



**National Agricultural
Marketing Council**
Promoting market access for South African agriculture



Presentation on Annual Performance Plans & Budget 2018/19

Chairperson: Prof PK Chauke
CEO: Mr. Z Xalisa
CFO: Ms S Netili

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Acronyms used

CEO:	Chief Executive Officer
DAFF:	Department of Agriculture, Forestry and Fisheries
DAG:	Directly-Affected Group
HR:	Human Resources
IT:	Information Technology
MTEF:	Medium Term Expenditure Framework
NAMC:	National Agricultural Marketing Council
SMAT:	Smallholder Market Access Tracker

Outline

- Mandate, objectives, vision, mission & values
- Deliverables: 2018/19
- Budget: 2018/19

Mandate, objectives, vision, mission & values

NAMC STRATEGY

Promoting Market Access for
South African Agriculture



Vision

Strategic positioning of agriculture in
a dynamic global market.

Mission



To provide agricultural
marketing advisory services
to key stakeholders in
support of a vibrant
agricultural marketing
system in South Africa.

Core Business Values

The following values are adopted as our commitment
to entrench and deepen the "NAMC" way, both in our
behaviour and service offering.

-  **Integrity** (honesty / ethical / trustworthy / transparent)
-  **Assertiveness** (accountable / responsible / reliable / taking ownership / confident)
-  **Collaboration** (consultative / teamwork / participative / co-operative)
-  **Service excellence** (performance driven / target oriented / service oriented / motivated / committed / diligent)
-  **Fairness** (equal treatment / respectful / tolerance / consistency)
-  **Objectivity** (analytical / rational / attention to detail / conceptual)
-  **Innovation** (creative / pro-active / adaptive / flexible / initiative)

Strategic Objectives

-  Increasing market access
to all market participants
-  More efficient marketing of
agricultural products
-  Increased export earnings
from agricultural products
-  Enhanced viability of the
agricultural sector

Strategic Outcome Oriented Goals

-  To provide market access services
to all sector participants.
-  To provide recommendations in
support of an effective agricultural
marketing environment.
-  To provide advisory services to key
stakeholders towards enhancement
of export earnings from agriculture.
-  To generate strategic information
and facilitate key programmes to
support viability of the agricultural
sector.

Programmes

-  Market Access
-  Industry Trusts
-  Market Facilitation
Programmes
-  Business Linkages
-  Statutory Measures
-  Value Chains
Analysis
-  Trade Research

Support Functions

-  Marketing and
Communication
-  Human Capital
-  Audit and
Finance
-  Corporate Governance
-  Strategic Leadership
-  Enterprise Risk
Management
-  Legal Services

Publications



Objectives and mandate

- The NAMC was established in terms of Sections 3 and 4 of the MAP Act No. 47 of 1996, as amended by Act No. 59 of 1997 and Act No. 52 of 2001
- Advisory body that advises the Minister of DAFF and DAG on all matters relating to marketing of agricultural products.

Objectives:

- Increasing market access to all market participants
- More efficient marketing of agricultural products
- Increased export earnings from agricultural products
- Enhanced viability of agricultural sector

Vision, Mission & Core Values

Vision

Strategic positioning of agriculture in a dynamic global market.

Mission

To provide agricultural marketing advisory services to key stakeholders in support of a vibrant agricultural marketing system in South Africa.

Core Business Values

Integrity, Assertiveness, Collaboration, Service excellence, Fairness, Objectivity and Innovation.

NAMC Programmes

Administration

- Programme 1: **Business Excellence**

Core
programmes

- Programme 2: **Provision of market access services to all participants**
- Programme 3: **Support of a more efficient marketing environment**
- Programme 4: **Facilitation of enhancement of export earnings from agriculture**
- Programme 5: **Supporting viability of the agricultural sector**

Deliverables: 2018/19

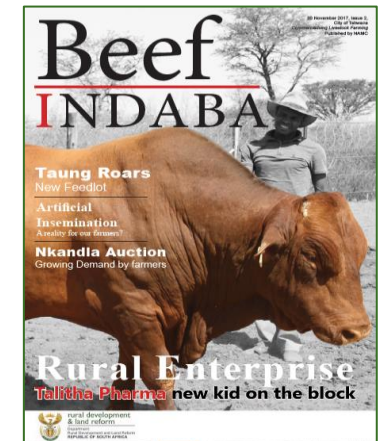
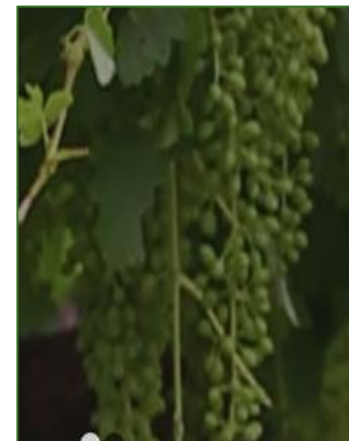
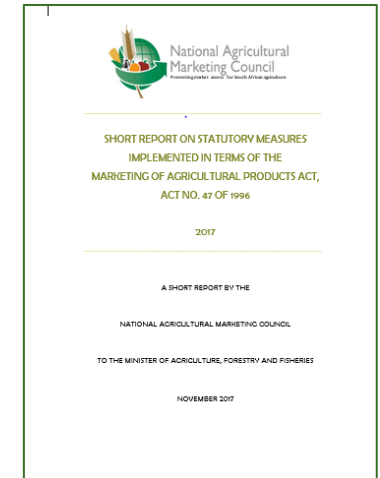
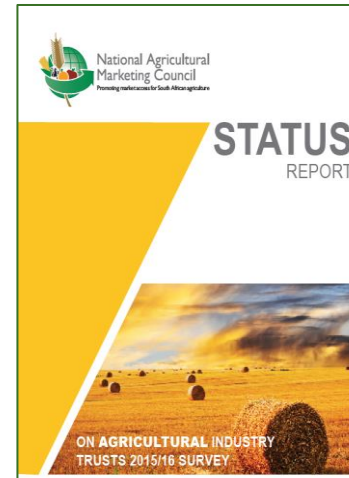
Programme 2: Market Access

- **Smallholder Market Access Tracker (SMAT)**
 - Purpose: to systematically track progress towards market access for smallholders on a regular basis
 - Baselines on Beef and Potato sectors are currently in progress
- **Agripreneur publication**
 - Purpose: to publish stories that demonstrate best practices in various commodities for benefit of smallholder farmers
 - NAMC is exploring ways to effectively disseminate this publication for maximum access by smallholder farmers



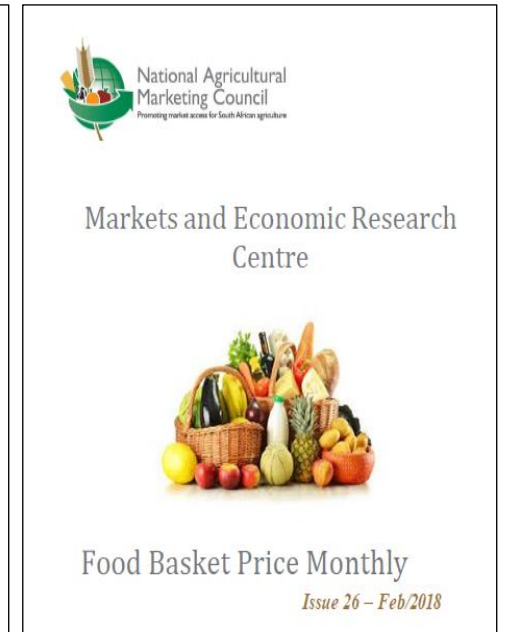
Programme 2: Market Access...cont

- **Industry Transformation**
 - The NAMC monitors and reports on progress in implementation of its Transformation Guidelines
- **Statutory Levies**
 - The NAMC tracks and reports on expenditure on transformation by industries that utilise Statutory Levies
- **Development Schemes**
 - NAMC designs and facilitates the implementation of development schemes whose aim is to integrate the developing agribusinesses into the commercial mainstream (current major schemes : **Red Meat & Vineyard**)



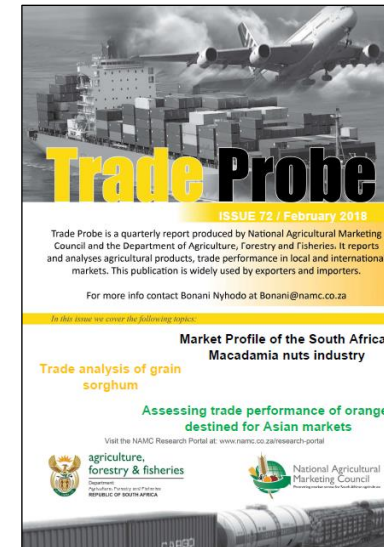
Programme 3: Market Efficiency

- **Agro-food chains research**
 - The NAMC undertakes studies on food inflation, supply & demand estimates, farm-to-retail margins and other value chain studies
- **Farmer training on business management**
 - Annual training in collaboration with training providers, national and provincial departments, AgriSETA and the financiers
- **Statutory Measures**
 - NAMC coordinates implementation of statutory measures across 22 agricultural industries to support marketing efficiency



Programme 4: Export Earnings

- **Trade research**
 - The NAMC undertakes studies to identify export market opportunities for SA products
- **Financing of export promotions and quality control**
 - Through statutory levies, funds are allocated to industries to finance export promotion and quality control
- **Business linkages facilitation**
 - NAMC facilitates linkages to international markets for smallholder farmers through assisting them to produce exportable products



Programme 5: Sector Viability

- **Strategic integrated projects coordination:** to support increased infrastructure investment
- **Registrations, records and returns:** to improve information collection
- **Supply & Demand and Crop Estimates committees:** to enable decision making by all value chain players
- **Register of directly affected groups:** to enable better engagement with stakeholders
- **Agricultural industry trusts support:** to monitor the spending of agri-trusts to ensure that transformation imperatives are given necessary attention
- **Agriculture Branding initiative:** to promote single unified brand for SA agriculture



Programme 1: Business Excellence

- **Office of the CEO:** overall strategic leadership, corporate governance, risk management and compliance, business continuity, legal services & project management
- **Audit & Finance:** financial management, supply chain management, audit & IT support
- **Human Capital:** compilation & implementation of the HR strategy, talent management, employee relations and workforce planning
- **Marketing & Communication:** management of stakeholder relations, media relations, and public relations

Budget

Expenditure Estimates

	2017/18 R'000	2018/19 R'000	2019/20 R'000	2020/21 R'000
Baseline allocation	41 917	43 239	45 660	48 172
Budget cut		1 109	1 171	1 235
Percentage increase		3.1%	5.6%	5.5%

Expenditure Estimates per Programme

Programme	Audited outcomes			Adjusted appropriation	Medium-term expenditure estimates		
	2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
Programme 1: Business Excellence	19 450	18 710	18 910	22 644	24 939	26 336	27 785
Programme 2: Market access to all participants	9 721	9 351	9 451	11 317	5 545	5 855	6 177
Programme 3: Efficiency of the marketing of agricultural products	2 220	2 136	2 158	2 585	5 058	5 341	5 635
Programme 4: Export earnings from agricultural products	1 507	1 450	1 465	1 755	4 876	5 149	5 432
Programme 5: Viability of the agricultural sector	3 107	2 988	3 021	3 616	2 821	2 979	3 143
Total:	36 005	34 635	35 005	41 917	43 239	45 660	48 172

Expenditure per category: 2017/18 vs 2018/19

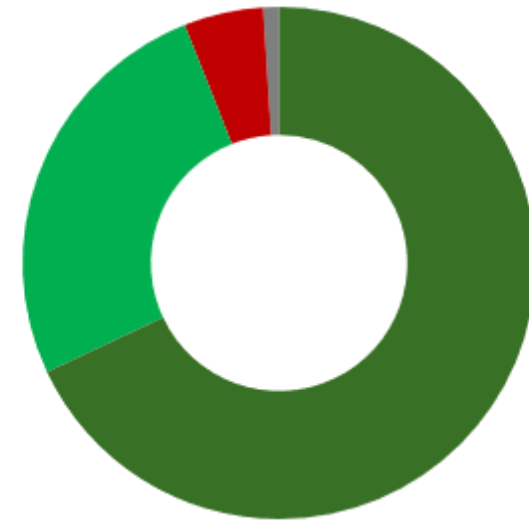
	2017/18 R'000	2018/19 R'000	Variance:	%:
Salaries	26 824	29 610	2 786	6.5% Salaries 3.5% Group Scheme
Administration Including rental of office space	11 194	11 266	72	0,6%
Professional Services	3 472	2 213	- 1259	-36%
Capital	427	150	- 277	-65%
Total:	41 917	43 239	1 322	3.1% increase

Expenditure categories

<u>Expenditure categories</u>	<u>MTEF budget 2017/18</u> <u>R'000</u>	<u>Percentage allocation</u>
Personnel	29 610	68%
Administration	11 266	26%
Professional services	2 213	5%
Assets	150	1%
Total	43 239	

Expenditure Categories:

- Personnel - 68%
- Administration - 26%
- Professional - 5%
- Capital/Assetss - 1%



Thank You

