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eBulletin 22 | 27 October 2009

Business Trust MABEDI supports small scale farmers to dramatically increase sales through provision of extension services

In a nutshell: Smallholder farmers in Bushbuckridge, one of South Africa's poorest areas are showing dramatic increases in productivity and profits. They are doing this by gaining access to markets, improved farming methods and effective extension services. For example, in winter of 2009 Queen Jabulile Ntimane increased her income from her 1.5 hectare plot from R13 000 to R45,000.

Alice Mkatshwa generated revenue of R33 774 from growing green beans, tomatoes and spinach on her 1½ hectares on which she spent R2,513 on inputs. Caiphus Mashego realised R82,000 from the sale of butternuts, chillies and tomatoes grown on 3½ hectare of land on which he spent R12, 574 on inputs. Queen, Alice and Caiphus and others like them have been supported by the Business Trust's Maruleng & Bushbuckridge Economic Development Initiative (MABEDI).



Queen Ntimane surveys her crop of cabbages. She has increased her income by 300% with assistance from the Business Trust MABEDI

Significance: The Bushbuckridge area in which Queen, Alice and Caiphus work is one of the poorest in the country. 86% of the population between 15 and 65yrs is either unemployed or economically inactive. 85% of households live on less than the households subsistence level of R19 200 per annum. The prospects for economic development are limited. Smallholder farmers face the problems of getting access to markets, input supplies and credit while relying on water from often dilapidated irrigation schemes and sorting out rental arrangements in cases where farmers rent land from one another and organising the hire of tractors to arrive on time to plough their fields. The 250 smallholders in the irrigation schemes in Bushbuckridge which are supported by the Business Trust MABEDI project are amongst some two million households who produce some of their own food annually and the approximately 200 000

smallholders in the country who produce food for sale.

The key to sustaining the success of farmers in the Bushbuckridge irrigation scheme and in similar schemes around the country, lies in developing and expanding a viable system of extension services which draws on both public and private agencies and linking the farmers to input markets (e.g. seed, fertilisers, tractors) and output markets (retailers who buy the produce) and reliable transport arrangements.

Farmer stories: Queen Ntimane is a spirited woman who has been managing a 3 hectare plot in the New Forest irrigation scheme since her parents died in 1986. Her main concern has been to look after her children, the first of whom recently graduated with a certificate in

Human Resource Management from Enhlanzeni Technical College in Acornhoek and the second is in training to become a nurse.

Queen has struggled to get the value she knew she should from her 3 hectare plot. In 2005 she planted tomatoes on 1 hectare and cabbages on 0.5 ha., leaving the remaining 1.5 hectare fallow. She spent R5 000 on inputs and realised R13 000 in sales, based on one crop per year. During 2009, with the extension services MABEDI offered, she planted the right varieties of winter crops which were well received in the market and resulted in the 300% increase in revenue from R13 000 to R45 000 based on R11 200 inputs. She is now also able to do two crop cycles per year and is preparing for her summer crop of butternut, sweet chillies and green mealies. The success of her winter crop will add some R3 750 per month to her household's income and with a successful summer crop she should be able to double that figure. If progress can be sustained, this offers Queen and her family a pathway out of poverty. She now dreams of owning her own transport so as to get her crops to market.

Like Queen, Alice Mkatshwa of Hoxana Irrigation Scheme has also put in her time as a farmer. She started her farming operation some six years ago but struggled to get access to market and much of her crop went to waste or was sold at very low prices. With support from the Mabedi programme last year she generated R33 774 in revenue of just over R2 513 of inputs. As a widow with three children aged between 17 and 23 and two grandchildren, she is still paying school fees but believes that the support she has got from the MABEDI project, which made sure she had the right seeds and access to markets, has been the reason why her profits have increased so much.



Alice Mkatshwa from the Hoxana Irrigation Scheme checking her crop of green beans.

Caiphus is an enterprising farmer at Sabie River Irrigation Scheme with a vision of farming as a business. Although he has 8.5 hectare in the Sabie River Irrigation Scheme, he could only plant 2.5 hectare because he could not procure the inputs he needed for the full extent of his property. Nevertheless with the R10 000 he raised from sales and borrowing from friends and family to buy inputs he realised R49 000 in revenue.

With MABEDI support, Caiphus managed to obtain markets and the much needed improved inputs (seedlings, manure and pesticides). MABEDI secured the formal markets and provided the irrigation scheme farmers with seasonal loans to be repaid into a revolving loan fund at the end of the marketing season. He spent R12 574 on inputs planting chillies, butternut and tomatoes and hiring the required labour. He realised R59 000 so far and is expecting another R23 000 from the sale of his remaining crop after taking into account all his household consumption. Caiphus supports a family of seven with children whose age range is 2 to 11 years, in addition to his parents

“MABEDI has made a big difference, now we are farming throughout the year. Next year, you will see what’s going to happen” he said. “MABEDI helps in a practical manner with access to the right kind of seedlings and skilling us in a practical manner through the right extension support - they check on us and visit us at least three times a week on site. The products we produce are of high quality as a result. They help us find markets for our produce and the transport needed to get it there.” He adds that he is now a proud employer of 2 permanent staff and has 5 casual workers he employs for three days of the week. He also boasts that he is now a farmer throughout the year because of MABEDI’s assistance with market access.



Caiphus Mashego meeting the Mpumalanga MEC for Agriculture, Rural Development and Land Administration, Mr. M. Malinga

He has suggestions for the government: “We used to pay for the tillage services and it worked but now that they are provided free of charge we can't be sure they will be available when we need them. Government should try to help active farmers first and we can contribute some money towards the cost of the tractor when we need it. If the government prioritises active farmers, we succeed and it motivates the other inactive farmers to follow our example. If government continues helping all farmers the same way, we will always be 'emerging farmers' and not become really commercial.”

Business Trust Programme Manager Golden Mahove says, “the results of these farmers in the Business Trust MABEDI project are encouraging. They show that success is possible where skilled support is provided to committed

small holders”. The challenge we face as a country is to make good quality extension services accessible to many more farmers. And to keep up with the need for support which is likely to grow as the pace of land reform increases. This will require a system that combines public resources with private services provided on either a profit or non profit basis, as dedicated services or embedded services provided by input suppliers”.

To read more about the Business Trust MABEDI, click here www.btrust.org.za.

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