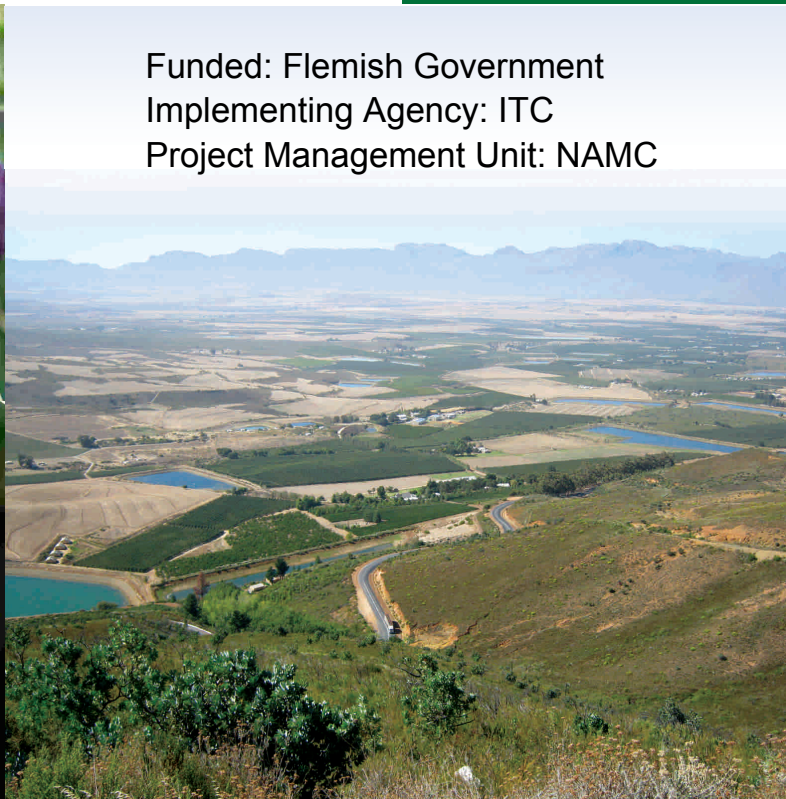




**National Agricultural  
Marketing Council**  
Promoting market access for South African agriculture

# SUPPLY CHAIN AND LOGISTICS DEVELOPMENT PROGRAMME (SCLP)

Funded: Flemish Government  
Implementing Agency: ITC  
Project Management Unit: NAMC



**REPUBLIC OF SOUTH AFRICA**

**February 2010 to September 2012**



**International  
Trade  
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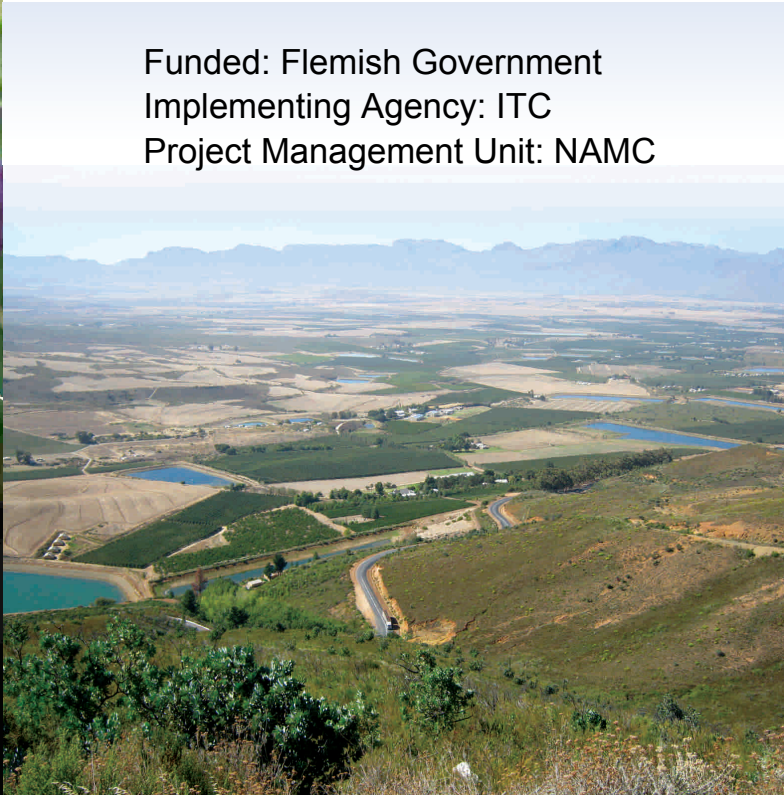


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# About the Programme

## Introduction

The Supply Chain and Logistics Development Programme (SCLP), a project funded by the Flemish Government and implemented by the International Trade Centre (ITC) and the National Agriculture Marketing Council (NAMC) was launched in South Africa in 2010.

The objective of the programme is to integrate small agro-businesses into regional supply chains, help them seize opportunities for trade in horticultural and agri-foods products with emphasis to increase their earnings.

## Process

The first activity was to identify the product line and seek out potential producer groupings. After numerous consultations with industry partners, it was agreed that since pome and stone fruits have a history of being exported to European Union countries where there is a high market demand, they were suitable for being selected as the first focus of the SCLP project.

Fifteen (15) selected stone and pome fruit beneficiaries in the Ceres and Grabouw areas of the Western Cape were identified and selected for assistance in order to improve their productive capacities, comply with food safety requirements and enhance linkages with export agents, local, regional and international supermarkets. The assistance reaches about 200 permanent staff and 1000 casual workers.



# Diagnostic Analysis of the Value Chain

## Value Chain

A diagnostic analysis of the value chain from producer to retailer was conducted to demonstrate the differences in the value chain for different markets and compiled a SWOT analysis for each selected farm. Through this process farmers were able to see how their profits could be improved through channelling selected grades of their product to appropriate market segments such as;

- Local municipal markets,
- Local Supermarkets,
- African markets and
- International (Non-African) markets.

This encouraged the growers to participate enthusiastically in the roll-out of the rest of the programme which involved achieving the required certification status to supply specific markets, improve crop yields and product quality and seek linkages with packing houses and market agents.

*“Being part of the program has been of great benefit to me and I have a very good relationship with Dawie, Reinier and Michael (Oosthuizen). They have really been a big help and this keeps me motivated.”*

*Jan Damon (Oom Dampies)*





# Baseline Survey

A baseline survey was conducted to measure the impact of the programme. The survey involved profiling each beneficiary's farming operations in detail, conducting an audit of their infrastructure, assessing the status of their past and existing production performance and administrative capability and providing a proposed set of performance indicators.



*"I am very happy to be part of the program and appreciate the advice I am receiving. Approximately a year ago, I was sick and tired of farming and wanted to sell, but thanks to this program and the assistance received, I am once again up to the challenge and motivated."*

*Charles van Huffel*

*"because farming with nectarines and plums is such a precise process / science, the input received from Dawie Scholtz and the team has added immense value to my farming activities."*

*Trevor Abrahams*





# On Farm Interventions



## Technical Assistance

An on-farm technical advisor was appointed to provide individual support to beneficiaries on a regular basis, varying from weekly to monthly visits depending on individual grower needs.

The focus is to manage;

- Water application;
- Pest and disease control interventions;
- Maturity indexing;
- Harvesting techniques and
- Fruit thinning practices, which have been the most common needs of the beneficiaries.

This area of the programme has been highly successful in assisting growers to prioritize production management inputs in getting their crops export ready.

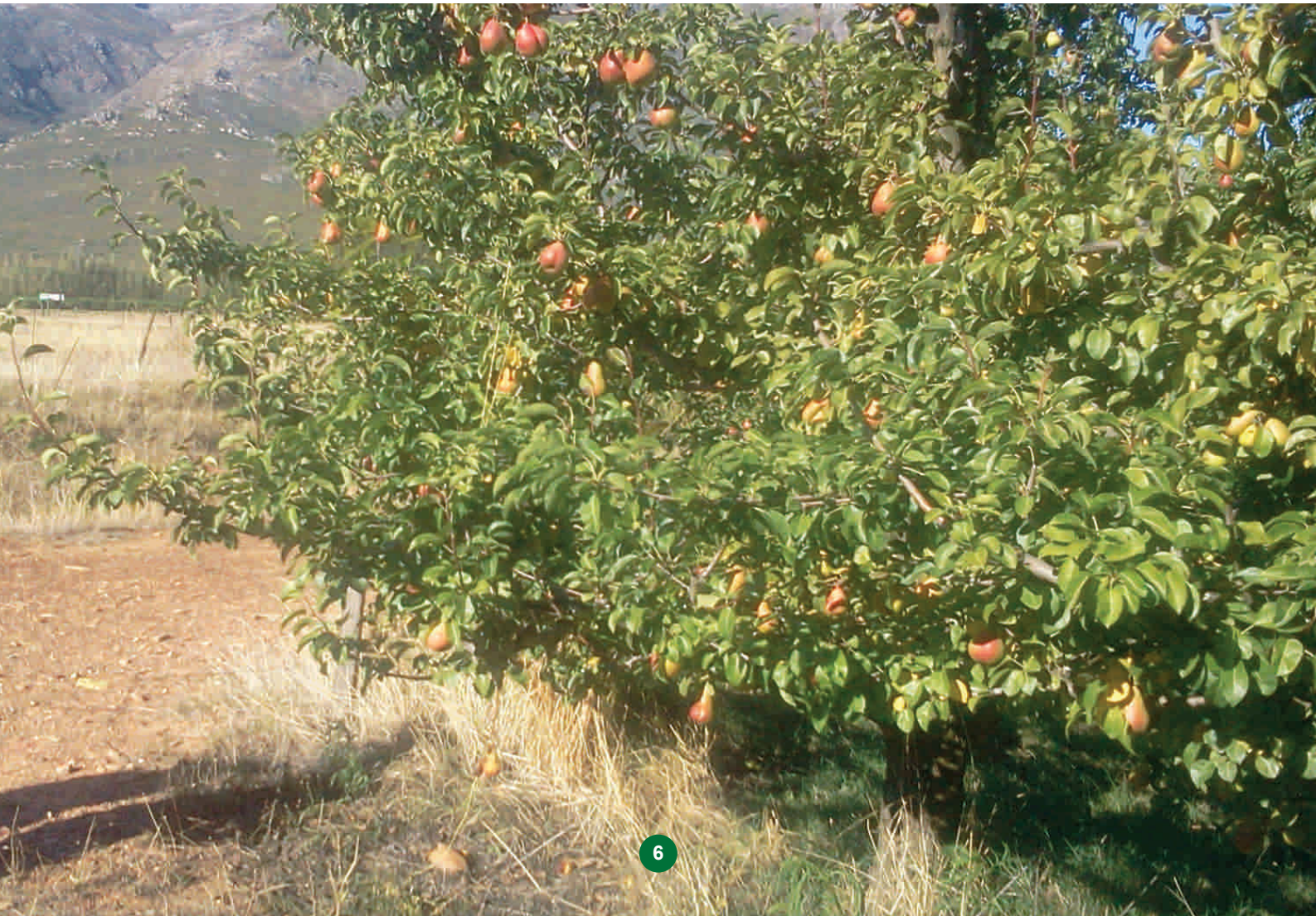




# Certification

## Certification Process

The programme coordinated the execution of pre-audits for SAGap and GlobalGap on the participating farms. Nine farms were already GlobalGAP certified (prior to the start of the programme) and training was conducted by Products Perishable Export Control Board (PPECB) on the remainder to attain SAGap status. These farms will eventually be supported to comply with GlobalGAP certification.





# Marketing Channels

## Market Linkages

Market linkages were created between beneficiaries and processors, local supermarkets and regional and overseas markets. Therefore more, growers were assisted with logistical arrangements including the compilation of a broad marketing plan, the supply of bins, the organization of transport on a daily basis and arrangements with packing facilities and marketing channels.

During the first phase of the programme some producers for the first time were able to supply the export market through eg Dole and Freshmark.





*"The farmer works the soil. The agriculturalist works the farmer."  
Eugene F Ware*





# Partnerships

## Linkages with other Institutions

The PMU solicited support of various government agencies including the Perishable Products Export Control Board (PPECB) and the Department of Trade and Industry (DTI) to contribute resources and services. Furthermore, a national advisor and supply chain consultant were appointed to provide ongoing support.

SCLP has worked closely with the Market Access Programme of the Western Cape Department of Agriculture (WCDa) which has similar objectives. Sharing of information on the business plans of beneficiaries and funding applications has

been of value to both parties. The beneficiaries through this programme have benefited from the infrastructure funding from WCDa.

SCLP has also integrated its efforts with those of the Fresh Produce Exporters Forum (FPEF) which is involved in a fast-tracking skills transfer and facilitating the alignment of growers with suitable export/import agents or directly with supermarkets. The SCLP and FPEF's programmes have dovetailed by bringing the improved product of SCLP beneficiaries to the specific export market opportunities and contacts being opened by FPEF.



*Local cooperating agents line up:  
Daan Louw (OABS),  
Bongiswa Matoti (WCDa),  
Happy Mohane (NAMC) and  
Dawie Scholtz (supply chain consultant)*



*"The farmer is the only man in our economy who buys everything at retail, sells everything at wholesale, and pays the freight both ways." John F Kennedy*



*Working out details for on-going cooperation*

*Sitting (l/r) Bukelwa Grwawbi (WCDoA), Khaya Ngoshe (on-farm trainer), Louis von Broembsen (national advisor)*

*Standing (l/r) Julianie Boshoff (consulting assistant), Phistos Mashamaite (NAMC), Rihan Snyman (OABS), Michael Oosthuizen (on-farm trainer), Renier Oosthuizen (on-farm trainer), Dawie Scholtz (supply chain consultant)*



# Conclusion



The SCLP has placed its beneficiaries in an improved position to apply production technologies with confidence and negotiate with pack houses and agents to optimize market returns. As a result, the SCLP project has gained much reputable credibility within government and private sector circles. Discussions with key stakeholders are already afoot for building on the results of the first phase of the programme and using the lessons learnt to continue guiding the Ceres/Grabouw farmers and scaling up the project to reach out to other provinces to enhance the profits of small scale fruit farmers.





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