Chapter 17
Farming Systems, Emerging Farmers and Land Reform in the Limpopo Province of South Africa

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Abstract  Limpopo Province, in the north of the Republic of South Africa, has traditionally had two agricultural sectors, commercial and subsistence, that evolved under the land and social policies of pre-democracy governments. Post-apartheid land reform has created opportunities for the previously disadvantaged population to own and farm land. These new farmers, together with subsistence farmers attempting to commercialise, now make up a middle group termed the ‘emerging farmer’ sector. However, these emerging farmers face significant barriers that include lack of secure tenure inadvertently created by government policies and inadequate delivery of government services. Other challenges result from poor knowledge about farming, lack of motivation and organisation, and previous unsustainable land management practices. Despite these barriers, new farming systems are developing which provide farmers with opportunities to share resources, and to co-operate in purchasing better quality inputs, in the development of specialised markets for livestock, and in bulking commodities and other farm produce to meet market specifications. Many of these opportunities will require outside assistance to develop new systems and build human capacity. Improving the livelihood of emerging farmers needs an integrated approach between the farmers, extension workers, research and development advisors and government policy makers. Intervention strategies must take into account the risk, resource constraints and the social and economic objectives of the individuals or groups concerned, with progress through small incremental changes.
This chapter provides background on the origins of the emerging farmer sector and focuses on practical opportunities for supporting these farmers.

**Keywords** Limpopo Province • South Africa • Emerging Farmers • Land reform • Agricultural development

### 17.1 Introduction

Limpopo Province, one of the nine provinces of the Republic of South Africa, shares international borders across the Limpopo River with Botswana, Zimbabwe, and Mozambique (Fig. 17.1). The Province is divided into five districts, Capricorn, Mopani, Sekhukhune, Vhembe, and Waterburg, and covers an area of 12.5 million (M) hectares (ha), constituting 10% of South Africa’s total land area of 122 M ha (Statistics South Africa 2006). Of the total land area, 6.3 M ha (50%) is used for grazing; 1.7 M ha for nature conservation and 0.9 M ha is arable farmland. The remaining area supports forestry, urban and rural communities, mining and other activities.

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Fig. 17.1 The Republic of South Africa’ Provinces and Provincial boundaries, highlighting the location of Limpopo Province

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Limpopo is situated in a dry savannah sub-region, characterised by open grasslands with scattered trees and shrubs. According to Adcocks (1988), there are 15 veld types represented in the province covering the three biomes of bushveld, grassland and forest. The climate and vegetation, which are modified by mountain ranges and elevation, vary widely from semi-arid and arid rangelands through to sub-humid forests. Rainfall is strongly summer-dominant, with high temperatures and high evaporation during the summer months (M’Marete 2003).

The Province has a rapidly growing population, and currently comprises 5.3 million people or 12% of the national population of 45 million (Statistics South Africa 2006). Provincial growth and development strategies are centred on further promoting agriculture, mining and tourism, with agriculture comprising 15% of Provincial GDP and 20% of the workforce. Socio-economic problems persist amongst the majority rural based black African population with high levels of poverty, unemployment, and problems of infrastructure and social breakdown. Unemployment levels range from 30% in the Waterburg to 70% in Sekhukune (Limpopo Growth and Development Strategy 2005). Other socio-economic indicators such as the dependency, human development and poverty indices and life expectancy (52 years in 2003) all indicate significant and urgent developmental requirements. A range of initiatives are aimed at addressing these issues, with broad-based black economic empowerment, land reform and small, micro and medium enterprise (SMMEs) development as key strategies.

17.2  Contrasting Agricultural Systems in South Africa

There is essentially a dual agricultural economy in South Africa – commercial and subsistence – whose evolution has its origins in the land and social policies of pre-democracy governments. For most of the twentieth century, and particularly during the apartheid era (1948–1994), the commercial agriculture sector largely followed a capital-intensive trajectory; it was supported by a system of production and input subsidies, taxation benefits, assistance from government sector and access to cheap labour. Within the Bantustan (homeland territories set aside to concentrate designated black ethnic groups into autonomous nation states) constraints such as land tenure, lack of arable land, information and finance contributed to the development of subsistence agricultural systems that still persist. The subsistence agriculture sector is highly resource-constrained with low levels of productivity compounded by the high climatic variability of the semi-arid environment. While climatic variability poses significant risks to farming, uncoordinated policies and the unintended effects of policies (lack of secure tenure) have also contributed to sub-optimal growth and investment in the subsistence sector (National Department of Agriculture 2001).

A change in national policy for agriculture, which commenced in the early 1990s, has increasingly emphasised the deregulation and liberalisation of agricultural production and marketing. This followed a world-wide trend to freer trade in agricultural commodities and was also in response to pressure from development financiers such as the World Bank (National Department of Agriculture 2001). This shift includes a reduction of barriers to trade in agricultural imports and
exports, abolition of tax concessions and subsidies, reform of labour legislation and the implementation of land reform programs. The result is a more competitive and open agricultural economy with increased exposure to global market forces. This new context has placed an even greater barrier to the small-holder and subsistence farming sectors gaining effective access to mainstream commercial-based agriculture. The cycles of unemployment, poverty and land degradation therefore continue to be serious problems in the former homelands, and efforts to overcome them remain high in priority at both national and provincial levels.

17.3 The Dual Agricultural Sectors

Agriculture in Limpopo Province remains structured around the two distinct agricultural systems: commercial and subsistence agriculture which respectively occupy 14.7% and 14% of the province’s land (Department of Environmental Affairs and Tourism (DEAT) 2007). While the two systems notionally produce similar crops and livestock, they differ markedly in the typical scale of operation, method of production and market orientation.

17.3.1 Commercial Farming

The commercial farming sector in Limpopo province is composed of some 5,000 enterprises contributing about 70% of the agricultural GDP (Statistics South Africa 2002). These enterprises are typically located on the better agricultural land, practise large-scale farming with advanced production technologies, employ large numbers of farm workers, are well organised politically and are connected within formal agricultural market chains. The commercial sector is dominated by horticulture which accounts for 62% of gross income followed by animal industries and field crops at 30% and 7%, respectively (Statistics South Africa 2006). There is a large range in farm size and capital intensification, but the most capital-intensive irrigated horticultural farming takes place in parts of Mopani district near Tzaneen and in the Vhembe district. One example of the success of horticulture in the Province is the ‘ZZ2’ tomato farms in Mooketsi, near Tzaneen which employ more than 6,000 people and distribute more than 130,000 tonnes of tomatoes to the fresh produce market annually. Commercial animal industries include intensive chicken and pig production centred on Polokwane and Bela Bela, several large feedlots finishing beef on grain for the domestic meat market, as well as extensively-grazed beef and game meat enterprises. While intensive livestock activities (poultry, pigs, dairying and feedlotting) are commonly integrated on grain-producing farms, extensive cattle production is more typically confined to specialist farms composed mostly of natural pastures with lesser areas of sown fodder crops. Often located in less favourably endowed areas of soils and rainfall, many of these farms have recently abandoned cattle in favour of game ranching for meat or hunting purposes.
Commercial field crop production, particularly with maize and beans, is largely concentrated on the rich soils of the Springbok flats near Bela Bela, some of which use centre-pivot irrigation systems. Land claims, facilitated by recent land reform and economic development policies, have been made over many commercial farms so a high level of uncertainty and pessimism about the future of farming pervades this sector.

17.3.2 Subsistence or Smallholder Farming

Subsistence agriculture, practised by about 273,000 smallholder farmers (Statistics South Africa 2002) is mainly located in the former homelands. Because cropping and livestock activities are usually managed separately, there are few examples of crop–livestock systems able to take advantage of the synergistic opportunities of mixing enterprises.

17.3.2.1 Cropping

Cropping, particularly with maize, bambara groundnut (Vigna subterranea) and peanuts (Arachis hypogaea), is typically undertaken on small plots of arable land ranging in size from 0.5 to 2 ha that are located close to villages or in backyards. Access to these arable lands by individual households has traditionally been determined by local chiefs under a ‘permission to occupy’ arrangement. Despite the lack of a formal title, households appear to have secure access to the same portion of land for as long as they maintain some agricultural activity upon it. Crop productivity is typically low; it results from poor agronomic practices, particularly in land preparation, crop establishment with low and uneven plant density, poor weed control, and low fertilizer inputs in inherently infertile soils. While drought and high rainfall variability are typical of the climate, poor agronomic practices usually result in low water-use efficiency. Crops are grown during the summer wet season (November to April), mainly for household consumption, with surpluses being sold locally in informal markets.

Once most of the crops have been harvested, herds of village cattle and other livestock such as goats and donkeys are usually allowed free access to crop residues and any unharvested crops. Techniques such as direct planting into a mulch of crop residues cannot be adopted without changes to the system. These grazing practices also result in poor ground cover and high erosion potential.

17.3.2.2 Livestock

In the former homelands, the main livestock are cattle and goats owned by individual households. Large herds of these animals generally graze community-owned
natural grasslands (veld) throughout the year and graze arable lands after they have been harvested, usually in winter. Formal management of total grazing pressure, veld condition, animal nutrition and breeding is virtually non-existent in most smallholder communities. Livestock, and especially cattle, fulfil traditional roles as a source of status, a store of wealth in the form of a ‘walking bank account’, or are kept for slaughter at special functions – rather than for commercial production.

Some communities are fencing communal grazing land and imposing some form of management in an attempt to control resource degradation and increase animal survival and growth rate. Stocking rates, veld condition and animal health are monitored and some stock sold when they reach a saleable condition – or need to be culled. Several large community farms (crop and livestock) created under recent land reform initiatives, notably under the Settlement Land Acquisition Grant (SLAG) scheme (Lyne and Darroch 2003), are seeking to maintain a unified management regime on former commercial grazing land acquired on behalf of disadvantaged communities and presently held in trust by the Limpopo Department of Agriculture. These community-based management arrangements face many challenges. Their ongoing survival is often compromised by poor management skills, a lack of resources to install and maintain necessary infrastructure, and limited ability to exclude grazing by livestock that belong to non-participants in the collective schemes.

17.4 The Influence of Land Reform Policies on the Agricultural Sector

The current government policies of land reform in South Africa are an attempt to redress the skewed land ownership patterns created by a white majority owning large tracts of land, while confining the black majority to a small percentage of land (Ramutsindela 2007). This unfair distribution of agricultural land within South Africa has created a moral and political imperative to create land reform and land restitution programmes. From the mid-1990s, a number of government land reform initiatives have been initiated across South Africa including the SLAG scheme, and the Land Redistribution for Agricultural Development (LRAD) scheme (DHA 1997). The beneficiaries of SLAG and LRAD schemes have been identified as ‘emerging’ farmers (see following section), largely because the schemes were meant to be a catalyst for entry to the commercial farm sector.

The SLAG scheme largely aimed to assist members of poor communities to acquire tracts of agricultural land for settlement and establishment of small farming enterprises (Lyne and Darroch 2003). In practice, because the only land available for purchase was typically an existing commercial farm which few individuals could afford to purchase and maintain in their own right, SLAG scheme acquisitions commonly involved large numbers of beneficiaries (e.g. 200–300 individuals) pooling their small grants (~15,000 Rand) to acquire a single farm to be operated under a common deed of trust and management structure. The performance of such
collective enterprises has often been exceptionally poor, in most cases resulting in the complete collapse of agricultural production (Du Toit 2004).

The present LRAD scheme, which has largely superseded SLAG, is more focussed on providing grant assistance (~20,000–100,000 Rand per applicant) to individuals from the black African, Coloured and Indian communities. This allows them to acquire existing agricultural enterprises, purchase plant and machinery or develop infrastructure, as a step towards becoming commercial farmers (Wegerif 2004). The grants provided under LRAD are intended to serve as a financial supplement to the individual applicant’s own cash, in-kind and labour contributions.

In addition to the grant-based land redistribution schemes, there is also an ongoing land restitution process within South Africa (Restitution of Land Rights Act 22 of 1994). This is for land claims made by communities or individuals who claim to have been removed from their lands following the introduction of the Native land Act of 1913 or were further disadvantaged by subsequent legislation, such as the Native Trust and Land Act of 1936 (Bosman 2007). The 1936 legislation prevented black South Africans from legally acquiring land. This applied even within native reserves where control of land allocation reverted to tribal chiefs, whose authority often exceeded that previously held under customary law. Individuals, who escaped losing their land rights through the 1913 and 1936 laws, were largely dispossessed by a second wave of evictions primarily brought on by the Group Areas Act of 1950 that forced farmers either to relocate to the homelands or accept work as labourers on commercial farms. The legacy of this historic undermining of land ownership by black South Africans remains strongly reflected in the skewed ownership of the commercial agriculture sector.

The imperative for land reform was a central component of the ANC Freedom Charter and a high priority for constitutional reform process leading up to the 1996 Constitution (Bosman 2007). To date, the process of resolving the many and often conflicting land claims has been steeped in legal and practical difficulties (Lyne and Darroch 2003; Bosman 2007; Ramutsindela 2007). The original 1998 deadline for resolving outstanding restitution claims was extended initially to 2005 and then to 2008.

Notwithstanding the urgent moral imperative, land claims and the slow process of their resolution are having a negative impact on the profitability and sustainability of many commercial operations in Limpopo Province. DuToit (2004) disturbingly documents many examples across South Africa of highly productive commercial farming operations being rendered unproductive within a few years of a change in ownership following land reform. There is obviously a failure in the process and this exacerbates tensions within the community and actually increases rural poverty. Where the land reform process is unavoidable, the transition of ownership must be managed so that farming operations under the new arrangements and management continue with minimal disruption. There are examples of successful transitions occurring where a community acquiring land initially took a shareholding in the business and the enterprise continued as a viable operation; similar successful transitions have occurred where the transition of ownership has been delayed until the new owners have become proficient managers. Government will have to make large
investments in training new farmers and providing on-going support for farmers, through public infrastructure development (e.g. roads, saleyards) and well-trained and resourced extension officers.

17.5 The Emerging Farmer Sector

As a consequence of the land reform program, a third ‘emerging farmer’ sector is joining the commercial and subsistence sectors making up Limpopo agriculture. These emerging enterprises are typically owned and managed by individuals who have acquired agricultural land through support from land reform programs such as the LRAD grants; many have no prior farming experience or were subsistence farmers attempting to make a transition to commercial-based agriculture. Most emerging farm operations in Limpopo Province that have originated from the land reform schemes are attempting to undertake extensive livestock production, primarily cattle and goats, in the lower rainfall rangeland (veld) areas. Existing examples of emerging farmer enterprises include the ‘Steilloop farms’ in the Waterberg Region and the ‘Nwanedi farms’ in the Vhembe Region. In these examples, commercial cattle farms were acquired and reconfigured into new farms, each 500–1,500 ha in area, with an individual title; these were released for purchase by emerging farmers with LRAD scheme support. The uncertainty over pending land claims also applies to the emerging sector. Thus one of the Steilloop emerging farms has already been subject to a successful claim and the majority of the Nwanedi farms are presently subject to unresolved claims.

The creation of crop-based emerging farm enterprises has been less common in Limpopo Province; most involve pre-existing smallholder farmers from the former homelands. Most of these have not obtained land through the land reform process, although some will have received support through the LRAD scheme to install infrastructure (e.g. irrigation) or purchase farming equipment. In most situations, mechanised tillage equipment is available for hire (but is often expensive and substandard), and no planting equipment is available, so these farmers will plant by hand. Harvest is also by hand as the layout of most fields is not suitable for machine harvesting. With an aging farm population and a scarcity of labour for hire, finding suitable labour is also difficult.

This ‘emerging farm’ sector does represent a significant opportunity for new farming systems to emerge in Limpopo Province, particularly for medium-scale enterprises. Opportunities exist through resource sharing and co-operative efforts for purchasing better quality inputs (e.g. seed and fertiliser) and for bulking commodities for sale (e.g. groundnuts and other cash crops). Attempts to develop specialised markets for livestock (e.g. for indigenous cattle breeds), crops and other farm produce provide incentives to change animal husbandry and cropping practices to produce to market specifications (Winter 2007). Farmer organisations such as the National Emerging Red Meat Producers Organisation (NERPO) have also identified the need for producing and marketing better quality products through acquiring additional management skills and practices.
Despite the opportunities for emerging farmers, there are major barriers. Some of the more challenging constraints identified by farmers are summarised in Table 17.1. Some have been inadvertently created by government policies (lack of secure tenure for some livestock farmers) and by inadequate delivery of government services (technical advice). Other challenges have developed as a result of previous unsustainable land management practices and the large-scale movement of young people from rural to urban areas as they seek better lifestyle opportunities.

### 17.6 Approaches for Developing Opportunities for the Emerging Farmer Sector

Whilst aware of the many problems facing emerging farmers, the following discussion proposes some ways of assisting the emerging farmer sector to develop production systems that are both profitable and sustainable. These proposals are drawn...
from authors’ observations, project\(^2\) findings and discussion with African colleagues and farmers.

Three strategies are seen as critical to enable emerging farmers to become part of mainstream agriculture – possibly assisted by intervention\(^3\) programs supported by government or development agencies\(^4\):

1. An integrated systems approach where intervention strategies consider the whole system, including social, technological, economic and environmental aspects, together with infrastructure and services.
2. A participatory approach where farmers or communities are involved in the planning and development of any project from the outset.
3. On-going support to build local capacity to continue the development process when external support ceases.

The following sections deal with practical solutions based on these strategies.

### 17.6.1 Motivation and Skills

Most emerging farmers, both communal and individual, have no farming background and lack the knowledge and skills that are necessary to operate commercial enterprises. Moreover, some individuals who have acquired land with public support do not have the development of a commercial farm operation as a priority, but may be motivated by status or the opportunity to obtain a subsidised capital asset (e.g. land, livestock, and motor vehicles). Hence, management interventions aimed at improving animal or veld condition may not be seen by the farmers as being directly related to their priorities such as income generation, and so may be of limited interest.

Current research and development agendas\(^5\) relevant to emerging farmers are heavily influenced by government and agency agendas. For example, a primary emphasis of agencies has been to get as many people registered for support as possible with little attention given to the skills and resources available to them as prospective new entrants to farming. Successful applicants for support are generally treated as if they were already participants in the commercial farm sector or remain attached to the subsistence sector. In many instances, high-level research and development (R&D) priorities, such as herd and crop genetic improvement or advanced marketing processes are less appropriate to the emerging farmers’ needs than resolving some fairly basic husbandry and agronomic issues. Determining needs as

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\(^2\) Australian Centre for International Agricultural Research (ACIAR) project. See Acknowledgements.

\(^3\) A project or set of activities, designed to correct a problem. It may include provision of information or advice or an action plan.

\(^4\) Non government organisations and overseas organisations such as ACIAR and GTZ.

\(^5\) A list of aims or possible future achievements, which may have an organisational bias.
perceived by the rural communities is a priority if constraints to growth and success of the emerging farmer sector are to be overcome. Agencies need to embark on a dedicated program to determine the most critical constraints. Moreover, this needs to be undertaken with a realistic view of where the emerging enterprises presently lie on the path towards real commercial status.

17.6.2 Policies That Support Appropriate Interventions

Supporting effective change in the emerging farm sector will undoubtedly require a change in government policies and better mechanisms for appropriate delivery of information and enforcement of regulations and local rules. For example, emerging livestock farmers who genuinely aspire to become commercial operators, turning off finished animals each season might begin to grow forage crops and conserve feed for the dry season. Such a practice could both maintain animal condition and reduce the grazing pressure and reliance on their pastures. However, policy and interventions would need to change to accomplish this basic management strategy.

Emerging farmers need information on farm and business management, and need a better understanding of the various constraints to their achieving commercial success. In regions such as Limpopo Province, these interventions will inevitably need to originate from within the resources of the Provincial Government.

Delivery of relevant information is also a key factor for the success of farmers establishing new enterprises. At this stage, they may be more interested in making better use of the existing resources than in introducing new strategies or making substantial investments. In communal areas, for example, where several emerging livestock enterprises might be starting with relatively few animals, with the intention of building numbers by breeding, there are advantages in initially combining several small herds for management as a single herd. This strategy would enable better grazing management of the pastures which often need rehabilitation and, by reducing the need for labour for herding, release some of this scarce resource for undertaking other tasks on the farms or for off-farm employment to fund future improvements.

17.6.3 Being Realistic About Farm Size and Economic Success

Despite the best intentions of some emerging farmers to make the transition to a commercial farmer status, many of the new farms are too small to be economically viable. For example, livestock farms with carrying capacities below 400 livestock units (LSU – animal with a weight of 450 kg) struggle to survive (ABSA 2003). Many new farms have an effective carrying capacity of less than 150 LSU, largely due to their small initial area. They are constrained further by poor land condition (mostly bush encroachment). Such a farm cannot support the needs of the household,
and the farmers typically have to seek employment in other regions. This further compromises their ability to implement sound farm management. Policy makers must therefore be able to recognise what is an economically viable farm size, based on current farm resource condition.

17.6.4 Rural Infrastructure Enabling Other Opportunities

Emerging livestock farmers who are determined to become commercial operators will need alternative strategies that will immediately alleviate the pressure on their veld resources, and open the way for livestock and veld improvement. The strategy of taking off-farm employment could allow farmers to reduce the number of livestock required to maintain an acceptable standard of living. Emerging farmers in this situation might also benefit from integrated approaches that include the whole community. For example rural communities might benefit greatly from better roads and communication infrastructure that could also create improved access to markets or alternative sources of paid employment. Achieving such improvements would require appropriate alliances between rural communities, the Department of Agriculture and other policy agencies. This could allow rapid and effective growth in the emerging farmer sector.

17.7 Improving Research, Development and Policy

Agricultural research and development projects in Limpopo Province over the last 15 years have had a high failure rate (Connolly et al. 2006). Those that have succeeded in achieving their aims should be evaluated as guides to framing successful projects in the future. The essential attributes of the more successful projects have been a high level of community involvement and a strong sense of ownership of the R&D activities by the members of the targeted communities, the project staff and the agency senior managers. Frequent communication between researchers, extension staff and the community as well as targeted extension activities have also been important ingredients for success. Extension material is usually best developed by combining the research outputs and recommendations with information that places those recommendations in a local context. For example, in the case of improving livestock enterprises, appropriate extension material may span a range of topics including animal and veld management, bush control, use of fire, animal health, and financial management and record keeping. It should encourage a step-wise application of the information.

To ensure long-term benefit from R&D investments in Limpopo Province, government policy makers need to ensure that the project outcomes are well-coordinated with other national, provincial and local initiatives. For both the
subsistence and emerging farm sectors, personal and community capacity building and technical skills development are important for lasting improvement in farming systems design and practice. These communities are strongly dependent on guidance from Provincial and Municipal extension personnel. As many of these also lack strong skills on technical and community empowerment, provision of adequate training and resources is an additional imperative for government. Provincial and regional policy makers are influenced by analyses of economic, environmental and social costs and benefits of new management options to the subsistence and emerging farming systems. Increasing the investment in social and physical infrastructure and motivating the sustainable development of communal land remain the most important policy opportunities.

The co-ordination of research and development, extension and policy definition for rural communities is a complex challenge. It will require a high level of co-operation between various government agencies and personnel from provincial, national and international projects. Co-ordination is necessary both between and within agencies and projects. This could greatly improve the scope for projects to improve farming systems and to provide lasting benefits. Agencies and specialist groups such as the ARC (Agricultural Research Council) and the Range and Forage Working Group (a network of livestock and pasture specialists coordinated by the national Department of Agriculture) could become more active in this pivotal coordination role.

### 17.7.1 The Role of Government

The level of governmental support for assisting subsistence and emerging farmers varies between regions. In general, the effectiveness of both provincial and municipal support is limited by a lack of appropriately trained and equipped extension staff, agricultural specialists and technical knowledge. Some of these limitations are being addressed as the provincial government services seek to attract and employ better skilled staff, and also through initiatives by donor organisations such as the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), BASED programme and the Australian Centre for International Agricultural Research (ACIAR) travelling fellowships and post-graduate training schemes. However, more effort is needed to develop broad-based extension training opportunities that cover topics and issues relevant to their farmer and community clients. Providing training in basic crop and pasture agronomy and livestock fertility management may be more beneficial in the immediate term to the majority of farmers than the development of advanced cattle genetics or alternative crops, including those associated with biofuel industries. An understanding of the whole system (social, economic and technical) is therefore needed to set sensible priorities.

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6 Activities which strengthen the knowledge, abilities, skills and behaviour of individuals and improve institutional structures and processes such that the organization can efficiently meet its mission and goals in a sustainable way.

7 Skills that enable individuals to play an active role in the decisions that affect their community.
17.7.2 The Role of the Private Sector

Consistent with the technical and capital-intensive nature of modern farming systems, there has been a longstanding and mutually beneficial association between the commercial agricultural sector and private agribusiness operations. Running in parallel with the growing emphasis on the emerging farm sector has been the growth in private agribusiness linkages to that sector. For example, the private sector views emerging farm enterprises as potentially significant producers of maize and livestock. They are now therefore developing programs to capture the growing market for seed, fertilisers and other farm inputs, and to purchase commodities from these enterprises. Importantly, some emerging farmers are actively participating in farmer groups and associations in an attempt to develop better production and marketing systems that may lead to improved returns (Clark et al. 2005; Winter 2007).

The formation of a community development program by Progress Milling, a long-established private company, is one example. The company obtains maize, sorghum, sugar beans (Phaseolus lunatus), cowpea (Vigna unguiculata), bambara groundnut (Vigna subterranea) and peanuts (Arachis hypogaea) from 65 delivery depots distributed throughout the province. A community development program was initiated in the late 1990s, primarily to promote the commercialisation of smallholder agriculture. It aimed to alleviate poverty and food insecurity in rural communities and to procure local products for milling in order to reduce transport costs. Through partnerships with the PANNAR seed company and the Omnia fertiliser company, Progress Milling is supplying inputs to smallholder farmers through its depots, while buying some 6,000 tonnes of maize grain per year from them.

17.7.3 Commercialisation of Smallholders – The Bohlobela Model

The dominance of the commercial and emerging farm sectors need not preclude the commercialisation of smallholder or subsistence farm households. These can successfully commercialise some parts of their farming enterprises as demonstrated in the Bohlobela district. In this district, which is a nationally identified area of poverty, two large farming communities (Kulani and Sismukuni) are pursuing this option.

This region has a large, rural-based population with a strong local demand for produce such as groundnuts and cowpea. A simple and practical approach to commercialisation has been developed by a core group of local farmers, and is termed the ‘Bohlobela Model’. A strategic pathway for developing capacity to produce and market agricultural products includes:

1. Identifying the potential market opportunities.
2. Undertaking strategic research to identify appropriate varieties, agronomic practices and productivity potential of the proposed crops.
3. Building the farmers’ agronomic knowledge and skills in crop production, through formal and informal training
4. Supplying or subsidising appropriate inputs such as new varieties and fertiliser.
5. Identifying and addressing other constraints such as storage, packaging and marketing of produce.
6. Providing on-going technical and logistical support.

Under the Bohlobela model, a group of South African and Australian researchers gathered information about the current farming system, agronomy and soils from ten subsistence farmers. Production of the various crop options and the effect of fertiliser and planting dates for the previous 25 growing seasons were simulated using a crop model incorporating local long-term weather records. The results were used to determine the best planting times and input levels, and this information was communicated to farmers through extension material. Over the first three seasons, the number of farmers actively involved in the project increased to 50. While logistical problems and drought in the initial years resulted in production being too low for a surplus to the household requirements, productivity and enthusiasm of the farmers was increased. In the wet season of 2007/2008, several of the farmers produced enough surplus produce for the packaging and sale of groundnuts to occur.

A key ingredient to the success of the Bohlobela model has been the engagement of a well-respected and reliable extension officer. This highlights an important issue – every development project needs a local ‘champion’ (see also Chap. 37). This champion is someone – either local extension worker or respected local farmer – who believes in the aims of the project and who is prepared to put extensive effort into promoting the project and making it succeed (Cramb 2000).

17.8 Summary and Conclusions

High levels of poverty and unemployment, as well as problems of infrastructure and social breakdown persist amongst the majority rural black African population of Limpopo Province. In contrast to this, a relatively small population of mostly white farmers manage the larger part of the agricultural lands and grow the bulk of livestock and crops using generally well-organised and modern farming practices. The dual agricultural sectors, namely subsistence-smallholder agriculture and commercial agriculture, and the geographical arrangement of these systems have developed largely as a result of past government policies that actively discriminated against the majority of the population. These policies ensured that access was denied to the best land resources, technical support for farming and marketing practices and to education.

Despite the end of the apartheid era in the mid-1990s and deregulation of the agricultural sector, the subsistence-smallholder farming sector has largely failed to become part of mainstream commercial agriculture. In the reality of a much more competitive and open trading economy for agricultural products and industrial
inputs, and with limited infrastructure and technical support, this failure is not surprising. Much policy hope is presently being vested in the emerging farm sector, for a more equitable representation of previously disadvantaged people within the commercial agricultural sector. This sector is broadly made up of (1) new entrants to agriculture, assisted by the land reform programs or (2) those drawn from the ranks of existing subsistence farmers who are attempting to make a transition to commercially based agriculture. The growth in a third, ‘middle’ sector is seen to be an obvious avenue for allowing the mainstream and disadvantaged black African population to both contribute positively to the formal agricultural economy and also share in any financial, social and environment benefits from this change.

However, there are significant barriers to this successful transition and to date, few success stories. Despite these barriers, the emerging farmer sector does represent a significant opportunity for new farming systems to emerge, particularly for medium-scale enterprises. Opportunities do exist to share resources (e.g. tillage equipment, milling equipment) and co-operative efforts for purchasing better quality inputs (e.g. seed and fertiliser) or timely operations (ploughing contractors). Attempting to develop specialised markets for livestock (e.g. indigenous cattle breeds), and bulking commodities (e.g. groundnuts) and other farm produce provide incentives to change animal husbandry and cropping practices, in order to produce to market specifications. Most of these plans will require outside assistance to demonstrate and build capacity, at least initially.

Importantly, attempts to improve the livelihood of emerging farmers need to involve an integrated approach between the farmers, extension workers, research and development advisors and government policy makers. Intervention strategies must take into account the resource constraints, risk management, and the social and economic objectives of the individuals or groups concerned. Progress will best be made through small incremental changes in all these factors. Emphasis should not just be on improving elements of the prevailing farming systems, such as resource condition or increasing the volume of livestock or crops produced, but must also include system-wide improvements to ensure the development of sustainable livelihoods. Setting sensible research and development objectives and creating sensible policy therefore requires an understanding of the whole system.

The commercial sector could play a key role in the training and mentoring of emerging farmers, especially during any transitional arrangements in land ownership. This, however, would require a new level of trust and communication between the commercial sector, the government services responsible for land reform and farmer support and the emerging farmer sector.

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