Inclusiveness, shared values and prosperity: key to agriculture development

Sustainable growth and development in the agriculture sector will not happen if the sector is not inclusive and does not have shared values. This is one of the key messages coming out of this year’s World Economic Forum meeting in Davos.

There is no doubt that peace and stability are pre-requisites for the growth and development of the agriculture sector. Thus, safeguarding political and economic stability will be critical for the development of the agriculture-driven economies of southern Africa. The sector will need to be more inclusive and have shared values if it is to develop in a sustainable way. Shared prosperity will also be fundamental in this regard. There is greater need for a good balance between politics and economics.

Meanwhile, advances in science and technology in agriculture continue to bring new dimensions, some destructive and others constructive/productive.

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CEO’s Letter

We started 2018 full of hope and optimism, quite like what farmers go through at the start of an agricultural season. There was not much time for warming up in January. January is traditionally occupied with confirmation and finalisation of annual work programmes and budgets, as well as reporting to our development partners. This year promises to be more hectic than the previous one with a full programme of work. Good corporate governance is always fundamental to the sustainability of our organisation. As highlighted elsewhere in this newsletter, we have the mandatory 2018 Annual General Meeting and Annual Conference already confirmed for May in Victoria Falls, Zimbabwe.

The preparation of annual financial statements and external financial audit are some of the key processes leading to the AGM that are already in motion. As usual, four Board meetings will be held in the course of the year. We have also lined up an organisational self-assessment which reviews the state of health of our organisation.

We shall also be developing a new strategic plan whose implementation will start in 2019. The process involves consultations not only with our members, but with key stakeholders as well. The adoption of a strategic plan is the prerogative of members only.

Highlights of some of the exciting work planned for this year include the development and testing of a competency development programme for the new generation farmer or 21st Century farmer; consolidation and expansion of our digital initiatives which are anchored on the registration of farmers; management of climate change risk, as well as the finalisation and launch of our agri-agency unit.

We will certainly keep you, our readers, updated throughout the year, and we look forward to a successful year of continued service to our members, and fruitful partnerships with our stakeholders.

Membership registrations for farmers’ organisations

The importance of having credible and complete membership databases by farmers’ organisations (FOs) cannot be overemphasised. Amongst others, having credible data on members helps to strengthen the advocacy position of FOs and enables the differentiation/segmentation of member services. Furthermore, the data can be monetised for stakeholders in a position to pay for it, and leveraged for negotiating, advocacy, monitoring, planning and other purposes. In order to advance this, SACAU is working with Lesotho National Farmers Union and Swaziland National Agricultural Union as already highlighted in previous issues of our newsletter.

This work has progressed well, with more than 40,000 farmers registered in Lesotho and Swaziland. The registration approach that was taken because of prevailing circumstances in the two countries was to physically go out and register farmers. This makes this process expensive as it requires the deployment of field staff to physically go to villages to register farmers. The bad terrain and sparse population density in some areas makes it difficult to access farmers and significantly reduces the rate of registrations. Finally, the fact that smart phones are used for registrations requires that mobile network connectivity and electricity are always available, which is not always the case in most rural areas. The experience gained from this work has enabled us to identify critical success factors for such undertakings. These include wide scale information and publicity campaigns through various channels prior to registration; a clear value proposition to farmers for registering and incentives for facilitating quick responses on a large scale; the availability and use of smart mobile devices that can use the mobile application for registrations; incentivising farmers to register; immediately establishing and maintaining regular communication with members once they have been registered to keep them interested. The target is to have this exercise completed by December this year.

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Indeed, the sector has become technology driven, and technology is virtually touching all aspects of lives- it is influencing the way people think, relate and behave, and it can link, connect, bend, break, fracture and so forth.

Technology can facilitate greed-based exploitation of resources and consumption of goods and services. Competitiveness in agriculture should not become a divisive wall, effectively excluding others. Instead, technology can be harnessed to increase transparency and accountability in the sector, to foster greater cooperation, relate and facilitate integration and to manage conflict in the sector.
Soils and climate: role of soils as a sink and a source of carbon

Soils offer a major chunk of carbon storage. Increasing carbon in soils is potentially an effective means of removing dangerous levels of carbon dioxide in the atmosphere and in oceans, while providing positive co-benefits, particularly for food security. There is broad agreement that soil organic carbon can abate climate change, while enhancing food security, sustainable development, economic growth and equity. Yet investments and action to conserve and increase soil carbon remain low due to several constraints. SACAU recently participated in a Chatham House dialogue in London which identified priorities for addressing barriers to reaching the scale needed for meaningful impacts on the global carbon balance.

The meeting came up with three priority areas for attention, namely a more compelling value proposition for farmers and land managers; a stronger business case and track-record of success for public and private investors; and an overarching roadmap for action, led by political champions. These priorities will be explored in detail in the next issues.

Board meeting

The SACAU Board of Directors is scheduled to hold its first meeting of the year on 28 March 2018. Several agenda items are up for discussion, and chief among them will be preparations for the Annual General Meeting (AGM) and Annual Conference which will be held in Victoria Falls, Zimbabwe from 15 to 16 May. In this regard, the Board will finalise the agenda for the AGM and approve the Annual Financial Statements which will be sent out together with the notice of the Meeting. The Board will also review nominations of candidates for two Board positions that will become vacant at the AGM. The current Board comprises of four elected and two appointed members. It is chaired by Dr Theo De Jager (South Africa), who is deputised by Dr Sinare Sinare (Tanzania). Mr Berean Mukwende (Zimbabwe) and Mr Alfred Banda (Malawi) are the other two elected members. Appointed members are Mrs Doreen Hlatshwayo (Swaziland) and Mr Ishmael Sunga who is the Executive Director.

Woman farmer of the month, Mrs Feddy Tesha

Mrs Feddy Tesha is one of the members of the SACAU Women Farmers’ Forum from Tanzania. She is the Founder and Managing Director of Profate Investments Limited (PIL), a company that focuses on the production, processing, marketing and distribution of dairy products in Tanzania. The company itself produces and processes about 1,000 liters of milk per day. Apart from producing part of the raw milk from its own farm, it also receives milk from 135 small producers, cooperative societies and farmer groups.

Her life purpose is to enhance productivity and quality of dairy production and processing in Profate Investments Ltd and Tanzania. To advance this, she has started an establishment of a practical dairy demonstration farm in Kisorawe District Coast region in Tanzania. The company has also partnered with several organisations and institutions to transform dairy production through cooperatives and farmer groups and individual smallholder farmers, amongst others.

Instead of staying a small farmer like her parents or becoming a state worker, as was promised by her modest education, Feddy decided to draw a different future for herself. She is best known for being one of the country’s medium milk producers who started small.

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Feddy holds an Advanced Diploma in Social work from The National Social Welfare Training Institute (1988) and a Post Graduate Diploma in International Business Management from The College of Business Education (2003). She also has two certificates in Entrepreneurship for Women Promoters from Noida, New Delhi, India and in Entrepreneurship and Business Management from the University of Dar Es Salaam, Tanzania. She also attended the Initiative of Change International Forum on ‘Ethical Leadership in Business’ (29 June – 2 July 2017) in Caux – Geneva.

She is an innovator of an inclusive business model that was recognised and showcased by Grow Africa in 2014. Among other responsibilities, she has been the Chairperson of Tanzania Milk Processors Association (TAMPA) from 2012 to 2017, Board member of the East Southern Africa Dairy Association (ESADA) and member of the Agricultural Council of Tanzania (ACT) through Profate Investments Ltd.

She is a Committee member in the Dar es Salaam Regional Industrial Development Organisation (SIDO), and also sits in the National Dairy Council and the Dairy Development Forum Committee.
Cooperatives: an effective way to integrate farmers into value chains

Agricultural cooperatives have been in existence for many years. However, there has been resentment of cooperatives by many people in Africa over the years due to state interference in their management and operations, as well as poor management, amongst others. This situation is now changing, and cooperatives are becoming an important instrument for collective action for farmers. They are enabling smallholder farmers to aggregate their demands and products, and through scale, they are getting integrated into agricultural value chains.

SACAU is supporting two of its members in Madagascar and Swaziland to establish cooperatives that are enabling farmers to be integrated into maize and piggy value chains respectively. This has led to improved bargaining power of farmers and in the case of Swaziland, farmers were even able to access loans from the bank as a collective. In addition, increases in productivity have been recorded in Madagascar, attracting some of the big buyers in the country. Through collective action, members of Fikambanan’ny Tantsaha Ankadinondry (FTA) have been able to access seed and fertiliser as well as advisory services and improved their yields. An increase in the rate of adoption of improved seeds and fertiliser has also been reported.

The FTA cooperative which is situated 150 km to the West of Antananarivo the capital of Madagascar was established in 2014 with funding from the IFAD supported “Support to Farmers’ Organizations in Africa Program”. The cooperative started with 32 smallholder farmers and the membership has grown to 120 in a period of 3 years. The aggregated tonnage of maize increased from 40 in 2014 to 167 in 2017, thus increasing the bargaining power with buyers.

Trade agreements and farming in southern Africa

Trade issues continue to take centre stage in the global development agenda, and SACAU commissioned a study in 2017 to assess the implications of current and proposed trade agreements on farming in southern Africa. The findings are meant to improve SACAU members’ understanding of how trade developments are likely to impact economic activities in which they are engaged and provide advice on how they can better position themselves to benefit from trade. Trade will be the theme of the 2018 annual conference that will be held in Victoria Falls, Zimbabwe from 14 to 15 May.

Some of the contemporary issues covered under this subject include: A critical review of agriculture in the region when looked at through the trade lens. Does it look good? If not why and what needs to be fixed? What is the extent to which current trade arrangements potentially enable or hinder agricultural production and trade? Have southern African countries been able to comply with World Trade Organization (WTO) provisions and other agreements? If not, what are the associated reasons? The discussion will also cover case studies of some of the bad practices that individual countries and farmers are doing that are not consistent with the spirit of trade agreements.
A regional approach to Weather Based Index Insurance

Climate change has become one of the biggest risks that farmers are facing and is threatening to compromise agricultural transformation particularly in the smallholder sector. SACAU considers weather based index insurance as one of the key instruments that has the potential to help farmers manage climate-related risks. However, the uptake of weather based index insurance is currently limited due to a number of factors, including its limited availability and high cost. Risk pooling across the different countries in southern Africa is expected to significantly reduce the cost of insurance, thereby enhancing access by large numbers of farmers. It is against this background that SACAU commissioned work to develop a proposal for a framework that would support this.

SACAU is organising a workshop to discuss this framework. The workshop will be held at Birchwood Hotel & OR Tambo Conference Centre, in Johannesburg, South Africa on 01 and 02 March 2018.

The workshop is designed to solicit further input from a cross section of key stakeholders such as inter-governmental bodies and farmers organisations from selected countries in southern Africa before the framework is finalised. The workshop will amongst other cover the rationale for a regional approach and the proposed elements of the framework. The next phase will be to mobilise support for the region to adopt a harmonised framework for weather based index insurance.

This work is part of SACAU’s initiative on climate change. This particular aspect is being undertaken with support from the Technical Centre for Agricultural and Rural Co-operation ACP-EU.

Build up to the 2018 Annual General Meeting

Preparations for the 2018 Annual General Meeting (AGM) are advancing well. The AGM will be co-hosted with Zimbabwe Farmers’ Union and Commercial Farmers’ Union of Zimbabwe in Victoria Falls, Zimbabwe on 16 May. As usual, it will be preceded by an annual conference whose theme is “trade”. The AGM which is a closed event for members only, will be attended by two representatives from members.

Among others, the AGM will consider the chairman’s report that will highlight progress made in the implementation of the operational plan in 2017, audited financial statements for 2017 and key messages/position statements from the annual conference. Lastly, two directors will step down, paving way for the election of new directors.