
International Trade Centre Supply Chain and Logistics Development Programme

MERC Seminar

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National Agricultural
Marketing Council

Strategic positioning of South African Agriculture
in dynamic global markets

Background

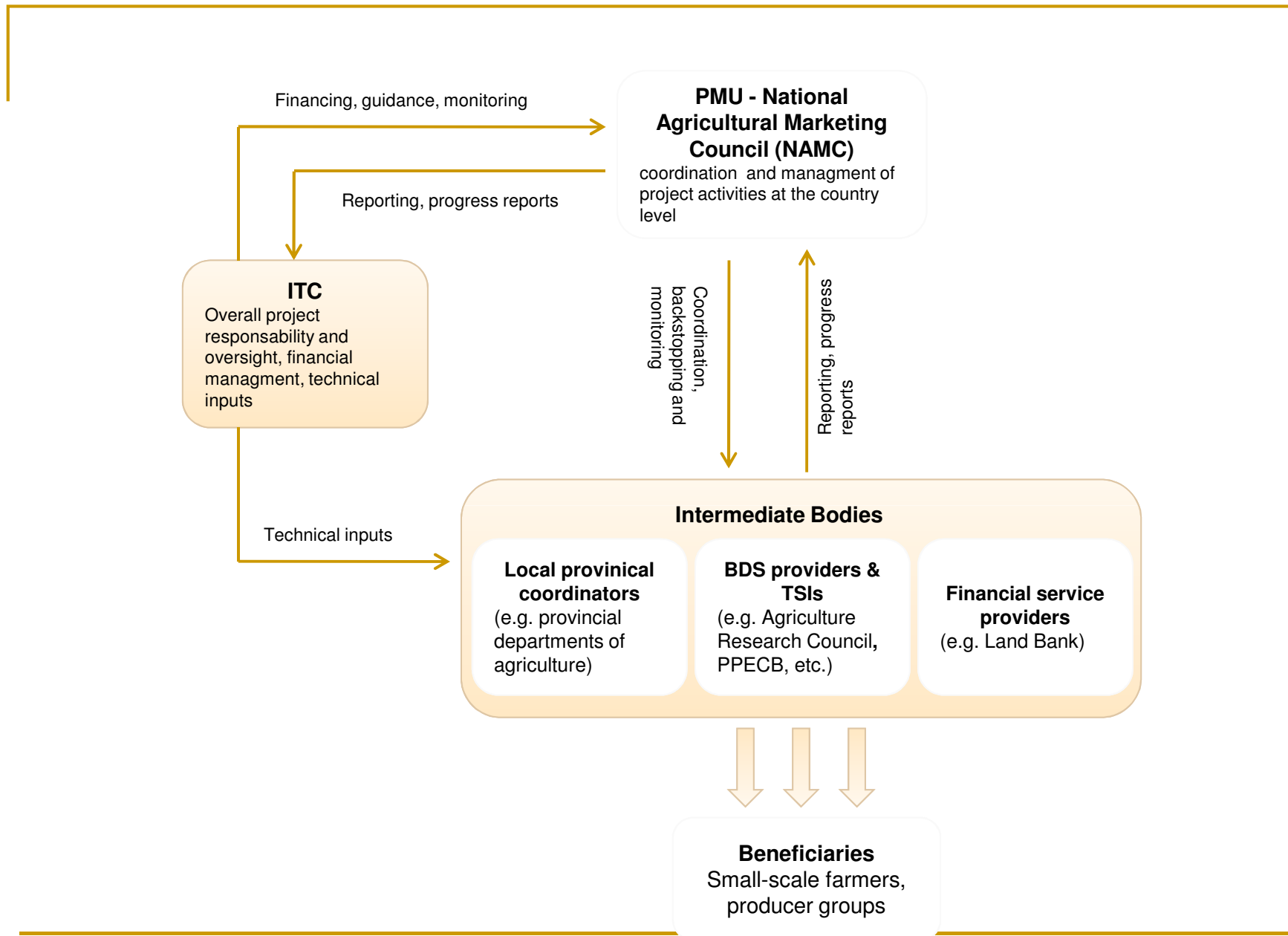
- In 2007 & 2008 ITC collaborated with stakeholders across SADC region
- Developed the Supply Chain & Logistics Development for facilitating inter-regional trade in SADC
- SCLP seeks to integrate small agro-businesses into sophisticated supply chains whether domestic, regional or international
- To help those producers to seize opportunities for trade in horticulture and agri-food products
- In late Flemish government endorsed that approach by providing the initial funding

Background

- ITC gone through the process of selecting and collaborating with partners to develop the project document for joint implementation of the SCLP
- The programme is a pilot in three countries
 - South Africa – focus international markets
 - Mozambique & Malawi – Focus local and regional markets
- In South Africa NAMC was selected as a PMU of the SCLP
- The NAMC made a presentation to ITC in Geneva together with other piloting countries – Malawi and Mozambique

Project Management Unit (PMU)

- The PMU is expected to deliver on the activities of the SCLP
- Roles of the PMU:
 - increase backward integration between small-scale producers and big businesses;
 - foster vertical integration that transforms commodity production into value addition along the supply chains;
 - provide emerging farmers access to consolidation centers and packinghouses that then supply local supermarkets or export market and
 - facilitate the provision of training and skills development of producers by international and local experts.



Component One: Project Management Unit

Objective:

To put in place management capacity to deliver and sustain SCLP activities and outputs and to build the capacity of South African institutions

Outputs

- i. National Programme Management Unit (PMU) established and operational
- ii. Needs assessment completed and coordination of stakeholders across supply chains improved
- iii. Monitoring framework put in place
- iv. Reports and success stories elaborated
- v. Management capacity established to sustain and scale up project activities after completion of specific scopes of work

Indicative Activities

- i. Consultation meetings with key stakeholders to identify needs and challenges faced by producers in South Africa
- ii. Developing a generic modeling of a supply chain information system for fresh produce which can be used or adapted by other supply chains
- iii. Conducting coordination meetings with other development stakeholders to identify complementarities, share project information and streamline efforts of different stakeholders
- iv. Establishing a monitoring framework
- v. Coordinating and backstopping project activities
- vi. Disseminating results and key findings in workshops, publications and websites

Indicative Performance Indicators

- i. Workplan and progress reports made on time and effectively
- ii. Process put in place to fund PMU activities either through MOU or other means
- iii. Logframe and Monitoring and Evaluation (M&E) framework developed
- iv. Case studies and progress reports developed

Component Two: Producers and Producer Groups Capacity Building and Supply Chain Development

Objective:

To strengthen producer groups and improve overall supply chain performance

Outputs

- i. Needs of the emerging producers assessed
- ii. Improved productivity and capacity of producers and producer groups to produce and market their products.
- iii. Improved skills of emerging farmers in good agriculture practices.
- iv. Improved linkages between FFV clusters and formal markets, in particular the EU market.

Indicative Activities

- i. Identify cluster/cooperatives in various provinces through existing networks and engage farmer associations/unions to mobilize clusters/cooperatives
- ii. Identify and diagnose constraints faced by the clusters/cooperatives, identify their needs in relation to the FFV supply chain development and develop assistance plans
- iii. Roll-out training programmes on FFV specific supply chain and logistics (production techniques, quality control, processing and post harvest handling)
- iv. Train farmers groups on group management, business plan development, basic book keeping and financial management
- v. Secure markets for agribusiness cluster/cooperatives
- vi. Further engage DTI for support of clusters/cooperatives participating in this programme on non-financial services

Indicative Performance Indicators

- i. Improved skills of selected producer groups in post-harvest handling and supply chain management
- ii. Improved skills of SME agribusinesses in key technical and management tasks
- iii. Improved efficiency or reduced cost in selected value chains
- iv. Volume and value of FFV supplied from producers to target markets
- v. Number of linkages developed between producers and target buyers

Component Three: Standards Upgrading

Objective:

To create awareness and assist small producer to meet food safety standards that govern market access of agro-food products, particularly to the EU

Outputs

- i. Increased awareness about national and international food safety standards among small producers in the horticulture industry
- ii. Capacity of small FFV producers built on public and private standards and certification requirements, particularly regarding exports to the EU

Indicative Activities

- i. Identify beneficiaries and their needs in terms of standards upgrading
- ii. Identify companies who offer private standards certification services.
- iii. Presentation by the companies to assess their type, services offered, fee structure and willingness to participate in the project.
- iv. Facilitate training workshops on standards
- v. Support beneficiaries to comply with the standards of local and international markets

Indicative Performance Indicators

- i. Number of beneficiaries obtaining food safety standards certification
- ii. Number of beneficiaries trained on food safety standards

Work in Progress

- The NAMC & ITC have developed scope of work
- Supports from both the private and public institutions being solicited
- Project Document have been signed and the AoU is expected to be signed soon
- Preliminary products line have been identified
- Producer groups will be visited during the month of July
- Baseline template is currently being designed and data will be collected for M&E purposes