed away.

2.2.2 Extensive damage was caused to the Boshberge Road. The flooding caused a landslide that resulted in 14 to 15 ton of rocks landing on the Boshberge Road bridge in the Reserve. Offices and staff accommodation were surrounded by water for several days, roads were washed away, and water pumps and Eskom transformers were washed away downstream. The newly renovated Camp Innocent at Matjiesrivier was under water with significant damage to structures, trees, and roads. The roads leading to the Algeria Community, including the N7 access road, as well as the Uitkyk Pass and beyond, were also severely damaged.

2.2.3 The Committee was pleased to hear about the humanitarian support that took place during the time of the flooding and that the community and farmers rallied together to support each other and to help. The West Coast District Municipality, Disaster Management, and the Fire Protection Association also played vital roles. So too the Gift of the Givers that distributed sustenance and warmth to those in need. Helicopters delivered supplies to isolated spots and local farmers joined forces with CapeNature, reopening roads and delivering essential supplies.

2.2.4 During the months of June and July 2023 the Reserve was under full closure. It was envisaged that some of the campsites would re-open in phases between July and November 2023.

2.2.5 The projected Income (before the flood) was R6,2 million. The loss of income due to the flood (June – August 2023) amounted to R619 000 and additional loss of income (September 2023 – March 2024) was projected at R931 000. The Committee was informed that insurance claims were only honoured in terms of the loss incurred to tourism assets and income. However, most of the loss incurred was on roads and bridges. These were not covered by insurance companies.

2.2.6 The administration of section 30 of the National Environmental Management Act, 1998

(Act 107 of 1998) (NEMA) entailed the management of information generated during an incident and extended to monitoring the clean-up and remediation undertaken by the responsible person and may involve enforcement action against the responsible person in the event of non-compliance. An Environmental Management Plan was drafted in terms of NEMA, outlining the phases of reconstruction and rehabilitation and was promptly approved. Road contractors and engineers were contracted to do interim repairs while the Environmental Impact Assessment was underway for long term remedial actions.

Phase one entailed the repairs to allow the opening of campsites by December 2023 and included cleaning up, wall repairs and infilling, bridge clean up repairs and infilling, repairs to Camp Innocent and access roads.

Phase two was envisaged to take place between February and June 2024, subject to the availability of funding, and included overall landscaping, rehabilitation, and embankment stabilization, as well as storm water management.

Phase three was envisaged to take place between June 2024 and March 2025, subject to the availability of funding. Plans included the construction of three new ablution blocks, a new bridge, a day visitor area with additional long-term parking, secluded campsites, and sewerage upgrades.

2.2.7 The Committee observed that the flood damage was extensive and that it would require a substantial amount of funding to repair. The Committee was in support of the rehabilitation and expansion plans presented and took note of the cost of repairs that were estimated at R40 million. The Committee further expressed that the Algeria camping site had a lot of potential for future tourism possibilities and therefore believed that this investment in tourism facilities could render a good dividend in the future. The Committee was also appreciative of the emergency repairs that were already done and that the Nature Reserve reopened as fast as possible by making alternative arrangements such as using the second access road to the caravan park as an emergency escape route.

3. Impact of the floods on Agriculture

3.1 Overview

The visit commenced with presentations by the Department of Agriculture and the Citrus Growers Association at the offices of the Citrusdal Water Users Association. The presentation by the Department of Agriculture focused on the impact of the floods on a provincial level, with specific reference to the impact thereof on the West

Coast area. The background to possible causes and potential solutions were provided to the Committee. The presentation by the Citrus Growers Association focused on the challenges experienced during the floods and to date, the key success drivers of the citrus industry, the total estimated losses because of the floods and an action plan to rebuild the damages suffered by the citrus exporter by improving the supply chain. This was followed by a visit to the Danckaert and Middelpoos farms in Citrusdal.

3.2 Findings and observations

3.2.1 The citrus industry in the Olifants River catchment area exported approximately 200 000 tons of citrus and created 15 000 to 20 000 jobs. The total estimated losses because of the floods on public property and from other industries equated to approximately R1 billion.

3.2.2 Challenges experienced included the fact that harvesting was delayed due to prolonged rain, the closure of roads, and long power interruptions. This led to an overmature crop due to late picking, infrastructure damage and harbour delays.

3.2.3 There were opportunities for greater market access in the far East, particularly Dubai and South Korea but certain barriers existed that could be easily eliminated in order to achieve market access.

3.2.4 The following damages were identified on the Danckaert Farm and the Middelpoos Farm. The estimated cost of the damages was provided by the Department of Agriculture.

3.2.4.1 Danckaert farm damage – Owned by Mouton Citrus:

- Infrastructure: Seasonal hostels, housing, and fences - R75 000.
- Pump house damage: The building had been under water and caused damage to all the electrical systems that would have to be replaced.
- Citrus orchard: 60ha with estimated damages of R8 million, including irrigation replacement R750 000, erosion repairs and berm repairs R1,7 million as well as loss of harvest of R5,5 million.
- Damages on the river that could possibly need river protection works. As a first phase of river protection, the dredging of the Olifants river was required. This work could have been done under the current adopted River Maintenance and Management Plan. The river has silted up and is now 1.2m higher under the road bridge. This siltation contributed to the rerouting of the river. The silt and vegetation in the river must be removed as a matter of urgency to protect the surrounding farms and infrastructure. The rehabilitation of rivers was managed in terms of NEMA and the National Water Act, 1998 (Act 36 of 1998). It appeared that the Water Act might require certain permissions to be granted to enable farmers and the Department of Agriculture to implement the approved River Maintenance and Management Plan for the Olifants River in the vicinity of Citrusdal.

3.2.4.2 Middelpos farm damage – Owned by Mr Abrie van Zyl:

- Infrastructure: R1 million.
- Pump house damage: The building had been under water and caused damage to all the electric systems that will now have to be replaced.
- Citrus orchard: 30.4ha with estimated damages of R6,5 million, including irrigation replacement R1,5 million, erosion repairs, reconstruction, and orchards R2 million; and loss of harvest R1 million.
- Damages on the river that could possibly require river protection works was estimated at R8 million.

3.3 Resolutions/Actions

3.3.1 The Committee **REQUESTED** that the Department of Agriculture liaises with the Citrus Growers Association and provides it with detailed information pertaining to the markets in the far east, particularly Dubai (as part of the United Arab Emirates) and South Korea, that were identified as opportunities for greater market access for citrus produce.

3.3.2 The Committee **RESOLVED** that it would confer with the Standing Committee on Finance, Economic Opportunities and Tourism, to consider:

3.3.2.1 Requesting the information as per point 3.3.1 from the Department of Economic Development and Tourism to determine the future possibility of a Memorandum of Understanding, to encourage further engagement to improve market access for citrus produce and to identify and eliminate the existing barriers that hampers the achievement thereof; and

3.3.2.2 Investigating and/or monitoring the efficiency of the Cape Town Port for the export of agricultural products, specifically citrus.

3.3.3 The Committee **RECOMMENDED** that the Department of Environmental Affairs and Development Planning engages with the Department of Water and Sanitation on the rehabilitation of the Olifants River in the Citrusdal area, particularly in respect of decreasing the risk of floods and enquire whether the Department of Water and Sanitation will allow farmers and the Department of Agriculture to implement the River Maintenance and Management Plan in line with the permissions that are required in terms of the National Water Act.

4. Acknowledgements

The Committee recognized the challenges faced by CapeNature and the farming community that lost valuable resources and are now faced with the daunting task of rebuilding and recovering from the damages caused by the floods, and expressed its appreciation to the officials from CapeNature, the Department of Agriculture as well as the representatives from the Citrus Growers Associations and those from the farming community of Citrusdal for taking the time to meet with the Committee.

2. Report of the Standing Committee on Mobility and the Standing Committee on Finance, Economic Opportunities and Tourism on their oversight visit to the Cape Winelands Airport on Tuesday, 19 September 2023 as follows:

Delegation

The delegation consisted of the following Members:

America, D (Chairperson, Standing Committee on Mobility)

Murray, CAT (Chairperson, Standing Committee on Finance, Economic Development and Tourism)

Van der Westhuizen, AP

Nkondlo, N

Brinkhuis, G

De Villiers, P

The Procedural Officers, Ms Z Adams and Mr J Coetzee, accompanied the delegation.

1. Engagement with the Cape Winelands Airport

1.1 Introduction and background

The Cape Winelands Airport (CWA), formerly the Fisantekraal Airfield, currently operates privately as a general flying airfield and acts as a base for aviation training in the Cape Town region. The area is conveniently located between the Cape Town city centre and Paarl. The 150-hectare location was acquired by a group of business entrepreneurs and experts in the aviation sector in 2020, who have planned to transform the space into a viable commercial airport over the next few years.

According to the CWA team, the airport had the remarkable potential to completely reshape the landscape of the Cape Winelands and become a strategic asset to the area, the Western Cape, and South Africa as a whole. Through a collaborative approach and working with innovative minds, businesses and organisations, the CWA aimed to be recognised as a significant strategic asset and would serve as a catalyst for growth and development in the region and the Western Cape as a whole. The CWA's vision was to unlock its full potential, bringing together innovative minds, businesses and organisations that would contribute to the economic and social advancement of the region, and that would enable the airport to become a destination itself.

The CWA team was represented by the following persons:

- Mr Nicholas Ferguson, Executive Managing Director
- Mr Deon Cloete, Managing Director
- Ms Adele Klingenberg, Head of Planning and Strategy
- Mr Mark Wilkinson, Director
- Ms Deidre Davids, Head of Communications

The Standing Committee on Mobility and the Standing Committee on Finance, Economic Opportunities and Tourism engaged with the CWA team on its development and expansion plans for the CWA.

In terms of the 2023/24 Strategic Objectives of the Western Cape Provincial Parliament, linked to the Speaker's Priorities, the outcome of this report is linked to the following priorities:

- Priority 2: Expanding citizen services.
- Priority 3: Strengthening the core business.

1.2 Observations

According to the CWA, the success of the airport was contingent on the following:

- 1.2.1.1 Adopting an embedded sustainable approach by implementing eco-friendly practices, such as using renewable energy sources, minimising carbon emissions, and promoting water and waste management initiatives. This approach would assist in minimising the environmental impact and support a positive relationship with the surrounding local communities;
- 1.2.1.2 Implementing a social agenda as the engagement with, and the involvement of, the surrounding communities was important for the airport to become a source of pride and to create a sense of ownership within the local community. This could include programmes for job creation, skills development and community outreach initiatives;
- 1.2.1.3 Implementing an economic agenda to develop an aeronautical and non-aeronautical agenda, which would drive economic growth in the region. Aeronautical activities included airline operations, aviation-related businesses, and supporting infrastructure. Non-aeronautical activities included retail establishments, dining, entertainment and exhibition space. Careful planning was needed for this to ensure the long-term economic viability of the airport. These activities would contribute to the CWA becoming a destination for both local and international travellers;
- 1.2.1.4 Ensuring a positive impact on the environment by prioritising the use of environmentally friendly practices such as green transportation options, promoting local agriculture and organic farming, and supporting conservation initiatives;
- 1.2.1.5 Contributing to a net cargo agenda that would involve attracting cargo carriers, logistics companies and distribution centres. This would also create job opportunities; and
- 1.2.1.6 Focusing on the CWA's capacity, redundancy and route viability. The CWA's capacity and "redundancy" had to be carefully planned to accommodate future growth and to ensure operational efficiency. Given the unpredictable impact of the weather and the subsequent delays at airports (and further impact on the economy), establishing "redundancy" was of utmost importance for the CWA. This meant that the CWA could serve as a reliever/alternate or "back-up" airport if planes were unable to land at the Cape Town International Airport (CTIA), which only has one runway (with a second cross runway for domestic flights). Regular assessments of route viability would be conducted to attract airlines and ensure a strong connectivity network, providing travellers with convenient

options to reach the CWA from various destinations. Many international airlines have confirmed their routes and have committed to more frequent flights. Wesgro and Cape Town Tourism have also done well to promote flight routes and the Western Cape as a travel destination.

- 1.2.1 Currently the “funders” of the CWA are the shareholders of the airport, who would be using the future agreements/contracts they conclude with airlines to seek financing through banks for the development and expansion of the CWA.
- 1.2.2 The CWA’s research indicated that there was a benefit to having a second airport close to the CTIA. Besides acting as an alternate destination/reliever airport for CTIA, the existence of two airports near one another could also result in expanding the travel market in the province, it could drive trade and investment, and more capacity meant a reduction in cargo rates. An independent study conducted by the CWA showed that the existence of the airport could result in massive reductions in reserve fuel requirements, fuel consumption, and carbon dioxide emissions. A major cost saving for airlines created incentive for international airlines to travel to Cape Town.
- 1.2.3 In terms of fuel consumption savings and reserve fuel requirements, airlines are currently required to carry additional fuel if they cannot land at their original destination and would need to seek an alternative landing destination. For flights destined for CTIA, airplanes are required to carry additional fuel in case they need to divert to OR Tambo International Airport. The CWA provides an alternative destination that is closer to the CTIA, which would result in many airlines saving on fuel costs and being able to lower their reserve fuel capacity.
- 1.2.4 The CWA was fortunate to be located just above sea level, on flat ground, as aircrafts did not perform well at higher altitudes, such as at Lanseria Airport. The CWA’s prime location ensured better weather, which would enable them to become a superior airport that is able to operate aircrafts to and from the United States, Middle East, Europe and many other destinations. It also worked in the CWA’s favour that the site was 80 years old and was an existing airport with existing rights. It was easier to expand on an existing site than to start anew.
- 1.2.5 Instead of competing with existing airports, the CWA planned to expand the tourism market and general aviation sector. The CWA had approached various airlines highlighting the value that would be created by building the CWA, and marketing themselves as a reliever airport for the CTIA. The CWA would service domestic and international flights.
- 1.2.6 In terms of airspace capacity, the CWA was creating more flight paths in and out of the airport. This allowed for greater opportunities for “redundancy”. These flight paths also would not interfere with flights to and from the CTIA, as the CTIA’s flights were at a different altitude that would not interfere with the CWA’s flights.
- 1.2.7 The development of the CWA would have a significant impact on the contribution to the economy, employment opportunities and household income growth. The CWA had already consulted the ward councillors and local community leaders in respect of their involvement in the airport. In terms of job creation, the CWA’s focus was on creating jobs during the construction period, as well as in the operational activities of the airport, such as shop owners, cleaning contracts,

security contracts etc. The idea was to find skills within the local community in a structured way.

- 1.2.8 One of the key features of the CWA was that it has the potential to bring significant benefits to the surrounding area and contribute to its growth and development. The CWA wanted to create a unique experience for its passengers, highlighting the Cape Winelands experience. The CWA also wanted to create accessibility to aviation, especially for people who had never flown before. This included spaces within the airport that allowed people to observe the air site.
- 1.2.9 The CWA emphasised the importance of embracing new technologies, which was included in their development plans. This included the consideration of drone technology, heliports, vertiports, electric planes, air taxis etc.
- 1.2.10 In terms of its development plans, the CWA was in the process of completing the Environmental Impact Assessment (EIA) for the site. The goal was to complete this EIA stage and move forward with the necessary regulatory processes, which they had to navigate through. Extensive consultations with domestic and international airlines were conducted, ensuring that all decisions were well informed. In respect of construction and completion of development, the projected date that the CWA will be in commission is early 2027; however, this was subject to the EIA approval.
- 1.2.11 The CWA planned to launch with a 3.5km runway; however, alongside the runway, the commercial developments would be phased in over time, and would be market driven (based on market demand).

1.3 Acknowledgements

The Chairpersons thanked the CWA team for engaging with the Committees and for their transparency in respect of the development and expansion plans for the airport, noting the impact the CWA would have on economic growth and job opportunities in the province.