

1 AGRICULTURE AND RURAL DEVELOPMENT

In order to report efficiently on the objectives outlined in Chapter 3, they have been clustered into logical groupings and structured into , as outlined below and discussed accordingly in the sections that follow:

- Enhancing food security
 - Food security and sustainable agriculture taking account of community-based and indigenous approaches to sustainable food production (Chapter II, 7 (a), (j) & (k); Chapter IV, 40 (a), (p) & (r);
 - Early warning systems for monitoring food supply and household supply and demand and household access to food, weather insurance schemes for farmers and agriculture related disaster management programmes (Chapter II, 7(l));
 - Application of risk-mapping, remote sensing, agro-methodological modelling, integrated multi-disciplinary crop-forecasting techniques, and computerised food supply/ demand analysis
- Providing a conducive environment for agricultural production and economic returns
 - Enhancing agricultural productivity and farmer's incomes (Chapter II, 7(k));
 - Diversification of agricultural production systems (Chapter IV, 40(l));
 - Agrarian reform and measures to secure equitable access to land by both genders (Chapter II, 7(d) & (h); Chapter IV, 40(f);
 - Infrastructure development to enhance distribution to markets ((Chapter II, 7(i) & (k));
- Reducing poverty through rural development
 - Integrating rural development strategies into Poverty Reduction Strategies (PRSPs) or other economic/development strategies and the empowerment of local rural communities, especially those living in poverty and their organizations(Chapter II, 7c),
 - Supporting main driving forces for economic growth and social development in rural areas (e.g. agriculture, small and medium enterprise development, employment and other non-agricultural sector) as well as improving access to basic services and infrastructure in rural areas (e.g. adequate shelter, education, employment opportunities, health, sanitation, energy) ;
- Reducing the environmental impact of agricultural production
 - Programmes to improve soil fertility, environmentally sound agricultural pest control and improvements in water management in agriculture (Chapter IV, 40(o) & (b));
- Improving access to international agricultural markets
 - Bilateral, regional and multilateral agreements relating to liberalisation of agricultural product markets with specific focus on support for other African countries to improve regional trade and economic integration between African countries (Chapter VIII, 67(c) & (d)).

1.1 Enhancing food security

1.1.1 Progress

The current food security challenge in South Africa consists of two dimensions: the first tries to maintain and increase South Africa's ability to meet its national food requirements, and the second seeks to eliminate inequalities and poverty amongst households that is made apparent by inadequate and unstable food production, lack of purchasing power, poor nutritional status and

weak institutional support networks and disaster management systems. **Food security is seen as a Constitutional Right in South Africa and guarantees its citizens the right to have access to sufficient food and water,** and that “the state must by legislation and other measures, within its available resources, avail to progressive realisation of the right to sufficient food.” Despite national food security, many South African households experience continued food insecurity and malnutrition and unemployment. According to the most recent data from Statistics South Africa (StatsSA) (for 2004), approximately 14.3 million South Africans are vulnerable to food insecurity. In response, the Government of South Africa is implementing the **Integrated Food Security Strategy (IFSS)** of 2002. The Strategy ensures that food insecure groups in the country:

- Gain access to agricultural productive resources;
- Gain access to income and job opportunities to enhance their power to purchase food;
- Are empowered to eat nutritious and safe food;
- Have access to state provided relief measures that may be short to medium-term and on a sustained basis, depending on the nature of given interventions particularly where the group is unable to access sufficient food because of disability or extreme destitute conditions; and
- There is a continuous monitoring and evaluation of food security and nutrition status in the country through the Food Insecurity and Vulnerability Information System Management (FIVISM).

The maintenance of timely, accurate and relevant agricultural economic and statistical information enables the production of **a monthly Food Security Bulletin which provides an early warning system that enables Government to implement proactive and timely interventions in response to impending food shortages** (Please see Box 1). The Government of South Africa’s Agricultural **Economic Research and Analysis programme** provides timely, accurate and relevant agricultural economic and statistical information on a quarterly basis to inform decision making on production by all participants in agricultural sector. Information provided includes, monthly crop forecasts and the quarterly livestock estimates; the quarterly Monitoring Report on the economic performance of the sector; the quarterly Agricultural Economic Review and Forecast Report, the monthly Food Security Bulletin, the quarterly Crops and Markets Report; weekly Price Watch; the annual Africa Economic Review and Outlook, and the Economic Review of South African Agriculture. In order to improve the accuracy of crop estimates, a new producer independent crop estimate system was developed and implemented in four provinces and the preliminary results are promising.

Box 1: Agricultural Geo-referenced Information System (AGIS, www.agis.agric.za).

AGIS is the official portal for the dissemination of data for the DoA. The vision of AGIS is: "Making South Africa's Agricultural information available on the Internet". AGIS went live in 1999 and was officially launched at the World Summit on Sustainable Development in 2002. AGIS contains a large amount of information related to the environment.

- The Food Insecurity and Vulnerability system assists decision makers to decide how and where to intervene to assist communities that are vulnerable. The Food Insecurity Vulnerability Information Mapping System (FIVIMS) pilot project was completed in the area of Sekhukhune.
- Infotoons are aimed to assist those who do not have agricultural education to start gardens and grow vegetables.
- Environmental indicators that are available on AGIS include:
 - Grazing capacity
 - Land capability Soils susceptible to wind erosion Soils susceptible to water erosion Potential for soil regeneration if badly eroded. Soils with poor or impeded drainage Soils susceptible to acidification

South Africa's food security is susceptible to drought, therefore, the **Agricultural Drought Management Plan (ADMP)** outlines a vision and strategic objectives pertaining to drought risk management, the implementation guidelines of the plan as well as the challenges faced within the new dispensation and new approach to drought risk management. In addition, drought management will be enhanced through the implementation of water storage, water transfer and hydropower infrastructure required for agriculture, agro-processing, tourism and forestry projects. The Government of South Africa has committed R9 million for the design of such infrastructure. Government has a leading role in promoting the development and maintenance of successful, profitable and sustainable irrigation farming. Irrigated agriculture contributes over 30% of the gross value of the country's crop production. It is essential for South Africa's fruit industry, which is amongst the most important export commodities, with about 90% of the country's fruit and wine being produced under irrigation.

South Africa has an active Genetically Modified Organism (GMO) industry in which the country's genetically modified crop comprises 1.4 million hectares in the 2006/07 season in which 1 million hectares were planted to maize and the remainder comprising of soybean and cotton. South Africa's position is strongly contested by a number of watchdog organisations. South Africa's **Genetically Modified Organism Act (No 15 of 1997)** looks to enhance GMO productivity so as to enhance food security especially in light of global environmental change. In this regard, with agricultural security as a cornerstone, South Africa has embarked on a significant biotechnology research initiative and in 2001 published its National Biotechnology Strategy, with the objectives of promoting biotechnology research and development (R&D) and marketing of biotechnology products in South Africa (please see Section 4.4).

1.1.2 Challenges and opportunities

Climate change

The projected impacts of climate change, i.e. increasing occurrence and magnitude of natural disasters such as drought, floods, poses serious constraints and challenges for Sustainable Agriculture and Rural Development (SARD). A recent study undertaken for maize indicates that some of the marginal western areas may become unsuitable for production under current management strategies while some of the eastern production areas may remain unchanged or increase production levels.

Specialty crops grown in specific environmentally favourable areas may also be at risk as both rainfall and temperature effects may cause changes in areas suitable for specialized production.

South Africa's Climate Change Response strategy suggests that adaptation measures should include:

- **Changes in agricultural management practices**, such as a change in planting dates, row spacing, planting density and cultivar choice, and other measures, which would counteract the effects of limited moisture. Irrigation is currently used to supplement low levels of precipitation but this could become very expensive and less effective, giving conditions of increasing aridity. This would require a phasing out of irrigation farming and a relocation of the production areas eastwards, if practicable. To reduce the risk of famine, marginal production areas could be kept economically viable by, for example, decreasing input costs or planting drought resistant crops, such as sorghum or millet. Alternatively, land use could be changed to grazing. Many current agricultural practices, such as conservation tilling, furrow dyking, terracing, contouring, and planting vegetation as windbreaks, protect fields from water and wind erosion and assist in retaining moisture by reducing evaporation and increasing water infiltration. Management practices that reduce dependence on irrigation would reduce water consumption without reducing crop yields, and would allow for greater resiliency in adapting to future climate changes. Such methods include water harvesting. The reduced use of some pesticides could directly reduce greenhouse gas emissions and also reduce water pollution, thus contributing to both adaptation and mitigation. Agricultural management practices that recognise drought as part of a highly variable climate, rather than a natural disaster, should be encouraged. Farmers should be provided with information on climatic conditions, and incentives should be given to those farmers who adopt sound practices for drought management, and therefore do not rely on drought relief funds. Land use planning can be used to identify trends in land use that would be advantageous in the event of climate change. Suitable measures could be incorporated in national agricultural policy.

- **A reduction of reliance on industrialised mono-cropping** and diversification of the range of crops cultivated will reduce vulnerability as well as creating jobs and potentially reducing irrigation needs. Development of more and better heat and drought resistant crops would help fulfil current and future national food demand by improving production efficiencies in marginal areas, with immediate effect.
- **Maintain a variety of seed types in seed banks** that preserve biological diversity and provide farmers with an opportunity to make informed choices could be used to counteract the effects of climate change, maintain food security and establish possibilities for profitable specialisation. This should be adopted as a priority and needs to maximise the role of local communities.

Institutional structures

While South Africa has made significant institutional progress in becoming a food secure nation, however, there remain a number of challenges that need to be overcome, including:

- Mobilising civil society to implement agricultural projects and processes;
- Poor integration between government departments in terms of project and programme implementation; and
- Lack of institutional capacity to implement existing programmes.

The implementation of capacity building initiatives is critical in ensuring that these challenges are overcome.

1.2 Providing a conducive environment for increasing agricultural productivity and economic returns

1.2.1 Progress

One of the more critical elements in sustaining food production is to improve the living conditions of rural communities by assisting especially small farmers in enhancing agricultural productivity and their incomes and to provide access to land. Micro Agricultural Financial Institutions of South Africa (MAFISA) contributes to Governments overall commitments towards the social upliftment of people in their communities by benefiting both farm and non-farm beneficiaries such as farm workers, household producers, small-scale land owners, food garden producers, rural and micro-entrepreneurs.

The Farmer Support Programme provides support to promote economic and market development to sustain adequate on-farm incomes which promotes stability, competitiveness, growth and transformation in the agricultural sector. This initiative has

been augmented with the **Comprehensive Agricultural Support Programme (CASAP)** which is a conditional grant raised by Central Government to supplement the Provincial funding to ensure accelerated delivery of support services to farming communities. CASAP was inceptioned in the 2004/2005 financial year focusing on six key pillars, including: On & Off Farm Infrastructure, Training & Capacity Building, Technical Advisory & Assistance, Marketing & Business Development, Information & Knowledge Management, and Financing Mechanisms.

Grant funding provided during the initial implementation year was R200 million (approx \$28m) and has grown to R415million in the present financial year. At the beginning of the programme, the main focus was on the farm infrastructure support as it was identified as the main activity needing support due to the downfall of the majority of land reform projects. Presently the grant conditions focus on the key priority areas of 70% land reform projects, 10% food security, 10% training and capacity building, 5% animal health and 5% marketing. The total number of CASAP projects that will be implemented in all provinces is 845 targeting a total of 60 000 beneficiaries.

In line with the **Micro-Economic Reform Strategy (MERS)**, and other government Departments (e.g. Trade & Industry, Agriculture, and Environmental Affairs & Tourism), South Africa through Department of Science and Technology has developed a focus on the agro-processing in support of the Accelerated Shared Growth Initiative (ASGISA). This initiative aims to “promote opportunities for participation of marginalized communities in economic activity, and improve the quality of livelihoods of the poor” (DST, 2007). The identified core technologies in agro-processing with a focus on establishing larger interventions include Aquaculture (fresh water and marine), Essential Oils, and bio-prospecting on Indigenous Medicinal Plants. Agro-processing is one of the key sectors identified by government as among the sectors “that demonstrate strong potential for growth, employment creation and value addition”. Within this portfolio the Government of South Africa through is focusing on the production of finished value-added products in areas where the remote location does not present a logistical or financial disadvantage, and to establish sustainable (post-funding) Small, Micro and Medium Enterprises (SMME’s). The products tend to be high-value goods in a defined growing (or import substitution) market where the natural resources of the area given a competitive advantage (DST, 2007).

Whilst transferring technologies with a potential for massive roll-out, the sustainable livelihoods initiative builds capacity through skills development and training. The technologies are at pilot demonstration of mature beneficiation (value-addition) and affordable technologies that require technology-based processes where strong markets already exist. This Portfolio sources from the National System of Innovation (NSI) and transfers mature beneficiation (value-addition) technologies, with a view of establishing sustainable SMME’s, wealth and job opportunities in the areas where technology and skills transfer has occurred. These have been identified as having an established fledgling market but require a technology-based intervention to expand and to contribute to the establishment of new industries (wealth creation), and Black Economic

Empowerment (BEE) opportunities. This guarantees sustainability of SMME's, post incubation. It does not focus on R&D but on adaptation of technology solutions on the ground (DST, 2007).

The Government of South Africa acknowledges that commonage land is land that historically has public character and should be retained for this purpose. Thus Government seeks to ensure that existing commonage land needed by local poor residents for agricultural purposes on a leasehold basis, to supplement their household income, is made available by:

- Encouraging or assisting municipalities to develop conditions which enable poor residents to access existing commonage;
- Encouraging and on request assisting provincial government to develop appropriate provincial policy, legislative framework and administrating systems for municipal commonage; and
- Providing funds to enable resource poor municipalities to acquire land to create or extend the commonage for the purpose of establishing agricultural lease schemes.

In addition to providing farmer support, the **Settlement Land Acquisition Grant (SLAG)** provides grant through which poor landless black South Africans could form a group to apply to buy and develop land. By the end of year 2000, the Ministry of Agriculture and Land Affairs had approved 484 projects, transferring 780,407 hectares of land to 55,383 people, with 14% headed by women. SLAG ended in year 2000. Government achieved its goal of improving emerging farmer's access to land by managing a total of 542 projects and assisting 89,000 beneficiaries, and sustained participation in agriculture by establishing 84 agricultural co-operatives in the nine provinces. Outreach support is aimed at improving the agricultural capability of emerging farmers as well as Community-based and indigenous approaches to sustainable food production. In addition though, the DST implemented an Indigenous Knowledge System (IKS) with priority areas dealing with seed conservation and sacred seed; post harvest; animal husbandry, land management and utilisation; water conservation; and horticulture.

Support has been provided to ensure that agricultural products find their way to markets efficiently. The **Accelerated Rural Roads Upgrade Programme** by the Department of Transport is a supporting programme that provides infrastructure for rural development. The Agricultural Trade and Business Development programme by the DoA promotes the development of agribusinesses, competitive markets and freer international trade environment. In its goal of disseminating information, 42,200 agricultural marketing information booklets were distributed to all provinces and some municipalities. These booklets are available in all official languages spoken in South Africa.

1.2.2 Challenges and opportunities

The agricultural sector is a major employer in South Africa yet provides a decreasing contribution to National Gross Domestic Product (GDP). This has come about through the persisting dry conditions, high costs that affect both the commercial and small-scale farmer and ongoing land conversion from agricultural to other uses.

The provision of rural infrastructure has, in theory, enabled small-scale farmers to have better access to markets. In practice, however, limited access to markets especially in terms of marketing-mechanisms and funding for small scale farmers continue to limit economic growth. The private sector is not actively or formally engaged in Sustainable Agriculture and Rural Development (SARD) which prevents significant economic returns from that sector. In order to implement effective public-private partnerships, for a need to be established so as to create an enabling environment for private sector involvement.

As with food security, climate change presents a significant future challenge to maintaining agricultural production in South Africa.

1.3 Reducing poverty through rural development

1.3.1 Progress

The 2001 Census data indicated that approximately three quarters of all migration in the past decade was movement from rural into urban areas, with Gauteng and the Western Cape provinces gaining and the Eastern Cape and Limpopo decreasing in population numbers. The consequence of this is a boost in urban poverty as cities are unable to cope with the influx of poor people seeking better economic opportunities. The World Bank has suggested that promoting agricultural and rural development is crucial to pro-poor growth in most developing countries.

The **Poverty Reduction Strategy and Plan** in South Africa created new forms of policy development which places poverty reduction strategies as part of the activities of all three spheres of government (i.e. national, provincial and local government), with close consultation with representatives of civil society. This shift from a macro-economic policy to a more local market-based solution has created an environment in South African rural development, which strives for both poverty eradication and self sufficient development for rural communities.

The Department of Social Development has developed a set of provincial programmes which are being implemented to improve the health care, education, water and sanitation and other social welfare services in an attempt to alleviate poverty in both rural and urban areas. These services include financial support in the form of pensions, child grants, and disability grants, as well as facilitating access to training and health services. The Department of Water Affairs and Forestry

together with the Department of Provincial and Local Government are managing infrastructure programme that are implemented through local government institutions for the provision of water and sanitation services. Roads, storm-water drainage, and electricity reticulation are also programmes targeting development of the rural areas to enable better access to economic opportunities for the rural poor. **Where geographically feasible, urban municipalities are assisting rural municipalities in their local functions of water provision, sanitation services, roads and infrastructure, storm water drainage, refuse removal and electricity reticulation.** In many cases, however, the lack of capacity (administrative and institutional) to ensure the implementation of these programmes, and associated monitoring of service delivery, has resulted in incomplete service delivery initiatives and an under-expenditure of allocated funding

South Africa is also fully committed to achieving the Millennium Development Goals with respect to poverty reduction, water supply, and access to safe sanitation. Targets have been set by government to achieve universal access to water supply and sanitation well before 2015. The greatest challenge for achieving these objectives are in the rural areas, but significant funding and resources have been allocated at national, regional and local levels to work towards meeting the supply backlogs by 2008 for water and 2010 for sanitation. Programmes are being implemented on a large scale, creating significant employment opportunities in the rural areas, and providing access to basic health infrastructure.

As a critical step in reducing poverty, especially in rural areas, South Africa has also initiated its **Expanded Public Works Programme (EPWP)**. Under the EPWP, all government departments, provinces, municipalities and parastatals involved in infrastructure provision are required to take steps to increase the employment creation resulting from their infrastructure programmes, where technically and economically feasible. Although government will take this approach with all of its infrastructure projects, there will be a particular focus on relatively simple infrastructure which is particularly amenable to labour-intensive methods, and where the most additional work opportunities can be created (i.e. rural roads, local municipal roads, water and sewer pipelines and stormwater drainage). There are huge backlogs in these types of infrastructure in historically-disadvantaged rural areas, where unemployment is particularly high. Using prioritisation processes and the IDPs, provinces and municipalities should identify those projects that could absorb a lot of local labour and design their execution using labour-intensive methods. In addition small local enterprises for the provision of materials and services associated with the infrastructure projects are being established and supported. These include brick making, manufacture of toilet pedestals, prefabricated panels for toilet construction, welding enterprises, health and hygiene educators, and many small associated businesses.

In 2002-2003 government offered 50kWh of free electricity to households for a trial period of one year, as part of its Electricity Basic Support Services Tariff Strategy (EBSST). Research indicated that as communities realised there was a continual supply of electricity, electricity consumption increased with the associated increase in the number of electrical appliances in

households. It was suggested that by supplying poorer households with free basic electricity, alternative energy choices became distorted. **South Africa must assess alternative energy sources available, in order to decrease the high costs associated with the supplying of electricity to a society with increasing demands.** South Africa must also focus on other social services necessary for rural development.

In South Africa vulnerable communities/persons have the opportunity to apply for the **social assistance grant programme and/or various poverty relief programmes.** These programmes provide both poverty reduction and poverty prevention strategies, and are part of the governments largest poverty reduction programme. As of September 2003, 5.6 million South Africans were receiving social assistance. This programme has focused on the most poverty stricken peoples in rural communities and therefore aims to promote rural development through the provision of a basic financial means to support local economic development. However, recent poverty statistics have not been analysed due to the lack of capacity within the Department of Social Development, and hence progress in reducing the number of people living in poverty has not been able to be accurately assessed. South Africa must ensure that information is available to assess these projects and programmes being implemented to reduce poverty in the country.

Most rural development programmes which aim to ensure income generation, implement additional objectives such as waste management and training, erecting useful community infrastructure or protection of water resources. These programmes have therefore shifted from poverty reduction to poverty relief and their aim is twofold, i.e. to promote self reliance and to eradicate poverty. Another initiative aimed at reducing impacts on the environment from rural development efforts is the “Basa Njengo Magogo” technology. This technology is focused on rural communities being self reliant through the use of fuel wood whilst still promoting benefits to the environment, as it reduces coal use and associated smoke, provides heat quicker and is safer to implement.

1.3.2 Challenges and opportunities

South Africa has implemented several successful rural poverty relief initiatives; however, poverty continues to strain rural development efforts. These programmes have been hampered by the social acceptability of some of the alternative (more appropriate) infrastructure that has been implemented and the lack of suitable education as to technological suitability. The situation is further exacerbated by the high incidence of HIV and AIDS and high rates of population growth and urbanization.

South Africa’s bid to achieve food and energy security, rural development efforts have been augmented by the potential development of a rural biofuels programme that is under consideration in South Africa. The ongoing process of evaluating the suitability of biofuels in the country is faced with the food security issues and is some way from resolution.

1.4 Reducing the environmental impact of agricultural production

1.4.1 Progress

Land degradation, water scarcity and pest control are the most significant environmental issues facing agriculture in South Africa. The **Sustainable Resources Management and Use programme develops, implements and monitors policies on managing and using land and water resources in agriculture**. At present the underground water atlas has been developed and data from more than 210 000 boreholes on the national geo-hydrology database was captured. This data can be used at a provincial level to plan ground water development for stock watering purposes and irrigation. The National Regulatory Services programme by the DoA develops and monitors risk management policies for controlling animal and plant diseases and for food safety. The DWAF has committed R9 million to design the water storage, water transfer and hydropower infrastructure required for agriculture, agro-processing, tourism and forestry projects.

Land degradation is costing several billion Rands each year in wasted production, treatment of degraded land, nutrient loss, research and costs related to the silting up of waterways. The National DoA's special strategy for sustaining the natural resource base is the **Landcare programme**. There is a central concern in the National LandCare Programme of South Africa to implement projects that place people at “the starting point, the centre and the end of each development intervention ... and constructing appropriate interventions or technology around their mode of production, cultural patterns, needs and potential”. On this basis, Landcare is a community based and government supported approach to the sustainable management and use of agricultural natural resources. The overall goal of Landcare is to optimize productivity and the sustainability of natural resources so as to result in greater productivity, food security, job creation and a better quality of life. The Landcare approach is as follows:

- **Community-Based Natural Resource** Management in which stakeholders from different backgrounds, share common problems and devise solutions. It is this grass roots approach that is driving the Landcare programme and has been a major reason for its success;
- **Partnerships** between the public, community and private sector;
- **Local Action** through local economic development and employment creation in which local Landcare groups have access to technical information and advice;
- **Food Security** including include greater productivity, food security and poverty relief;
- **Integrated & Innovative Approaches** to natural resource management in which the causes of environmental and resource degradation are addressed rather than the symptoms.
- **Redress** through assisting resource-poor communities from rural areas and addressing the needs of former disadvantaged groups.

Landcare themes are grouped into two key areas, namely:

- Focussed Investment;
 - Watercare: The Watercare theme specially targets the Limpopo Province, because of water shortages and the importance of water for irrigation. This theme is establishing a framework for managing land and preventing the silting of irrigation dams. Watercare also works in partnership with the community to develop action plans for managing and restoring irrigation schemes. The rehabilitation of irrigation schemes increases water supply and household food security. Furthermore, Watercare promotes the development of techniques for water resource management, and encourages opportunities for training in this area.
 - Veldcare: Veldcare entails the promotion of best grazing systems and erosion prevention practices to improve production. This theme aims to develop and maintain agricultural activities in accordance with the principles of ecologically sustainable development within the Northwest Province. It also ensures that economic and social development opportunities are realized by improving grazing areas and maintaining viable grazing areas throughout rural communities.
 - Soilcare: This theme encourages rural farmers in KwaZulu-Natal, Eastern Cape and Mpumalanga to build innovative structures to combat soil erosion. This includes reducing the depletion of soil fertility and soil acidity. Through Soilcare, sustainable agricultural production systems are introduced, such as diversification, management of inputs, and conservation tillage.
 - Juniorcare: Our children will reap the benefits of our Landcare efforts. Their involvement is an investment for the future. The objectives of Junior Landcare are to empower previously disadvantaged youth with regard to training in facilitation and leadership skills. This includes the promotion of food security at homes and at schools, awareness in sustainable agriculture, stimulating the formation of youth clubs, and small projects that aim to promote other components of Landcare. Juniorcare addresses the needs of youth, in an integrated and interdisciplinary way.
- Small Community Grants
 - This theme improves the ability of resource-poor communities to manage land, water and related vegetation in a sustainable and self-reliant manner. It includes elements from all the above-mentioned themes.

In 2005, the DoA published a **Draft Biosafety Policy** for public comment. The Policy was contested on the basis that it provided a limited perspective on the risks associated with GMO technologies. The Policy is currently being redrafted so as to align various applicable bodies of legislation such as the National Environmental Management Act (No 107 of 1998) and the **GMO Act No 15 of 1997**. The revised Policy aims to provide mechanisms for risk assessments, environmental and social impact assessments to reduce the threat of GMO's to the environment

or human, animal and plant health. In addition, the policy will aim to harmonise biosafety regulations and approaches across the southern African region.

The significant growth in the organic agriculture sector in South Africa is further evidence of the country's commitment to environmentally sustainable food production. The Organic Freedom Project (OFP) is a not-for-profit membership-based organization incorporated in South Africa with the aim of promoting job creation and sustainable trade in southern Africa through facilitating the development of fully integrated value chains in the Organic industry.

1.4.2 Challenges and opportunities

South Africa suffers from capacity shortages in the implementation of the Landcare and biosafety programmes with the result that the problem of land degradation is ongoing with a particular impact felt in terms of loss of soil resources.

Furthermore, there is limited public understanding of the impacts of poor agricultural practice on the environment.

There remains no agreement on GMO practices in South Africa particularly with regard to biosafety issues. The problem is exacerbated in that there are limited levels of research and scientific capacity in the country to assess impacts and/or track progress.

1.5 Improving access to international agricultural markets

1.5.1 Progress

The objective of the **International Trade Development** programmes by the Department of Trade and Industry (DTI) is to increase market access for South African exports in targeted countries, economic integration with the region and the African continent and efficient trade administration and facilitation. The Department of Agriculture is closely co-operating with the DTI in this regard. The Agricultural Trade and Business Development programme of the DoA promotes the development of agribusinesses, competitive markets, improved market access and a freer and fairer international trading environment.. At the regional level, the Southern African Customs Union (SACU, in existence since 1910) agreement has been renegotiated, and the SADC Trade Protocol was concluded amongst 14 countries in the Southern African region.

South Africa has concluded a Trade, Development and Co-operation Agreement (TDCA) with the European Union. This Agreement includes a Free Trade Agreement (FTA). Negotiations are currently underway to review the TDCA in conjunction with the Economic Partnership Agreements that the EU is negotiating with its African, Caribbean and Pacific partners. Further, SACU has concluded a FTA with the European Free Trade Association (EFTA) and is in the

process of concluding a trade agreement with MERCUSOR. Further trade agreements are being considered.

South Africa is an active participant in the negotiations of the Doha Development Round of the WTO. In the agricultural negotiations, South Africa is participating in various alliances to strengthen its own position and that of the region to ensure that the focus of the Round remains on development.

Various other initiatives are implemented to ensure a broader and more effective participation in international trade. These initiatives include co-operation in various fields with other countries and various international organisations and institutions (Box 2).

Box 2: Rooibos tea and community based tourism knowledge exchange in Northern Cape

The Heiveld Co-operative has given small-scale farmers access to lucrative export market. Collective processing and marketing has cut costs and increased profitability. Incomes of farmers and farm workers have risen. Conversion by all farmers to organic production has further enhanced incomes and had a positive effect on the environment. A farmer study group has helped develop farmer capacity to address constraining factors relating to sustainable rooibos tea production and natural resource management. In addition, the farmer participatory research on sustainable harvesting of wild tea has created a synergy between indigenous and scientific knowledge.

1.5.2 Challenges and opportunities

Ongoing trade distortions through production and trade distorting domestic support of agricultural products in developed countries present a major obstacle to South African agricultural export growth and competitiveness. High access barriers in the form of tariffs, sanitary and phytosanitary (SPS) barriers as well as other non-tariff barriers further place a constraint on export growth. For South Africa, the sub region and the African continent, the lack of capacity in the SPS field is an increasing concern.

For South Africa, the region and the continent a successful, ambitious and balanced conclusion of the Doha Development Round is of crucial importance. Furthermore, South Africa should seek to maximise opportunities on the African continent.

