

National African Farmers Union **Nafu**

Turnaround Strategy

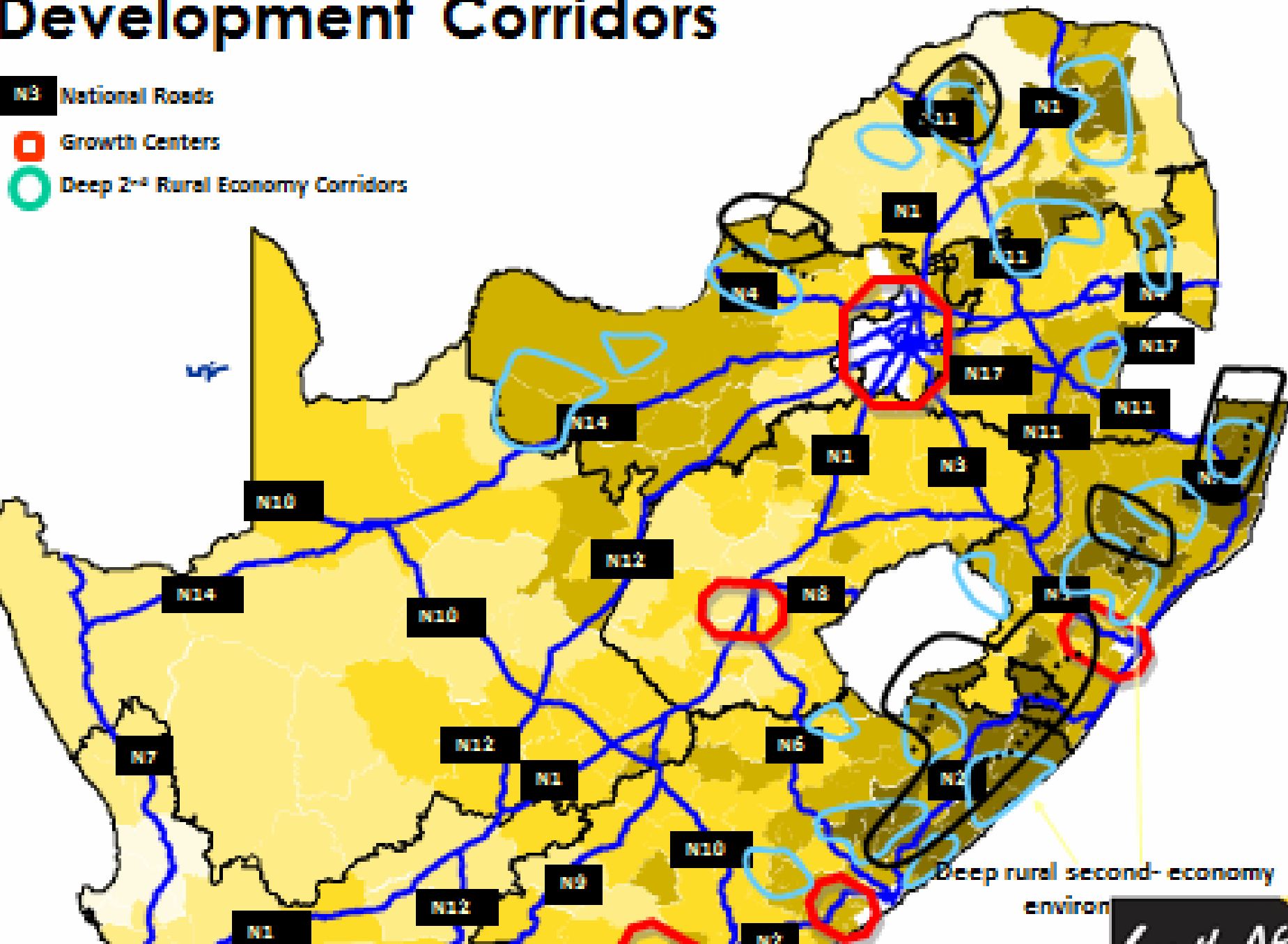
BY Otto MBANGULA



Presentation to the Parliamentary Portfolio Committee

Development Corridors

- N3 National Roads
- Growth Centers
- Deep 2nd Rural Economy Corridors





Topics Covered



- Who is Nafu
 - The Current State in Nafu
 - Problems of Small Farmers
 - Vision & Mission
- Gov. Policies & their Impact on Black Farmer
- The challenges we face
- Mitigating for Survival
- Transformation we need
- Recommendations
- Request



Historical Origins

- Nafu is one of the seven sectors of Nafcoc
- It was formed in 1991 to address the agricultural needs of Black People
- It has a membership of +- 54,000
- Its membership is composed of farmers, rural communities and those farming on township commonages
- It is a federal structure composed of various agricultural Commodities
- It survives on membership fees & Subsidies from Nafcoc
- Occasionally Gov. does assist depending on the good will of the DG and Minister



Currently Nafu is going through a Difficult Phase

Movement towards future strategy

Phase I: clean-up

Phase II: Stabilisation

Phase III: Sustainability

Objective

□ Nafu operating within organisational guidelines, regulations and policy reducing conflicts

□ Stabilise the core operations, management systems, human capital and funding. help ensure overall effectiveness for

□ To deliver a transformed Nafu in the long term

Priority activities

□ clean-up based on audit reports, and clarifications

□ Build a foundation for sustainability

□ Change the fundamental value proposition and focus of Nafu and introduce a **Commodity Development Paradigm**

Note: Some of the work on stabilisation and clean-up will happen in parallel

Nov 2010 - to parallel

Timeline



LACK OF CAPACITY IN MANY EMERGING FARMERS

The logo for South Africa, featuring the text "South Africa" in a white, cursive font on a dark grey background. To the right of the text is a stylized graphic of the South African flag's colors (red, green, yellow, black, white, blue) arranged in a chevron shape pointing to the right.

South Africa

- Limited institutional capacity among smallholders farmers
- Limited access to finance and lucrative markets.
- Production by smallholders tends to be small and unattractive for long-term market contracts.
- Lobbying for land, finance and water by emerging farmers is difficult.
- Financial houses are looking at their balance sheets, & highly suspicious of Rural Economies in general & emerging farmers in particular

Gov. Policies & Impact on Black Farmers

- Land Reform –GOOD DISPLAY OF INTENTIONS
 - OBSCURE TARGETS
 - NO CAPACITY BUILDING OF RECIPIENTS
 - LAND BANK FOCUSING ONLY ON PROFIT
 - FARMS BEING REPOSSESSED
 - THESE POINT TO THE DELIBERATE REFUSAL TO COMMIT TO TRANSFORMATION
- GOV. HAVE BEEN TOO RECONCILIATORY AT THE EXPENSE OF BLACK PEOPLE
- GOV. PROGRAMMES EG MAFISA, CASP, AGRI-BEE CHARTERS AGRI-SETA (refuse to assist because Levies)





Vision & Mission

- **Our vision is to:**
- “To be the leading voice of Farmers in South Africa.”
- **Our mission is to:**
- “To develop and promote economic growth amongst existing and new farmers.”



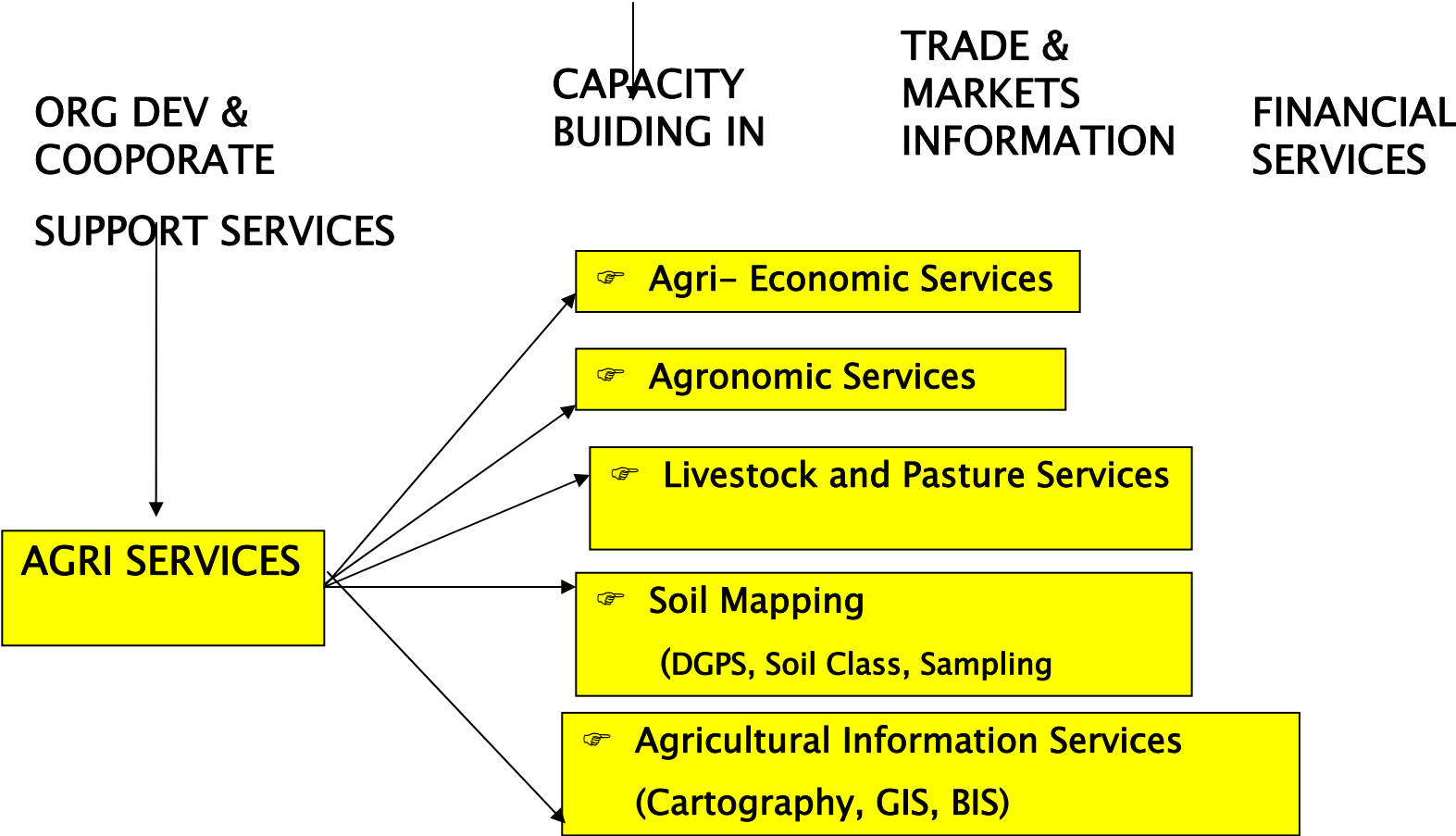
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Vision towards the Future



MOVE FROM PERPETUATING POVERTY TO SUSTAINABLE AGRI. DEVELOPMENT

A NEED FOR:

A NEW VISION & NEW COMMITMENT

A NEW WAY OF DOING AGRI-BUSINESS.

A NEW WAY OF BUDGETING FOR AGRI.

**TO UNLOCK THE ECONOMIC POTENTIAL OF
BLACK FARMERS & THE RURAL POOR
COMMUNITIES**



“The great Trek from the Second to the First
World Economy”

SECOND EXODUS

ULIMO



“The great Trek from the Second to the First World Economy”









TARGETTED DEVELOPMENT OVER 4yrs

- Nationally we need to develop 10,500 viable Black Commercial Farmers by 2015
- 1165 per Province over the next 4years starting 2010
- Driven through different Commodities, Agri-Businesses, Micro-Enterprises, Cooperatives & Joint Ventures etc.
- Capacity building of selected farmers to produce quality products & create sustainable jobs



POTENTIAL COMMODITIES

EXAMPLES

COMMODITY		COMMODITY	
Horticulture (Veggies, flowers, mushrooms etc.)		Red meat	
Poultry & Ostriges		Essential oils	
Dairy products		Biofuels	
Piggery		Feeds	
Grains		Fish farming	

Projections For 18 Villages

- *Identify & Select 2 Rural Communities in each Province for the development of Agri-Businesses, creating jobs and eradicating Poverty*
 - KZN= Uthungulu, Mkhanyakude, Zululand
 - FS = Thabomufutsanyana, Xhariep,
 - EC = Cacadu, Amathole, Alfred Nzo
- ❖ **PRODUCT**
- **Cattle, Vegetables, Poultry & Cassava**





NAFU SA

BEEF PROJECT

(KZN & Easter Cape)



South Africa

Mkhanyakude
Makhathini
Mkhuze
Hluhluwe
Mtubatuba

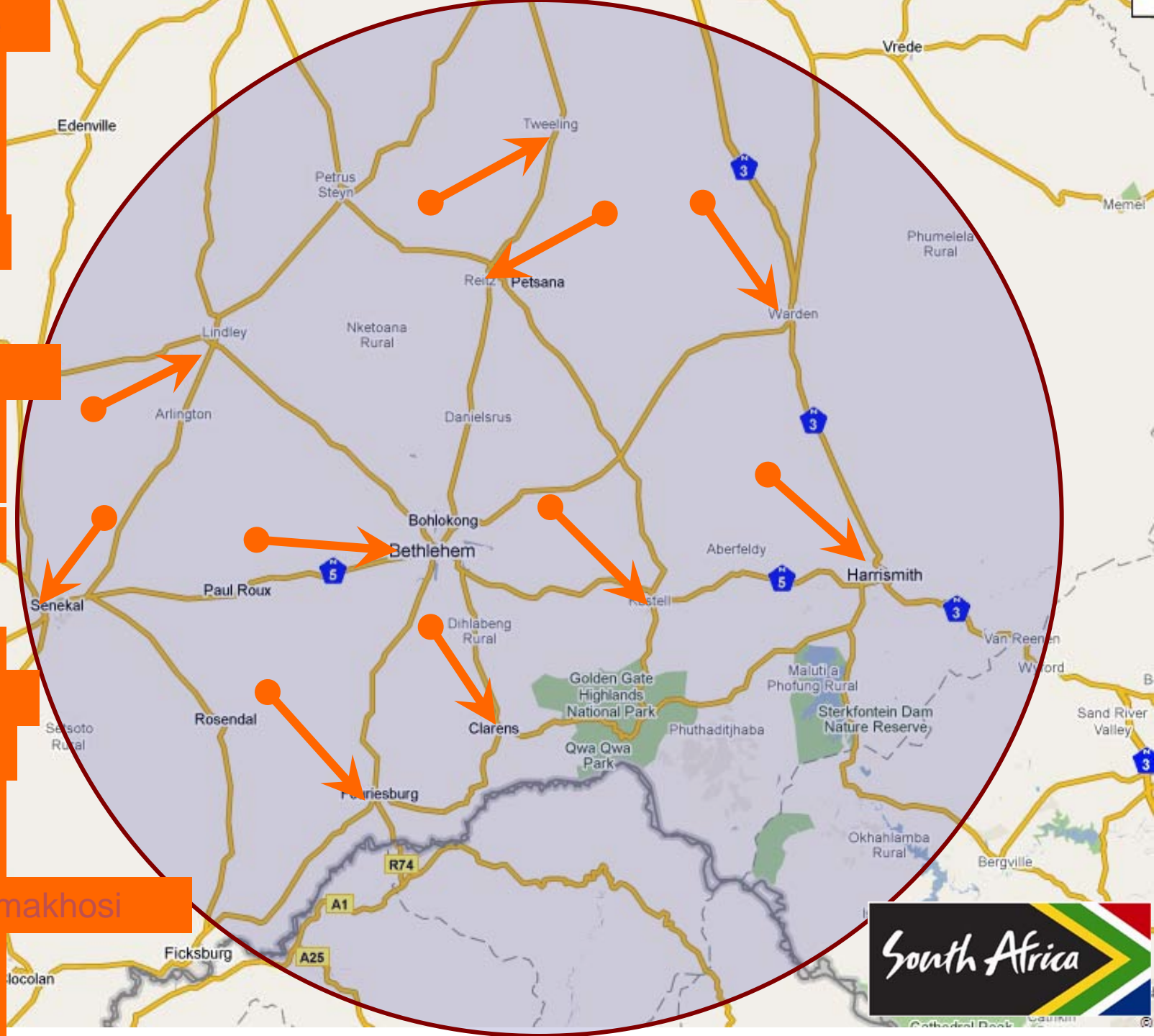
Zululand Dst
Pongolo
Nongoma

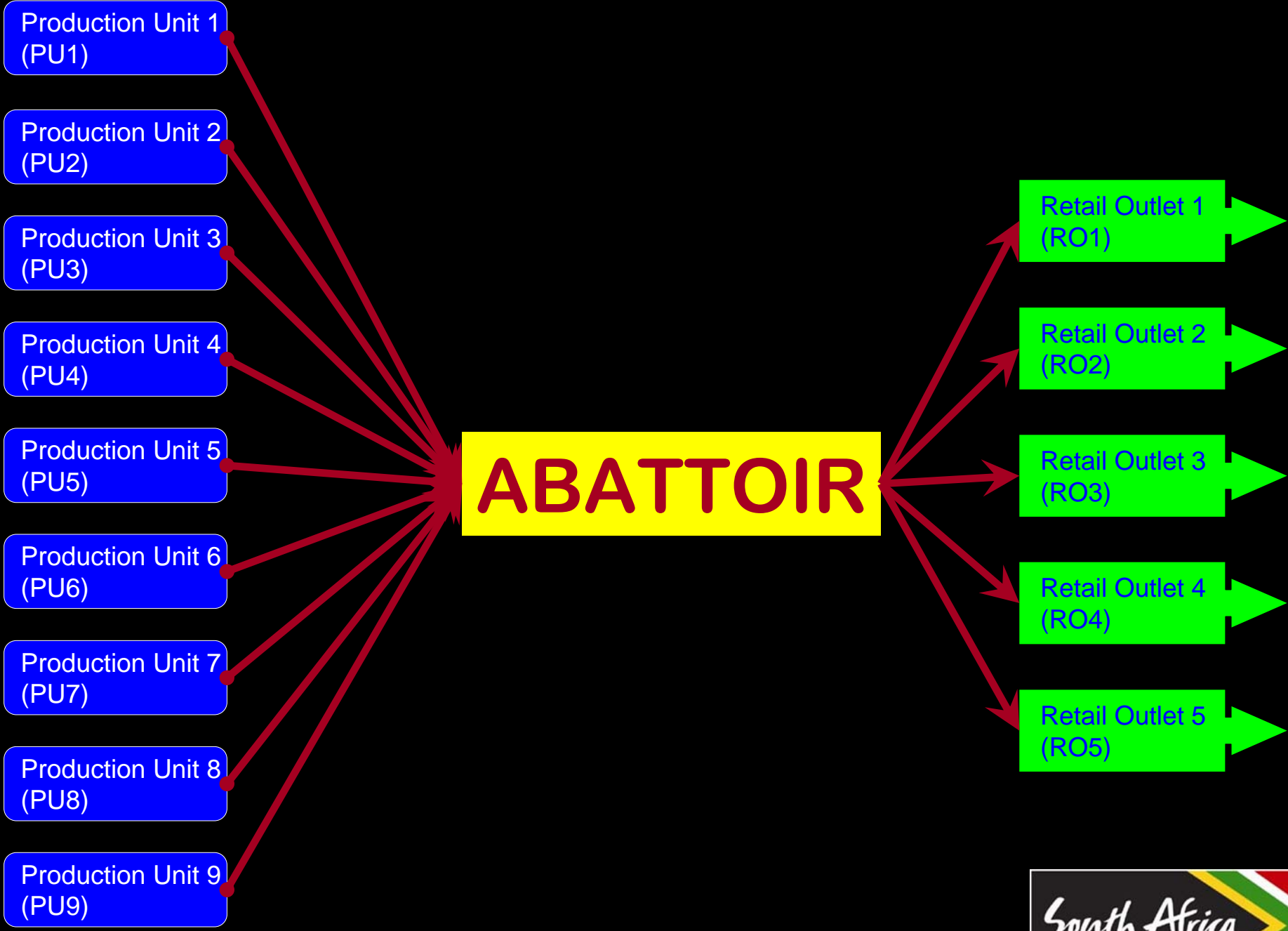
Lundi

Uthunqulu
Richards Bay
Emphangeni
Inkhandla
Babanango

Land under Amakhosi

Lundi
Lundi







Create 700 JOBS

Create Sustainable
Income for more than
4000 Family members

Create Rm 12 PBIT pa

Create 117 Stable Farming
Ownerships Opportunities

Create 350 JOBS

Create Sustainable
Income for more than
2000 Family members

Create Rm 16 PBIT pa

Create a Combined
Ownerships in terms
of shareholding

Create 180 JOBS

Create Sustainable
Income for more than
1500 Family members

Create Rm 17 PBIT

Create 5 Large
Joint Ownership
Opportunities

➔ EACH ISIGODI



- At Each Inkosi / Village
- One or more Fattening Center
- Municipal or Private land
- Serves as Centre of that Inkosi area Fattening Production Unit (Base Unit)
- Community Or Private Owned
- Capacity of 200 Wieners
- Also serves as Training Facility for Small Scale

F $2 \text{ BU} + 12 \text{ SU} = \text{Production Unit (PU)}$



ABATTOIR



ONE PRODUCTION UNIT

Ensure Stable Supply to
Abattoir and Retail Outlets

Create Stable Opportunity
for Small Scale Farmers



BETHULIE SERVICE DELIVERY STRATEGY

Commodity-Based

**Value-Chain Analysis
Strategy**

**Massification
approach**

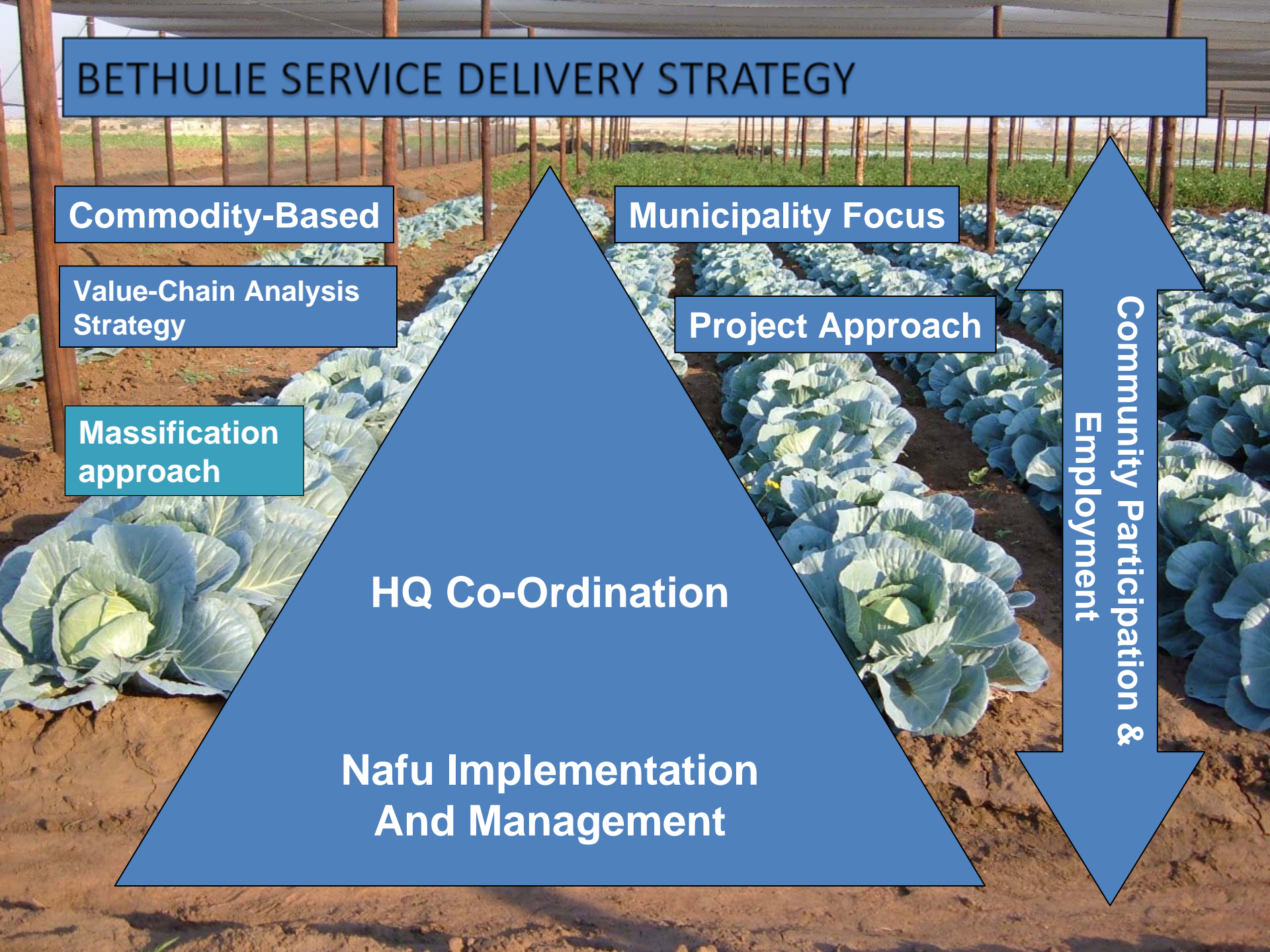
Municipality Focus

Project Approach

HQ Co-Ordination

**Nafu Implementation
And Management**

**Community Participation &
Employment**







2007-10-21



Key Objectives

- **Establish one fully equipped National & Provincial Offices to facilitate Development of Programmes**
- Resources to train **500 CHANNEL CHAMPIONS** or two weeks towards the implementation of **Vision 2014**
Work towards the revival of the Agricultural Black Collages to Register a 1000 STUDENTS every year total 5000
- Provincial Training Agencies in collaboration with ARC to capacitate the 10,500 black Farmers in *Farm management, etc towards 2014*



TARGETED OUT COMES FOR A SUSTAINABLE AGRICULTURE SECTOR IN S A

ATTAIN FOOD
SECURITY

IMPROVE PRODUCTIVITY
TO ATTAIN ANNUAL
AGRIC.GROWTH
RATE

**IMPROVED MARKET
ACCESS FOR SMALL AND
LARGE SCALE FARMERS**

HARNESS THE ROLE OF
SCIENCE AND TECHNOLOGY
FOR AGRIC. AND FOOD
PRODUCTION

ACHIEVE EQUITABLE
DISTRIBUTION OF
WEALTH

PARTICIPATION OF
BLACK FARMERS IN
ERADICATING
POVERTY

South Africa



REQUEST

R500m to start
the process at

LEAST

A graphic of the South African flag, featuring a black background with a white chevron shape pointing right, filled with horizontal stripes of yellow, green, and blue. The word "South Africa" is written in white cursive script across the black background.

South Africa

YES IT IS TRUE

“TOGETHER

WE CAN

DO MORE”

