

Concept Note and Problem Statement:

VISION 2030 SUMMIT - Partnership between Tiger Brands and Agbiz

Date and venue: Birchwood Conference Centre from 21 – 22 June 2017

Agbiz/Tiger Brands Breakaway Session: 13h45 – 15h15 on 22 June 2017

Venue:	Room 1 - Agriculture & Rural Development
Topic:	Economic Transformation in the Agro-Food Value Chain
Session Sponsor:	Tiger Brands
Hosted by:	Agbiz
Facilitator:	Dr Ferdi Meyer, Director of Bureau for Food and Agricultural Policy (BFAP)

Panellists:

1. Louise de Klerk, CEO - Timbali Incubator.
2. Dr Langa Simela, Business Development Manager: Agribusiness, Absa/Barclays Agribusiness, and Deputy Chairperson of Agbiz.
3. Mary-Jane Morifi, Chief Corporate Affairs and Sustainability Officer, Tiger Brands.
4. Wandile Sihlobo, Agbiz Head: Economic Intelligence & Business Day Columnist.

Note: Facilitator and panellists all confirmed.

Theme: Economic Transformation in the Agro-food Value Chain through Entrepreneurship Development

Objective:

As host of the session, Agbiz will facilitate a discussion on the role agribusinesses are and can in future play in attracting young people, especially entrepreneurs, to the Agro-food Value Chain. The session will take a look at what leading companies and industry bodies are doing in terms of initiatives, funding, and thought leadership from school level through to bursaries, internships, business incubators and enterprise development. The focus must be on what the **constraints and challenges are, and how these constraints and challenges could be addressed – does the promotion of entrepreneurship and enterprise development in the Agro-food Value Chain offer a potential solution?** Towards the end of the session a collaborative plan needs to be drafted for presentation to the final plenary session.

Session structure: (~90 minutes)

The session is structured as follows:

- Welcome and introduction of panellists – Facilitator (~2 minutes).
- Key problem statement and introduction to some initiatives. (~5 minutes Video).
- Panel discussion to provide perspective on the problem statement and key challenges. (~50 minutes, with ~7 minutes intro per panel member, including facilitator. Each focussing on their area of expertise, with the focus on what can potentially be achieved – see focus areas under next bullet).
- Five round table breakaway groups, each concentrating on a specific problem area and proposing interventions by industry and agribusinesses (~20 minutes). Panellist will lead group and report back. Proposed focus areas: Access to finance (Dr Simela), Business Incubation (Louise de Klerk), Enterprise Development and Preferential Procurement strategies (Mary Jane Morifi), Enabling regulatory environment and skills development (Wandile Sihlobo), and Access to Markets and Technology (Dr Ferdi Meyer) (Subject to amendment if so agreed by facilitator and panellists).
- Feedback to the collective session group on proposals. (15 minutes: 3 minutes per group).
- Report to the main plenary session on the way forward. (~10 minutes, and Facilitator will do).

Problem Statement

Vision 2030, or as more commonly known, the National Development Plan (NDP), provides a framework or roadmap for the country to achieve certain goals by the Year 2030. Chapter 6 of the NDP specifically deals with *An Integrated and Inclusive Rural Economy*, and the agro-food value chain as the enhancer of rural development.

Under “What needs to be done”, Chapter 6 lists the following key elements:

- Agricultural development through production expansion, starting with smallholders where possible.
- Well-functioning and supported communities will enable people to develop the human capabilities to seek economic opportunities.
- In areas with greater economic potential, industries such as agro-processing, tourism, fisheries and small enterprise should be developed.

All three key elements emphasize the development of human capabilities and entrepreneurship – focus on people.

Agriculture is the main focus of rural development in Vision 2030, and has the potential to create 1 million new jobs by 2030.

The challenges we face:

- How do we create far better awareness of the entrepreneurial opportunities in the agro-food value chain from school level, through colleges and university, and even through industry?
- What institutions do we need to have in place to develop entrepreneurs to access the agro-food value chain successfully?
- What programmes do we need to put in place to support young entrepreneurs in the agro-food value chain to be successful?
- How do we address the various constraints that impede the successful entry of new entrepreneurs into the value chain?

Vision 2030 targets:

The employment creation potential of South African agriculture

Target group	Primary jobs created	Secondary jobs created	Assumption
Subsistence farmers with <0.5 hectares	83 000	41 500	The livelihoods of one in 10 of the farmers in this category are improved.
Small-scale farmers with between 0.5 and 5 hectares of land	165 000	82 500	The livelihoods of half the farmers in this category are improved.
Small-scale farmers with >5 hectares of land	75 000	37 500	These farmers employ themselves and two others.
Better use of redistributed land	70 000	35 000	Redistribution beneficiaries employ themselves and two others; one in 10 restitution beneficiaries become self-sufficient.

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Target group	Primary jobs created	Secondary jobs created	Assumption
Labour-intensive winners	200 000	100 000	Critically, this requires investment in irrigation, support to smallholder farmers and their ability to grow their businesses.
Labour-extensive field crops	10 000	5 000	This reflects a “high road” or optimistic scenario and assumes that the current decline in employment in commercial farming is halted.
Labour-extensive livestock	40 000	25 000	This reflects a “high road” or optimistic scenario and assumes that the current decline in employment in commercial farming is halted.
Total	643 000	326 500	969 500



John Purchase (Ph.D)
 CEO: Agbiz
 john@agbiz.co.za