



SPEARHEADING TRANSFORMATION IN THE GRAIN AND OILSEEDS INDUSTRIES

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General Manager - GFADA

The Grain Farmer Development Association (GFADA) is an initiative that grew out of the Grain Value Chain Network. It was initially an informal network of grain producers and agribusinesses in the extended value chain, which met together since 2005 to create an opportunity for round table discussions on the agricultural sector in an era of transformation.

During 2015, representatives of the Maize Trust, Sorghum Trust, Winter Cereal Trust and the Oil and Protein Seeds Development Trust discussed the transformation imperatives and experiences within their respective industries and resolved to work together to avoid duplication of effort and work towards the optimisation of the existing resources. It was recognized that to achieve the organization's objectives, a more concerted effort was required to address the recruitment of donors, administer the applications and the funding of the various farmer development projects. This approach could ensure that the Trusts become important catalysts for transformation in the country.

Accordingly, as from 2016 the sole owners of GFADA are the Maize Trust, Sorghum Trust, Oil and Protein Seeds Development Trust, and Winter Cereal Trust. The aforementioned trusts are the voting members of GFADA and represented on the Board of GFADA by two directors and one alternative director from each trust.

Strategic intent

GFADA's vision is to establish "successful, competitive, black grain



Mr Ishmael Tshiame

and oilseeds commercial farmers". The mission of GFADA is "to coordinate, facilitate, monitor, evaluate, advise and support the commercialisation of black grain and oilseeds farmers in South Africa".

Farmer support and development

Black smallholder farmers are the core target group for GFADA. GFADA work with service providers along the grain and oilseeds related value chains that provide implementation capacity, with the objective to seek opportunities that will add value to the growth and development of the black farmers.

GFADA use its experience in the field to engage with government and contribute to the creation of an enabling policy and regulatory framework for the attainment of its vision. Whilst the four Trusts (the Maize Trust, Sorghum Trust, Winter Cereal Trust and the Oil and Protein Seeds Development Trust) provide the base funding for the organization, GFADA seek to leverage additional funding support to the transformation projects from government at all levels as well as the related private sector entities.

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GFADA'S SHAREHOLDERS



SORGHUM TRUST



THE MAIZE TRUST



OIL & PROTEIN SEEDS DEVELOPMENT TRUST



WINTER CEREAL TRUST



GFADA PROGRAMMES

Since its establishment in 2009, GFADA has supported new grain and oilseed entrants by providing knowledge, capacity, as well as grant funding for soil correction, crop insurance premiums, mentorship and production inputs. Over the years, GFADA has grown its farmers' support programme to all nine South African Provinces. Below are the highlights for all the four programmes in the 2017/2018 season.

MAIZE PROGRAMME



Only 6 378 ha, instead of 10 701ha was planted due to challenges relating to production loans

Through GFADA, the Maize Trust has been supporting black maize farmers since 2009. About R 14,8 million was approved for the 2017/2018 season to cover crop insurance, soil correction and mentorship services. This is a significant increase from the R7,8 million for the 2016/17 production season for 43 farmers. The total harvest in 2016/17 was 28 025 tons, from 6 600 ha.

The amount secured for 2017/2018 season was for production on 10 701 hectares, however, due to challenges such as withdrawals and lack of access to production loans for participating farmers, only 6 378 ha was planted.

OILSEEDS PROGRAMME



The sunflower crop planted for 2017/18

For the 2017/18 production season, soybean and sunflower farmers supported through GFADA farmer development programme planted 797 ha and 1 917 ha respectively. The Oil and Protein Seeds Development Trust (OPDT) and Oilseeds Advisory Committee approved the total funding amounting to R 728 800 and R 657 500 for sunflower and soybean, respectively, to cover crop insurance,

soil correction and mentorship. Through the support of the OPDT, as a GFADA member, the commercialisation of black farmers in the industry will hopefully accelerate due to benefits from producing soybean as a rotational crop. GFADA has been encouraging the farmers to introduce soybean as a rotational crop which has several benefits.

SORGHUM PROGRAMME



GFADA General Manager Mr Ishmael Tshiame (Right) with smallholder sorghum farmers from Lady Frere in the Eastern Cape

Sorghum is the fifth most important grain crop produced in South Africa. However, it contributes small percentage of South African domestic grain production. Over the past five years, sorghum production has been declining in South Africa. The decline can be attributed to, among other factors, limited markets, return on yield per hectare, price competitiveness, bird risk and value added tax. The appetite for financing black sorghum by financial institutions and service providers is also a challenge.

As a result, GFADA only supported one farmer under its support programme for the 2017/2018 season with an amount of R 237 000 (crop insurance and soil correction) on 100 hectares. However, unfortunately, the farmer could not be granted production finance by the service provider.

As its contribution to regain sorghum farmers and grow the industry, GFADA has been on a recruitment and scouting drive, and has to date identified eligible sorghum farmers to be supported by the Sorghum Trust in the 2018/2019 season. The farmers are smallholder producers in Lady Frere, Emalahleni Local Municipality in the Chris Hani District, Eastern Cape.

WINTER CEREAL PROGRAMME



The shift in rainfall patterns, lower yields and prices as influenced the decline in wheat and barley production

Despite challenges faced by the winter cereal crop producers across the country, the Winter Cereal Trust made available funding to the tune of R5.8 million to help farmers plant 925 ha under wheat and barley for the 2018 season. Majority of the farmers identified by GFADA will be planting wheat under irrigation and some will be financed 100% for production inputs. Similarly, to sorghum, wheat production in South Africa has been declining over the past years.

In the 2017 wheat season, the Winter Cereal Trust approved total funding of R3,9 million to support 16 farmers to plant 1 061 ha. However, due to lack of production finance, withdrawal by service providers and climatic conditions, farmers could not plant. This is despite the fact that the production inputs subsidies formed part of approved funding by the Trust.

In this season (2017), GFADA directly facilitated funding to support one farmer with full production inputs following the withdrawal by the service provider. The results for the farmer were exceptional and managed to make above average profit.

Climate change and uncompetitiveness of winter cereal crops are major challenges GFADA encounters with regards to the development of black wheat emerging farmers. As a result, there has been a drastic shift in production to summer crops (maize, soybeans and sunflower) by black farmers due to the high risk associated with wheat production.

Although farmers have capacity to produce enough wheat and eliminate imports, they are discouraged due to these challenges. It is for this reason that the Winter Cereal Trust has prioritized the research projects that address these challenges faced by farmers.

HARD WORK, PASSION, AND THE RIGHT PARTNER GUARANTEES SUCCESS

To stay competitive and profitable, a crop farmer has to produce and reach optimum yields per hectare. Mr Jeremiah Mathebula, a grain and livestock farmer in Mpumalanga, says achieving this would need getting the basics right from the onset.

Jeremiah admits having made some mistakes at the beginning of his farming career which could have been avoided. However, he considered himself fortunate to have met the right people earlier into his farming journey. After being introduced to the Grain Farmer Development Association (GFADA) in 2013, Jeremiah managed to turn around his grain production enterprise which produced a meagre 2.5 tons per hectare in its first year, to reach a record high of over 8 tons per hectare in less than 5 years.



Jeremiah Mathebula started farming in 2010 with only 10 cows

The start of the new journey

After some years working for the giant paper company Mondi Group in the forestry division in Mpumalanga, Jeremiah wanted to follow in his father's footsteps as a farmer. "I inherited the passion for farming from my father who was a communal smallholder farmer," recalls Jeremiah.

In pursuit of this passion, Jeremiah bought 10 cows which he kept on communal land before he acquired the 1 400 hectares Klipplaatdrif farm in Amersfoort, Mpumalanga. The farm was acquired through the Department of Rural Development and Land Reform's LRAD Programme in 2010. At least 300 hectares of the farm is arable, while the remainder (1 100ha) is for grazing.

"I started crop production on 100ha as I couldn't leave the 300 ha of arable land unutilized. This was also to diversify and manage the risk of my enterprise," he explains. However, as a novice, he was bound to make some mistakes which led to a dismal harvest of about 2,5 tons per hectare in 2010/11. One such mistake was not to do soil mapping analysis or seeking proper advice. Determined to improve from the dismal results from the previous season, Jeremiah approached TWK for production finance. With TWK involvement, came other added benefits such as mentorship, and more importantly, he was introduced to GFADA.

The intervention

Prior planting, a soil analysis revealed why Jeremiah's first crop was such a failure. The results showed that his soil had dilapidated, with a significant drop in the pH level of just under 3,5. According to Jeremiah, the desired levels should at least be above five. This meant he needed intervention immediately.

While TWK provided production finance to plant 200ha, GFADA assisted Jeremiah with soil correction, crop insurance and mentorship. This helped him as in his second year after GFADA's intervention, his yields doubled to 5t/ha. With these impressive improvements, Jeremiah continued his relationship with GFADA, applying 2 tons of lime per hectare each year.

The efforts paid dividends as every year his yields increased. In the 2016/17 season, he reached the record high of 8t/ha from 160ha on dry land and an impressive 12t/ha on the 40ha that he has under irrigation. According to Jeremiah, this was a milestone which without GFADA's intervention wouldn't have happened. He plans on pushing boundaries in improving yields and putting more land under irrigation. "I was recently allocated water rights enough to put an extra 160ha under irrigation. This could increase yields to 14t/ha, which is currently what commercial farmers in this area are producing," Jeremiah explains.

More success

Jeremiah has now introduced soya beans production for crop rotation purposes. He has planted soya beans under the 40ha of irrigated land. Limitations such as lack of proper machinery meant for soya beans prevented him from doing so earlier. However, through GFADA's intervention, he has managed to increase production and therefore his income.

This has allowed him to save a significant amount of money which he'd have otherwise spent on insurance and soil corrections, the two very expensive items with regards to input costs. Saving on these two items has allowed Jeremiah some excess cash which helped him to acquire assets and equipment he needed to produce soya beans. "I have recently bought a combine harvester," says Jeremiah.

Jeremiah has since leased an additional 300ha, bringing his total planting area to 600ha. He plans on increasing his total planting area to 800ha, of which 200ha would be under irrigation while 600ha will remain dry land. While his crop production is on the rise, his livestock production has also significantly grown to just over 600 cattle since 2009.

JEREMIAH'S ADVICE TO FARMERS

EMBRACE
TECHNOLOGY
AND NEW
METHODS OF
DOING THINGS

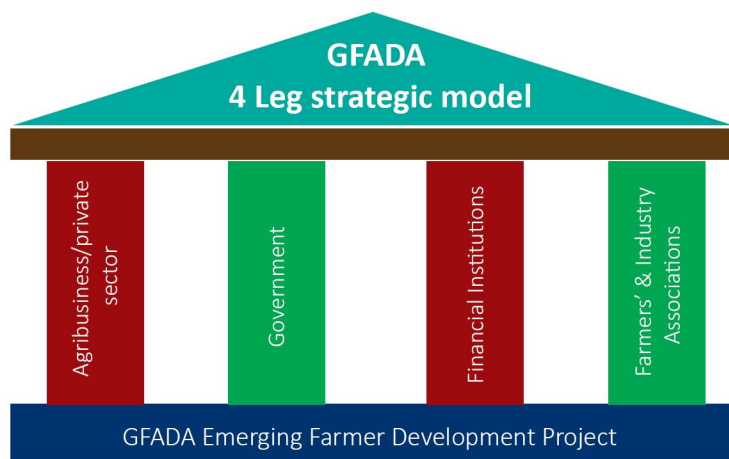
DON'T STOP
LEARNING, EXPOSE
YOURSELF TO AS
MUCH INFORMATION
AS POSSIBLE

BE HIGHLY
DISCIPLINED



SUCCESSING THROUGH PUBLIC PRIVATE PARTNERSHIP

Key to the GFADA emerging farmer development project's success, is the Public Private Partnership model utilized to leverage resources from government, private sector and other likeminded nongovernment organisations. GFADA partners with financial institutions, government departments, agricultural and non-agricultural businesses, as well as farmers' associations. In the Eastern Cape, the Department of Rural Development and Agrarian Reform funded the GFADA project with an amount of R 8 million to support maize farmers in the Matatiele area for the 2017/2018 season. Seed giants Pannar Seed (PTY) Ltd and Sensako (PTY) Ltd also came to the party by making available seed to farmers in the Free State and Eastern Cape. Pannar made available maize seed worth over R1 million, while Sensako provided wheat seed in 2017 production season.



GFADA JOINS IN THE GLOBAL SORGHUM DISCUSSION



GFADA General Manger, Mr Ishmael Tshiame making a presentation during the Sorghum in the 21st Century Conference in Cape Town

and exploration of cutting-edge technologies and developments was great.

The Sorghum Trust was one of the sponsoring organisations in the Conference, also providing financial sponsorship to five black sorghum farmers to attend. For South African delegates, discussions were around the concerns over the decline in production in the country. The delegation found it necessary and highly important that the local industry should consider establishing a task team focusing on the revival of sorghum production. This is taking into account, the outcome of the Conference and opportunities that sorghum will offer in the future.

The Sorghum in the 21st Century Conference held in April this year, under the theme, "Food, Feed and Fuel in a Rapidly Changing World" was the first global sorghum conference in over 30 years which offered a key opportunity for the world's sorghum community to come together around research, industry and the future of sorghum science. GFADA took part in the conference, with its General Manager, Mr. Ishmael Tshiame forming part of the panel of speakers.

As the fifth major cereal in the world, sorghum serves as a staple crop for millions of people across the globe. Therefore, according to Prof David Jordan, chairman for the Scientific Programme Committee at the University of Queensland, a need for cross-border collaboration



Delegates from various institutions together with the GFADA delegation which included 5 farmers sponsored by the Sorghum Trust



GFADA PROVIDE SOYBEAN PRODUCTION TRAINING TO UPSKILL FARMERS

During the month of May, GFADA offered a series of training for farmers in the Matatiele (3/4 May 2018) and Piet Retief (28/29 May 2018) areas to promote soybean production in their crop rotation system to be an added benefit to their traditional monoculture maize production. According to Mr Ishmael Tshiamo, GFADA General Manager, over the past decade, developing farmers have not embraced soybean as an option for crop rotation, which offers numerous benefits to their enterprises. Introducing soybean as the rotational

crop can increase soil fertility. This according to Mr Tshiamo, will help farmers save on input costs and therefore increase profitability. Another advantage is the greater return on investment in terms of price per tonne. Black emerging farmers have continuously planted maize every season, and as a result, they were severely affected by lower prices resulting from the surplus crop in the 2016/17 season.



Farmers received training from various soybean experts

The training also focused on best cultivation practices as well as choosing the best soybean cultivars suited for certain areas, especially the Eastern Cape where farmers face numerous challenges. Due to the lack of proper markets and decent/suitable equipment such as combine harvesters, farmers suffer significant post-harvest losses. Hence, the training also addressed issues on mitigating post-harvest losses and heavy reliance on external contractors. Processing was presented as one such mitigation option. Soybean is traditionally processed for animal feed purposes, however, farmers were presented with several other products as alternatives to provide nutritious human consumed products, such as yogurt. More than 50 farmers benefited from the training, including extension officers who also learned a lot from the experts who presented the training.

GFADA HOST A SUCCESSFUL FARMERS' DAY IN MATATIELE

The Matatielle Farmers' Day hosted by GFADA in partnership with the Eastern Cape Department of Rural Development and Agrarian Reform (DRDAR) took place on 2 May 2018 at the Hanover farm, Matatiele, Alfred Nzo District. Pannar Seeds was the main sponsor. Representatives from companies including, Old Mutual (Masizane Fund), Matatiele GrainCo Company, Pannar Seeds, including the EC-DRDAR and the National Department of Rural Development and Land Reform made presentations. The day was concluded with a field visit.



GFADA MENTORSHIP NETWORK

Mentorship is a key success factor for small business owners who wants to sustain and grow their businesses. Smallholder farmers are no exception when coming to using services of experienced farmers as mentors to, among other things, receive expert advice, get a different perspective, access a new network, develop new skills and manage or lower the risks in their farming business. GFADA has a network of experienced mentors to provide mentorship to all its beneficiaries. The mentors are contracted under its farmers support programme. According to Mr. Ishmael Tshiame, the mentors have played a crucial role in the sustainability and growth of the programme.



Former GFADA beneficiary and now commercial farmer, Pieter Sebatatso Chabalala (Left) of farm, Kroonberg (Eastern Free State) produces maize, soy beans and dry beans. With his is Mr. Bertus Stroop. Mr Chabalala has benefited from a mentorship programme.

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