



# Transformation digest

Issue No.: 03

*In this issue we cover the following topics:*

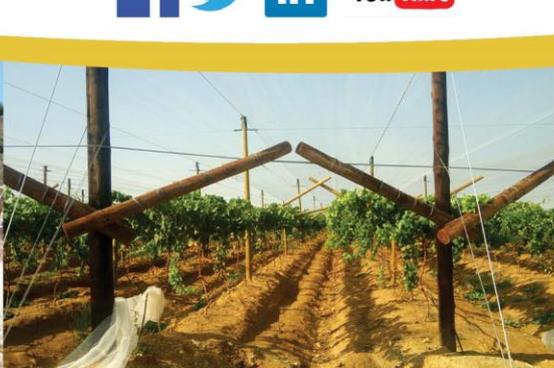
1. The NAMC together with the CGA Growers' Development Company visits The Mabunda Citrus Farm in The Limpopo Province
2. The NAMC together with the CGA Growers' Development Company visits the Maqoma Citrus Farm in the Eastern Cape Province
3. The South African Pork Producers' Organisation AGM: A review of the transformation initiatives for 2017/2018



**National Agricultural  
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## **AGRI-TRANSFORMATION DIGEST**

*Agri-Transformation Digest is a monthly report that is produced by the National Agricultural Marketing Council through the Agricultural Industry Trusts Division. The publication aims to communicate transformation developments as they happen around the agricultural industries. The focus of this issue is on two industries: (i) The NAMC together with the CGA Growers' Development Company visits The Mabunda Citrus Farm in The Limpopo Province Citrus industry, (ii) The NAMC together with the CGA Growers' Development Company visits the Maqoma Citrus Farm in the Eastern Cape Province and, (iii) The NAMC together with the CGA Growers' Development Company visits the Maqoma Citrus Farm in the Eastern Cape Province. The division has three digests, which cover Food Agriculture Natural Resource Policy Networks (FANRPAN), Agricultural Transformation, and Agricultural Industry Trusts. Agri-Transformation Digest reports on the monthly key developments coming from the transformation activities of different industries and trusts.*

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**1. THE NAMC TOGETHER WITH THE CGA  
GROWERS' DEVELOPMENT COMPANY VISITS  
THE MABUNDA CITRUS FARM IN THE LIMPOPO  
PROVINCE  
By  
BM Mpyana**

**1.1. Background**

A statutory levy system is an essential tool of transformation in the South African citrus industry. Like other agricultural industries collecting levies, the citrus industry also spends at least 20% of its annual statutory levy income to support black-owned smallholder enterprises within the industry.

The National Agricultural Marketing Council (NAMC), through Transformation Review Committee (TRC) representatives along with the Citrus Growers' Association Grower Development Company (CGA-GDC), conducted site visits on 4 September 2018 to the citrus industry (CGA) transformation beneficiaries, situated in the Limpopo Province.

**1.2 The necessity of site visits**

The purpose of the visits was to track the progress and the impact of the implementation of the transformation initiatives as supported by a portion of the statutory levy fund. The visit was aimed at seeing the progress of CGA-GDC in "promoting of sustainable commercialisation of existing black-owned citrus growers' projects". This article narrates an overview of the Mabunda citrus farm located in the Limpopo Province and will be followed by an article on the Maqoma citrus farm situated in the Eastern Cape Province.

**1.3 Mabunda citrus farm**

The Mabunda citrus farm is situated in the Limpopo Province at Xitlakati village near Tzaneen. The farm was established in 1998 with 300 ha communal land. Out of that 300 ha, 203 ha are under full production of Valencia, and Star Ruby grapefruit and 21 ha are planted with lemons. Lately, a new development of 422 ha of land has been acquired through the lease

agreement which equates the farm to a total area of 722 ha. The farm has 25 beneficiaries.



Figure 1: A photo of NAMC and CGA colleagues

**1.4. Mabunda success lessons**

The farm has seen tremendous progress in terms of the **volumes exported, increasing from 30 000 cartons in 2006 to about 600 000 cartons in 2017.** It is commendable that in future, the farm aims at increasing production capacity to export over 1 million cartons on a seasonal basis, and, more interestingly, to expand plantations of lemons by 10 ha and grapefruit by 15 ha.

**1.5 What could strengthen the Mabunda farm?**

It is the NAMC's opinion that, among other things, the involvement of farmers in their farm operations and decision-making is vital for their transformation, not only for their enterprise growth. Furthermore, if the following could be adequately addressed, the Mabunda farm will transform to its full potential:

- Provision of overall farm management training (e.g. financial and marketing management);
- Improving road condition to farms;
- Assistance with water infrastructure to keep water available at all times;
- Orchard maintenance; and
- Construction of a packing facility near the farm (this is crucial).

**1.6 Conclusion**

It can be concluded that the Mabunda citrus farm is among the black-owned citrus farms that are transforming. Their participation in the formal export market is commendable. If more support could be in

place, they will operate to their full potential and increase their volume of exports.

## 2. THE NAMC TOGETHER WITH THE CGA GROWERS' DEVELOPMENT COMPANY VISITS THE MAQOMA CITRUS FARM IN THE EASTERN CAPE PROVINCE

By  
Elekanyani Nekhavhambe

### 2.1. Background

On 6 September 2018, the NAMC through the Transformation Review Committee (TRC) together with the CGA-GDC also visited the Maqoma citrus farm in the Eastern Cape Province. This article narrates the story of the Maqoma citrus farm.

### 2.1. Overview of the Maqoma citrus farm

The Maqoma citrus farm is one of the CGA transformation beneficiaries located in the Eastern Cape Province under the Raymond Mhlaba Local Municipality (15 km outside Fort Beaufort). The farm owner is Mr Maqoma who inherited the farm from his late father. The farm registration name is formally known as "**Gonzama citrus farm**".

The land was acquired from the government through a lease agreement with an option to purchase in 1986. The farm size is approximately **52 ha**, and 30 ha are under utilisation, of which 22 ha are under hard citrus production (navels, oranges and lemons), 8 ha are under soft citrus, and 12 ha will be planted in spring. The 30 ha were planted between 1986 and 1991, and the 10 ha between 2012 and 2014.

### 2.1 Maqoma farm ("Gonzama") success lessons

The production output on Maqoma farm is commendable in that the farm managed to produce approximately 1 300 bins (400 kg per unit bin) of citrus fruit in the 2017/18 season, which is about 520 tons. A total of 900 bins (400 kilograms per unit bin) was exported, which is **360 tons** of citrus exported in 2017/18. Moreover, Mr Maqoma highlighted that he is planning to increase the number of hectares planted on

the farm. The plan could assist him to export greater volumes on a seasonal basis.



Figure 2: A photo of Mr Maqoma giving an overview of his farm

### 2.3 What could strengthen Maqoma farm?

If the following could be adequately addressed, Maqoma farm will transform to its full potential:

- The title deed to the farm
- Assistance with water infrastructure to keep water available at all times; and
- Financial assistance for expansion.

### 2.4 Conclusion

The success of the Maqoma "Gonzama" citrus farm is also commendable. There are positive signs of transformation within the farm, in particular moving from local markets to exports markets. If there could be more support, the farm could graduate into full commercial operation.

## 3. THE SOUTH AFRICAN PORK PRODUCERS' ORGANISATION AGM: A REVIEW OF THE TRANSFORMATION INITIATIVES FOR 2017/2018

By

Precious Nomantande Yeki and Ndumiso Mazibuko

### 3.1 Introduction

On 5 and 6 September 2018, SAPPO held their annual conference in the Drakensberg, themed "*Pork Shifters-2020*". The conference deliberated on the holistic industry affairs from consumer trends, animal health,

political threats, markets opportunities (both local and international) and strategies to sustain the industry.

During the proceedings an annual general meeting was convened, where among other things the congress reviewed transformation activities that occurred between June 2017 and July 2018. Ms Kgadi Senyasi heads SAPPO's transformation unit, known as the Business Development Unit. The role of the Business Development function is to enable pig producers in SA to be economically viable and to maximise their long-term profitability through the transfer of industry knowledge, liaison with relevant stakeholders, training/skills development and mentorship. For the period under review it is important to note that the following activities took place:

#### a. Transfer of industry knowledge

This refers to the transfer of information regarding the planning of new projects to aspiring farmers, as well as information to farms under development. Knowledge is transferred mainly in the form of farm visits. **Table 1** illustrates the transfer of knowledge between June 2017 and July 2018, as follows:

**Table 1:** Transfer of industry knowledge

	KZN/EC		LP/MP/NW		GP/WC		TOTAL	
	YTD	JULY	YTD	JULY	YTD	JULY	YTD	JULY
<b>Pig Producers</b>								
0-20 Sows	112	2	55	28	34	23	201	53
21-50 Sows	68	1	54	4	16	0	138	5
51-100 Sows	10	0	26	1	16	0	52	1
101-100 Sows	15	1	15	0	6	0	36	1
200+	8	2	0	0	7	0	15	2
<b>Total</b>	<b>213</b>	<b>6</b>	<b>150</b>	<b>33</b>	<b>79</b>	<b>23</b>	<b>442</b>	<b>62</b>
Field workers	53	3	44	7	12	0	109	10
Others	30	2	6	0	9	0	45	2

#### b. Business development managers' mentorship

**Table 2** below represents the business development mentorship for the period under review. Indicated in the table are the farms mentored by business development managers and frequently visited to monitor and evaluate production performance. The visits from the business development managers were as follows:

**Table 2:** Business development mentorship

Business Development	YTD	JULY	YTD	JULY	YTD	JULY	YTD	JULY
	0-20 Sows	36	1	14	1	0	0	50
21-50 Sows	41	1	40	3	6	0	87	4
51-100 Sows	6	0	19	1	9	1	34	2
101-100 Sows	17	1	10	0	1	2	28	3
200+	5	2	0	0	0	0	5	2
<b>Total</b>	<b>105</b>	<b>5</b>	<b>83</b>	<b>5</b>	<b>16</b>	<b>3</b>	<b>204</b>	<b>13</b>

#### c. Appointment of mentors and veterinarians

Under the mentorship and veterinary services programmes, SAPPO incurs the costs of the appointed mentors and veterinarians as indicated in Table 3 below. Farms under the mentorship and veterinary services programme are expected to provide SAPPO with data such as production and financial data. The data is used to measure the performance of the farm. **Table 3** outlines the farms under mentorship and veterinary services with the total number of visits conducted by both mentors and veterinarians.

**Table 3:** Services of appointed mentors and veterinarians

	KZN/EC		LP/MP/NW		GP/WC		Total	
	YTD	JULY	YTD	JULY	YTD	JULY	YTD	JULY
<b>Mentors' Farm Visits</b>								
Under mentorship	16	5	3	2	4	3	10	10
Mentors' visits	57	5	30	2	50	3	137	10
Vet services Pro	5	5	0	0	3	3	8	8
Vet visits	11	0	0	0	4	2	15	2
<b>Total</b>	<b>89</b>	<b>15</b>	<b>33</b>	<b>4</b>	<b>61</b>	<b>11</b>	<b>170</b>	<b>30</b>

### 3.2 Conclusion

In conclusion, it is significant to highlight that the SAPPO conference and AGM was a success. Furthermore, SAPPO plays a critical role in the transformation of the pork industry. The NAMC is of the view that SAPPO can still play a much more meaningful role with their initiatives in transforming the pork industry.

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