



# NAMC

## NEWSLETTER

November/ December 2017, Vol. 3 Issue 2 Victoria

# The Year 2017

## HIGHLIGHTS

- new Board
- new research partnerships
- new CEO

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## MANAGEMENT

Zama Xalisa (CEO)  
 Sarah Netili (CFO)  
 Dr Simphiwe Ngqangweni  
 Schalk Burger  
 Bonani Nyhodo  
 Tshepiso Maphathane  
 Virginia Nkobi  
 Khumbuzile Mosoma

## Contributions

### CEO OFFICE

Zama Xalisa  
 Elma Du Plessis  
 Tshepiso Maphathane  
 Lutendo Tshifularo  
 Abram Maifadi

### AGRIBUSINESS DIVISION

Khumbuzile Mosoma  
 Nonhlanhla Gwamanda  
 Precious Nengwekhulu  
 Thendo Ndou

### NATIONAL RED MEAT DEVELOPMENT PROGRAMME

Dr Xolile Ngetu	Bongolethu Ngambu	Yamkelwa Sogwanqqa
Sanele Hlongwa	Zikhona Monono	Ntomenkosi Zaza
David Mopelwa	Zolisa Moyeni	Njongo
Zamandaba Zulu	Inga Noxakela	Zizo Mjonono
Zanele Ngema	Mandla Bokwe	Siphelele Nkosi

### FINANCE DIVISION

Sarah Netili  
 Klarien Bothma  
 Tina De Klerk  
 Tshiamo Moikanyane  
 Meshack Letlape  
 Evans Khosa  
 Funanani Mudau  
 Thato Tlhale

### STATUTORY MEASURES DIVISION

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 Lizette Mellet  
 Matilda Van Der Walt  
 Ndumiso Mazibuko  
 Elekanyani Nekhavhambe

### MARKETS & ECONOMIC RESEARCH CENTRE

Dr Simphiwe Ngqangweni  
 Dr Christo Joubert  
 Prof Victor Mmbengwa  
 Bonani Nyhodo  
 Corne Dempers  
 Rika Verwey  
 Kayaletu Sotsha  
 Dr Abongile Balarane  
 Dr Moses Lubinga  
 Lucius Phaleng  
 Thulisile Khoza  
 Fezeka Matebeni  
 Yolanda Potelwa  
 Khatutshelo Rambau  
 Mashudu Siobo  
 Stephanie van der Walt

### HUMAN CAPITAL DIVISION

Virginia Nkobi  
 Tshilidzi Netswinganani  
 Pamela Shoyisi  
 Katlego Shikwane  
 Tintswalo Mabunda  
 Martie Venter

### COMMUNICATIONS

Majara Monamodi  
 Sylvester Moatshe  
 Bongani Radebe  
 Daniel Rambau





# National Agricultural Marketing Council



## About NAMC

The National Agricultural Marketing Council was established in terms of the MAP Act No. 47 of 1996, as amended by Act No 59 of 1997 and Act No. 52 of 2001. We provide strategic advice to the Minister of Agriculture, Forestry and Fisheries on the marketing of agricultural products.

## Vision

Strategic positioning of agriculture in a dynamic global market.



## Mission

To provide agricultural marketing advisory services to key stakeholders in support of a vibrant agricultural marketing system in South Africa.



## Strategic Objectives

The work of the NAMC is aligned to the four strategic objectives as set out in Section 2 of the MAP Act, 1996 namely;

- to increase market access for all market participants;
- to promote the efficiency of the marketing of agricultural products;
- to optimise export earnings from agricultural products; and
- to enhance the viability of the agricultural sector.

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# NODE HOST



## About FANRPAN

The origins of the Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) date back to 1994, when the Ministers of Agriculture from Eastern and Southern Africa saw the need for an independent policy input to address chronic food insecurity and the challenges of managing natural resources. In 1997, the Deans of the Faculties of Agriculture from eight countries in the SADC met and agreed to set up FANRPAN in response to the decision of the ministers. Following the drafting of a constitution with support from USAID funding, FANRPAN was officially registered as a private voluntary organization (PVO) in Zimbabwe in 2003. FANRPAN has maintained its registration in Zimbabwe, although it has since moved its regional secretariat office to Pretoria, South Africa where it operates as a fully-fledged international office with diplomatic status. The broad objectives of FANRPAN are to:

- Promote the development of appropriate agricultural policies in order to reduce poverty,
- Enhance food security in Africa, and
- Promote sustainable agricultural development in Africa.

Since 2005, FANRPAN has pioneered regional learning and knowledge acquisition in agricultural and food security policy analysis and advocacy, initially in Southern and Eastern Africa, and latterly extending its contribution and reach to continental and global levels. Through strong collaborative and experiential learning with its constituent stakeholders at national and regional levels, FANRPAN has progressively developed its food and agricultural policy engagement and action cycle which is the cornerstone of its distinctive approach to innovation and learning for policy and capacity development at regional and national levels.

## NAMC- NODE HOST INSTITUTION

The Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) is regional multi-stakeholder network formed in response to a call by Agriculture Ministers in the Eastern and Southern Africa region for a network that could provide independent evidence to inform policy harmonization at regional level (see [www.fanrpan.org](http://www.fanrpan.org) for details). The network is representative of key stakeholders in the Food, Agriculture and Natural Resources (FANR) which include governments, farmer organizations, researchers, the private sector, parliamentarians and the media. FANRPAN currently works in 16 countries: Angola, Botswana, Democratic Republic of Congo (DRC), Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe.

The National Agricultural Marketing Council role as a node host is to amongst others; policy dialogue meetings, commissioning and supervising national policy research, tracking national policy agenda and maintaining a database of ongoing policy research and policy processes in the country. Notable Policy Commission Briefs NAMC has facilitated with FANRPAN include the following; Comprehensive African Agriculture Development Programme and the Climate Smart Agriculture Policy Workshop.

For more information, contact Bonani Nyhodo at [bonani@namc.co.za](mailto:bonani@namc.co.za)

<http://www.fanrpan.org/>





**SOUTHERN AFRICA  
FOOD LAB**

# Market Segmentation of Smallholder Farmers in South Africa

Southern African Food Labs (SAFL) and the NAMC collaborates on joint research

*Thulisile Khoza & Dr. Anri Manderson (SAFL)*

In 2014 the National Agricultural Marketing Council (NAMC) and the Southern Africa Food Lab (SAFL) embarked on research journey to determine the market segmentation of smallholder farmers in South Africa. A questionnaire was developed with the NAMC focusing on water related challenges while SAFL exclusively focusing on market access. The NAMC applied its questionnaire in Limpopo – Mopani District whilst SAFL applied its questionnaire in KwaZulu-Natal – Umkhanyakude District.

Both institutions interviewed smallholder farmers, market representatives, and government officials to come up with typical smallholder farmer profiles in the respective districts, and a set of key findings and recommendations to improve market access for smallholder farmers. SAFL and NAMC aimed to map smallholder farmers' market segments and identify the challenges they experienced in attempting to access new markets. Both studies focused on smallholder farmers who were producing and selling their produce in loose and tight value chains. In the least, they had to have been farming for at least three years with the aim to sell at least half of their produce; and hire at least one additional person as labour. For SAFL sample of smallholder farmers, it focused predominantly on vegetable production.

Using three sets of questionnaires the SAFL team refined with a pilot study, field researchers from Lima interviewed 161 isiZulu farmers from Jozini and Mtubatuba; 24 market representatives in Ingwavuma, Jozini, and Mtubatuba; and five

government officials, including two extension officers. The Lima researchers then used the completed questionnaires to populate an Excel database SAFL developed. The SAFL team also analysed the databanks using Excel.

NAMC applied a survey questionnaire and conducted focus group discussions with smallholder farmers, interviewed market representatives, and interacted with DAFF personnel. A total of 135 smallholder farmers were interviewed in Tzaneen and Giyani.

Both SAFL and NAMC were able to develop typical smallholder farmer profiles, and a set of key findings and recommendations, which are all contained in this combined summary. It's important to note that these profiles do not represent all smallholder farmers, but merely the most common realities of sampled smallholder farmers in the two visited districts. On the contrary, the two respective studies indicate how smallholder farmers differ across the two districts.



# NAMC APPOINTS NEW CHIEF EXECUTIVE OFFICER

5 December 2017. Press Release

## NATIONAL AGRICULTURAL MARKETING COUNCIL APPOINTS ZAMA XALISA AS NEW CHIEF EXECUTIVE OFFICER



The National Agricultural Marketing Council (NAMC) has appointed Mr. Zama Xalisa as the new Chief Executive Officer on a 5-year contract. Prof PK Chauke, Council Chairperson, said the board took into cognizance the importance of business continuity and stability in its decision to appoint Mr. Xalisa.

Zama previously served as Senior Manager; Agricultural Trusts at the NAMC, charged with the responsibility to oversee the performance and management of Agricultural Industry Trusts. He also played a formidable role in the establishment of Grain Farmers Development Association (GFADA) and the National Red Meat Development Programme (NRMDP). He chaired a number of Committees such as Strategic Integrated Project (SIP 11), AIMS, and AgriBEE Threshold Study to namebut a few.

He holds two Masters qualifications (Masters Business Administration – Milpark Business School and Masters in Sustainable Agriculture – University of Free State), and executive programmes in Management Advanced Programme (Wits Business School), Designing and Executing BEE Strategy (Gordon Institute of Business Science).

Council Chairperson Prof PK Chauke congratulated Mr. Xalisa and expressed his fullest confidence and support. 'The board endorses the decision to appoint Mr. Xalisa unanimously and we wish him well in his new role' he said.





# OFFICIAL ANNOUNCEMENT

*made by Mr Faku (Chairperson of HR & Remuneration Committee) supported by Mr Mohane (left) also from the HR & R Committee. Below are some of the NAMC Staff members congratulating Mr Xalisa on his appointment.*





# INDUSTRY MESSAGE OF SUPPORT



"Congratulations with your new appointment as CEO of the NAMC. May you have the strength, wisdom and knowledge to guide the NAMC to new heights and may you enjoy every moment of the journey. I trust that you will be blessed to be a blessing. Enjoy the festive season may 2018 be extraordinary."

CEO; Johann Kotze



"Dear Zama, I wish to congratulate you on your appointment as the new CEO of the NAMC as per the e-mail and press release by your Chairperson. You have already come a long way in Agriculture and I have no doubt that you will be very successful with your new responsibilities. I wish you all the best and be assured that we will follow your career with great interest."

CHAIRMAN: Gerhard Scholtemeijer



"The Citrus Industry Trust wishes to extend a congratulatory note to you for your official appointment as - the CEO. Also, thanking you for your invaluable contributions and sacrifices made during the CIT sittings whilst a Senior Manager: Agricultural Trusts."

We wish you continue success in leadership and career aspirations in your new position."

CEO: Ms P. Motlogelo Chairperson



"Dear Zama, This is just to congratulate you on your appointment as the CEO of the NAMC. We wish you well in your career and hope that we can build on the past partnerships."

SAWIT: Charles Erasmus



"Dear CEO Xalisa, on behalf of the board of the DFDC-SA, we congratulate you on your appointment as CEO."

Chairperson Ismail C Motala  
DFDC-SA



"We have no doubt that you have the right credentials, background and experience for the job and that you will serve the NAMC"

Executive Director: Anton Rabe



"We would like to extend a warm word of congratulations to you to your new position as Chief Executive Officer of the National Agricultural Marketing Council (NAMC)."

CEO: GM Schutte



"On behalf of the ARC let me take this opportunity to congratulate you on your appointment as the CEO of the NAMC."

CEO: Dr S. Moephuli



"My sincere congratulations on your appointment as CEO. It is great news and I have no doubt that you will fill this position with distinction."

MD: Leon Du Plessis



"The South African National Consumer Union (SANCU) takes great pleasure in congratulating you on your new position as Chief Executive Officer of the NAMC. We wish you everything of the best in your new position."

Acting Chairman Marie Van Der Merwe



"It gives me a great pleasure to extend my warmest congratulations to you on your appointment as Chief Executive Officer of NAMC."

CEO: Dr. Tobias Takavarasha



"It gives us great pleasure to congratulate you to your new position as CEO of the NAMC. We wish you all the very best in this challenging position. May your good work continue from strength to strength!"

Chairman: Dave Ford



"Congratulations on your appointment as CEO of NAMC and wish you every success in your new responsibilities. We at the Grain Farmer Development Association (GFADA) pledge our further support and look forward to productive cooperation."

GM: Ishmael Tshame



"Dear Zama, on behalf of the Southern African Citrus Industry I would like to congratulate you on your appointment as CEO of the NAMC. As you are aware the CGA has a long and strong relationship with the NAMC, and I look forward to that continuing under your stewardship."

CEO: Justin Chadwick



"I wish to extend my congratulations and best wishes to you on your recent appointment as CEO, your long standing career with the NAMC and entrenchment with the industry will stand you in good stead as you embark on this journey."

CEO: Lucien Jansen



"Congratulations on your appointment."

Manager: Mr Wilton September



"Congratulations with your appointment as CEO. Best wishes from all of us at RMLA"



"May I be amongst the first to congratulate you on your appointment as the new CEO of the NAMC."

COO: Dr Thulasizwe Mkhabela





## The NAMC welcomes the new Council

*Back Left - Right: Mr. H. Mohane, Mr Z. Xalisa, Mr. B. Mokgatle, Ms. F. Mkile, Mr. Z. Wapi, Prof. D. Rangaka, Mr. G. Schutte  
Front Left - Right: Mr. S. Faku, Mr. H. Prinsloo (Deputy Chairperson), Prof P.K. Chauke (Chairperson), Ms. N. Mokose*

On 20 June 2017, the NAMC held an induction for its the newly appointed Council. The induction comes after the Minister of Agriculture, Forestry and Fisheries Senzeni Zokwana appointed 10 new members to the Council after the previous board term expired. In his maiden speech Professor P.K. Chauke as Chairman of the board, noted the confidence expressed by the Minister on his appointment to lead the NAMC. 'Mine is not to dictate but to act and decide collectively as Council in the best interest of the

sector and the NAMC' he said. He applauded the work done by the previous board and looked to build on it. The NAMC wish them well in their new role

The Council Members; Prof P,K Chauke (Chairperon), Mr. H. Prinsloo (Deputy Chairperson), Mr. S Faku, Ms. F. Mkile, Mr. H. Mohane, Mr. B. Mokgatle, Ms. N. Mokose, prof. D. Rangaka, Mr. G. Schutte, Mr. Z. Wapi

### Human Resources and Remuneration Committee

The committee is delegated with the responsibility to ensure fairness and equity strives at the NAMC. Its upmost task is that of reviewing Human Resources policies and advising Council on steps taken to implement the HR Charter.

### Members

Sindile Faku (Chairperson)  
Zamikaya Xalisa (Chief Executive Officer)  
Fezeka Mkile  
Happy Mohane  
Virginia Nkobi  
Tshepiso Maphatane





Kevin Lovell  
CEO: SA Poultry



Dr Konanani Liphadzi  
CEO: Fruit SA



Thandeka Ntshangase  
Former Intern NAMC



Ronald & Phetsile Ramabulana  
with Elma du Plessis (PA: CEO)



Aggrey Mahanjana  
AFASA



Dr Shadrack Moephuli  
President & CEO: ARC



Colleagues & Stakeholders bid Farewell to Ronald  
“the Chief” Ramabulana, Leriba Hotel- Centurion- 12  
May 2017





# FINANCE & ADMIN

**Sarah Netili- CFO**

# NAMC RECEIVES A 2<sup>ND</sup> CLEAN AUDIT

*The NAMC has received a clean audit twice in a row from the Auditor-General. Below is Sarah Netili, CFO of NAMC giving an expression to achieving a clean audit:*



“Achieving a clean audit is important to an organisation as it gives an assurance to our stakeholders that the financial statements published are free from material misstatements (in other words, a financially unqualified audit opinion) and there are no material findings on reporting on performance objectives or non-compliance with legislations. It also means that the organisational system of internal control is working effectively.

Management above all else is putting systems in place, identifying problems and rectifying them. It is about working smartly and controlling the spending behaviour to improve service delivery. Again, as the CFO, it requires one to be a strategic and innovative person. Thus, succeeding is not only about number crunching.

Lastly, It is also about putting the right systems and processes in place that carry on long after you’ve gone. You need to be technically up to date to enable yourself to empower your team with the correct advice. Motivating your team and getting to share a common vision is also very crucial.”



**AUDITOR - GENERAL  
SOUTH AFRICA**

*Auditing to build public confidence*

## NAMC Board congratulated management on the achievement





# HUMAN CAPITAL

Virginia Nkobi - Senior Manager



# WOMEN'S DIVERSITY FORUM



The Women Diversity Forum (WDF) was created by the Human Capital for Female employees wellness. The forum was formed to allow a platform for the NAMC women to learn about each other's individual traits from outside the office. In October 2017, the WDF took some time from work and organise a luncheon to celebrate their achievement of the year, under Tshiamo Moikanyane (Chairperson of WDF), Yolanda Potelwa and Pamela Shoyisi.

The lunch seemingly had a good impact as the WDF member got to learn more about each

other. Annually, the WDF host their AGM to discuss new leadership and factors that might be affecting thier work or spiritual wellbeing. The AGM was held at the Dikololo Game Reserve, Brits North West - 25 October 2017.

New Committee: Lutendo Tshifularo (Chairperson), Funanani Mudau (Deputy Chirperson), Fezeka Matebeni (Secretary) and Katlego Shikwane (Event Organiser)





# MEN'S DIVERSITY FORUM



Making the work environment a better place might seem like an overly lofty idea, but since 2011 where the NAMC introduced men and women's diversity forum with the purpose of bringing both genders together, the work environment has never been better. The MDF is going strong as it resumes promoting the best wellbeing practice among men.

The MDF created a culture where it continues to improve on men's personal wellbeing through networking, soccer games, discussing men's issues and hunting activities. The 2016/17's

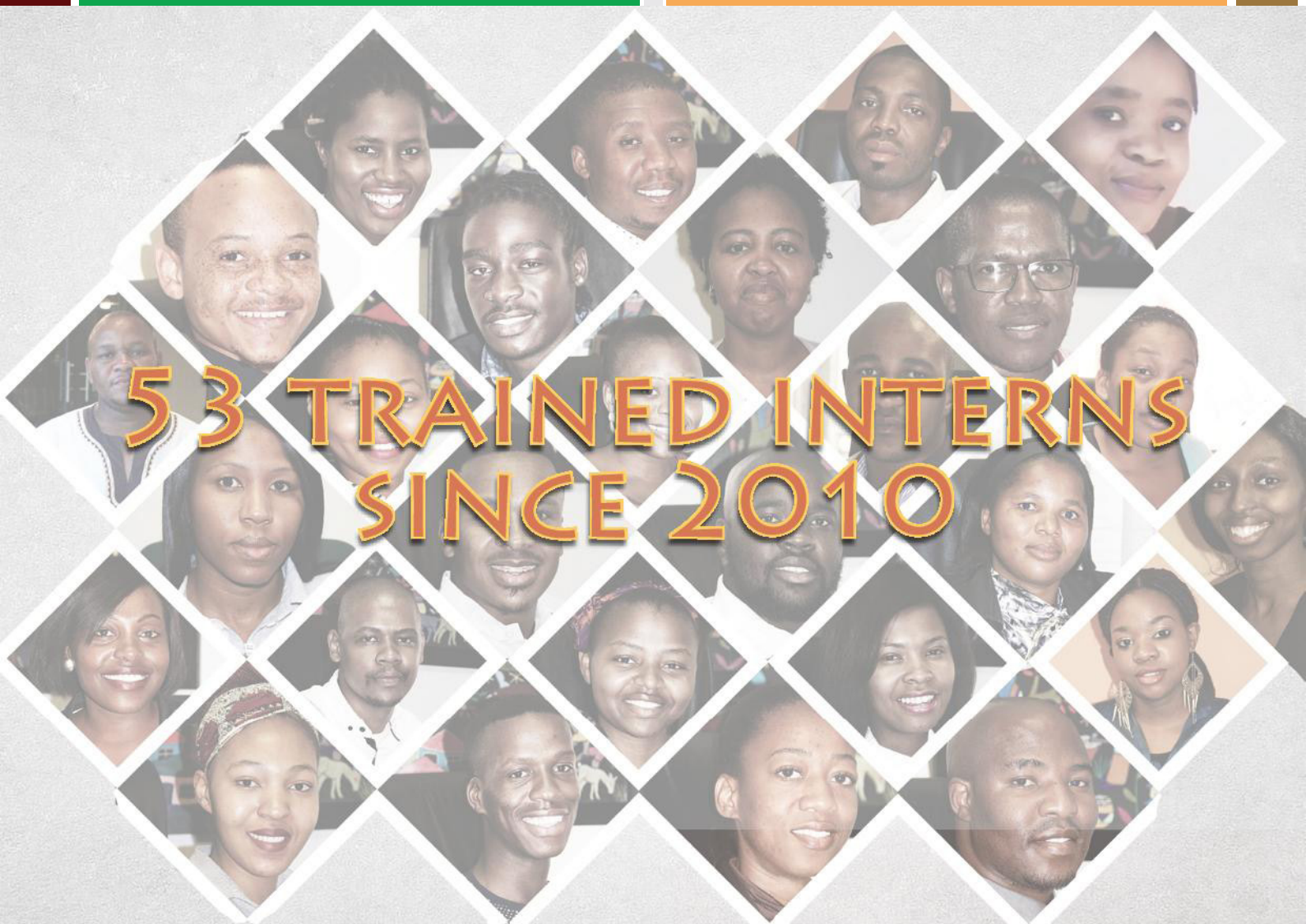
Annual General Meeting of the Men's diversity forum was held in Granietkop game Lodge, North West - May 2017.

During the AGM, a new Committee was appointed; Dr Abongile Balarane (Chairperson), Ndumiso Mazibuko (Deputy Chairperson), khayaletu Sotsha (Treasure) and Moses Lubinga (Secretary).

Every month the MDF play football matches encouraging fitness levels and promoting a healthy lifestyle







## 2017/18 INTERNS

Name & Surname	Gender	Division/ Placement	Position
Tintswalo Mabunda	Female	Human Capital	Administrative Intern
Khuthadzo Mbedzi	Female	Agribusiness Developemnt	Crop Production Intern
Thendo Ndou	Female	Agribusiness Developemnt	Admnistrative Intern
Lufuno Ramasimu	Female	Agribusiness Developemnt	Crop Production Intern
Precious Yeki	Female	Agricultural Trust	Agri-Trust Intern
Constance Siphugu	Female	Agribusiness Developemnt	Plant Production Learners
Mercy Nelutomboni	Female	Agribusiness Developemnt	Plant Production Learners
Zwonaka Masibigiri	Female	Industry	Crop Production Intern
Tsiko Mudau	Female	Industry	Animal Nutrition
Thabelo Maitakhole	Male	Agribusiness Developemnt	Crop Production Intern
Fulufhelo Matshepe	Male	Agribusiness Developemnt	Crop Production Intern
Bongani Radebe	Male	Human Capital	Communication Intern
Daniel Rambau	Male	Human Capital/MERC	Communication Intern
Khuliso Rerani	Male	Agribusiness Developemnt	Plant Production Learners
Solomon Mukeri	Male	Agribusiness Developemnt	Administrative Intern
Elias Machoga	Male	Industry	Agricultural Economist





Visit by North West University final year Agricultural Economics students. The NAMC presented on the working environment for those who will be applying for internship in 2018



Y-Agricultural graduate Zwonaka Masibigiri. In 2013, NAMC presented careers at her school, thereafter she applied for a full bursary with NAMC to study Horticulture at TUT. She recently graduated and now she will be working at Mashamba FET college as a tutor.



Elekanyani Nekhavhambe, former intern at the NAMC, now an Agricultural Economist with the Statutory Measures division presenting the work he does to Dimani Agricultural High School learners.



Crop Plantation Interns, receiving certified irrigation training from LDA.



# Another Y- Agriculture Success

## Rotondwa Rathogwa

Potatoes SA; Transformation Assistant  
Bachelor of Agriculture

A major part of Y-agriculture is placement where graduates are taken to or placed in various industries to specialise. Rotondwa served her internship at Potatoes SA and now works full time.

### Current job responsibilities

- Provision of admin support to the Transformation
- Liaison with Bursary/ Internship/ Workplace stude
- Liaise with Institutions regarding invoices & academia
- Bursary and Internship applications
- Placing orders and processing on invoices
- Prepare and submit all CHIPS articles for the department.

### Being offered a permanent post at Potatoes SA

I will start by saying not working or working on contracts it's not good at all. However, all that can be the beginning of wonderful things. After being on an internship and on contract for some time, I'm so grateful that I finally got an offer for a permanent position. I thank Potatoes SA for that. I'm happy now because having this job means I will be able to acquire or do things I always wanted to do. This includes furthering my studies. I would also like to thank NAMC for giving me an internship opportunity by placing me at Potatoes SA and working under Nomvula Xaba who has groomed me.

### Thoughts on Y-Agriculture

I think Y-Agriculture programme is very significant because youth are being encouraged to engage themselves in agriculture. Most young people are not very much interested in studying or pursuing a career in agriculture because they think there is no opportunities or a future in agriculture. But through this programme they will get to know that there are lots of opportunities and they can make it.





# ANOTHER PhD IN OUR MIDST



It seems like MERC is on a course for academic achievement. Just in September 2017, Christo Joubert received news from the University of Free State that he had complied with all the requirements for a PhD to be conferred in his name.

Dr. Christo Joubert has over 18 years work experience, most notably from the banking sector. He is manager under MERC for agro-food chains with special emphasis on agro -value chains studies and analysis, responsible for publications like food prices and input cost. Dr Christo Joubert was thrilled with this achievement and thanked the support provided to him especially coming from an intense shoulder surgery he had undergone during the year.



## MORE GRADUATES



**Yolanda Potelwa**  
Agricultural Economist

Yolanda Potelwa (left) on 6 September 2017, graduated with a Master of Science in Agriculture (Agricultural Economics) degree from the University of Pretoria. Her dissertation focused on the Citrus Black Spot (CBS), analysing the implications of CBS on South Africa's citrus export to the European Market.

Mashudu Siobo (right) recently graduated for her Degree in Bachelor of Arts: in Public Administration and Communication Facilitation from the University of South Africa. In her own words "I would like to express my sincere gratitude for the tremendous support the NAMC has provided me through all my studies."



**Mashudu Siobo**  
Secretary for MERC





# COMMUNICATIONS

**Majara Monamodi - Communication  
and Marketing**



# WTO: Agricultural Issues for Africa



## NAMC AND TRALAC BOOK LAUNCH

On 21 April 2017, the NAMC and Tralac hosted a book launch titled 'WTO: Africa Agriculture Issues.' The book covers aspects related to African trade policy position at the World Trade Organisation. It asks pertinent questions about the process or policy of WTO to Africa on agricultural related issues said Ron Sanderey.

The book examines the complex multilateral trade negotiations, specifically regarding the inclusion of agriculture as part of the multilateral talks. The agriculture trade talks started in 2000 in terms of the original mandate of the Agreement on Agriculture, and then became part of the Doha Round of negotiations in 2001. This book focuses on these developments as well as the increasingly important role of non-tariff barriers that impact international agricultural products. In addition, an examination of dispute resolution provisions in the WTO and in regional trade agreements is also presented







# Report Back of the Research Symposium

## THEME 1: GROWING THE GLOBAL MARKET FOR SOUTH AFRICAN AGRICULTURAL PRODUCTS

This theme focused on agricultural trade with specific central questions of how to grow and diversify the country's exports against the background of global developments such as Brexit and new USA leadership. It was facilitated by the National Agricultural Marketing Council. Panellists who led the discussions were Dr. Mono Mashaba (Fruit Industry), Zanele Mkhize Sanni (Chief Director: TISA Dti) Ezra Steenkamp (DD: International Trade DAFF)

Some of the recommendations emanating from the theme discussions were; there's a need to operate in a collective action considering regional integration in terms of how to approach trade, follow through some of the trade protocols that have been initiated, create export competitive development plan to identify the competitive products in the foreign markets, ensure farmers and agribusiness are aware about the new agreements that are signed.

## THEME 2: AGRICULTURAL FINANCE AND INSURANCE

This theme focussed on protection gaps, as well as that resilience needs to be built for a prospering sector, and that most farmers in South Africa are not insured, which in turn puts them at a high risk when faced with challenges either financial or environmental. Discussion where facilitated by the Land Bank and Agricultural Bank. Panellists leading the discussions were Muzi Dladla (Land Bank), Reinhard

Kuschke (AgriSeker) and Lovemore Forichi (Swiss Re).

Some of the sticking points noted from the theme were; Insurance is a huge problem for farmers especially smallholder farmers in South Africa, crop insurance is currently not sustainable and need to improve coverage/ penetration of smallholder farmers into the market.

## THEME 3: ENABLING FOOD & NUTRITION SECURITY THROUGH CLIMATE SMART AGRICULTURE

This theme focussed on climate change and impacts on agriculture production – prediction models for production. Mainly, discussion revolved around Agricultural Research Council response to climate change – Pests and Diseases, Risk prediction: Pests and Diseases–Livestock risk models, ensuring genetic gain through increased production and productivity – wheat, ARC enabling agriculture to respond to abiotic and biotic stress: Discussions where facilitated by the ARC. Panellists leading the discussion were Dr Ansa van Vuuren, Dr Christein Engelbrecht, Dr. Toi Tsilo and Prof Sue Walker all from the ARC.

Some of the points advocated by the ARC included increasing investment on Genetically Modified Organisms (GMOs), given that the country produces half of its demand and imports the rest. Moreover, collaborative networks must be strengthened (e.g. global monitoring of pests and diseases); better dissemination of information through extension services, higher involvement of other organization such as the Perishable Products Export Control Board (PPECB).



# Treasure Chest Wine Roadshows; Sandton Convention Centre, 22-23 February 2017

Do you trust black brands asked Malcom Green chairperson of the Treasure Chest? The field responses from curious visitors deposited ponder. Relevance and weight of the question presented a seismic shift in thinking. We have all heard black wine entrepreneur's stories laced with semi-cries of 'struggling to access markets.' Someone or somebody had to quickly come to their aid. The National Agricultural Marketing Council, Western Cape Department of Agriculture and Vinpro assisted in the establishment of Treasure Chest.

Treasure Chest is a culmination of 14 black emerging wine entrepreneurs aiming to introduce these brands to "key buyers, sommelier and distributors in the major cities of South Africa." According to Green the aim is to 'establish trade links with key buyers in each city, and offer distributors the opportunity to list these wines.' The initiative is supported by Proudly South Africa and as it currently stands the initiative narrows to their new strategy. Eustace Mashimbye Proudly SA CEO said that the dawn of democracy opened our markets slowly choking local industrialists

and as a government little intervention followed. 'Buy local' was a new strategy to mobilise South Africans to buy local products and the latest research findings indicated that more South Africans were becoming aware of the need to buy local products.

Tsogo Sun was one of the hotels in South Africa that stocked local wine brands from emerging entrepreneurs. Through their Entrepreneur Development Programme it has managed to facilitate job creation and welcomed the principle behind the initiative. The Tavern Association boasting of 10,000 registered tavern members lended its support to black wine brands finding their way to its members.

Outgoing NAMC CEO Ronald Ramabulana said he was pleased that emerging entrepreneurs were taking responsibility to find their own markets than government always feeling the need or prerogative to old their hand. The next tour will be communicated.



15 companies that formed part of the Wine Treasure Chest. Malcom Green (third from right) is the Chairperson of the Association.





# AFASA Agribusiness Transformation 2017



This was the first Agribusiness Transformation Conference hosted by AFASA. This whole gathering was aimed at unpacking what transformation means to the agricultural sector, best approaches and areas of cooperation to make it possible while sustaining sector growth and contribution to food security. The event took place on Sunday the 30th of July 2017 and ended on Tuesday the 1st of August 2017. NAMC Co-sponsored the event and presented on its transformation initiatives.

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## FANRPAN Policy Dialogue 2017



Regional multi-stakeholder food and nutrition security policy dialogue "resilient African agriculture and food systems: securing propensity and health for all"- Durban, South Africa 15 – 17 August 2017. Dialogue theme placed more emphasis on Africa's agricultural productivity which is predominantly characterised by low input application. This dates back to 2003 when the Comprehensive Africa Agriculture Development Programme (CAADP) was launched. African governments realised the need to place more emphasis on improving national investment in agriculture. The NAMC played node host duties and welcomed delegates across the continent and beyond.

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## MINISTERIAL IMBIZO FOCUS WEEK



The National Agricultural Marketing Council was part of the National Imbizo Focus Week led by the Minister of Agriculture, Forestry and Fisheries, Mr. Senzeni Zokwana, in collaboration with the North West Department of Agriculture, Support Programme. The department has supported projects around Jericho to address food security issues in the area. The Imbizo completed its mission, as it gave communities a platform to share issues relating to participation of youth and women in agriculture, forestry and fisheries sectors.





National Agricultural Marketing Council  
Promoting market access for South African agriculture

## EMPLOYEE ENGAGEMENT

Newsletter

Issue 1 | Nov 2017

FROM THE HR MANAGER'S DESK

### Employee engagement

“ This is about how we create the positive working environment in which employees offer their full talent and skills ”

Our human resources (HR) strategy seeks to enable effective delivery of the NAMC strategy. We strive to provide a work environment that attracts and develops the best talent; promotes a values-driven, high-performance culture; encourages diversity and transformation; and fosters sound employee relations.

According to Civil Service (2008) employee engagement is more than just being satisfied or motivated. Engaged employees have a sense of personal attachment to their work and organisation that means they want to give of their best to help it succeed. Engaged employees tend to speak positively about their organisation and have an active desire to stay.

### Human Resources & Remuneration Committee

<p><b>S. FAKU</b> Chairperson</p>	<p><b>Z. XALISA</b> Acting CEO</p>
<p><b>F. MKILE</b> Council Member</p>	<p><b>H. MOHANE</b> Council Member</p>
<p><b>V. NKOSI</b> Senior Manager: Human capital</p>	<p><b>T. MAPHATANE</b> Risk &amp; Compliance Manager</p>

# BEEF Indaba

30 June 2017, Issue 1: City of Tshwane

Commercialising Communal Livestock Farming in RSA

Published by NAMC

## R2.4 million generated by Emadlangeni Farmers Association

By Siphelele Nkosi

On 09 June, the Emadlangeni Farmers Association based in Newcastle Ulrecht conducted its first auction.

The biggest winner of the day was Simon Gumbi whose bull sold R16 000 making history as the first animal to be sold at that price under the NRM DP. The animal weighed 860 kg, which showed how well we took care of animals at our feedlot. Close to 350 people were in attendance with 309 cattle sold.

The Newcastle feedlot only opened its doors early this year with niggling challenges. So much uncertainty went into the preparation of the auction

but the association managed to pull through with the intervention of the KZN Department of Agriculture & Rural Development and the provincial Department of Rural Development and Land Reform.

AAM Auctioneers thanks to their experience managed to pull buyers to the auction and the turn-out was fantastic to say the least. Because we were new to this, we marketed the auction through our community and professional networks.

3 family members that walked away with over R80 000 and above were;

Mahliza family (sold 15 cattle at R103 401), Mbhele family (sold 15 cattle at R90 700) and Stock family (sold 8 cattle at R89 450).

At the end of the day, the farmers belonging to this association were satisfied with the results and pleased at the outcome of animals sold.

Already, the successful auction has attracted more farmers as enquiries are filling in non-stop. We will continue to intensify our efforts to commercialise communal livestock farming.



# Media News Monitor

## Daily Dispatch

Your Paper. Your Community. Your Life

04 March – The National Agricultural Marketing Council was covered on the Daily Dispatch with regards to the food monthly prices. The article was written by Zisanda Nkonkobe.

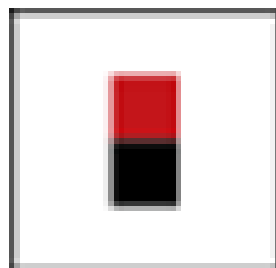
23 March – Daily Maverick reported about the public hearings on the poultry industry by the parliamentary trade and industry department article written by Marianne Merten. NAMC contribution was featured in the article.

## DAILY MAVERICK

## farmer's weekly

07 April – Dr Xolile Ngetu and the National Red Meat Development Programme was covered in the Farmers Weekly - 'how it is a helping hand to communal livestock farmers.'

09 April – Food Monthly Prices was covered on the Independent Online media, Nabeelah Shaikh wrote the article data collected from Christo Joubert.



## IOL



01 May - The National Agricultural Marketing Council of South Africa, together with tralacs book launch was covered by Fresh Plaza.

01 May - Phalaphala FM interviewed NAMC on Y-AGriculture coinciding with the visit to Francis Rasimphi High School- Thohoyandou. Prof Victor Mmbengwa was interviewed in the morning slot.





# Media News Monitor



05 May - Creamer's Engineering News shared the NAMC media release of the appointment of the new Acting CEO.

06 May – Dr Christo Joubert was interviewed in the Daily Dispatch about the June Food Basket Monthly price.

## Daily Dispatch

Your Paper. Your Community. Your Life

07 May – Intsika Agri Media shared the NAMC media release of the new appointment Acting CEO Zama Xalisa.



Umhlobo Wenene FM covered the NRMDP and its impact to rural folk. Dr Xolile Ngetu regularly gets invited to provide expert advice on animal husbandry.

15 August – The Markets Insider covered the NAMC, highlighting the partnership between the House of Hemp and NAMC along with other key partners.

## MARKETS INSIDER



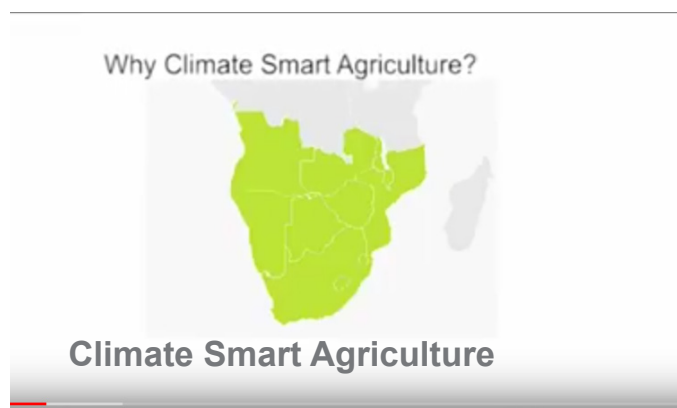
Dr Christo Joubert features weekly- Tuesdays on Channel 144 DSTV from 05H30 am – 05h49. He provides expert analysis on a range of agro-food chains issues. The show is called Grootplaas on Kyknet.

December 2017 - NAMC appoints new CEO and reported on NAMCs initiative of branding South African Agriculture CEOs Forum.





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# AEASA CONFERENCE 2017

The 55th annual conference of the  
Agricultural Economics Association  
of South Africa

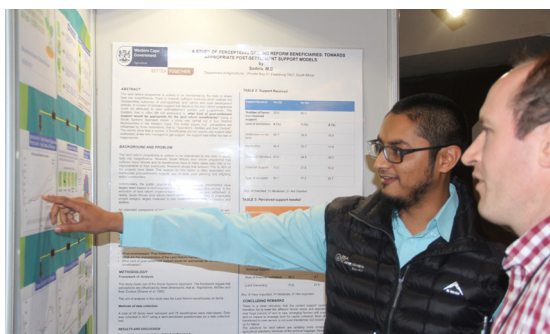
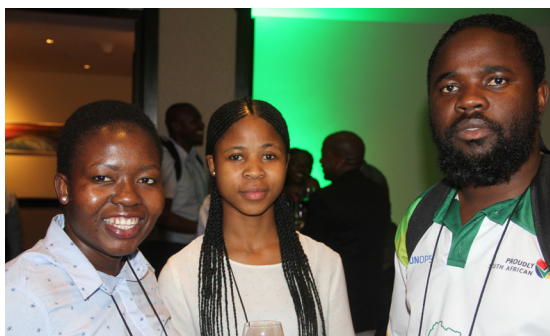
19 - 21 September 2017  
Elangeni Hotel, Durban

275 delegates from all walks of agricultural economies fraternities descended in Durban on 19-21 September 2017 for the annual AEASA conference. This year's theme was titled 'addressing contemporary challenges in the South African Agricultural Economy' with a special Simon Brand Memorial address by Prof Awudu Abdulai.

This year research symposium focussed on 'good governance for land reform communal landholding institutions (LIMA & SASA)', 'contemporary issues affecting South Africa's agricultural trade (NAMC)' and 'agricultural water issues and entrepreneurship in South Africa (Water Research Commission).' The 3rd symposium was keenly attended due to the historical conflict between agriculture and water. According to the WRC it has 'funded research projects and published reports on entrepreneurial development paths of households and enterprises on smallholder irrigation schemes and homestead food gardens in surrounding rural villages.' Agriculture has the potential to open and inculcate smallholder irrigation scheme as a field to boost agricultural production.

Arguably, the most interesting topic emanating from the discussions was climate change and its relation to agriculture. According to Dr Peter Johnston from the University of Cape Town, climate change was advancing at a rapid pace. Interestingly, Western Cape contributed vast tons of wheat supply in RSA and over the past 5 years the province was getting drier decreasing wheat yields. 'Farmers are now taking conservation agriculture seriously as a method of adaptability and survival' he said.

Outgoing AEASA Chairperson Bongiswa Matotoi noted in her closing remarks the substantial membership increases especially in the youth category. She further thanked her predecessors for putting AEASA at a global footing supplemented by the quality research output policy makers and the private sector can use. Taking over from Matotoi is Dr Thula Mkhabela and deputized by Dr Ferdi Meyer who both received an overwhelming endorsement from the delegates.





# STATUTORY MEASURES

**Schalk Burger - Senior Manager**



# LEVIES COLLECTED

**R517.0 million, 5.6 %  
higher than the 2016  
survey's (R489.8 million)**

Product	Levy income	Total value of product at the first point of sale	Levy income as a percentage of the value of the product	Levy collection rate
	R	R	%	%
Citrus (exported)	59 660 770	13 200 000 000	0,5%	100
Cotton lint	4 037 710	378 000 000	1,1%	100
Dairy products	46 870 696	14 524 000 000	0,3%	113
Deciduous Fruit	97 346 530	10 743 559 443	0,9%	95
Dried fruit	5 026 184	1 512 703 209	0,3%	94
Fynbos (proteas)	157 195	64 324 285	0,2%	41
Lucerne	1 771 688	251 520 000	0,7%	154
Macadamias	8 648 747	2 779 435 153	0,3%	83
Olives	1 474 439	85 673 241	1,7%	117
Pecans	2 742 331	877 550 000	0,3%	78
Pomegranates	592 186	107 198 954	0,6%	99
Pork	26 094 759	5 405 400 000	0,5%	103
Potatoes	39 472 663	7 030 000 000	0,6%	96
Red meat	40 614 546	44 930 000 000	0,1%	123
Sorghum	1 094 367	233 201 750	0,5%	85
Table grapes	20 676 651	5 000 000 000	0,4%	94
Wine	95 498 563	5 030 100 000	1,9%	103
Winter cereals	65 189 391	7 663 128 367	0,9%	104
<b>TOTAL</b>	<b>516 969 416</b>	<b>119 815 794 402</b>	<b>0,4%</b>	<b>96</b>

# SOUTH AFRICA'S STATUTORY LEVIES IN CONTEXT OF SAME LEVIES ELSEWHERE- ARE WE FUNDING THE CORRECT AREA?

By: Ndumiso Mazibuko  
Agricultural Economist: Statutory Measures Division (NAMC)

South Africa has a well-developed statutory levies system, developed over decades. The 1937 Marketing Act provided the legal framework for statutory interventions in agricultural marketing. The 1968 Marketing Act (Act No. 59 of 1968), which replaced the 1937 Marketing Act, provided for a system whereby farmer-dominated control boards administered "marketing schemes". The Marketing of Agricultural Products Act, No. 47 of 1996 (MAP Act), as amended, provides for the establishment of statutory measures in South Africa.

The purpose levy systems in different countries are to strengthen the marketplace for commodities by maintaining or increasing the overall demand for the commodity, while not altering the market share of any individual participants. Levy systems are established by government at the request of an industry group that can show it has a majority consensus, by numbers or volume, in support of such systems. Mandatory levy systems address the 'free rider'

problem of other producers gaining benefits without contributing to statutory funds and everyone benefits accordingly.

This study surveyed 11 Countries with levy systems to compare South Africa's statutory levies with similar instruments in the other Countries. These levy systems allow farmers, and other stakeholders to collect levies to finance the common generic functions among the surveyed countries, which are: Research & Development, Market Information, Consumer Education & Local Promotion, Export Promotion & Market Access and Information & Liaison. South Africa also finances transformation, through the levy system. Furthermore, it is interesting to see that South Africa funds majority of the activities funded by developed countries. Brazil and Ukraine also fund infrastructure. Levy systems are a mechanism to organise each agricultural sector to grow and the relevant sector to improve competitiveness.





# AGRICULTURAL TRUSTS

**Bonani Nyhodo - Acting Senior  
Manager**



By BM Mpyana & Noma Yeki

On 22 August 2017, the NAMC Council and Industry held an Agricultural Trusts workshop at Holiday Inn Hotel, Sunny park Pretoria. The purpose of the engagement was for the Agricultural Trusts Industry to meet with the NAMC Council, as it was relatively new. The workshop was well attended by all the representatives of the Trusts and actively delivered presentations on the background of the trust, objectives, composition of trustees, financial information, transformations initiatives and lastly the challenges pertinent to each industry. In conclusion, a way forward was reached and the following key aspects were highlighted:

- That the NAMC Council will organise meetings with the individual Trusts to address their specific challenges and

- the questions for clarity in terms of the way forward;
- Such meeting dates will be communicated to the individual Trusts and will always be aligned with Council meetings;
- The NAMC Council intends to also meet with Development Agencies (like GFADA) and other transformation bodies to unpack transformation and development with a broader perspective; and
- That history is starting to show that it is ideal to encourage other Trusts with common objectives to establish entities like GFADA to drive transformation in the agricultural sector.

#### Induction of the newly appointed ministerial trustees

On 30th October 2017, the Agricultural Trusts Division conducted an induction for the

newly appointed ministerial trustees at the NAMC offices. The induction process for new Ministerial trustees is broadly developed to guide the National Agricultural Marketing Council in terms of how to enhance the industry trusts' in compliance with legislation and good practice through a well-planned induction programme. The induction programme is a gateway for new trustees in helping them to get up to speed in understanding the role of the industry trusts and their legal responsibilities, also to drive the transformation agenda in the Agricultural sector.

The following Ministerial Trustees were inducted:

Trust name	Ministerial Trustees
Meat Industry Trust	Ms B. Tlhabane, Ms N. Motshegoa & Dr T. Hewu
Maize Trust	Mr Z. Ngejane



A portrait of a woman, Mrs Mbalo of Simba Mabhele piggery, wearing a red and blue patterned headwrap, glasses, and a yellow and blue patterned top. She is holding a white envelope and a red ribbon. The background is a light grey gradient with a decorative header bar at the top consisting of four colored squares: dark red, green, orange, and brown.

# The Possibility of Transformation in the Agricultural Sector:

A Good Story to Tell in the Pork Industry

Mrs Mbalo of Simba Mabhele piggery

Matsobane **Mpyana** (BM)  
and Kgadi **Senyatsi**

On 26 May 2017, the representatives of the Transformation Review Committee hereby referred to as TRC attended the South African Meat Industry Company (SAMIC) carcass competition for the developing and commercial pork producers in KwaZulu Natal Province. This forms part of SAMIC's strategy to transform developing farmers into commercial farmers. A total of five developing farmers participated in the competition. On 19 October 2015, the NAMC TRC engaged with the South African Pork Producers Organisation (SAPPO). The aim of the engagement was to discuss SAPPO transformation activities. Moreover, to table the TRC proposal on transformation with specific focus on enterprise development.

SAPPO was then assigned to develop a selection criteria and provide numerical figures in terms of unit size and budget requirements which will graduate a developing farmer to be a sustainable commercial farmer. On 23 November 2015, the transformation proposal on enterprise development was accepted by SAPPO with farmers with a minimum of 20 sows selected. After a series of meetings between NAMC and SAPPO, herewith a good story to tell within the pork industry. This article profiles one of the outstanding developing pork producers, Mrs Mbalo of Simba Mabhele piggery.



# 2017 Carcass of the Developing farmers

Simba Mabhele piggery is a 130 farrow to finish sow unit, operated on a 46 hectare farm. The farm is situated in Port Sherptone (KwaZulu Natal Province) and is privately owned. It is a family business driven by Mrs Florence Mbalo. Mrs Mbalo is a qualified nurse and started farming with pigs in the year 2000, with only 3 gilts; 2 bought from commercial farmer in Howick and 1 donated by her sister in law. About a year and a half later, she started building low cost housing structures and bought 20 gilts from a commercial farmer in Howick. The unit kept growing from 20 to a 50 sow unit.

The unit was later expanded to a 100 sow unit financed with a loan from Old Mutual (Masisizane Fund). The unit is currently marketing 50+ pigs weekly, with an average carcass weight of 75kg through La Rochelle abattoir located in Margate. The farm has been under SAPPO mentorship since the year 2010 to date. It is through SAPPO mentorship that the unit performs within the industry production norms.

In 2016, SAPPO through the Enterprise Development Programme assisted the farm with production inputs and equipment required to maximize production. It was through the programme that the farm graduated from a 100 sow unit to a 130 sow unit. During the 2017 SAMIC's carcass competition held in the KZN Province, Mrs Mbalo emerged victorious in the category of developing pork farmers. Furthermore, Mrs Mbalo's carcasses were graded close to that of the commercial farmers, indicating possibilities of participating in the formal markets. This was evidence of the good quality carcasses as per SAMIC's grading standards.

Despite the challenging 2016 which was faced by the agricultural sector, pork industry in particular, Simba Mabhele farm survived the awkward year. Despite the commitment and hard work demonstrated which proved success, the farm still requires additional support. It is through financial support coupled with technical support that the farm will graduate to a commercial level. Smallholder farmers particularly women face challenges such as limited or lack

of funding for expansion, mainly for infrastructure development which will turn create employment ensuring sustainable food security. To ensure profitable and sustainable enterprises, financial intervention is required from government departments such as DAFF through CASP, DRDLR through Recapitalisation program and other financial institutions.

The South African Pork Producers Organisation, SAMIC and the NAMC's Transformation Review Committee are acknowledged for their commitment and support in ensuring that transformation in the pork industry is a success. A further special gratitude is conveyed to our farmers for their contribution in the agricultural economy, through job creation and food security.





# **Markets and Economic Research Centre**

**Dr. Simphiwe Ngqangweni - Senior  
Manager**

# Economy wide effects of a possible erosion of AGOA preferential access for South Africa

B. Nyhodo, T. Ntshangase and S. Ngqangweni

Removal of South Africa's preferential access to the USA market under AGOA, is expected to lead to losses in the South Africa economy, albeit minimal. This study used, as a policy shock, the introduction by USA of applied tariffs on selected imported agricultural products (beverages and tobacco; sugar; and vegetables, fruits and nuts) from South Africa. In terms of the overall effect (looking at Equivalence Variation, EV, in the case of GTAP model) the South African economy stands to lose about \$3.11 million as a result of the removal of the preferential access under AGOA. The results show that quantities

of industry outputs for the selected products are expected to decline while the rest will benefit positively. There will also be labour demand losses (loss of jobs); capital demand losses (reduction in investments) coupled with shift in the land demand. Overall the economy stands to lose because of hypothetical erosion of the AGOA treatment.

For the full paper, go to: <http://www.namc.co.za/research-portal/academic-papers/working-paper-sa-economy-impacted-without-agoa/>

# AGO A

*African Growth and Opportunity Act*





# Africa fruit market study-

the case of five selected countries

October 2016

# VENTURING INTO AFRICA; FRUITS MARKET STUDY

The Africa Fruits Market Study report released by Hortgro, NAMC and Citrus Growers Association of Southern Africa couldn't have come a better time. Just recently, South Africa and China signed an MOU where China will expand its demand for RSA fruits. Asia and Europe by account are South Africa's best fruits export destination. This a testament of the quality of South African fruits which has built the confidence to explore African markets.

In 2015, the fruits sector began to explore the possibilities of supplying African countries with fresh fruits. Six African countries in which a market study was conducted included; Nigeria, Kenya, Angola, Cameroon, Ghana and Egypt. According to the report, the fruit industry has been inertia to take 'advantage of export opportunities presented by these markets.' When reviewing Europe and Asia market fruits export increased year on year with African bloc remaining at the modest 10%. "During the past decade and half, the South African fruit industry has showed great interest in exploring the Asian markets. The efforts have generated value as South African fruit export share to Asia has increased from 16%, in 2003, to about 30%, in 2015" said Bonani Nyhodo Manager Trade at the NAMC.

South Africa's main contributor/export are pome fruit whose growers and exporters have taken full advantage of new export opportunities presented by West, East and Central African markets mentioned the report. This has prompted other industries to venture into these selected African countries. So, what did the Africa Fruit Market Study bear after all;

- Nigeria being the biggest producer and exporter of fruits in Africa, its market is still the most lucrative market for South African pome fruit exporters.
- Egypt cannot be regarded now out due to challenges of accessing Egyptian markets proofs to be a logistical mismatch (moving products through Dubai to Egypt).
- Kenya remains the major importer of South African pome, stone and citrus fruit in East Africa with the greatest potential to becoming the hub for the distribution SA fruit in this region (as it is positioned as a gate-way to the Eastern African Community – EAC).
- Angola is rapidly growing economically and production on consumer products is still characterised by serious bottlenecks in regard to regulatory requirements and logistic infrastructure.
- Cameroon receives very limited importation of pome, stone and citrus fruits given its reliance on domestically produced tropical fruit.
- Ghana indicates that growth of South African styled shopping centres led by Shoprite and Game, the future looks bright for the further growth of fruit imports in this market.

Contact Bonani Nyhodo to access the full report [bonani@namc.co.za](mailto:bonani@namc.co.za)





# South African Supply and Demand Estimates

The primary aim of the Supply & Demand Estimate Committee (S&DEC) is to publish official grain and oilseeds supply and demand estimates on a monthly basis. The S&DEC Report provides an analysis of the fundamental market conditions of the major grain and oilseeds industries in South Africa. It is widely considered to be the benchmark to which private and public agricultural forecasts are compared. S&DEC normally releases the report within four to five working days after the CEC release. Worthy to note is that the reports are released into the public domain in accordance with approval of the South African Competition authorities' consent.

# Factors influencing communal livestock farmers' participation into the National Red Meat Development Programme (NRMDP) in South Africa: the case of the Eastern Cape Province

K. Sotsha, B. Fakudze, L. Myeki, S. Ngqangweni, B. Nyhodo, X. Ngetu, N. Mazibuko, H.M. Lubinga, T. Khoza, T. Ntshangase and V. Mmbengwa,

The National Red Meat Development Programme (NRMDP) initiative emanated from the observation that the local demand for beef outstrips production, resulting into importation of more beef. The programme has so far had a significant contribution towards communal farmers' participation in formal beef markets as well as their understanding of the value of formal beef market participation. Empirical evidence to support this notion is still desirable. Hence this case study was conducted to determine the factors that influence farmers' participation in the programme, focusing on the Eastern Cape Province. The results indicated that distance to markets, stock size, days of fattening and the contribution of the programme

(income earned from livestock sales through the programme) significantly influence farmers' participation. This is an indication that farmers are slowly beginning to understand how they can best make use of the opportunity presented by the programme. Hence policy wise, it is commendable to encourage communal livestock farmers to participate in programmes that are aimed at increasing formal market access.

For the full article, go to: <http://www.namc.co.za/research-portal/academic-papers/working-paper-the-national-red-meat-development-programme-nrmdp/>





# The role of agricultural trade and policy complementarities in poverty reduction in South Africa

Dr. M.H. Lubinga,

Although South Africa exhibits an increasing positive trend in agricultural exports, poverty still remains a considerable challenge in the country. This study sought to determine whether South Africa's increasing trend in agricultural export performance translated into lower poverty levels between 1996 and 2014. Results suggest that imports of household consumables significantly reduce poverty levels by 9.5-22%, depending on the model used. Policy wise, there is need to further enhance the populace's education levels, increase people's confidence in public institutions of governance, as well as boost the depth of the financial sector. It is also necessary to promote importation of household

consumables, particularly those that are not necessarily produced in the country.

For the full paper, go to: <http://www.namc.co.za/research-portal/academic-papers/agricultural-trade-policy-complementarities-and-poverty-the-role-of-agricultural-trade-and-policy-complementarities-in-poverty-reduction-in-south-africa/>

This paper was published in the Journal of Human Ecology Vol 59 No. 1 (2017). The paper could also be accessed via the journal's website: <http://www.tandfonline.com/doi/abs/10.1080/09709274.2017.1348551>



# Would hemp production for industrial use be economically viable in South Africa?

Thulisile Khoza

On 3 March 2017, House of HEMP, IDC and the NAMC held a hemp study workshop. The purpose of the workshop was to share the hemp feasibility study findings, obtain comments and/or inputs from stakeholders in order to gather consensus on the findings.

## Background

The NHF compiled a Phase 2 Research Trial Report (2009 to 2016), i.e. a summary report from the reports produced by NAMC, CSIR, ARC, HOH, IDC, and DAFF. The summary report is expected to be submitted to the Medicines Control Council (MCC) for endorsement to allow for the establishment of a Hemp Industry in South Africa. The hemp stakeholder workshop was conducted to ensure that this report is a true representation of the views of all hemp stakeholders. Currently all the reports were presented to parliament in January 2017. A recommendation for considerations of making amendments to all the legislations that hinder hemp production was made - DAFF is leading the process.

## Hemp Workshop

The hemp feasibility study was undertaken in 2015 with the purpose to evaluate the commercial viability of setting up a hemp industry in South Africa. The NAMC was identified by the National Hemp Foundation (NHF) as the preferred service provider to conduct the study. The NAMC was then commissioned by the NHF as part of research activities to finalise Phase 2 research of hemp commercial trials.

## Hemp Study Research Findings

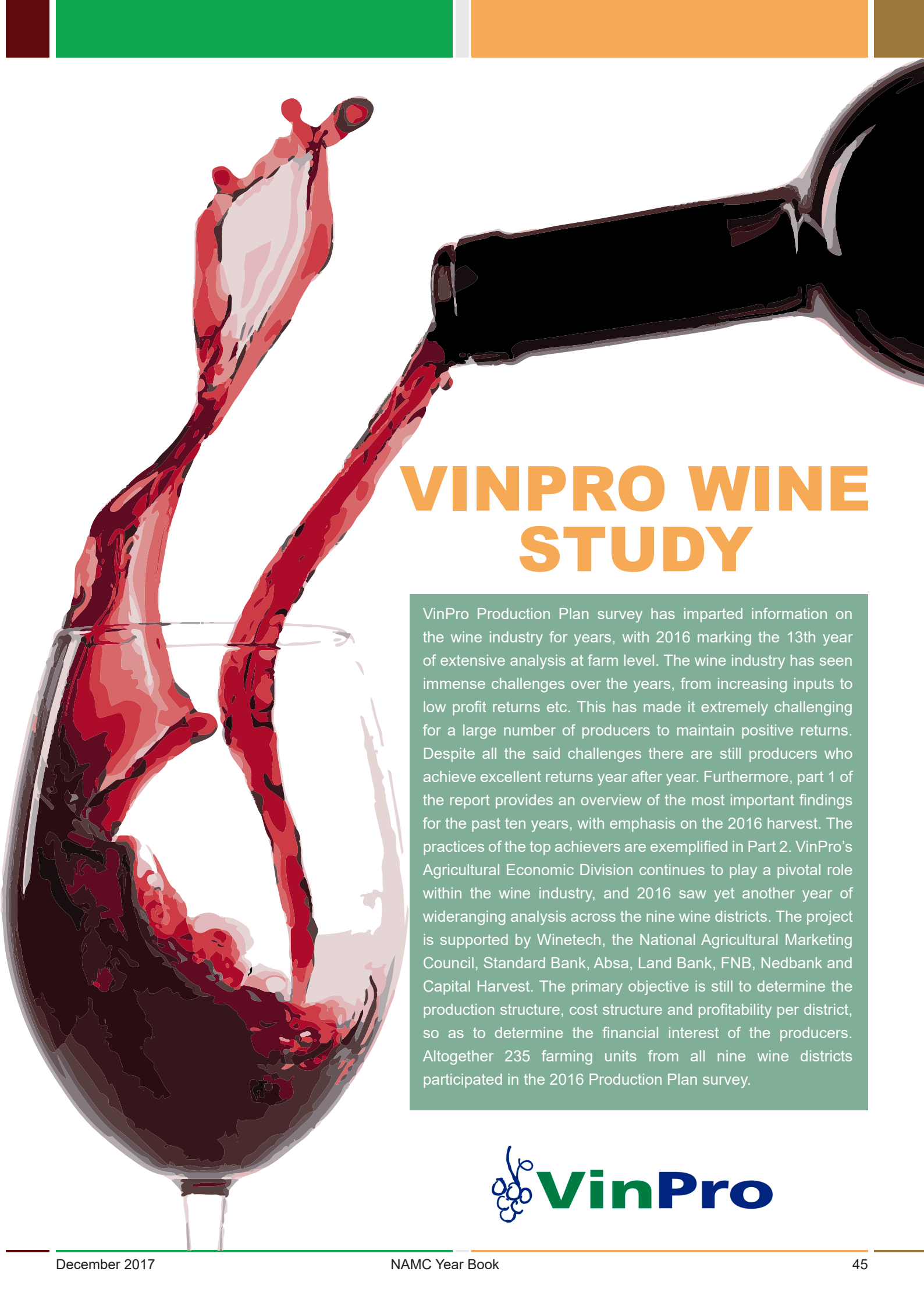
- Upon expiry of the commercial hemp trial

license, an open system needs to be used whereby the licenses can be given to a number of participants to ease the tensions brought about by one license holder system – and in so doing encouraging participatory research. However, compliance with the set systems need to be encouraged or enforced – DAFF as the lead stakeholder.

- Potential contribution of an industry association was uncovered to represent the interest of the industry and acting as the point of contact for all industry affairs with government. The industry bodies/stakeholders need to engage on the structure and its sustainability as well as its mandate.
- DAFF needs to act urgently in getting other departments to engage on this matter (legalisation of hemp production for industrial use) and request for considerations of making amendments to all the legislations that hinder hemp production.
- DAFF in collaborations with other government departments need to come up with a contact office which industry players will contact when there are hemp related bottlenecks.

The NAMC holds the view that more active participation from all stakeholders, especially private sector stakeholders is required to create enabling environment for a thriving hemp industry.





# VINPRO WINE STUDY

VinPro Production Plan survey has imparted information on the wine industry for years, with 2016 marking the 13th year of extensive analysis at farm level. The wine industry has seen immense challenges over the years, from increasing inputs to low profit returns etc. This has made it extremely challenging for a large number of producers to maintain positive returns. Despite all the said challenges there are still producers who achieve excellent returns year after year. Furthermore, part 1 of the report provides an overview of the most important findings for the past ten years, with emphasis on the 2016 harvest. The practices of the top achievers are exemplified in Part 2. VinPro's Agricultural Economic Division continues to play a pivotal role within the wine industry, and 2016 saw yet another year of wideranging analysis across the nine wine districts. The project is supported by Winetech, the National Agricultural Marketing Council, Standard Bank, Absa, Land Bank, FNB, Nedbank and Capital Harvest. The primary objective is still to determine the production structure, cost structure and profitability per district, so as to determine the financial interest of the producers. Altogether 235 farming units from all nine wine districts participated in the 2016 Production Plan survey.



# Food

## PRICE COST MONTHLY MONITOR

The basket of food products included in all publication is derived from the latest release of the Income and Expenditure Survey (IES) of 2014/15', compiled by Statistics South Africa (Stats SA). This basket is to be representative of consumer spending on food and, as a result of the IES 2014/15 release, a change was made to the CPI base year (2016=100). In the latest price information, Stats SA introduced additional products as from January 2017, and excluded some of the pre-January 2017 products. The NAMC utilizes Statistics South Africa (Stats SA) as the official data supplier as well as information from various industry role players.

Our Agro- food manager Dr. Christo Joubert is always featured every Tuesdays on Channel 144 DSTV from 05H30 am – 05h49. He features weekly giving expert analysis on a range of agro-food chains issues. The show is called Grootplaas on Kyknet

## NAMC Food Basket







Team that worked on the GDARD Research:

From left: Lucius Phaleng, Dr. Simphiwe Nqgangweni, Kayaletu Sotsha, Hangwelani Mathagu, Thulisile Khoza, Prof Victor Mmbengwa and Khatutshelo Rambau

# NAMC WINS THE GAUTENG AWARD

The National Agricultural Marketing Council was invited to participate in the Gauteng Department of Agriculture and Rural Development (GDARD) 10<sup>th</sup> Annual Research Symposium (ARS) on 7 June 2017. The conference was attended by more than 180 participants who fielded research papers and posters for all GDARD funded research projects. The NAMC was one of the winners walking away

The NAMC participation came via the GDARD request to look into a) critical factors that influences smallholder participation within the agro-processing industries across all gender derives and b) smallholder participation in the commercial agro-processing is minimal

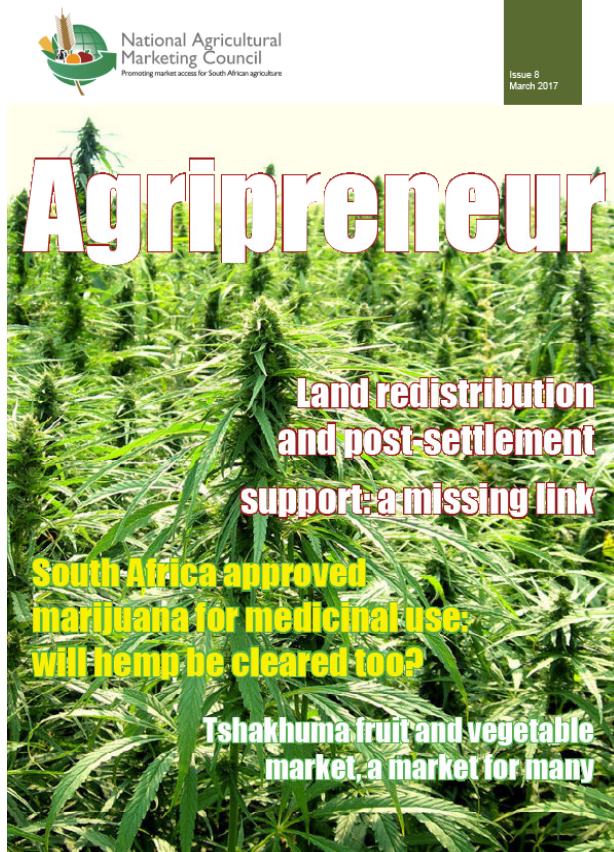
and insignificant, hence the study focussed on identifying critical factors that can enhance participation. Considering the importance of agro-processing as means to improve market access for smallholder farmers, as well as the lack of evidence to show the participation of smallholder farmers in agro-processing industries of Gauteng Province, the Gauteng Department of Agriculture and Rural Development (GDARD) came up with a research initiative as they saw a need for the assessment of the participation of smallholder farmers in agro-processing Industries of Gauteng Province.

GDARD then appointed the NAMC to implement this research initiative. The MoU was signed in January 2016 between

these two organisations, there after they embarked on the research journey. The aim of the assessment was to find out the level of participation by smallholder farmers in the agro-processing sector in Gauteng Province with the primary objective being to ensure meaningful economic participation by smallholder farmers.

This research initiative was a 12 months project and had ended in January 2017. Dissemination sessions (talk back-shows) were conducted with Phalaphala FM radio station in an effort to share the importance as well as the benefits of agro-processing. The results of the study were disseminated through domestic conferences (GDARD 4th extension conference).

# AGRIPRENEUR PUBLICATIONS



## SMALLHOLDER UNIT

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# AGRI BUSINESS DEVELOPMENT

**Khumbuzile Mosoma - Senior Manager**

# THE NKA TOUCH!!



Article by Bongani Radebe

As early as June 2017, the NRMDP travelled to Nkandla to meet local livestock farmer who according to the KZN Department of Agriculture seemed impressed by the auction organised in Newcastle. Our pose together with the KZN DRDLR was to relay the value of the programme and what it has done for other livestock owners in other regions of KZN.

*The mood at the first seemed to agree with the surge to organise an auction. When the days to the auction approached, apprehension and scepticism crept in. Whether the blame was to be accorded to the weather or other natural causes, farmers reneged on their promise. Only few farmers participated but one stood above the rest; Baba Langa. He brought along 15 cattle to the auction pen to which he collected R200 000. Immediately, the very same sceptical farmers observing the auction scuttle about latched on their cell phones calling immediate family members to bring their livestock quickly. Gasps of 'its unbelievable' 'not possible' 'money opportunity gone' 'my kids could have eaten' 'what have I done' 'oh my king' added to the pandemonium.*

While government officials had the look of 'we told you so' the nature of working in a development community based programme is the allowance to manage trust. The first auction was not a failure but a way of building a trust bridge with the local livestock association. If the programme was to ever succeed in this area, local livestock association was the first amongst nonbelievers to be converted. Hence the 2<sup>nd</sup> auction held on 21<sup>st</sup> of September 2017 in Nkandla hit the right cord. It had all the Nkandla support; the Nkandla Local Municipality, local traditional authority, community and the local livestock association.

83 herd of cattle were sold generating a total of R730 875. 61 OXENS, 7 COWS, 7 HEIFERS and 8 BULLS were on show and auctioned. The biggest winner of the day was Mr. Mtshali whose bull collected R14 200 weighing 694 kg. Some were first time cattle sellers but overall the excitement of the auction brought to the community was palpable.

**Hlakaniphela Zondi**, who is a proud community member of Nkandla was pleased with the auction outcome. He was one of the people who missed the first auction and he was pleased that he walked away with R99 757,90 having sold 11 cattle. He is the bread winner at home supporting 3 wives and 20 children. He prides himself that livestock is his stocking trade and with the money he made at the auction he will be able renovate his house, buy his wives and children clothes and pay for tuition fees.

**Hambayedwa Ntombela**, was also very happy that it brought him to tears. He brought in only 6 cattle, which saw him walking away with R52 711-22. Asked about why the tears, he said it was the first time he made so much money at a single go. "You don't understand, this money will be very much helpful to my children and grandchildren who are unemployed, it will assist in buying groceries and also to build up a new house" he said.

The great partnership between the farmers and the NAMC with DRDLR is really playing a huge impact in bringing change needed in this area. These auctions are part of the rural development agenda as they assist a lot with socioeconomic in the local municipalities. Chief Nkosi Sithole once again thanked the government for allowing the auction to take place in the Nkandla Municipality, and acknowledged the participation of the farmers.



# A long way Home

## *to ensure the commercialisation of communal livestock farmers in South Africa*

The Livestock Programme was developed in 2005 by ConMark Trust. The NAMC has been involved in the designing of the programme. The first Custom Feedlot was and is still based in Peddie in the square view of the Amathole District. Back then, the livestock programme was designed with the hopes of communal farmers being able in future to independently manage the process and system of the feedlot.

In 2013, the Department of Rural Development and Land Reform came on board and operationalised the programme nationally. The fundamental goal is to develop Red Meat Production Centres (which would be red meat production hubs) across the country to improve productivity, increase income and employment for rural folk. Thus it became known as the National Red Meat Development Programme (NRMDP).

The NRMDP focuses primarily on connecting farmers to formal markets and systemizing the informal markets. The program has three main thrusts:

- a programme to enable farmers to understand the structure, operation and requirements of formal red meat markets,
- initiatives to develop marketing channels that will increase their participation in

formal red meat markets and

- training and practical assistance to align the age, health and breeding of animals more closely to market demand.

The programme introduces farmers to how formal red meat markets operate through i) guided visits to formal market institutions, such as auctions and abattoirs, ii) complemented by on-site training on how these institutions work and on what the requirements are for participating in them successfully. Information about grading, pricing and current prices is disseminated on an ongoing basis.

The initiatives to develop new marketing channels include: a) bringing the point of sale closer to farmers by establishing new auction pens, reviving existing underutilized auction pens and rural abattoirs, and working with the Department of Agriculture, farmers, auctioneers and abattoir owners to bring them into operation; b) pioneering 'custom feeding programmes - low-cost feedlots, customized to respond to local people, resources and markets - to prepare cattle for marketing, and c) negotiating pre-slaughter sales between retailers and groups of farmers to facilitate the sale of larger numbers of cattle at the most favourable prices.

Since we are expanding, there is a need to ensure that other areas of the country especially in the periphery- hear, read and see the achievements of this programme. Hence, we have started to introduce the Beef Indaba Newsletter as a way to encourage other provinces to be involved and help communal livestock farmers. We hope you enjoy the newsletter and the news will be of value and service.





# Marking 10 years of AgriBiz Training

From the 15-19 May 2017, female agricultural entrepreneurs from all provinces participated in the AgriBiz Female Entrepreneurship Programme. The training was facilitated by Market Matters and Buhle Farmers Academy. Over 30 participants from across all ages benefitted from an accredited AgriSETA course.

This was the first time the course gained accreditation from AgriSETA after 10 years. Its humble beginnings can be traced to former Chairperson Ntombi Msimang quest for women involved in agriculture to gain semblance of knowledge of what they do and how to access markets. This was after the NAMC's research diagnostic report on barriers to market access which indicated that the most affected were

women. Since then, the programme gained support from SAWEN, Land Bank, AgriSETA, Western Cape Department of Agriculture and the Department of Agriculture, Forestry and Fisheries.

Paying special homage was Agribusiness Development Senior Manager Khumbuzile Mosoma who said feedback received from previous participants was more than encouraging. "The programme has welcomed female farmers of the year, young and old female farmers, those involved in agro-processing and retail. But the real factor we always take away year in and out is the excitement these ladies show to return back to their communities and add impact. Tabisa Nkohl from the Land Bank candidly supported Mosoma's assertion.

The Bank has witnessed an increase in smallholder farmer enquiring about grants and loans which has necessitated for the bank to design a funding model catered uniquely for smallholder farmers. HOD of Western Cape Agriculture Joyene Isaacs said she was proud to be associated with this programme even though it never received the spotlight it deserved.

At a special gala dinner marking the 10<sup>th</sup> anniversary of the programme, a song was sung in bouts of exuberance. The now common song titled 'Ha O swenkela (if you look down on) agriculture, you will never come alright' participants reminded the NAMC that the AgriBiz programme should not die or fade but for the benefit of the next generation.

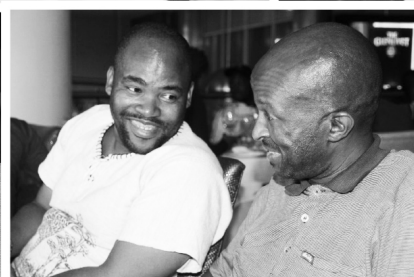
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# Year End Function



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