



NAMMC

Promoting market access for South African agriculture

Agripreneur

Issue 26 | September 2021

A woman wearing a bright yellow jumpsuit with reflective stripes and a straw hat stands in a field of harvested corn. She is holding a corn cob in her hands and smiling at the camera. The background shows rolling hills under a clear sky.

**Entrepreneurship
runs in the family**

M&H Agri Farming
Enterprise



**WHAT DO YOU LOVE
ABOUT SOUTH AFRICAN
AGRICULTURE?**



LOVE SOUTH AFRICAN AGRICULTURE

www.namc.co.za/initiatives/branding-sa-agriculture/

 @LoveRSAgriculture

THE AGRIPRENEUR QUARTERLY:

A PUBLICATION BY THE SMALLHOLDER MARKET ACCESS RESEARCH UNIT OF THE NAMC

PREFACE

Welcome to the twenty-sixth edition of the Agripreneur publication of the National Agricultural Marketing Council (NAMC). The NAMC seeks to create a platform where agripreneurs and farmers, mainly smallholders, can share their knowledge and skills, challenges, experiences, and insights through this publication. It is believed that this publication will assist smallholders in learning from one another, developing strategies, adopting models, and becoming part of the value chain through the marketing of commodities and products that meet market standards and are safe for consumption. The Agripreneur publication also serves to promote and profile aspects of South African agriculture as a brand. Each issue features good stories that will hopefully convince the reader to #LoveRSAgric.

CONTENTS



(1) The sky is the limit



(2) Entrepreneurship runs in the family



(3) M&H Agri Farming Enterprise



(4) A snapshot of a young female entrepreneur

List of contributors:

Fezeka Matebeni
Khathutshelo Rambau
Ndumiso Mazibuko
Kayaletu Sotsha

Edited by: Kayaletu Sotsha

Designed by: Sylvester Moatshe

Editor's note

The reports by Statistics South Africa (Stats SA, 2021a, 2021b) show that the South African agricultural sector recorded positive growth in the second quarter of 2021 in terms of both employment and contribution to real Gross Domestic Production. The former increased by 8 %, from 792 000 to 862 000, while the latter increased from -1,0 % to 6,2 % compared to the first quarter. This improvement has been associated with the bumper harvests on field crops and horticulture, among other things. Noteworthy is that the effect of the 16,1 % increase in the farm minimum wage on agricultural employment is yet to be observed. The overall number of employed people declined by 54 000, taking the official unemployment rate to 34,4 % and 44,4 % when using the expanded definition of unemployment. The unemployment rate was 32,6 % and 43,2 % in both the official rate and the expanded definition, respectively, in the first quarter of 2021. The economy recorded a 1,2 % overall increase in the second quarter of 2021.

Noteworthy is that these reports do not cover the effects of tighter COVID-19 restrictions meant to curb the third wave of infections or the unrest in the KwaZulu-Natal and Gauteng provinces, which could influence the reports of the third quarter in a negative direction.

As highlighted in Agripreneur 25, small businesses remain critical components to drive inclusive economic growth and create employment opportunities, and more so under the circumstances. Hence it is encouraging to see young South African agripreneurs having the courage to emerge and become innovative. Agripreneur 26 covers inspiring stories of rising young agripreneurs, all of whom are women.

Enjoy the reading!!



The sky is the limit

By Kayaletu **Sotsha**

Andile Matukane is an agripreneur from Bushbuckridge in the Mpumalanga Province. She has been featured in two of the previous issues of this publication. In our first encounter with her, she was doing her Master's Degree in Plant Pathology while producing vegetables on a leased piece of land. She admitted how challenging it was and still is to mix her studies with farming. She is a founder and manager of Farmers' Choice, an agricultural company that provides various services, including agricultural training and graduate placement, among other things.

The company was founded in 2018. By June 2019, the company had placed 18 students and graduates. The progress was halted by the emergence of the COVID-19 pandemic in 2020, which made it difficult to place graduates as the farmers struggled to have openings for placements. However, Andile has kept contact with the graduates and students that were placed, and some managed to secure long-term contracts. Here is testimony from one of them:

“ My name is Lizelle Koopman, a 24-year-old from Ikhutseng, Warrenton in the Northern Cape Province. My journey started in Pretoria at the Tshwane University of Technology, where I studied Agricultural Sciences: Crop Production. This was a three-year course, with the third year being practicals at a farm of my choice. With much searching, I came across Andile Matukane, the founder and owner of Farmers' Choice, and this is where it all began. She found a farm for me to complete my practicals in Krugersdorp. This is where I did my first half of practicals. It exposed me to modern farming focusing on hydroponics. “I then moved to the Limpopo Province to complete the second part of my practicals. I found myself in a completely different environment,



Figure 1: Andile Matukane



Figure 2: Lizelle Koopman

urban planner. Through this partnership, she is venturing into rooftop farming. She intends to use the Nutrient Film Technique Hydroponic System based in shaded netting greenhouses to produce leafy green vegetables (basil and lettuce). The system is soilless and could be strategically located closer to the markets.

“With the current state of food demand and the limited access to farmland, we had to be innovative and look at other forms of farming while saving our environment and creating opportunities,” she says.

She acknowledges that rooftop farming is a new and exciting concept for most, but not everyone is willing to or can afford to invest in such an enterprise. Rooftop farming requires a lot of investment in infrastructure and skills development in addition to operational costs. Rooftop farming also requires some engineering expertise to design the structure and this is costly.

She appreciates the support she has received

being exposed to vegetables, fruit and livestock. After completing my practicals, I got employed at a fast-growing vegetable nursery in Tzaneen. This is where I am building a foundation for my vision of farming independently. ”

Andile has recently formed a partnership with Kabelo Mowase Pty (Ltd), based in the Limpopo Province. The partnership has led to the production of seedlings for the farmers in the area.

Furthermore, she has another newly formed partnership with Mr Benny Letswele, an

from various stakeholders and was privileged to participate in various programmes through the SAB Tholoana, Indalo Inclusive South Africa and the National Youth Development Agency.

In addition to producing fresh produce, rooftop farming aims to educate young people about smart farming.

The main challenge at this stage is to accumulate enough resources to acquire marketing material and to be able to provide some refreshments for participants in the educational or training programmes she envisages undertaking through the rooftop farming initiative.

For more information, contact Kayaletu Sotsha at: ksotsha@namc.co.za.



Entrepreneurship runs in the family

By Kayaletu **Sotsha**

Entrepreneurship runs in the Matukane family. Amukelani Matukane is a sister to Andile Matukane, also featured in this publication. Amukelani is the founder and owner of Amumat Pty (Ltd), located in the rural area of Mkhuhlu in Bushbuckridge, Mpumalanga Province. The initiative started in 2017, motivated by the love of food and experimenting with different ingredients and flavours.

The idea came from a desire to complement the Henemat butchery – a family business where Amukelani works as a sales manager. The butchery sells meat for both off-site and on-site consumption. This business presented her with the opportunity to produce a sauce that would benefit from the already established customer base. However, this turned out to be a challenging endeavour. It took several attempts to try different combinations of ingredients to develop the best product that

suits the customers' tastes. But a lot of courage came from the fact that she could leverage the readily available resources to support the butchery.

Furthermore, her sibling Andile Matukane, a farmer, assists in getting the supply of the chilli peppers from other farmers. In essence, Andile drives the supply side, while Amukelani runs the actual procurement process.



Figure 3: Amumat sauce

Amukelani's business has also opened up market opportunities for small producers in the surrounding communities. Although she does not have bulk suppliers at the moment, she procures enough to keep things going. The relationship with the suppliers is not formalised, but it is established to the extent that she is always well informed of the quantity of supply to expect.

The sauce is branded Amumat – a combination of Amukelani's name and surname. Her friends have also played a role in the design of the brand.

For more information, contact Kayaletu Sotsha at: ksotsha@namc.co.za.



Figure 4: Amumat sauce packaging

Currently, Amukelani is working towards certifying the product. The feedback she has received so far is positive and is snowballing quite nicely. She also uses media platforms to spread the word about the new product. However, certification is now a priority and will help open up opportunities to other markets, including retailers. In addition to better market access, certification will also push towards expansion, leading to job creation in the process. Amukelani highlights the fact that the ability to identify a gap in the family business and do something about it up to the level she has achieved so far is truly something to be proud of.

M&H Agri Farming Enterprise

By Khathutshelo Rambau



“Farming is my first love and there was no better way to get started than with chickens,” says Amanda.

Figure 5: Amanda Hartnett Mdoana

Amanda is a young female farmer who owns the M&H Agri Farming Enterprise, a small-scale operation located in the Nkangala region of the Mpumalanga Province. In addition to farming, she is studying towards an Honours Degree in Psychology at the University of South Africa. She also has a background in civil construction.

The M&H Agri Farming Enterprise started in January 2020 with broiler production.



Figure 6: Broiler chickens in the backyard

Amanda raised the start-up capital through savings, and she then converted an unused storeroom into a chicken coop. However, she had hoped to invest in proper infrastructure as the business grew. The storeroom capacity allowed her to produce 600 broiler birds per cycle. She sold her birds into the informal market and worked hard enough to earn a market share at an OK grocery store. She employed one full-time employee in the broiler operation.

Recently, she switched to layer production and sells day-old chicks, citing her inability to scale up broiler production due to limited space. In addition, the number of small-scale broiler producers in the region is increasing, thereby putting pressure on prices. She hatches the eggs in an incubator.

Amanda's parents are also involved in the farming business, having access to eight hectares of land in Mount Frere, Eastern Cape. They grow yellow maize and beans for both human and animal consumption, and they are planning to grow sorghum in the 2021/22 marketing year. The parents also keep livestock (cattle and sheep) and employ two people to assist on the farm full time.

Amanda hopes that she will be able to acquire a bigger piece of land where she can plant grains like her parents are doing in the Eastern Cape in the future. Such grain production would support the poultry operation, as buying feed is one of the major costs in her operation. Her parents are also looking for more land in order to increase their number of livestock.



Figure 7: Maize field in Mount Frere

For more information, contact Khathutshelo Rambau at: KRambau@namc.co.za



A snapshot of a young female entrepreneur

By Fezeka Matebeni and Ndumiso Mazibuko

The poultry industry is the largest contributor to the Gross Production Value (GPV) of agriculture and a large consumer of animal feed. Khodani Madula, a 24-year-old female graduate, hails from a village called Rathidili in the Limpopo Province, has decided to participate in this industry. Khodani attended Dimani Agricultural High School and later enrolled for a Bachelor of Science Degree in Agricultural Economics at the University of Venda, funded by the NAMC. She is currently busy with her Master's Degree.

Khodani always had a dream of making a huge contribution to the agricultural sector. She grew

more inspired in 2016 when her funder, the NAMC, invited her to the Youth in Agriculture programme launch held in Pretoria. She drew motivation from the event, and her passion for agriculture grew even further.

In 2018 she participated in the Department of Higher Education and Training's (DHET) student competition programme for students in entrepreneurship, where she was awarded the second-place prize with a cash gift. The cash gift assisted her in acquiring some infrastructure to begin her Muco Farming Enterprise (MUCO), which was registered that same year.




Figure 8:

Khodani Madula being awarded second prize at the DHET Students in Entrepreneurship competition

She produces 9 000 birds per cycle and sells them into the informal market around Makhado and some parts of Gauteng. She employs three permanent and three casual workers. The chicken manure extracted from the poultry farm is used to enhance the soil's water-holding capacity in the backyard garden, with some being shared with the neighbours.



Figure 9: Packed chicken from the MUCO enterprise



Khodani is also looking for training in business management and recordkeeping and any other training that could build her entrepreneurial capabilities.

“I have not received any formal training yet,” she says. However, she is confident that her business will grow and take part in the mainstream value chain, but she acknowledges that it will not be easy – she is anticipating a tough ride.

“Everything is doable with focus, hard work and perseverance. Farming is not an easy job but it pays off with dedication and diligence. Young people must believe in themselves and be the game changer in terms of creating jobs and improving the lives of South Africans,” says Khodani. She believes that such endeavours contribute to fighting poverty, hunger and unemployment in the country.

“Getting a degree and looking for jobs is adding to the unemployment statistics. What is needed is to empower graduates to create jobs. As one of the ways to capacitate myself, I try to keep up to date with every innovation and technology within the industry,” she says.

She further encourages the South African Poultry Association (SAPA) to continue to advocate for the prioritisation of local poultry products and to protect local producers. Khodani is aware that South Africa has experienced a rise in imports of bone-in chicken portions from several trading partners, which puts pressure on the domestic industry.

She says, “The dumping of chicken in the country through imports is hampering smallholder farmers’ ability to grow and to make profit.”

For more information, contact Fezeka Matebeni at FMatebeni@namc.co.za or ndumiso@namc.co.za.



References

Stats SA (Statistics South Africa). 2021a. Gross domestic product. Statistical Release P0441. Available online at: <http://www.statssa.gov.za/publications/P0441/P04412ndQuarter2021.pdf>

Stats SA (Statistics South Africa). 2021b. Quarterly labour force survey. Statistical Release P0211. Available online at: <http://www.statssa.gov.za/publications/P0211/P02111stQuarter2021.pdf>

For more information, contact:

Postal address: NAMC, Private Bag X 935, Pretoria, 0001
Tell: 012 341 1115

This Agripreneur and all NAMC research output can be accessed online at:
<http://www.namc.co.za/category/research-publications/publications/>



The information contained in this document results from research funded wholly or in part by the NAMC acting in good faith. Opinions, attitudes and points of view expressed herein do not necessarily reflect the official position or policies of the NAMC. The NAMC makes no claims, promises, or guarantees regarding the accuracy, completeness or adequacy of this document's contents and expressly disclaims liability for errors and omissions regarding the contents thereof. No warranty of any kind, implied, expressed or statutory, including but not limited to the warranties of non-infringement of third-party rights, title, merchantability, fitness for a particular purpose or freedom from computer virus, is given with respect to the contents of this document in hard copy, electronic format or electronic links thereto. References made to any specific product, process or service or another commercial commodity or entity are for informational purposes only and do not constitute or imply approval, endorsement or favouring by the NAMC.