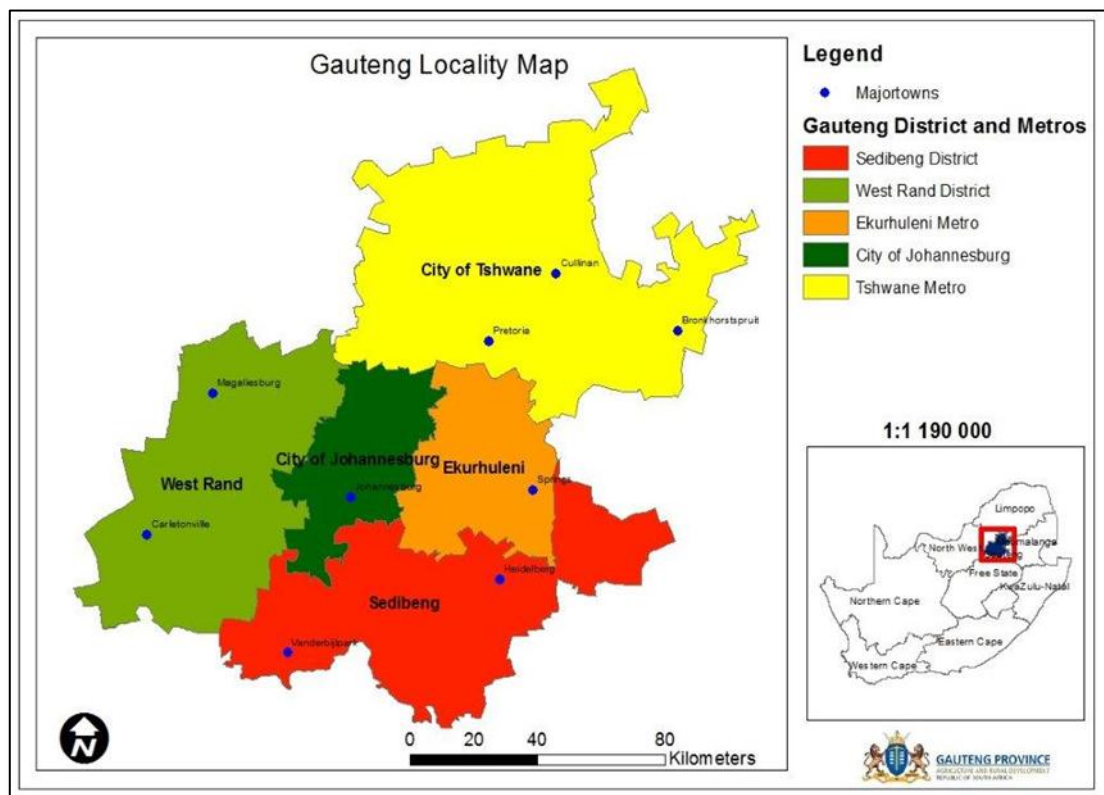




GAUTENG PROVINCE
AGRICULTURE AND RURAL DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

ADVERTORIAL:

THE STATE OF AGRICULTURE IN GAUTENG PROVINCE



Picture: 1



Title: Presentation of the “State of Agriculture in Gauteng Province” final study report to Me. Nandi Mayathula-Khoza, MEC for Agriculture and Rural Development (Gauteng Provincial Government) and the GDARD HOD, Me. Thandeka Mbassa on the 4th April 2014 at their Commissioner Street, Johannesburg offices.

Picture: 2



Title: Me. Nandi Mayathula-Khoza, MEC for Agriculture and Rural Development (Gauteng Provincial Government) and the GDARD HOD, Me. Thandeka Mbassa, flanked by (from: L to R) Professor Andre Louw (Project Leader: OABS) and Mr. Jannie Strydom (Senior Researcher: OABS).

Pursuant to a public tender process the Gauteng Department of Agriculture and Rural Development, Research and Technology Development Services commissioned OABS

Development (Pty) Limited to conduct a qualitative study to determine the “State of Agriculture in Gauteng Province”. The objectives of the six month study was to -

- determine the status quo in relation to the overall state of agriculture as per defined indicators,
- assess the broader food security situation and contribution of agriculture to the economy of the province,
- assess the progress made by the agricultural sector to address socio-economic and ecological issues in the province,
- identify success areas and specific areas that require enhanced intervention to accelerate the pace of attaining the intended goals.

The study was largely guided by the 12 outcomes identified by the National Government and GDARD has focused on outcomes 7 and 10 as being relevant which affects their work in the province (GDARD, 2009). Each of these outcomes consists of certain outputs and these outputs are listed below:

“OUTCOME 7”	
Output 1	Sustainable agrarian reform
Output 2	Improved access to affordable and diverse food
Output 3	Improved rural services to support sustainable livelihoods
Output 4	Improved employment opportunities and economic livelihoods
Output 5	Enabling institutional environment for sustainable and inclusive growth
“OUTCOME 10”	
Output 1	Water resource protection
Output 2	Reduced greenhouse gas emissions, climate change and improved air/atmospheric quality
Output 3	Sustainable environmental management
Output 4	Protected biodiversity

The team from the service provider, OABS Development (Pty) Ltd, appointed to conduct the study comprised Professor Andre Louw (Project Leader), Clifford Flandorp (Project Coordinator) and Jannie Strydom (Senior Researcher and Project Champion). By way of background OABS Development has been involved in the agricultural research consultancy sector since 1997 and is headed by CEO, Dr. Daan Louw. From inception of the study in

November, 2013 the service provider's team worked in concord with the GDARD/RTDS Project Steering Committee members headed by Mr. Motlatjo Makaepa (HOC:RTDS).

It was clear from the outset that this study would be faced with many challenges, primarily because commercial agriculture and more particularly smallholder farmers are faced with problems of urban encroachment, availability of high potential agricultural land, access to good quality land and water and environmental issues, amongst others. As a contributor to the overall GDP of the provincial economy the sector only provides a contribution of less than 1% which is relatively small. Given this, it was therefore necessary to also focus on the agricultural value chain, namely upstream input providers and the down-stream food processors, to see what impact the sector made on the overall economy of the province. As it stands currently the sector, classified under manufacturing, makes a healthy contribution of about 40% to GDP. Because of the challenges mentioned above organized agriculture is only able to satisfy about 15% of raw material requirements of processors based in Gauteng. The majority of produce has to be sourced from elsewhere in South Africa. Producers of fresh produce based in provinces such as Mpumalanga and Limpopo therefore derive economic benefit from supplying agro-business enterprises in Gauteng.

The methodology applied by the team of researchers during the study entailed personal interviews with agro-processors and agribusinesses operating in the province to obtain their input and suggestions. The representative sample of surveys conducted was extensive and encompassed a wide variety of role-players and institutions which also included both City Deep (CoJ) and Pretoria (CoT) fresh produce markets, amongst others. The principal researcher was also afforded the opportunity to engage with smallholder farmers at the CAADP seminar hosted by GDARD during March, 2014. This provided valuable insight and feedback with regard to the efficacy of extension services and support received from the Department in the province. The overall impression was generally positive and constructive. Based on the interactions with various stakeholders the following SWOT Analysis was constructed which speaks to all the key issues affecting the sector in Gauteng (see diagram below).

Strengths	Weaknesses
Close to markets Size of market – consumers Wealth of consumers Infrastructure (roads and airports) Access to technology and suppliers Fresh Produce Markets Geographic positioning Climate	Crime Rural safety & security Access to water (water rights) Distance from maritime ports Distance from primary production areas Transport of “imported” raw material Disjuncture between various programmes initiated by different government departments Impact of extension officers High labour costs
Opportunities	Threats
Secondary agriculture Expansion of intensive farming enterprises Urban agriculture African and world markets Partnership with Private Sector Export raw produce and value added products Population growth = market growth	Urbanization Mining Compliance with market requirements Water quality Cost of transport (E-tolls) Cost of electricity Institutional set-up not sufficient Selection of people for emerging farmer projects Ineffective veterinary services

Since 2009 GDARD has been involved in various projects focusing on creating a more profitable and sustainable agricultural sector. According to RTDS, 2014, the various projects are as follows:

- 5 200 farmers were given the opportunity to attend various agricultural expos.
- Partnerships with various universities were undertaken as part of the Gauteng Biotechnology Strategy in order to develop capacity for biotechnology.
- The Department funded 70 research projects with a total cost of R22.69 million.
- On agricultural mechanization the Department has supported farmers with a total of 91 tractors of which 72 were funded by DAFF.
- Training and maintenance with regards to the tractors formed part of the service level agreement with the supplier for a two year period.

- Onverwacht Flower Agri-Park was launched by GDARD in collaboration with the South African Flower Export Council (SAFEC) in 2011, creating on average 25 jobs since its launch.
- Partnerships were undertaken with the City of Tshwane in respect of the Soshanguve Agri-village and Rooiwal Agri-village.
- Two more Agri-parks are being developed in collaboration with Mogale City and Ekurhuleni Metro.
- Gauteng Agricultural Potential Atlas (GAPA) is the tool for implementing a policy developed and approved by GDARD for the protection of HPAL.

Notable achievements of the Department include:

- The Maize Triangle Programme aims to establish markets for maize farmers, including international markets. Zivuseni Agricultural Cooperative comprises of 35 local small producers who exported 72 tons of maize. Siyibane Farming Project exported 164.14 tons of maize to Lesotho in partnership with the World Food Programme, which is an internationally recognized agency of the United Nations (UN).
- In partnership with Rand Water Foundation two hundred and seventy six (276) farmers within the Maize Triangle have been supplied with production inputs (maize seeds, fertilizers, herbicides and fuel), training and capacity building i.e. Tshwane, Ekurhuleni, Sedibeng and West Rand.
- Thirty one (31) maize producing farms have been settled within the Maize Triangle through the Land Reform Form Programme and supported with infrastructure such as boreholes, storage facilities, fencing, irrigation systems, farm implements and production stock.
- The agro-processing programme has also assisted farmers within the Maize Triangle with packaging facilities, grain silos and abattoirs. Twenty eight (28) agro-processing projects supported with infrastructure such as citrus/vegetable pack houses, egg grading machines, vegetable packaging machines linked to GEGDS were implemented.
- The Maize Triangle Revitalization project has so far created 765 jobs during the planting and harvest seasons.
- Aligned to the approved Agricultural Co-operative Plan, 135 co-operatives from Tshwane, Sedibeng, West Rand, Ekurhuleni and City of Johannesburg received support in the form of on- and off-farm infrastructure, production inputs such as chickens, feed, maize, seedlings, herbicides, etc., and training and capacity building.
- Twenty three (23) co-operatives received contracts from government and successfully supply produce to hospitals and orphanages.

- GDARD is particularly proud of the most successful agricultural cooperatives in the Province, such as Winterveldt Citrus Cooperative, Ikhwezi Cooperative (overall winner of the Agribusiness Women of the Year, 2013 Tshwane), Maponya Farming (Tshwane) Project, Bantu Bonke Agricultural Coop (Midvaal), Konke Sinako Coop (Emfuleni) and Yase Chaba Coop (West Rand).

The study concluded generally that Gauteng has a vibrant commercial farming sector with a world class agro-processing sector that co-exists on a parallel basis alongside a small farmer community. The state of agriculture in Gauteng is multi-faceted and includes aspects such as the environment and resources, land-use, industrialisation, logistics, the value chains, people, human capacity development and the role of all three tiers of government. The agricultural sector remains an important part of the economy of Gauteng and it is imperative that its growth and sustainability be kept in a healthy state in order to address current and future challenges of its burgeoning population.

From the main conclusion stated above a few of the most important recommendations aimed at improving the efficacy and role of Government within the agriculture sector in Gauteng Province are stated below.

- Implementation of the strategic plans for agriculture and agri-businesses should be addressed and the execution thereof should take place through sound project planning and involvement of stakeholders and the secondary agriculture and/private sector. It is recommended that a detailed baseline study be commissioned to determine the reasons for success and failure of new entrant emerging farmers failing as well as the reasons for certain programmes being successful. The lessons learnt from this study must then be incorporated into new strategies.
- Consideration should be given to the establishment of well-managed agricultural co-operatives to assist with a level of centralising the gathering of produce, grading and packing thereof, as well as the logistics to transport it to the various markets. Collective buying of production inputs can contribute significantly to the competitiveness of emerging farmers. Collective selling of produce can benefit emerging farmers in terms of quantity presented to buyers as well as price negotiation. The fresh produce markets are already assisting in this regard.
- Mentoring programmes/schemes should be developed in conjunction with the private sector and commercial farmers to assist emerging farmers. This can run concurrent with extension services.
- There is definitely potential for more intensive farming enterprises or vertical expansion of existing enterprises. Bio-security, food and health issues should be addressed.

Adequate economies of scale must exist as well as infrastructure support and logistics to emerging farmers.

- Gauteng government should provide an environment for emerging, smallholder and commercial farmers that is conducive for business and investments. This implies focusing on the following issues:
 - I. Security - political and economic stability
 - II. A sound rural and urban infrastructure development policy
 - III. Law enforcement
 - IV. Food safety and health compliance
 - V. Access to resources

The final study report was presented to Me. Nandi Mayathula-Khoza, MEC for Agriculture and Rural Development (Gauteng Provincial Government) and the GDARD HOD, Me. Thandeka Mbassa at their Commissioner Street, Johannesburg offices on the 4th April 2014. A booklet which is the summary of the study entitled: “the State of Agriculture in Gauteng Province” will be released and disseminated to all stakeholders by GDARD/RTDS at their upcoming annual symposium in June, 2014.



(C Flandorp: Project Coordinator OABS, 17/04/2014)