



National Agricultural  
Marketing Council  
Promoting market access for South African agriculture

# Agripreneur

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**Farming as a retirement  
option: the story of  
Mr. Mambi**

**A communal farmer nets two  
hundred thousand rands in the  
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**The effort of transformation in  
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# PREFACE

This is the tenth edition of the Agripreneur publication from the National Agricultural Marketing Council (NAMC). Through this publication, the NAMC seeks to create a platform where farmers, particularly smallholders, share their knowledge and skills, challenges, experiences, and insights with each other. It is believed that this publication will assist smallholders to learn from each other, develop strategies, adopt models, and become part of the value chain by marketing the commodities that meet quality standards and are safe for consumption.

Presented in Agripreneur 10 are the following topics:

- (1) A note from the editor
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## List of contributors:

Abongile **Balarane**

Bonani **Nyhodo**

Kgadi **Senyatsi**

Matsobane **Mpyana**

Ndumiso **Mazibuko**

Simphiwe **Ngqangweni**

Thulisile **Khoza**

Xolile **Ngetu**

Kayaletu **Sotsha**

Edited by: Kayaletu **Sotsha**

Designed by: Sylvester **Moatshe** and Daniel **Rambau**

For more information on the Agripreneur Publication, contact Prof. Victor Mmbengwa, Manager: Smallholder Market Access Research at NAMC. Contact information: VMmbengwa@namc.co.za

# *A note from the* **EDITOR**

The National Red Meat Development Programme (NRMDP) has featured in about seven out of ten Issues of the Agripreneur publication, since its inception in 2015. This, on one hand, indicates the ever-increasing effort by the funders (Department of Rural Development and Land Reform (DRDLR) and its Provincial Departments, the implementers (National Agricultural Marketing Council (NAMC), and other stakeholders involved in the programme, namely the Department of Agriculture, Forestry and Fisheries (DAFF) and its Provincial Departments, the municipalities, the Local Authorities (Chiefs), and the communal farmers in an attempt to integrate communal livestock farmers into the mainstream markets. On the other hand, it indicates the extent to which successful endeavours, under the programme, have been undertaken. The reality is that development is a long-term process and it is a struggle because it entails change management, among other aspects.

The programme aims to improve communal livestock breeding systems and formal market access for communal livestock farmers. It entails teaching farmers about formal market requirements and ways of breeding livestock for formal market access as well as facilitating the removal of unproductive stock through the Custom Feeding Facilities and livestock auctions. The main aim of the programme is to, eventually; integrate communal livestock into the mainstream markets. Hence, it is based on three fundamental aspects;

- i. Educating communal livestock farmers about formal market requirements and ideal breeding systems to meet market requirements.
- ii. Constructing custom feeding facilities to feed livestock. This aspect aims to get rid of the unproductive livestock, as the facilities are customised to also cater for old animals that would, otherwise, not make it into the feedlots. This follows an understanding that communal farmers keep their livestock for many reasons other than for marketing it. As a result, their herds usually constitute animals that have less market value. In addition, this is a cost to the environment in

the form of overstocking and deteriorating grazing land in the communal space. Such challenges often go unnoticed by communal farmers in the short to medium term, as they tend to focus largely on building stock. Recently, the construction of the feeding facilities has incorporated the introduction of pastures to grow feed, together with breeding programmes aimed at improving communal livestock production.

- iii. Facilitating the sales of livestock through auctions. Buyers also come to the facilities to buy given quantities at any given time – the latter component of sales remains the largest by far, particularly in the Eastern Cape Province. The sales are concluded between the buyer and the seller, without any involvement from government.

Gradually, the programme is improving the communal livestock production system. Moreover, the programme has additional socioeconomic impacts, in the form of employment creation, catering services, and transport opportunities, thereby adding disposable income that enables poverty reduction, enhances food security and increases affordability of quality education and health services. So far, communal livestock farmers have generated over R30 million rands from their livestock sales and 1 790 jobs have been created.

The long-term objective of the programme is to cater for cattle, goats and sheep. However, it is important to get things right, given that development comes with its challenges. Hence, the focus has largely been on cattle, with one facility that feeds both sheep and cattle. Undoubtedly, this is a huge initiative that presents many opportunities, thereby adding value to the country's economy.

Of course, it goes without saying that the programme has to be linked with other development initiatives such as the construction of abattoirs and relooking into those that have been constructed, but are not functional, particularly in the communal areas.





# Farming as a retirement option: the story of Mr Mambi

Kayalethu Sotsha and Thulisile Khoza

For several reasons, farming is regarded as the retirement option by many. In the rural areas, the reasons may include enjoying a nice rural lifestyle, staying active in retirement, and supplementing retirement income. An interesting question now would be “to what extent does this perception contribute to the high average age of farmers?”. as it indicates, to some degree, that some farmers move into agriculture only after retiring from a different career. Mr Mambi, a farmer in Mount Ayliff Eastern Cape is one of the farmers who moved into farming after he retired from the mining sector. His main objective is to utilise the land as the main source of income for his household. This has been forced by retirement, leaving him with limited options for survival.

Mr Mambi is a small-scale farmer in Mount Ayliff, near Kokstad. He produces vegetables (cabbage, spinach and beetroot) and maize crops. He farms on his backyard garden (about 0.5 hectares) and arable fields (about 3 hectares) that are situated some distance away from the homestead. He has acquired, and continues to acquire, land from people who are not using theirs for various reasons. He says that he has bought some of it and he has borrowed some. Interestingly, there is an arrangement in the form of a verbal contract when borrowing land; he specifies the duration for which he wants to

keep the land. For example, he borrows other people’s land for two to five years. He said this is important because it guides him as to what sort of investments he must make on the land (e.g. fencing), and so far, he has not had any problems in this regard. He attributes the smooth negotiations to the strong social relationships between people in his community.

## Employment

Mr Mambi employs 5 women, working on the backyard garden, and 4 men working on the arable fields. He highlighted the point that he prefers to have women working for him because they tend to show commitment and do the work thoroughly, as opposed to men who tend to come late and sometimes do not come at all (especially after they get paid). Therefore, he thinks such opportunities should be given to those who are responsible with the money and are also committed to the course. However, the reason he has 4 men working on the arable fields is that the arable fields are situated at some distance from the homestead, and sometimes, he has to pick the spinach or cabbages at around 5 a.m., to deliver to the market at 7 a.m. Accordingly, he thinks it is risky for women to be coming to work as early as 4 a.m. It is worth noting that jobs created are temporary, although but he uses the same people over and over again.



## Market

Mr Mambi has a verbal contract with Spar in Mount Ayliff, where he sells some of his vegetables. He approached Spar to negotiate an informal contract to sell his products and succeeded. However, there are challenges that are associated with this type of arrangement (informal contract). These include:

- i. The market is not guaranteed because Spar buys what it needs based on current demand. This means that there is no specific quantity required at a certain period, implying that quantities required vary from time to time. The good thing here is that, so far, Mr. Mambi has been supplying consistently – when required to – and he has not received any complaints from the market in this regard.
- ii. There is no stipulated quality to guide him in his production activities. This poses a challenge in the sense that the prices tend to vary significantly.
- iii. The previous point leads to the third issue of price risk. The main issue here is that farmers may, sometimes, reduce the price below the cost-benefit ratio because they want to sell. This is common in the case of perishable products.

When asked about his strategies to overcome these challenges, he mentioned that he does not complain about the arrangement. He is happy that he manages to sell all of his produce at the end of the day. He feels that, although the markets tend to take advantage of the desperate situations of the farmers in accessing the market, maintaining a good working relationship is important to secure the farmer's share of the market and to avoid losses that are due to slow sales (e.g. having vegetables rotting in the fields).

In addition to his verbal contract with Spar, Mr. Mambi also sells to the hawkers and households within his community. The prices are negotiable, and not consistent. For example, when the buyer takes larger quantities of cabbages, the price could be lowered to R5 per head, and when the buyer takes one head, the price is R9 – R10 per head.

## Training

He has attended training on plant production at the University of Fort Hare. In addition, he also attended a contract farming training session in June 2017, conducted by the Markets and Economic Research Centre (MERC) of the National Agricultural Marketing Council (NAMC).



Mr Mambi in his backyard garden



Mr Mambi and his son





Sprinkler irrigation

### On-farm investments and implements

Mr. Mambi has never received any support from government. However, he has managed to make some investments in his farming business. The investments are in the form of fencing, tractor, planter, and boom sprayer, as well as some irrigation infrastructure (e.g. water pump and sprinkler irrigation equipment). One of the advantages he has is that the arable fields are situated near the river, which he uses to irrigate his land. He feels that it is better to have his own equipment than to hire it – this assists him with the timing of his operations, among other things.

### Plans for expansion

He intends to start a nursery and he has contacts with an “expert” in Pietermaritzburg. Furthermore, he has sent a request to a service provider at Richmond, Kwa-Zulu Natal, for training to capacitate him and other farmers who are interested.

### People willing to join this venture

One of his sons has quit teaching and is actively assisting with the running of this venture. He believes that having the interest of his son to the farm business has come with significant benefits – one being the fact that the son provides transport for delivering the produce to the market.

### Challenges


- ◇ Transport to deliver the produce to the market – the one they are using currently is just a small bakkie.
- ◇ Accessing more land to allow for expansion.

### Conclusion

Farming offers opportunities for gaining a better livelihood, regardless of the scale. However, it is important that the farmers are capacitated on comprehensive record keeping. For example, in the case of Mr. Mambi, he does not keep financial records. Thus, he has no idea of the cash flow to determine how much he makes and how much he spends on on-farm investments. This is important because his business seems to have much potential to grow and create employment for the community. However, the growth may not be as effective or as fast without the proper handling of funds. Like many small-scale farmers, Mr Mambi kept mentioning the need for financial support from government. However, it is plausible that Mr Mambi seems to be knowledgeable of some business aspects, such as markets, customers, operations and communication.

For more information, contact Mr Mambi on 083 754 5319 or Thulisile Khoza at [TKhoza@namc.co.za](mailto:TKhoza@namc.co.za)





# A communal farmer nets two hundred thousand Rands in the Nkandla Cattle Auction: “Acknowledging the efforts of communal cattle farmers”

Abongile Balarane, Bonani Nyhodo, Simphiwe Ngqangweni and Xolile Ngetu

The National Agricultural Marketing Council (NAMC) is a state owned-entity established under the Marketing of Agricultural Products (MAP) Act. No. 47 of 1996, as amended by Act. No. 59 of 1997 and Act. No. 52 of 2001. Its mandate is to provide advice to the Minister of the Department of Agriculture, Forestry and Fisheries on marketing of agricultural products issues.

The NAMC is guided by four strategic objectives of the MAP Act. 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
- ◇ to enhance the viability of the agricultural sector.

The first objective is fundamental to the National Red Meat Development Programme (NRMDP). This programme is funded by the Department of Rural Development and Land Reform (DRDLR). One of its strategic objectives is to improve the conditions of rural livestock farmers through what is commonly known as the “Custom Feeding Programme” (CPF). Others understand it as a rural type of a feedlot, whereby farmers bring their animals to be fed for a maximum period of 4 months, depending on the condition of the animal. During their participation in the CFP, animals are fed to gain better body conditions. This helps to raise the price a little bit, and also to increase the animals’ marketability. Usually, people come to buy at any given time when the animals are ready, but sometimes, auctions are organised to sell animals. In addition to feeding and selling of animals, the programme also includes educating farmers on the functioning of mainstream cattle markets.





Mr Langa

On the 21<sup>st</sup> of July 2017, the NAMC and DRDLR organised a cattle auction in the Nkandla Local Municipality, under King Cetshwayo District Municipality. This was the first auction in the area in more than 2 decades. The auction was an eye opener for the farmers. They kept on asking each other, “(Kade silindeni sonke lesikhathi)” what have we been waiting for all this time? This followed after one of the communal farmers, Mr Langa, sold 15 of his cattle and made about R200 000.00 on the day. All the farmers who were present that day could not believe this, saying “azange siyibone lento yenzekayo namuhla” (we have never seen this before).

In the closing phases of the auction, Chief Sithole stood up on the podium and warmly asked the organisers to organise yet another auction while everybody was still excited. He further applauded all the stakeholders involved in the

programme for their excellent work in attempting to bring change to his people. The auction certainly yielded the expected results, given all the excitement and joy among the farmers.

The NAMC and DRDLR thanked all the role-players who participated on the auction, especially the farmers for their willingness to accept the development that the government is bringing to them. Another crucial stakeholder that played a significant role comprised the AAM auctioneers. Farmers felt that they had received market-related prices.

For more information, contact Dr Xolile Ngetu at [xNgetu@namc.co.za](mailto:xNgetu@namc.co.za)



# The Possibility of Transformation in the Agriculture 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 (TRC) attended the South African Meat Industry Company's (SAMIC) carcass competition for the developing and commercial pork producers in Kwa-Zulu Natal (KZN) 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 and an overview is set out below, showing how things developed, leading up to this year's competition.

On 19 October 2015, the TRC of the National Agriculture Marketing Council (NAMC) engaged with the South African Pork Producers Organisation (SAPPO). The aim of the engagement was to discuss SAPPO's transformation activities and to table the TRC's proposal on transformation, with specific focus on enterprise development. SAPPO was then assigned to develop selection criteria, and provide numerical figures in terms of the unit size and budget requirements that would graduate a developing farmer into becoming a sustainable commercial farmer.

On 23 November 2015, the transformation proposal on enterprise development was accepted by SAPPO, and farmers with a minimum of 20 sows were selected.

After a series of meetings between NAMC and SAPPO, a good story has emerged to tell within the pork industry. Hence, this article profiles one of the outstanding developing pork producers, Mrs Mbalo of Simba Mabhele piggery.

Simba Mabhele piggery is a 130 farrow to finish sow unit, operated on a 46 hectare farm. The farm is situated in Port Shepstone (KZN 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 three gilts; two bought from a commercial farmer in Howick and one that was 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 grew from 20- to a 50-sow unit.





Pigs in the Simba Mabhele Piggery



2017 carcass of the developing farmers

The unit was later expanded to a 100-sow unit financed with a loan from Old Mutual (Masisizane Fund). The unit is currently marketing more than 50 pigs per week, with an average carcass weight of 75kg, through La Rochelle abattoir located in Margate. The farm has been under SAPPO mentorship from 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 (EDP), assisted the farm with production inputs and equipment required to maximise production. It was through the programme that the farm graduated from a 100-sow unit to a 130-sow unit.

During the 2017 SAMIC 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 the possibilities for participating in the formal markets. This was evidence of achieving good quality carcasses, according to SAMIC's grading standards. In addition, Mrs Mbalo was announced as the 2017, National Carcass Competition Winner in the developing farmers' category. This prize was officially awarded on the 16th of August 2017 in Vryburg.

Despite the challenges of 2016 that were faced by the agricultural sector, by the pork industry in particular, Simba Mabhele farm survived the awkward year. However, despite the commitment and hard work demonstrated, which proved to be worthwhile, 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, in turn, create employment, thereby ensuring sustainable food security. To ensure profitable and sustainable enterprises, financial intervention is required from government departments such as DAFF through CASP, DRDLR through the Recapitalisation programme, and other financial institutions.

### Competition

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 note of special gratitude is conveyed to the farmers for their contribution in the agricultural economy, through job creation and achieving food security.

For more information, contact Mr Matsobane Mpyana at: [MMpyana@namc.co.za](mailto:MMpyana@namc.co.za)



# The NAMC Transformation Review Committee (TRC) visits black role-players in the South African Table Grapes Industry



Ndumiso Mazibuko and Matsobane Mpyana

The National Agricultural Marketing Council's (NAMC) Transformation Review Committee (TRC) is an independent Committee that was established by the Council in 2013.

The primary objectives of this Committee are to:

- ◇ Review the transformation business plans against the NAMC's transformation guidelines and provide recommendations;
- ◇ Monitor the implementation of the industry transformation business plans by comparing their actual activities with the budget for that year;
- ◇ Conduct site visits to the transformation projects supported by industries, to ensure that interventions are verified as provided by industry reports; and
- ◇ Write monitoring reports after conducting evaluations.

In line with these objectives, two representatives of the TRC visited the South African Table Grape Industry (SATI) in the Western Cape on the 2<sup>nd</sup> to 4<sup>th</sup> of May 2017, as part of monitoring of the projects funded by the 20% transformation levy.

## SATI

SATI represents over 325 producers in five production areas. The main focus areas of SATI are on transformation and training, research and technical activities, and market access and knowledge management. SATI intends to become a progressive, growth-oriented industry representative, recognised as a global leader in the Table Grape Industry and an authentic leader in the South African agricultural sector. It creates opportunities in the industry in the form of jobs; contributes to economic and rural development; promotes growth within the industry through new markets (market access); introduces new technology such as new cultivars; and earns much-needed foreign currency through exports.

SATI is committed to transformation as an essential way to achieve continued growth and relevance of the table grape industry, ensuring job creation and stabilising rural economies.

A total of seven (7) projects (specialising in table grapes) were visited during May 2017. Below are narrations on the projects visited:



### Project 1: Siyazama Klipland Boerdery

The project was established in 2000 in the Hex River Valley region. This is a 100% Black Economic Empowerment (BEE) project with six (6) beneficiaries (5 women and 1 man). The project employs over 50 seasonal workers (from October to March) during harvesting and has 25 permanent workers. The production activities take place on government-owned land which was acquired through the Proactive Land Acquisition Strategy (PLAS), with a total of 30 ha being leased to the project for a period of 30 years with an option to purchase – of the 30 ha, a total of 25 ha were planted.

The project currently produces about 75 000 cartons of table grapes, mainly for exports. In the previous season, 75% of the cartons were exported to the European Union (EU), 20% to China, and 5% to the United Kingdom. In general, the table grapes industry is export orientated: therefore, close to 100% of the produce is marketed to these countries. Production finance at this project is mainly supplied by the exporter. On the other hand, there are funders such as MAFISA, and banking institutions, that also play a crucial role in making funds available to support this project, although it is difficult to access them due to several reasons.

However, stakeholders in the Western Cape Province play a crucial role in the advancement

of these projects. These include the Western Cape Department of Agriculture, and their implementing agent, CASIDRA, which assists with infrastructure, mechanisation and production inputs. SATI also assists these projects to facilitate attendance at educational events and on study tours abroad to learn about new research and cultivars, and to allow the farmers to follow their produce in the international markets. However, there are still challenges faced by the farmers with regard to production and marketing.

### Project 2: Lewis Boerdery

This is a smallholder project, farming on land 5.5 ha, leased from a private land owner for 10 years. During the previous season, the farm produced approximately 20 000 cartons, with 95% of the output being sold to the export market and only 5% to the local market. This project is also funded through its exporter in the form of partial advance payments for the product.

### Good stories to tell about this project include the following:

- ◇ None of the output exported had any quality issues;
- ◇ Due to lack of electricity, the farmers make use of generators for cooling of the pack house.
- ◇ The funding stakeholders of the projects include SATI, the exporter, and the Western Cape Department of Agriculture.







Director of Siyazama project (right) taking the visitors through the pack house

### Project 3: PG Kriel

This is a new project that was established in 2014. It is a farm measuring 32 ha (privately owned) situated in the De Wet area. The farm currently employs 21 permanent workers. The arrangement between the owners is that the farm owner who purchased the farm owns 66% of the farm and 33% is owned by the farm workers. The total output to date is estimated at 46 000 cartons, with an estimated income of over R3 million. A total of R700 000 worth of vines was made available to the project by SATI and the Western Cape Department of Agriculture, supported by the contributions of the farm workers during the development phases. The farm has three tractors and is currently restoring the Pack house.

### SATI is currently working on the following training requirements:

- ◇ How a trust must operate, their responsibilities and the rights,
- ◇ Understanding of contracts
- ◇ Understanding the export value chain beyond the farm gate and international trade; and
- ◇ Production training and business training which include ethical trade.

### Project 4: Buffelskraal

This is a new project, which currently has four (3) black beneficiaries. The company currently leases 103 ha of land for a period of 20 years, which lease is registered against the title deed of the property. The project is fully funded through a commercial loan. SATI's contributions are seen as shareholders' contributions on behalf of the black beneficiaries in the form of planting material. In Phase One, 23 ha were planted in 2016, utilising the commercial loan and SATI's contribution. SATI also assisted the project to apply for grant funding from the Western Cape Department of Agriculture and is awaiting feedback. This year, another 25 ha have been planned for Phase Two, subject to the approval of funds.

### Skills gaps:

- ◇ The beneficiaries need to be capacitated with knowledge related to the value chain beyond the farm gate.
- ◇ Financial management
- ◇ Record keeping
- ◇ Understanding of the contracts
- ◇ International trade.

The beneficiaries are starting an accredited course in exports via SATI.



### Project 5: Carton Group/ Vergelegen

This project was established in 2008 through the Land Redistribution for Agricultural Development (LRAD) Programme. The project is 100% black owned, with 281 beneficiaries currently farming on 54 ha. This project has the potential to expand to over a 100 ha. The expansion and the upgrade of the packing facility are supported by the Western Cape Department of Agriculture. The project received funding from the stakeholders such as Western Cape Agriculture, Rural Development and SATI, utilised for upgrading of the packing facilities and other infrastructural improvements, mechanisation and production inputs.

In 2016, a total of 195 000 cartons was harvested and exported. In 2017, the output is expected to increase to an estimated total of 242 000 cartons. During the harvesting season, the farm employs approximately 150 employees for packing purposes.

### Project 6: Cross Atlantic

The project is situated in Piketberg in the Swartland region of the Western Cape Province. It is a new project with a total land area of 128 ha (privately owned). This farm is currently a 76% BEE certified project. The first harvest is expected in 2017 and is estimated at 40 000 cartons. The development finance is done via shareholders' contributions and a commercial loan.

There are further developments still going on. For example, the project is on the verge of completing the land preparation (soil, planting and netting for 40 ha) and establishing a fully-fledged pack house to pack and store the produce. The beneficiaries include BEE marketing agents who are responsible for marketing the produce from the smallholder farmers and commercial farmers.



Production area



### Project 7: WCB Boerdery

The TRC representatives have had an opportunity to meet with the current chairperson, Mr Warren Bam, of the transformation committee of SATI, who is also a farmer. He is currently involved with several projects and also provides advice and technical assistance to the existing and upcoming table grape farmers. He currently leases a farm, Gunsteling, where 23 ha of grapes are planted, and he holds a 26% share in a 54 ha table grape production unit in Westland, where approximately 40 ha is planted with olives.

#### What can we learn from SATI on Transformation?

- ◇ The new entrants must be equipped to become part of the mainstream table grape industry as soon as possible; there is only one table grape industry.
- ◇ Different ownership models are being supported in the industry (100% black owned, partnerships, and equity schemes), and which model will depend on the preference of the clients.
- ◇ No matter which model, new entrants must be part of the decision making process at management level.
- ◇ The BBBEE initiative must be built on openness, transparency, business acumen, skills development, compliance, and commitment from the farmer.
- ◇ SATI strives to provide the latest information and technology, and to facilitate access to expert advice for creating an environment where informed decisions can be made; therefore, SATI has introduced initiatives such as a tour to the breeding programme in California, USA. This gave the farmers first-hand information from the breeders themselves on their innovations.
- ◇ Farmers must be trained beyond the farm gate and understand the global market.
- ◇ Technical and business management training is provided through SATI's skills development programme.
- ◇ Collaboration between the commercial farmers, exporters and new entrants are vital.
- ◇ SATI supports farmers at farm level by facilitating engagements with potential financiers. They further support the farmers by supplying these financing institutions with information and documentation in order to increase the potential of accessing finance.
- ◇ SATI works closely with government departments and other stakeholders; such an example is the commodity approach with the Western Cape Government.
- ◇ The farmers we visited were well informed concerning their commodity.







The pack house



New vineyards on the farm

### What can SATI improve on?

1. More of the table grape farmers should be encouraged to use loan funding to supplement grant funding; there is still too much dependency on grant funding. The establishment cost of table grape vineyards is high and government will not necessarily have the means to fund all their needs.
2. Capacity building programmes of shareholders within these entities need to intensify otherwise they will never be able to take ownership of their businesses. This can be observed in the equity schemes and also where there are partnerships. In the 100% black-owned farms, business management practices can definitely improve. The establishment of vineyards, production practises, labour management and packaging seemed to be on par.
3. Some of the businesses visited need some advice from SATI on their infrastructure, such as packing facilities.

### Conclusion

The NAMC Transformation Review team is of the opinion that the participation of SATI in these projects has created a platform for the farmers to increase the productivity of their farms. Furthermore, the team believes that the supply of good, new genetic planting material (new cultivars) to the farmers is a good enterprise development initiative.

Business and management training initiatives and support services, especially where literacy levels are low, are of great importance, this is normally in the equity schemes. People must

understand the industry and the entire value chain.

Technical support should be provided on a continuous basis. More attention should be given to the newer varieties available for increasing sustainability, competitiveness, and profitability.

SATI initiatives are yielding positive results, but due to the high establishment and maintenance costs, additional support to government grants should be lobbied for.

### Acknowledgement

The NAMC would like to acknowledge the South African Table Grape Industry (SATI) for their contribution in advancing transformation and their support provided to the smallholder farmers in the industry. Furthermore, we acknowledge their commitment in ensuring that partnerships between smallholder and commercial farmers are strengthened and that both parties (shareholders) fully understand the contents of the agreements that they enter into, and for the provision of training and equipping the farmers with necessary skills such as contract and financial management, and knowledge of international trade.

We are also thankful for the commitment and the time provided to us to engage with them on their pivotal work in the agricultural economic space.



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