

DECEMBER 2022 ISSUE



AGRICULTURAL
DEVELOPMENT AGENCY



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From the CEO's Desk



2022 has been an exciting year and has seen several new developments within AGDA as we strive to creating an entity that is responsive to the sector needs and contributing to inclusive growth. Partnerships and aggregator models have been the core of the various models that we have been developing and brings together established and new farmers to ensure sustainability and to de-risk transactions. This approach benefits both established and new farmers by growing and expanding opportunities with new farmers having improved access to markets and finance.

The key to ensuring long term growth and development is partnering and collaboration and this is at the core of the implementation and delivery models that AGDA is working on - we are not competitors but rather integrators and facilitators of catalytic opportunities

Our partnership with DBSA and Amandla has continued to expand and in 2022 AGDA has facilitated new Household Vegetable Production training of 211 youth. A total of 40 youth Business Unit Leaders completed training on the accredited AgriSETA NQF1 Mixed Farming and Entrepreneurship in December. These growers will be able to feed their families whilst they build businesses through our Grow to Market Programme which will connect them with markets to sell their produce.

We are currently working on new partnerships which will assist us to expand this programme which will benefit some of the trainees who have been through the Household Vegetable training for the NQF1 accredited training.

I informed you about the ESUS Farm system for farmers in the previous issue. I am happy to announce that this system has been piloted in Louwsburg (KZN), Phagameng(Waterberg), Jabulani and Alexandra(Gauteng). This system will assist AGDA to track production and data from these farmers. Going forward, we will introduce the system to other farmers and members and growers will begin to have access to a full suite of farmer support including information, mechanisation, and markets.

On the commercial side, we have been engaging several fund managers locally and internationally as we work on capitalisation of the AGDA Fund which we believe will be a game changer in providing affordable and accessible finance - our team is working hard to have this in place by the first quarter of 2023.

Extensive work is being done on the vegetable value chain to ensure that the full suite of opportunities in the value chain are explored - from packing, storage, transport etc. Through our partners, we have been engaging with several major retailers and food companies and export partners to expand the market access opportunities for farmers.

AGDA has attended and participated in the following various strategic events and initiatives: The launch of the Land Bank Blended Finance Scheme, unveiled by Minister Thoko Didiza. The scheme is meant to improve access and affordability to farmers; Africa Agri Council Investment Indaba which presented an opportunity for partnerships and collaboration; launch of Africa Tech Conference and Expo planned for March 2023 which presents a platform for start up pitch sessions, Business-to-Business matchmaking and Foreign Trade meetings and Harambee with Presidency hosted the Solutions Exchange. This was an exciting opportunity to interact with young people and other partners in the agri-sector including technology partners and food companies like Tiger Brands who participated with us on the Agri-panel.

Our gratitude goes to all our members for their continued and loyal support - we are growing steadily and are excited to work with you in driving the objectives of AGDA. The experience and knowledge of our commercial farmers and established partners is key in helping us unlock new opportunities and solutions to drive growth in the sector and support new black commercial farmers and agri-entrepreneurs. It is time for us to consolidate, co-ordinate, partner and collaborate to build and grow - none of us can do this on our own and like the saying goes - Together we are stronger.

As we take time off during this festive season, I would like to wish all our members a restful, peaceful, and safe holidays. Travel safely on the roads and don't drink and drive. Merry Christmas and a happy New Year! Looking forward to an awesome 2023!!!!

Regards,

LEONA ARCHARY
CEO



Agricultural Business Chamber (Agbiz)



Theo Boshoff, Agbiz CEO

In this issue, we are focusing on the Agricultural Business Chamber (Agbiz), under the leadership of Francois Strydom as Chairperson and Theo Boshoff as CEO. Theo started working in the agriculture industry at Agri SA in 2013 where he was responsible for all legal-related issues specifically; lobbying for legislation that is enabling the agricultural sector. He then joined Agbiz as the Head of Legal Intelligence in 2016. When the former CEO of Agbiz, Dr John Purchase, retired in 2021, Theo was promoted to the position of CEO. He is a policy specialist and is backed by a professional team consisting of trade, legal, economic, communication and industry-specific specialists. The Agbiz staff complement comprises only 10 employees, but they are backed by a wider spectrum of specialists within the organisation.

Agbiz is a 76-year-old member-based organisation that has seen many transformations. Initially, its key focus was on agricultural co-operatives and in 2010, it became an independent entity. That was when it began opening its doors for the first time to companies operating in the broader agricultural value chain, including input producers, financiers such as commercial banks and agro-processors.

A member-based organisation of over 100 members, the organisation deals mainly with companies operating in the agricultural value chain. The members range from public and Pty Limited companies throughout South Africa. Off-takers, marketers, agents, and commodity organisations also form part of its overall membership. Many of Agbiz's members are also members of AGDA.

Agbiz is not a trading company. Its key mandate is to represent the agro-food value chain in discussions with government, labour and various other role players. It is an advocacy organisation which seeks to create an enabling environment for its members. Its functions are cross-cutting such as:- Economic Intelligence which takes care of market analysis and statistics, legal intelligence such as policy-making and legislative functions across the agriculture sector and trade intelligence to open up markets for South African products. Agbiz, together with AGDA, were active participants during the development of the government's Agriculture Masterplan. As an advocacy organisation, it also forms part of Business Unity South Africa (BUSA) and Nedlac platforms. Theo is the Business convener for the Trade and Industry Chamber at Nedlac. The organisation's Agriculture Economist, Wandile Sihlobo sits on the Presidential Economic Advisory Council.

Agricultural trade is also one of the core functions of Agbiz. Their main function is to review trade agreements, motivate for new trade agreements and unlock trade barriers for exports.



Agricultural Business Chamber (Agbiz) continued...

Theo explains "We facilitate public-private partnerships, and we are working closely with the Department of Agriculture, Land Reform and Rural Development and Transnet to finalise an Interface Agreement (MOU). We have also established two specialist desks that work on issues unique to the grain storage and handling industry, and the fruit sector. The grain desk was established in 2014 with the larger companies involved in grain storage and handling. The desk has now been expanded and it comprises the 12 biggest companies involved in grain storage and handling. The fruit desk was set up in 2019 in conjunction with Fruit SA and consists of 4 commodity organisations. The fruit industry has specific needs which are being catered for by the manager of the Fruit Desk "concludes Theo.

Agbiz, working with the Banking Association South Africa (BASA), has since 2015 been instrumental in the development of a blended finance model, an instrument that will be used to enable emerging farmers who are struggling to access finance from financing institutions to obtain funding. Previously, government provided the farmers with grants which were limited. The concept of blended finance involves utilising some of the government's budget to leverage private sector capital by matching a grant with a loan for farmer development. The Minister of Agriculture, Land Reform and Rural Development recently launched the fund with the IDC and Landbank and we hope that it will be expanded to commercial banks next year.

One key issue that AGDA posed to Theo, is the mindset of the youth regarding agriculture. There is the perception that most youths regard agriculture as a blue-collar job. Theo challenges this assumption by noting that agriculture is diverse with several career opportunities that are not directly involved in production, i.e., jobs that are scientifically and technology-driven. It is also a fact that agriculture is one of the few sectors in the country that is growing and creating jobs and business opportunities. Hence, the youth will naturally see opportunities. There is a whole value chain with tremendous opportunities in the sector.

Visit their website www.agbiz.co.za to access more information.



From left - Wandile Sihlobo, Agriculture Economist Agbiz, Nonnie Kunene, AGDA, with Agbiz CEO, Theo Boshoff.

**agbiz**
agricultural business chamber
the way to prosperity



African Women in Agriculture (AWiA) joins AGDA as a Member

African Women in Agriculture (AWiA) is an organisation that was started by five women in 2018. AWiA's vision is to capacitate women to access the agricultural ecosystem, driving socio-economic impact through disruptive virtual and physical communities.

The establishment of AWiA was in response to the gap they identified on access to agricultural knowledge and resources for women. The women believe that increased agricultural activity is key to alleviating poverty, particularly in certain areas of South Africa where the link between poverty and hunger is most acute. The organisation makes efficient use of available resources and builds capacity for the marginalised. They have implemented various agricultural entrepreneurial capacity development programmes and an incubator.

AWiA's agricultural incubator was launched a year ago. Its key focus areas include promoting entrepreneurship, reducing the risk of food security, providing agricultural training, and supporting socially disadvantaged aspiring female entrepreneurs.

The incubator was developed as a flagship programme intentionally to empower agripreneurs with agribusiness skills and tools, resulting in economic development. AWiA seeks to mitigate avoidable risks in agricultural and agri-business start-ups formed by female agripreneurs, thereby increasing their rate of success, and decreasing the time it takes for their businesses to gain traction.

AWiA also pursues presenting an enabling environment within which women in agriculture can thrive. AWiA is inclusive and has to date, trained over 150 women and 10 men.

The women explain their business model as a holistic model that operates three Business Units:-

- AWiA Farming Business-Is a farming business, agricultural Infrastructure support and experiential learning at an operating farm, demonstrating vertical farming, hydroponics, and other innovative farming methods.
- AWiA Training and Development- Focuses on agricultural business capacity building, agricultural entrepreneurship skill training and development, agriculture business management skills development, training, entrepreneurship skills, personal development, and support through mentorship. 56% of Incubator beneficiaries are currently involved in agricultural businesses.
- AWiA Knowledge Community and Network- This unit comprises of a virtual agricultural technological platform, market access development, including networking, building partnerships and an online community.

The AWiA approach is unique as it seeks to transform the agricultural system through a combination of physical resources, digital services, and platforms.

AWiA is committed to Agripreneurship for financial empowerment, job creation, poverty alleviation and community upliftment.

AWiA continues to increase its beneficiary impact and has achieved the following milestones:

- Short Programmes- Short (3-5 days) courses have been delivered for home gardeners as a basic introduction to agri-business.
- Introduction to Agriculture- Youth Month celebrations were marked by one day 'introduction to agriculture' events for young people.
- Community Development Projects- Every Agripreneur on the AWiA programme is required to participate in a community food garden project as part of good citizenship. A total of 23 community projects have been impacted, with a reach of up to 500 people.



AWiA Team



AWiA hydroponics



Leona Archary with some of the AWiA ladies during a recent visit to their farm



Some of the participants in the AWiA programmes



La-Gomza Dairy Products

La-Gomza is a two-year-old 100% black owned business. Owned by Mapula Morake, a dynamic and determined woman with a calm demeanour. Born in Hammanskraal, she believes in fighting for what she wants and believes in. Her faith in God is what gives her the resilience to face challenges that come with the business. “Nothing great comes easy, and with God, everything is possible” she says.

She studied Public Administration through UNISA to ready herself for the challenges ahead. Prior to establishing her business, she was a sales representative. She is also an event manager, but her business was impacted by the COVID-19 pandemic. She had to find creative ways to survive, and this is how La-Gomza was conceived. La-Gomza is derived from a Setswana name, Gomolemo.

Her business concept started in her kitchen during the pandemic. La-Gomza has since grown from naught to supplying four Pick 'n Pay Market stores in Soweto. Mapula produces 3 different dairy products: namely yoghurts, juices, and Maas in different flavours, under the La-Gomza brand.

The African yogurt and Maas market is mainly driven by the health benefits associated with consuming yogurt and Maas, including increasing awareness among people about losing weight. Maas is nutrient-dense and regarded as good source of high-quality animal protein. It naturally contains less lactose than fresh full-cream milk and is also a typical South African staple diet. For better health, make our Maas part of your three servings of dairy every day!!!!

The company currently supplies 150 tubs of yoghurt, 150 bottles of juice and 100 amass per week. They wish to increase production to 1000 of each product per week. Their short-term aspiration is to supply at least 10 more stores and nearby day care centres. The long-term vision is to produce more to supply the rest of the country. For Mapula to reach her short-term goals, she requires a 500 L cooking pot, stainless steel pump, boiler, delivery truck, cold room, pasteurizing machine, and display fridges. She would like to see herself empowering other women by providing job opportunities and training.

Mapula proudly endorses that their products are reliable- “Our vision of becoming one of South Africa’s best dairy products company says it all - we steadfastly honour our core values of producing healthy, wholesome and exciting dairy products”.

La-Gomza strives to become a recognised and trusted dairy brand, now and for generations to come.

For her company to grow and increase market share, she must increase production capacity. However, this is near impossible due to lack of funding.



Mapula Morake displaying her products



La-Gomza drinking yoghurts at Pick 'n Pay



Harambee's Solutions Exchange 2022

Agriculture has rightfully been touted as a sector with a wealth of opportunities for the youth of this country. Youth inclusion in agriculture took centre stage at the Solutions Exchange 2022 themed "Partnering for Youth Economic Inclusion", hosted by Harambee on the 8th and 9th of November 2022. On the first day of the Solutions Exchange, a panel of experts from the agricultural sector gathered to promote awareness about a host of opportunities across the entire Agri-value chain.

South Africa's youth unemployment rate remains unacceptably high. There is a growing consensus that to have significant impact, government, civil society, and the private sector must come together to find creative solutions. Harambee, in partnership with the Mapungubwe Institute for Strategic Reflection (MISTRA), the Presidential Youth Employment Intervention and the Public / Private Growth Initiative (PPGI), convened leaders across sectors to actively solve the seemingly stubborn challenge of youth unemployment.

Chief of Corporate Affairs & Sustainability at Tiger Brands Mary-Jane Morifi, Founder and MD of Urban Grown, Simba Chimhandamba and AGBIZ CEO and AGDA Board Member Theo Boshoff, discussed the importance of leveraging the power of technology, alternative forms of agriculture, and gave practical examples of earning and learning opportunities for youth in Agri.

An important take-out of the conversations was that businesses can play a catalytic role through demand-led models that support emerging young farmers - mainstreaming them into their core supply chains and off-take linkages.

The second day of the exchange focused on scaling solutions to grow jobs and connect youth to opportunities through Action Labs aimed at improving collaboration to drive impact.

The agriculture action lab aptly titled: Fostering Youth Inclusion in the Agricultural Sector identified agri- value chain opportunities relevant and accessible to youth and shared ideas, including concrete proposals for greater youth inclusion in the sector.

Speaking at the opening plenary that set the context for the discussions among participants, Leona Archary, Chief Executive Officer of the Agricultural Development Agency (AGDA), called for partnerships, collaboration, and the consolidation of all the activities in the sector to bring opportunities together.

Some of the immediate actions identified by participants to unlock opportunities for youth in the sector include developing skills that align with the demands of the value chain entry points, identifying opportunities in urban areas to ensure that focus is not only on farming in rural and remote areas, role modelling, developing incentive structures and concentrating on localisation.

Deliberations over the two days of the gathering concluded that it was patently clear that the agricultural sector is truly a sunrise sector that holds a plethora of opportunities for our country's youth. The Agri-business sector made tangible commitments to contribute meaningfully to addressing youth unemployment whilst growing their businesses and the economy.

The time to act is now. Acting now is the only way to begin to provide the young people of South Africa the future they deserve.



From right - Leona Archary flanked by Graceful Nene - 2nd from left , founder of Boss'Fro Organics), and the African Women in Agriculture team.





Panelists from left to right:
 John Constable (Western Cape Government)
 Leona Archary (AGDA)
 Alastair Smith (Yellowwoods)
 Litha Kutta (Tiger Brands)
 Frank Chibanda (Harambee)



From left - Zengeziwe Msimang (Harambee)
 5th from left - Tanya Cohen (PPGI)
 From right - Kasthuri Soni (Harambee)
 With young people from the SA Youth network
 who joined the convening to add youth voices



Food Garden Learner Shines

Paballo Baloyi is a 15-year-old Grade 9 learner at Moletsane High School in Soweto. She recently participated in the UNICEF Kids' take-over CEO Network. She spoke at the 2022 Children's Day conference focusing on the impact of Climate Change, Carbon Emissions and what can be done to mitigate these challenges. She also remarked on how various companies can partner in combating some of the Climate Change issues.

Significant in her address was Food Security, a programme that is one of AGDA's skills development programmes. AGDA has partnered with Moletsane High School for two consecutive financial years-2021/22 and 2022/23 to provide practical training to 20 Business Unit Leaders (BULs) who have been trained on Household Vegetable Production, Mixed Farming and Entrepreneurship for AGDA's Grow to Market Programme.

AGDA has signed a land use agreement with Moletsane High School to use the school garden for practical training. The garden has been admired as a model "garden for schools". Thank you so much AGDA for the assistance with seeds and other logistics, we are on the map because of your programme," says the Social Sciences Head of Department, Mr Elliot Mashinini.

Paballo will be part of discussions on training young people with critical skills at UNICEF in February 2023. The Skills Transfer Programme will specifically be on Agriculture and Entrepreneurship.

AGDA congratulates Moletsane High school for this achievement and wishes Paballo well in her journey to one day become a professional agriculturalist.



Paballo Baloyi with HOD, Elliot Mashinini



On the left - Paballo Baloyi with fellow UNICEF participants.



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