



NATIONAL EMERGENT RED MEAT PRODUCERS ORGANISATION

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**“Bringing Emerging Farmers into the Mainstream of Agricultural Economy:
What are the Important Interventions?”**

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1. PREAMBLE

After fourteen (14) years of efforts towards addressing the imbalances that exist between the established and developing agricultural sectors, the South African agricultural sector is still dualistic. The sector comprises of large commercial farmers who are targeting national, regional and international markets as well as emerging farmers who are farming for informal markets, home consumption, traditional rituals and festivities. Within the emerging farmers, you still get two categories of which one is smallholder farmers who farm on communal grazing land, mainly for subsistence; and the second being emerging farmers who own or lease land and striving to become commercially profitable.

2. THE PROFILE OF THE SOUTH AFRICAN EMERGING FARMERS

The majority of the emerging farmers are male and pensioners with an average age ranging between 54 and 60 years old. Most of them have primary level of education ranging between 4 and 6 years of schooling. Household sizes ranges between 6 and 7 members but there are instances where there are more than 20 and as many as 30 members. Government old age grant/pension is the major source of income for most of the livestock farmers. Agricultural production could therefore play an important role in increasing household earnings and food security.

For areas with a large population of farmers on private land (i.e. Limpopo, North West and Eastern Cape Provinces), the major reasons for keeping cattle are for sales and savings. For farmers on communal land (i.e. Zululand and O.R. Tambo District Municipalities) savings, home slaughter for feasts, ceremonies and traditional rituals are the major reasons for keeping livestock. 'Sales' are not as important. Household income is less than R2, 000 per month for over 70% of the farmers. Very few women and youth are involved in livestock production despite the high ratios of women: men and the high rates of unemployment.

3. THE CURRENT STATUS OF EMERGING FARMERS

3.1 Communal land tenure and use

Farmers on communal land generally have no idea of how much grazing resource they have access to and the extent to which it is utilized. In most cases these farmers do not have grazing control methods as border and internal fences for grazing camps had been torn down.

3.2 Land tenure and use on private land

A number of farmers on private land have lease agreements or do not have clear arrangements for the utilisation of the land. Consequently they cannot make concrete decisions on improvement of the land and infrastructure on their leased farms. A small percentage of farmers on private land have camps for rotational grazing and the majority need assistance with fencing, handling facilities, water for the livestock and establishing fodder banks.

3.3 Livestock production and management

The average cattle herd for communal and farmers on private land are 13 and 65 respectively. The most limiting factors to livestock production are diseases resulting in high mortality, stock theft, lack of feed, lack of water and lack of financial support (particularly in Zululand and O.R. Tambo District Municipalities). The proportion of losses (deaths and thefts) from the herds and flocks tended to be very high when compared to animals that are used by the farmers (sales and slaughter). Dipping tended to be infrequent due to non-functional dipping tanks, unavailability of acaricides from the state veterinary services, long distances to dipping tanks and failure of communities to organise manpower for dipping. The majority of farmers do not mark/identify their cattle because they either do not have a branding certificate or equipment with which to brand the cattle.

3.4 Infrastructural endowment

Some communities still have no access to dipping tank and water points. Sale pens and loading ramps are mostly inaccessible or unavailable altogether.

3.5 Marketing of livestock

Livestock have multipurpose uses for communal farmers and sales are not always the dominant one. This affects the volumes of livestock available for sale from these producers. When they do sell, they sell 2 to 3 per year and they prefer to sell the cattle into the informal markets though it has got limitations of irregularity and/or unreliability. Although they would like to have access to auctions, they do not sell regularly enough or enough volumes to justify regular auctions in their areas.

Farmers on private land sell an average of 12 cattle a year. They use informal markets and auctions and would like to have better access to auctions. Information relating to prices and available markets is unavailable.

3.6 Support services and social dynamics

Most farmers are visited by extension officers but, generally the visits are infrequent. Entrepreneurial skills, record keeping, livestock marketing and nutrition are regarded as the most areas of assistance that are required from the extension officers; unfortunately the extension officers themselves have got limitations in terms of these skills.

4. RECOMMENDED INTERVENTIONS FOR DEVELOPING THE EMERGING RED MEAT PRODUCERS

Based on the current status of the emerging sector, it is recommended that a segmented and targeted approach to the development of the emerging farmers should be used, whereby separate programmes are developed for subsistence and commercial-oriented producers. For subsistence farmers, the focus should be the efficient utilisation of the natural resources to meet subsistence needs. For the commercially-oriented farmers, the aim should be the commercialisation of the sector by providing support in the following areas:

- Land and infrastructure
- Improving the quality and quantity of livestock
- Entrepreneurial skills development
- Market access
- Access to finance
- Involvement of youth and women

Outlined below are the broad recommendations to support the development of the emerging livestock producers.

4.1 Land and infrastructure

- *Fast track infrastructural development programmes for farmers on communal lands*

The major problem for farmers on communal land is the uncontrolled use of grazing land as well as uncontrolled livestock breeding. The government should fast track the fencing programme for communal grazing areas and also ensure adequate access to water points and dipping tanks within the grazing areas.

It is also recommended that conservation and rangeland management institutions, such as the South African National Biodiversity Institute and the ARC Forage and Rangeland Institute be involved into the land and natural resource developmental programmes.

- *Accelerate delivery towards achieving successful implementation and allocation of the Comprehensive Agricultural Support Programme (CASP)*

It is recommended that farmer organisations be involved in ensuring successful and timeous utilisation of the Comprehensive Agricultural Support Programme fund.

- *Fast-tracking land reform*

It is recommended that the Department of Agriculture should establish strategic partnership with role players in the industry, such as farmer commodity organisations. Through these partnerships, practices for facilitating land reform and utilising land during the reform process could be developed and implemented (e.g. caretakership programmes). The purpose of these partnerships should be to ensure that land reform programmes are expedited and that there is continuity of agricultural production during the reform process.

4.2 Quality and quantity of livestock

- *Encourage co-ordinated animal improvement schemes*

It is recommended that animal improvement programmes that supply good quality breeding material should be easily accessible through out the country. Where there are several livestock improvement schemes in a province, district or local municipality (e.g. those of the Departments of Agriculture, the ARC, NERPO and developmental agencies such as Kellogg), the schemes should be encouraged and well co-ordinated to ensure widespread benefit to the communities.

For farmers on communal land, communities should be invited to participate in the animal improvement programmes on a voluntary basis and only the communities with adequate infrastructural resources to take care of the livestock and who are organised enough to do so should be beneficiaries to animal improvement schemes.

- ***Encourage the use of well-adapted breeds for the production of free-range meat***

There is a growing segment of red meat consumers that are concerned about the quality (particularly of the fat) that they consume as well as the use of growth promotants in the feedlot industry. Livestock from the smallholder sector is produced naturally with very little interventions that may perturb such consumers. Meat from the smallholder sector could be promoted as free-range, natural meat to cater for such markets.

- ***Fodder banks should be established to cater for seasonal feed shortages***

It is recommended that fodder banks be established so as to ensure constant fodder flow. Some farmers, such as beneficiaries of the land redistribution programme should be encouraged to produce fodder for livestock, which they could sell to livestock producers during the dry seasons. Through youth development programmes, young entrepreneurs could be assisted and encouraged to establish fodder banks and also be contracted to supply the required quality feeds to emerging farmers during dry seasons.

An early warning system for drought should be established for drought prone areas and the predictions be communicated to farmers, government and all stakeholders in time.

4.3 Entrepreneurial skills development

- ***Capacity building for extension officers***

The extension officers in the provinces are specialists in a particular area of study (e.g. animal production or crop science) and are often faced with a challenge of providing services to farmers with mixed farming enterprises. This challenge is exacerbated by the fact that the extension officers do not have adequate farming experience and they are not updated with marketing trends and production technologies that could be employed by the producers.

There is a need to redesign the extension service so that it provides for the needs of the subsistence and emerging sectors. For the subsistence sector, officers with ability to provide a social service to help the producers survive and emerge from the poverty cycle are required. Emerging farmers would require officers who could provide them with good technical advice.

It is recommended that a structured mentorship programme be developed in order to improve the capacity of extension officers. The programme should involve commodity associations as the main drivers.

- ***Dissemination of information on research, production and marketing for advisory purpose***

Since the deregulation of the red meat industry lack of production and marketing information have been identified as barriers in the development of the emerging farmers. The lack of information results in producers being unable to make mainstream market related decisions and or receive information for

the purpose of adopting new and relevant technologies at the right time. It is recommended that research, production and market information be disseminated to the extension officers, farmers and the proposed Community-based Livestock Workers. Such information could in part be disseminated by the relevant organisations (e.g. the Department of Agriculture, ARC, National Agricultural Marketing Council, commodity associations) through a well co-ordinated training programme at the proposed One-Stop Centres

4.4 Market access

- ***Establishment of mobile livestock marketing units***

The off-take rates from most of the rural communities are too low to justify establishing permanent marketing infrastructure. It is therefore recommended that mobile units be employed in areas where there is sizeable off-take until the farmers have enough marketable excess to warrant the set up of permanent structures.

- ***Audit of existing abattoirs to ensure that they are compliant with health and safety standards***

There are a number of low throughput abattoirs in Limpopo. The infrastructure and compliance with food safety standards of some of these abattoirs is uncertain. It is recommended that the Department investigates the economic importance and food safety impact of these abattoirs and where necessary, interventions such as assisting them to upgrade so as to meet health and safety standards or closing them down if necessary, be made. If the local abattoir is upholding high standards of ensuring food safety, they stand a good chance of increasing their contribution of the local retail market.

- ***Explore opportunities for the leather industry***

It is recommended that opportunities for developing the skins and hides industry should be explored. Businesses could be initiated in the collection and supplying of skins to existing tanneries in South Africa, or if deemed economically viable, a tannery could be established in areas where the supply of hides justifies the initiative. Opportunities of entering the agro-tourism industry by producing skin and hides artifacts should be explored.

Collective action and institutional support

- ***Strengthen existing farmer associations and co-operatives and encourage farmers to work collectively***

Existing farmer associations need to be strengthened, largely through the training of their leadership in order to clarify what their roles are and what the benefits of the associations to the members are. Because their individual size of operations are small, farmers need to be encouraged to work collectively in the procurement of production inputs, managing all shared grazing land and infrastructure, obtaining all required production and marketing-related information and collectively marketing their livestock.

- ***Establishment of a community based livestock worker programme***

Further support to the farmers and extension officers could be provided through the establishment of a Community-Based Livestock Worker (CLW) programme. The purpose of the CLWs would be to assist farmers with day to day management of their livestock such as branding, administration of curative and preventative medicines, disease surveillance and facilitation of livestock marketing. The programme could be linked to the dipping tank committees, local farmer associations and other such community based organisations. Generally such community-based organisations could work well in most communities because farmers seem to be willing to work collectively.

- ***Establishment of One-stop service centres***

One-stop Services Centres from which the livestock farmers could obtain inputs such as livestock remedies and animal feeds and supplements, sell their hides and skins and attend training courses should be established. The centres could be set up at strategic points within the smallholder communities. Other facilities such as the CLWs, the mobile marketing units and livestock marketing co-operatives could be linked to the service centres.

4.6 Access to finance

- ***Farmers be well informed with finance schemes that are available to them***

There are several finance schemes that are designed to benefit farmers (e.g. MAFISA and CASP). However farmers know very little in terms of whether or not they are eligible for these funds and how they can access them. Concerted effort should be made to ensure that extension officers are well versed with government finance schemes and other programmes intended for the farmers so that they are well-equipped to assist the farmers. Regular refresher courses on the government policies and programmes intended for farmers could be conducted with the extension officers.

- ***Integration of Department of Agriculture and Local economic Development Programmes***

It is recommended that the Department of Agriculture and the Local Economic Development integrate their programmes and resources where interests are common. This will benefit the farming communities and also ensure efficient and effective utilisation of resources through an integrated development planning (IDP) system. The IDP system should be a priority especially in projects that are based in District and/or Local Municipalities.

Involvement of youth and women

- ***Increase involvement of youth and women in primary production and throughout the entire value-chain***

The active and informed participation of women and youth could be increased by encouraging them to form co-operatives that own businesses within the red meat value chain and/or form partnerships with established businesses whereby they will own a stipulated percentage share. The co-operatives could target provision of services to the farmers (e.g. farm inputs, fodder and transport). The involvement of women and youth in agricultural economic development is an essential measure that reflects equitable distribution of resources and enhanced participation of all the biographics spheres within communities.

5. CONCLUSION

Development of the subsistence-oriented producers on communal land should focus on equipping them to efficiently utilise their natural resources and livestock to meet their subsistence needs; that is attain food security. This group requires a social service to help them escape the poverty cycle whether through livestock production, crop production or other means that are available in their communities. Producers in this group sell very few animals per year and want to maximise the price they receive per animal. They are therefore most likely to use the informal rather than formal markets. In order to facilitate livestock marketing, these producers should be provided with information of the markets that are available to them so that they can make informed decisions on which ones to use. It is unlikely that putting up livestock marketing infrastructure in such communities would be worthwhile expenditure.

For the more commercially-oriented communities on communal land and who cannot be moved on to privately owned/controlled plots, collective action by farmers should be encouraged through the establishment of Rural Livestock Cooperatives (RLCs).

Possibilities of establishing secondary industries should be investigated for exploiting opportunities within the value chain.