



Agri-Trust digest

Issue No.: 04

In this issue we cover the following topics:

1. **The Potato Industry Development Trust**
2. **The Deciduous Fruit Industry Development Trust**
3. ***Views on The Deciduous Fruit Development Company Symposium***



National Agricultural
Marketing Council
Promoting market access for South African agriculture

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AGRI-TRUST DIGEST

Agri-Trust 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 developments as they happen around the different agricultural trusts. The focus of this issue is on three topics: (i) The Potato Industry Development Trust, (ii) The Deciduous Fruit Industry Development Trust and (iii) Views on The Deciduous Fruit Development Company Symposium. The division has three digests which cover the Food Agriculture Natural Resource Policy Analysis Network (FANRPAN), Agricultural Transformation and Agricultural Industry Trusts. Agri-Trust Digest reports on the monthly key developments coming from the operation of different industry trusts.

Contributors to this Issue:

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Ms Precious Nomantande Yeki
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1. THE POTATO INDUSTRY DEVELOPMENT TRUST

By
Matsobane (BM) Mpyana

1.1. Background

The Potato Industry Development Trust (PIDT) was established in September 2004 with absolutely no assets. Over the years, it has accumulated growth assets valued at R 14 047 094. To date, the PIDT has been showing an average asset growth of 4.97 % annually. Due credit shall be given to both current and former trustees.

1.2. What does the Potato Industry Development Trust represent?

The objective of the Trust is to receive statutory levies under the Marketing of Agricultural Products Act, 1996 (Act 47 of 1996) and to authorise expenditure as set out in the levy announcements and as amended from time to time, and including the following:

- Basic as well as applied agricultural research, including potato cultivar development and evaluation and distribution of all relevant technical information;
- The gathering, processing, analysing and compiling of industry-related information, including market statistics and distribution;
- The creation of market access for emerging small and medium-scale farmers, including development projects related to the potato production-marketing chain; and
- The development of foreign markets for South African potatoes and generic promotion of potatoes.

1.3. Trust representation – Ministerial trustees need to be known

The Minister of the Department of Agriculture, Forestry and Fisheries (DAFF) is represented by Mr Shadrack Mabuza in the Potato Industry Development Trust.

Mr Shadrack Mabuza



Figure 1: Mr Shadrack Mabuza

Mr Mabuza is currently a Ministerial Trustee on the Board of the Potato Industry Development Trust and is serving on various committees including the PSA Transformation Committee, and is the regional PSA chairperson in the KZN province. He is also an enterprise development farmer at Emseni Farm and is planting potatoes on a 257-ha land. He is also a potato farmer consultant for Africabio at Tshwane Biotechnology; Endla in Pietermaritzburg, Intsika Yethu and Amadlelo Aluhlaza in the Cofimvaba area with special focus on potato and vegetable production, production inputs and technical advice and support. During his previous employment at Monsanto SA (Pty) Ltd, he was a production manager under smallholder business.

1.4. Transformation activities

The Potato Industry Development Trust transformation approach is in four lags: (i) enterprise development, small grower development, farm-based training and the tertiary skills pipeline. Interestingly, in 2017 over R 5.5 million was spent on enterprise development, R 149 482 on small grower development, R 300 200 on farm-based training and R 1.02 million on tertiary skills pipeline.

It can be concluded that the PIDT transformation approach is among the most successful transformation

models, yielding returns for black farmers and the industry. Key to this is the element of mentorship and working together between commercial farmers and black farmers.

2. THE DECIDUOUS FRUIT INDUSTRY DEVELOPMENT TRUST

**By
Precious Nomantande Yeki**

2.1. Background

The Deciduous Fruit Industry Development Trust was established in 1998. About 20 years later the monetary asset value has increased to R 16.1 million, showing a growth of R 2.7 million.

2.2. What does the Deciduous Fruit Industry Development Trust represent?

As stipulated in the Deed of Trust, the goal of the Deciduous Fruit Industry Development Trust is to benefit, either directly or indirectly, beneficiaries that have been previously disadvantaged. It should be noted that Trustees cannot alter the objectives of the Trust; they can only amend the priority of funding. The aims of the Trust contained in the Trust Deed are to:

- fund the development, upliftment and promotion of beneficiaries, with emphasis on transformation, exposure and upliftment of previously disadvantaged individuals and communities, focusing, inter alia, on training, mentoring and providing information,
- assist beneficiaries with their entry into and participation in the industry, particularly of members from previously disadvantaged communities,
- identify and recruit suitable candidates from within the ranks of the beneficiaries for training and advancement in the deciduous fruit industry in South Africa, with emphasis on transformation and upliftment of previously disadvantaged individuals and communities that qualify as beneficiaries,
- liaise with Provincial Members of the Executives (MECs), the National Minister of Agriculture, the Department of Agriculture, the NAMC and other interest groups in the deciduous fruit industry, to

collaborate on a policy to promote training and development of the beneficiaries, and

- facilitate and fund market research and generic promotion of the deciduous fruit industry to the benefit of the beneficiaries.

2.3. Trust representation – Ministerial trustees need to be known

The Deciduous Fruit Industry Development Trust is governed by a board of six trustees (Board of Trustees), and four are representing the Minister of the Department of Agriculture, Forestry and Fisheries (DAFF). It is essential that a short brief about each of them be presented for the agricultural community and the public to know who represents the Minister in the Deciduous Fruit Industry Development Trust.

Mr Ismael Motala



Figure 2: Mr Ismael Motala

Mr Motala is the chairperson of the Deciduous Fruit Industry Development Trust. He holds a BA Law Degree from the University of Durban Westville and has extensive knowledge in accounting and agriculture. Since 2003, Mr Motala has been farming in Wolseley specialising in peaches, pears, plums and vegetables. Mr Motala has been very active in the western cape agricultural sector in the areas of agricultural transformation and enhancing

black farmers in the agri-economy through dialogues, discussion with white commercial farmers and commodity groups to address the economic transformation of the sector. Mr Motala, who was a Board member of the Agricultural Research Council, is currently serving in the Deciduous Fruit Development Chamber-SA (DFDC-SA), South African Stone Producers Association (SASPA) and is the Interim Chairperson of the African Farmers Association of South Africa (AFASA) in the Western Cape Province.

Mr John Sauls



Figure 2: Mr John Sauls

Mr Sauls is an attorney by profession and a trustee/farmer in the Witzenburg Deelnemings Trust, which is a 57-ha farm acquired through LRAD programmes of the Department of Agriculture. His role as a trustee has enabled him to gain experience in the agricultural sector.

Ms Mamsey Rangaka



Figure 3: Ms Mamsey Rangaka

Ms Rangaka has been the CEO of Mhudi Wines since 2005. She holds a diploma in General Nursing, BA Ed, BA Hons (Psych) (University of North West) and a M.Sc. (Clinical Psych) at MEDUNSA, Management Development Programme (US/UNW). Furthermore, she holds a certificate in Hydroponic Production (US), Permaculture and Bookkeeping. Her previous employment included being the Director of EAP at the Northwest Provincial Government and a clinical psychologist in private practice.

Mr Elton Jeftas



Figure 4: Mr Elton Jeftas

Mr Jeftas is the managing director of Agribusiness Sustainable African Plant Products (ASNAPP) and a farmer. He has over 20-year experience in the agricultural sector, lobbying and management of grant funding. During his career, he sourced a USAID grant for horticulture capacity building in Zambia of \$ 4.5 million over three years. Under his leadership, he gained partnership agreements with Rutgers University of New Jersey for sustainable development of horticultural crops in Zambia for food security income generation and tourism.

Furthermore, Mr Jeftas is the director and co-founder of the Defynne Wholesale Nursery that produces blueberries, apples, and ornamental plants for the agriculture and landscaping industry. Defynne is also farming with about 17 hectares of plums that are exported to the EU through a local export firm. He is the former Project Manager at the Fynbos Division of the ARC-Roodeplaats at Elsenburg in the Western Cape Province.

2.4. Conclusion

It can be concluded that the Deciduous Fruit Development Trust is currently worth about R 16 million. Furthermore, the ministerial trustees of this Trust represent diverse expertise from different fields.

3. DECIDUOUS FRUIT DEVELOPMENT COMPANY SYMPOSIUM – MY VIEWS

**By
Bonani Nyhodo**

3.1. Introduction

The Deciduous Fruit Development Company (DFDC) a transformation arm of the Deciduous Fruit Industry (DFI) convened a Summit on the 24th October 2018 in Mpumalanga Province, Nelspruit. The Summit was attended by many different stakeholders ranging from farmers (from Mpumalanga and Western Cape), National government departments, provincial government, local government, farmer organisations and government

institutions. It was very encouraging to see that the Summit was an event of the whole industry with Hortgro's involvement.

3.2. Deciduous Fruit Industry Vision 2050

The fruit industry as a whole play a crucial role as an earner of foreign income for South Africa (net exporter). As if that is not enough, the fruit industry is strategically positioned to contribute to the job creation as it has high labour multipliers. As such, the deciduous fruit industry is one of the sectors of agriculture that are well positioned within the National Development Plan (NDP) – Vision 2013 of South Africa (expressed in Chapter 6).

The Deciduous fruit industry has a vision that is very ambitious of doubling the size of the industry by 2050. It also needs to be noted that such an ambitious vision has been backed by the industry having recently launched Hortfin (a venture that is aimed at funding deciduous fruit development) in collaborations with the wine industry. It can be said that the deciduous fruit industry is on the right path to achieving its

Noteworthy, is that both the Chairperson of DFDC and the Chairperson of one of the deciduous producer organisations were in close synergy when articulating the industry vision 2050. The strategic

At the heart of that vision, it came out during the Summit that greenfield in other Provinces either than the Western Cape is paramount. Mpumalanga, Free State and Eastern Cape seem to be at the heart of the industry vision. This bring developments in areas of the Eastern Cape such as Gubenxa Valley into the map.

3.3. Collective responsibility

The Summit's robust engagements acknowledged the important role of close collaborations between private sector and government. In this regard, the MEC of agriculture in the Province was one of the dignitaries who addressed the Summit making an undertaking that Mpumalanga has a lot of untapped agritourism opportunities and that the deciduous fruit is one of the industries of strategic importance to the government of

Mpumalanga considering its potential contribution in addressing some of the socio-economic ills of the democratic South Africa such as jobs.

The presence of institutions of government such as Brand South Africa was very refreshing. Brand South Africa's plea was for an agricultural image that is uniform so that it can easily be understood in perspective of a South Africa with National symbols. The Department of Agriculture, Forestry and Fisheries (DAFF) and the

Department of Trade and Industry (dti) presented a coherent picture of a government who is committed in assisting the fruit industry in general to negotiate market access agreements that are of economic interests to the industry.

4. Concluding statement

It can be safely said that, if the deciduous fruit industry is to operate on the basis of its 2015 vision and use Hortfin the way it is envisioned its future is looking bright.

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