



*The Grain and Oilseed Industry
of South Africa*

A JOURNEY THROUGH TIME

CHAPTER 4

4

Role and function of **PRODUCER ORGANISATIONS**

Chapter 5 deals with the establishment of Grain SA in detail, and provides an overview of the role it played in South African agriculture from 1999. However, it should be read against the background that the establishment of Grain SA was preceded by different structures and organisations that dealt with the grain producers' affairs.

In fact, the establishment of Grain SA was the result of the merging of a number of those organisations. Each of them has its own interesting history, and this chapter records the highlights of the establishment and aims, as well as a few important events in the history of those organisations.

Each of the organisations produced special leaders who made material contributions in the interests of grain producers in particular, but also of agriculture in general, and helped to place the grain industry in South Africa on the road to success.

ORGANISED AGRICULTURE IN SOUTH AFRICA

The co-operatives that were established in the early 1900s were the first organisations in South Africa to look after the interests of producers. However, this representation was limited to those producers who were members of the co-operatives and was specifically aimed at their direct operational needs. A need therefore arose for an organisation that could handle the general affairs of producers in the country on an organised basis.

To a great extent this was achieved with the founding of the South African Agricultural Union (SAAU) in 1904. Producers were represented in the SAAU through a structure that was based on farmers' associations.

Producers obtained membership of local farmers' associations, and representation in the SAAU ultimately resulted from those farmers' associations. The manage-

FOUNDING OF AGRI SA (FORMERLY SAAU)

The need of the agricultural community to look after its interests by way of joint action within a federal structure was identified as far back as 1896 during the Natal Farmer Conference (now Kwanalu). At a subsequent meeting in Bloemfontein in December 1903 agricultural producers expressed a strong need for greater unity within the agricultural community.

At a conference held in Pretoria from 25 to 29 July 1904 this need led to the following decision by representatives from various colonies: 'That, in the interest of South African agriculture, the time is ripe for establishing a central southern African agricultural union that will be representative of all agricultural organisations in British South Africa, and that a branch union be established in each of the colonies, in other words the Cape Colony, Natal, Transvaal the Orange River Colony and Rhodesia.'





ment of the farmers' associations was elected at grassroots level by their affiliated members. Members of district agricultural unions were elected from the farmers' associations, while the district agricultural unions nominated representatives for the provincial agricultural unions. Ultimately the representatives on the SAAU were then drawn from the provincial agricultural unions. Producers therefore did not have direct membership of the SAAU, as the respective provincial agricultural unions were affiliated with the SAAU. .

The SAAU's structures were funded by membership fees of affiliated members until statutory levies were introduced for that purpose from the late 1970s.

Within the SAAU's structures industry committees existed to represent the different agricultural industries, including the grain industries. Until 1983 the grain industries were handled under one banner, namely the agronomy industry committee. It was then subdivided into separate industry committees for each of the grain crops.

Initially the interests of the different types of grain were handled by SAAU committees. Later producer organisations took over this role. The first of these was the National Maize Producers' Organisation (NAMPO), the producer organisation of the maize industry. This was later followed by the Winter Cereals Producers' Organisation (WPO) for the winter grain industry, the National Oilseeds Producers' Organisation (NOPO) for oilseeds, the Sorghum Producers' Organisation (SPO) for sorghum producers and the Dry Bean Producers' Organisation (DPO), which looked after the interests of dry-bean producers.

NATIONAL MAIZE PRODUCERS' ORGANISATION (NAMPO)

The establishment of NAMPO on 3 October 1980 was preceded by a long and fierce battle between two groups of maize producers in South Africa – a battle that started in the 1960s and that caused division at virtually every level of society in the maize-producing areas of South Africa.

Dissatisfaction among maize producers

This battle, which was at its fiercest around the time SAMSO was established, was born from a growing dissatisfaction among maize producers with the way in which their interests were handled over a long period.

Although the maize producers agreed with the control function exercised by the government via the Maize Board and felt that the single-channel marketing scheme was the most beneficial system for marketing maize, they were dissatisfied with the way in which the control was exercised. They were also not satisfied with the economic policy that was followed to determine the producer price of maize.

The producer price was set on the basis of production costs plus a vendor fee. The method of calculation included a large number of variables, which meant that it was not possible to use a fixed formula to set prices. This left a gap for the price and therefore also production to be manipulated.

In the 1953/1954 season a large surplus of maize was produced in South Africa. This led to the government applying a new pricing policy that was not based purely on a cost-plus basis in order to discourage surplus production. In addition, the cost calculation method was adjusted from 1953 to use a five-year moving average. In addition to the government's changed price policy, the Maize Board formulated a marketing policy that, right from the start, negatively affected the maize producers' income position to the benefit of consumers.

'A further source of dissatisfaction was the tender system that was used for exporting maize, as it prevented the development of a permanent market for maize and resulted in unsatisfactory producer prices. Criticism was that it benefited the wholesalers and tenderers at the expense of the producers, and that the producers had to bear the export losses.

In addition to these factors, maize producers' dissatisfaction with the Maize Board and the Maize Committee of the SAAU gradually escalated because the producers believed that these bodies did not look after their interests properly. The fact was that all the members of the two organisations were not bona fide maize producers,

but rather consumers of maize in whose interest it would be to keep the maize price at low levels. The basis on which the Maize Board was constituted in practice led to a cherry producer and later a cattle producer becoming Chairperson of the Maize Board – something with which the true maize producers could not make peace.

The final straw for the maize producers was the refusal by the National Maize Committee in 1964 to pay an amount from the surplus in the Stabilisation Fund to producers at the request of the Free State and Transvaal maize Congresses. The request was motivated by the severe drought in the summer rainfall areas in the preceding years that had seriously crippled producers financially.

The resolution by the maize Congresses of the SAAU that year was that the Maize Board would be requested to make a back payment of 25 c/sack of maize to producers to enable them to produce again in the next season. At that stage production loans were not yet available and the commercial banks did not want to advance money for production purposes.

However, the Maize Board refused the request. This led to great dissatisfaction, particularly after the minutes of the Maize Board revealed that the maize producers' own representatives were to be blamed for this decision.

After the maize price for the 1964/1965 season had been announced, a group of producers from Bothaville, among which Messrs Fanie Ferreira, Crawford von Abo and Giep Nel, held a series of meetings in the former North-West Free State and Western Transvaal to emphasise the necessity of a payment from the Stabilisation Fund and plan further action. This led to the election of maize producer committees in the two areas, who launched a large lobbying campaign and held talks on various occasions with the Maize Board, the National Maize Committee and the SAAU, but to no avail.

The dissatisfaction of the maize producers with the way in which they were represented and the way in which their representation in the Maize Board was determined, continued to increase. They spelt out clearly that they were no longer prepared to accept that the maize industry be handled as 'general farming matters' by a coordinating central organisation (SAAU structures). They insisted on a dispensation in terms of which the maize industry would be represented by maize producers and they would therefore gain a greater say in their own interests.

However, the regional dispensation proposed by the maize producers to achieve this was voted down at the Free State Agricultural Union's Congress on 3 March 1966. Because of this, Ferreira walked out of the Congress, followed by about 200 other maize producers.

Establishment of SAMPI

Directly afterwards, the maize producers convened at the insistence of Messrs Hennie Delport and Von Abo. At the meeting it was decided to establish a maize



THERE WERE TWO STRONG GROUPS OF PRODUCERS IN PARTICULAR WHO DEMANDED SELF-DETERMINATION AND FAIR PRICES FOR THEIR PRODUCTS. THE ONE GROUP WAS FROM BOTHAVILLE, WITH MESSRS HENNIE DELPORT, HENNIE DE JAGER, CRAWFORD VON ABO, GIEP NEL, JANNEMAN VENTER AND LUDICK SCHLEBUSCH AT THE FOREFRONT. THE OTHER GROUP WAS FROM THE FORMER WESTERN TRANSVAAL (NORTH WEST), WITH MESSRS CALLIE VAN WYK, ANDRE DU PREEZ AND JAN COMBRINK AS THEIR LEADERS.

SAMPI'S INSISTENCE ON A SPECIALIST ORGANISATION WITHIN ORGANISED AGRICULTURE WAS NOT A NEW CONCEPT IN SOUTH AFRICAN ORGANISED AGRICULTURE, AS THE KWV AND THE WOOL BOARD WERE ALREADY FUNCTIONING IN THAT CAPACITY BY THEN. HOWEVER, SAMPI SUPPORTERS POINT OUT THAT THE BROEDERBOND HAD PLAYED AN IMPORTANT ROLE IN ESTABLISHING THOSE ORGANISATIONS, WHILE THE AFRIKANER BROEDERBOND OPPOSED THE ESTABLISHMENT OF A SIMILAR ORGANISATION FOR THE MAIZE INDUSTRY.

association that would represent the interests of all the maize producers in South Africa. It was also decided that, after it had been established, the new association would apply for membership of the SAAU.

An action committee chaired by Delpont, with Ferreira as Vice-chairperson and Nel as secretary, was elected to launch the action. The action committee's activities culminated in a meeting on 22 April 1966 in Klerksdorp, where delegates from 62 districts were present. At that meeting the establishment of the South African Maize Producers' Institute (SAMPI) was approved.

SAMPI was in favour of a maize specialist organisation that had to form part of organised agriculture in South Africa and therefore had to be affiliated with the SAAU. SAMPI's objective was to establish a structure that would ultimately lead to the producer members of the Maize Board comprising bona fide maize producers.

SAMPI was established on the basis of the following four ideals:

- That it would be a fully autonomous specialist organisation
- That it would be a national organisation, without separation along provincial borders
- That representation in Congress would be determined on a production basis
- That it would have its own head office and staff

SAMPI's head office was established in Bothaville in an office that Von Abo made available to the organisation. The office was officially opened on 1 July 1966.

Delpont was elected as the first Chairperson of SAMPI. Initially he did not make himself available for election for personal reasons, but eventually he was persuaded to do so by the other producers who were involved in the launching of SAMPI.

SAMPI's struggle for recognition and the self-determination of maize producers allowed unique leaders to step forward. Mr Giel van Zyl was employed by NAMPO from 1983, was the General Manager of NAMPO from 1992 until the establishment of Grain SA, and then Grain SA's General Manager until he retired in 2001. He recounted that the leaders pursued the objectives of SAMPI and later also of NAMPO with particular purposefulness and in a very disciplined manner. He ascribed a large part of their success to the special feeling of cohesion among the members of the Executive in their attempts to serve the cause of producers.

Dr Willem Kotze was appointed as the first director of SAMPI and was responsible for managing the organisation, subject to the decisions and orders of the management committee, the Executive and Congress.



The first management committee members of SAMPI included (from the left): Messrs Hennie Delpont, Giep Nel, Fanie Ferreira and Crawford von Abo. This photo was taken on 6 June 1987.



SAMPI's first Executive for the year 1966 - 1967.

MAIZE LEADERSHIP FROM 1966 - 1999

SAMPI	
Chairperson	Vice-chairperson
Mr Hennie Delpport (1966 - 1969)	Mr Fanie Ferreira (1966 - 1969)
Mr Fanie Ferreira (1969 - 1980)	Mr Hennie de Jager (1969 - 1980)
NAMPO	
Chairperson	Vice-chairperson
Mr Fanie Ferreira (1980 - 1982)	Mr Hennie de Jager (1980 - 1982)
Mr Hennie de Jager (1982 - 1986)	Mr Boetie Viljoen (1982 - 1986)
Mr Boetie Viljoen (1986 - 1988)	Mr Hennie de Jager (1986 - 1988)
Mr Kobus Jooste (1988 - 1990)	Mr Jan Schabort (1988 - 1993)
Mr Cerneels Claassen (1990 - 1995)	Mr Japie Grobler (1993 - 1995)
Mr Japie Grobler (1995 - 1999)	Mr Vic Mouton (1995 - 1996)
	Mr Bully Botma (1996 - 1999)

The newly established organisation was totally dependent on membership fees and voluntary contributions from its members for funding. Initially the Executive Members of SAMPI contributed the biggest portion of this. They also received no compensation for their services, expenses and time. In spite of problems that were sometimes experienced with the collection of membership fees, the contributions and sacrifices of its members enabled SAMPI to carry out its tasks.

One of the main reasons for SAMPI's establishment was the objections by the maize producers that the Maize Board did not have their interests at heart or tried to promote them. SAMPI constantly identified events supporting these objections.

An example occurred in December 1968 when SAMPI wanted to avail itself of an opportunity to establish an export market for maize in Taiwan. The prospective buyers were very impressed with the quality of South African maize and requested SAMPI to quote for exporting 40 000 tons of maize to Taiwan. As the Maize Board controlled all maize transactions, SAMPI was forced to purchase the maize from the Maize Board. The board offered it to SAMPI at a price that was considerably higher than the prevailing tender price at that time, and also higher than the price at which the Maize Board offered export maize to tenderers only two days later. This price loading forced SAMPI to withdraw from the transaction.

On another occasion, in 1969, the Maize Board announced differentiated producer prices for different areas, despite the fact that even the National Maize Committee, in other words the SAAU, supported SAMPI's objection to this.

Mass meeting 1969

On 19 April 1969 a mass meeting of maize producers was held at the Markötter Stadium in Klerksdorp under the auspices of SAMPI. It was attended by more than 5 000 producers. It was described as the biggest congregation of maize producers, and the membership policy of the SAAU and its affiliates, which excluded SAMPI members, was discussed. A decision was made to authorise SAMPI's Executive to appoint a delegation to discuss the maize price policy, differentiated maize prices and the composition of the Maize Board with the Minister of Agriculture.

At the mass meeting a motion of confidence in SAMPI's task and its management was passed unanimously.



Video: Mr Crawford von Abo talks about the events that lead to the establishment of SAMPI.



Mr Hennie Delpport, the first Chairperson of SAMPI.

Tension between SAMPI and the SAAU

The circumstances that ultimately led to the establishment of SAMPI naturally caused a very tense relationship between SAMPI and the SAAU. However, SAMPI always had a need to be part of organised agriculture in South Africa and regarded it as a priority to ensure reconciliation with the SAAU and affiliate with the latter organisation. Various discussions and meetings were arranged with this in mind. The president of the SAAU even attended a mass meeting of SAMPI at their invitation and was given a turn to speak at SAMPI's founding Congress.

Despite these positive signs it soon transpired that SAMPI would definitely experience great opposition from the SAAU. It started with the Free State Agricultural Union (FSAU), which had a lot to say about SAMPI not being welcome in the ranks of the FSAU. The FSAU's view was that SAMPI had been established in an unconstitutional manner and that the structures of the SAAU were the only recognised bodies that could serve the interests of the producers.

SAMPI was not deterred by this attitude and continued to arrange a meeting with the FSAU's maize committee, where the latter was requested to support SAMPI's application for affiliation with the FSAU. The maize committee was not willing to accede to this, probably because it would threaten its survival. The FSAU even went so far as to request the SAAU to amend its constitution so that SAMPI could not qualify for affiliation.

Despite the opposition, SAMPI decided to promote its case via the existing structures of organised agriculture, specifically the Maize committees, and appealed to the role-players to give the maize producers the opportunity to decide about their industry and to handle it themselves. In 1967 this attitude bore fruit at the Free State Maize Congress when a majority of SAMPI members were elected to the FSAU's Maize Committee.

At that Congress the SAMPI representatives made further attempts to obtain co-operation for the establishment of an 'own maize association'. Although certain decisions were made about this, it ended in a deadlock after many clashes and differences.

In the meantime, the resistance against SAMPI also started building up in the then Transvaal Agricultural Union (TAU). In April 1967 the Chairpersons of the district farmer unions of the Western Transvaal region decided to recommend to the TAU that their members be given a choice between SAMPI and organised agriculture, and that those who supported SAMPI had to resign from the TAU. The decision was condemned by SAMPI, but only a few weeks later the Executive committee of the SAAU did in fact ratify the decision.

At the same time, the SAAU decided to intensify its campaign against SAMPI and appointed a committee with the intention of terminating SAMPI's existence. It was commonly known as the 'war committee', and was chaired by the president of the SAAU. The majority of the committee members were not maize producers. SAMPI pointed out that again it was a case of people with other interests deciding about the cause of the maize producers.

Resignations from the SAAU

The obdurate refusal by the SAAU to recognise and collaborate with SAMPI eventually led to SAMPI requesting its members to resign as members of SAAU structures and cancelling their contributions to those bodies. The first members of SAMPI's Executive to resign from the SAAU and its affiliations were the Chairperson and Vice-chairperson, Delpont and Ferreira, who were respectively also the Chairpersons of the FSAU's maize committee and oilseeds committee. The rest of SAMPI's Executive Members then also resigned from the SAAU. Many of SAMPI's members followed their example, which was a clear sign of SAMPI's determination to fight for its principles.

In 1973 the strife between SAMPI and the SAAU led to a second district farmers' union being established in Bothaville, namely the Sandveld District Farmers' Union (SDFU), with the Sandveld Farmers' Association as its only member. The



A commemorative certificate to honour the initiation and attachment of SAMPI, was signed on 27 January 1977 by the Executive and members of SAMPI in Klerksdorp.





SUPREME COURT SUPPORTS SAMPI MAN

Although discrimination by the structures of organised agriculture, and particularly the TAU, against SAMPI was common, an event at the annual meeting of the Leeudoringstad Farmers' Association (which was affiliated with the TAU) on 12 October 1968 caused a great uproar after it ended up in the Supreme Court.

At this annual meeting Mr Boetie Viljoen, at that stage a member of the management of the farmers' association and one of SAMPI's founding members, was nominated as candidate for election as Chairperson of the farmers' association. However, the Chairperson of the meeting, Mr Piet Ernst, refused to accept the nomination because Viljoen was not prepared to first sign a statement to the effect that he was not a member of SAMPI.

In a subsequent court case the Supreme Court found on 20 June 1969 on application by Viljoen that the Chairperson of the meeting had not been competent to refuse Viljoen's nomination as candidate for chairperson on the basis of the fact that he was a SAMPI member.

SDFU affiliated with the FSAU and therefore had a say in organised agriculture. The Bothaville District Farmers' Union, with which the other farmers' associations in the Bothaville district were affiliated, were all SAMPI followers and therefore had no access to structures in organised agriculture.

Government involvement

The disagreement between the two groups of maize producers in the country was of concern to the government too, and after his appointment as Minister of Agriculture, Mr Hendrik Schoeman decided to address this. At his insistence the SAAU engaged in talks with SAMPI on the basis that SAMPI had to disband and integrate with organised agriculture.

SAMPI declared itself to be willing, provided that the SAAU recognise the principle of specialisation in the maize industry. However, this condition was the core

FERREIRA TAKES THE REINS

On 4 May 1970 SAMPI's director, Dr Willem Kotze, resigned with one day's notice after a difference arose between him and SAMPI's Executive. It stemmed from a telegramme that Dr Kotze had sent to the Minister of Agriculture and a daily newspaper at the time, *Die Transvaler*, in which he indicated that the maize price announced by the Minister shortly before was fair – without having consulted SAMPI's Chairperson of the management committee in this regard. SAMPI's Executive did not share his opinion.

After Dr Kotze's resignation, Mr Willem Landman, SAMPI's secretary, was appointed as acting director. He was later succeeded by Mr Jas Crous.

A day after Dr Kotze's resignation, Delpont resigned as Chairperson of SAMPI. He pointed out to the SAMPI Executive that he had initially been prepared to act as Chairperson only for a year, but that four years had passed since then because the time was never right for him to resign. He also maintained that his personal circumstances made it impossible for him to serve as SAMPI's Chairperson any longer.

After Delpont's resignation, the Executive appointed Ferreira as Acting Chairperson and De Jager as acting Vice-chairperson.

After the resignations of Delpont and Dr Kotze, an article in the daily newspaper *Beeld* appeared under the heading: *Young Turks now in charge of SAMPI – Farmers' ship is sinking*. This article contained several inaccurate, unfounded and unacceptable statements. SAMPI and the individuals mentioned in the article consequently started a process that culminated in a finding by the Press Council that the objections against the article, as well as against a subsequent article that was printed as a result of the objections, had merit. The Press Council's finding was published in all the daily and Sunday newspapers.

difference between SAMPI and the SAAU that ultimately led to many consultations and attempts by various parties to mediate unity between these two parties amounting to nothing.

Under the guidance of Minister Schoeman intensive negotiations between SAMPI and the SAAU commenced in January 1973. Although major differences often had to be overcome, a reasonable degree of agreement on the process and the future path of co-operation was reached over time, and the constitution of a specialist organisation was even finalised.

Minister Schoeman said the following at the Annual Congress of the Maize Industry Association of the FSAU in 1974: 'I predict that our maize producers will be joined in one of the most vibrant and best organised agricultural associations before the end of the year...I have no doubt that such an organisation will come.' He added: 'Nobody dare thwart this, because our maize producers can no longer afford the strife and fighting of the past eight years.'

At that stage, SAMPI and the SAAU had already agreed on a date for the founding Congress of a new organisation. At SAMPI's Congress in February 1974 Mr Andries Beyers, Chairperson of Uniegraan and one of the negotiators on the side of the SAAU, even said: 'We have found each other and will never let go again.'

Yet, on 27 April 1974 the SAAU indicated that its general council would only meet on 8 and 9 August 1974 to ratify their views on the new organisation. This meant that the entire process would be delayed and the founding Congress could not take place on the agreed date, namely between 1 and 10 October 1974.

At its meeting in August 1974 the SAAU's general council in various respects deviated from matters already agreed upon and set further conditions to be complied with before the founding process could continue. It became clear to SAMPI that the SAAU did not intend supporting an independent organisation – something that was not negotiable to SAMPI.

On 15 October 1975 the SAAU announced at a meeting of the negotiation committee that it was abandoning the attempt to establish a new maize organisation. The SAAU alleged unilaterally that at least 8 000 qualifying members had to register for membership of the new organisation in order for it to be representative of the maize producers.

SAMPI subsequently made several further attempts at salvaging the negotiations, but without success. Consequently SAMPI informed the SAAU on 6 February 1976 that the SAAU's repudiation of the agreement had been accepted and that SAMPI was withdrawing completely from the agreement.

Establishment of SAMSO

Shortly afterwards the SAAU decided to amend its strategy by doing away with the maize committees and establishing a maize specialist organisation known as the South African Maize Specialist Organisation, or SAMSO. It would not be an independent producer organisation, but would function as an integral part of the SAAU. SAMSO was therefore in the same constitutional position as the maize committees, which could effectively be viewed as merely a conversion of the maize committees.

At the SAAU's Annual Congress of 1976 approval for the founding of SAMSO was granted and a planning committee was appointed to manage the transition of the National Maize Committee to SAMSO. The maize-producing region was divided into 18 sub-regions on the basis of average production figures over the previous five years. A pilot committee was appointed for each region and tasked with convening meetings in order to inform producers about SAMSO and recruit members for the organisation.

An interim executive on which the Chairpersons of the planning committee and the pilot committee served, was constituted. At the first executive meeting, held on 2 November 1976 in Pretoria, Mr Ben Wilkens was elected as Chairperson and it was decided that SAMSO's first Congress would be held in Potchefstroom on 8 and 9 March 1977.

DIE LANDMAN OF FEBRUARY 1974 EVEN CARRIED AN ARTICLE THAT EVERY DELEGATE ATTENDING SAMPI'S ANNUAL CONGRESS ON 6 AND 7 FEBRUARY 1974 WOULD RECEIVE A COMMEMORATIVE MEDALLION BECAUSE IT WOULD PROBABLY BE SAMPI'S LAST ANNUAL CONGRESS IN ITS EXISTING FORMAT.

SAMSO intended to end the protracted disagreement between maize producers and regarded it as its main task to establish all maize producers under its flag. SAMSO's operating structures consisted of local, district and regional maize industry branches, the Executive council, the management committee and the Annual Congress. The latter was accepted as the highest authority in the structure.

SAMSO's structures made provision for membership for co-operatives that handled maize. It was therefore not just a producer organisation. The co-operatives were entitled to send delegates to the Congress, provided they were members of SAMSO in their own right.

The establishment of SAMSO clearly indicated that the SAAU realised that a need for a specialist organisation for the maize industry existed. The May 1978 edition of SAMSO (the organisation's magazine) reported as follows: 'One should agree with SAMPI that the idea of a specialist organisation was a bright one.'

SAMPI's management was of the opinion that the founding of SAMSO was part of the SAAU's strategy to sink SAMPI. The emphasis of the fight consequently shifted to which of SAMPI and SAMSO had to be supported as specialist organisation.

SAMPI found itself in a really difficult position after the SAAU's strategic SAMSO shift. This was aggravated by an order from Minister Hendrik Schoeman to all government departments and agricultural control boards to ensure that no exchange of letters or interviews would in future be allowed with such organisations by officials of the departments. No publicity was allowed to be given to the activities of these types of groups through departmental publications or *Landbouradio*. SAMPI was named as one of the organisations to which the order applied.

To counter this, SAMPI's leaders among other things obtained approval from its Congress to make a major effort to recruit members for SAMPI. During February and March 1976 33 information meetings were held in the maize area, which were attended in large numbers. SAMPI's members were requested to resign from the farmers' associations of organised agriculture and establish SAMPI branches again.

SAMPI appointed organisers to run the recruitment campaign. They visited the farms to recruit new members. In addition, various other methods and attempts were employed to convince maize producers to join SAMPI.

On 19 August 1976 SAMPI addressed another request for affiliation with the SAAU, among other things on the basis of SAMPI's opinion that it was representative of the majority of maize producers. The application was refused again and ostensibly the chance of co-operation was lost.

Agreement 1976

However, in November 1976 Minister Schoeman convened a meeting with SAMPI's management committee and SAMSO's management committee to sound them out about the possibility of co-operation. Both organisations reacted very favourably to this, to the extent that SAMPI's management committee and SAMSO's Executive met again nine days later and at the meeting signed an agreement that had to serve as basis for unification.

An action committee was appointed and it was decided that the founding/establishment Congress of the new organisation would take place during March 1977. The date for the election of delegates to the founding Congress would be determined on 31 January 1977.

The process then started in all seriousness to join the two organisations under the flag of the proposed organisation. This included decisions on the establishment of the organisation's office, starting a magazine, designing an emblem, funding, integration of SAMPI members with structures of organised agriculture, et cetera.

Die Landman of January 1977 carried a full article on the arrangements regarding the new organisation. The first sentence of the article read: UNITY has been achieved in the South African Maize Industry! Every person who produced maize for marketing would be entitled to vote at the meeting of 31 January 1977 and would vote in the magisterial district in which they lived or where their farming interests were located.



ACTION COMMITTEE

The action committee consisted of the management committee members of SAMPI and the management committee of SAMSO, namely:

SAMPI: Fanie Ferreira, Hennie de Jager, Hannes de Kock and Crawford von Abo.

SAMSO: Ben Wilkens, Thys van der Hoven, Faan Basson, Andries Beyers and Japie van Eeden.

Wilkens was appointed as Chairperson and Ferreira as Vice-chairperson of the action committee, with Mr Danie Venter, SAMPI's Director at that stage, as the Secretary.

While SAMPI tried everything to get the Congress to take place, Mr Danie Venter, director of SAMPI, and the other staff members of SAMPI joined the ranks of SAMSO. This was clearly part of SAMSO's strategy, because Venter had first-hand knowledge of SAMPI's strategy, strengths, weaknesses, et cetera. due to his position at SAMPI, and he even handed SAMPI's membership list to SAMSO's leaders. Venter actively started to harm SAMPI in various ways.

SAMPI was forced to get a court order to eject Venter from his office, as he obstinately refused to leave. The court order was obtained, but Venter took SAMPI's membership list and the circulation list for SAMPI's magazine with him and left SAMPI without the information. According to Mr Crawford von Abo, after this conflict SAMPI had only two staff members to provide administrative support.

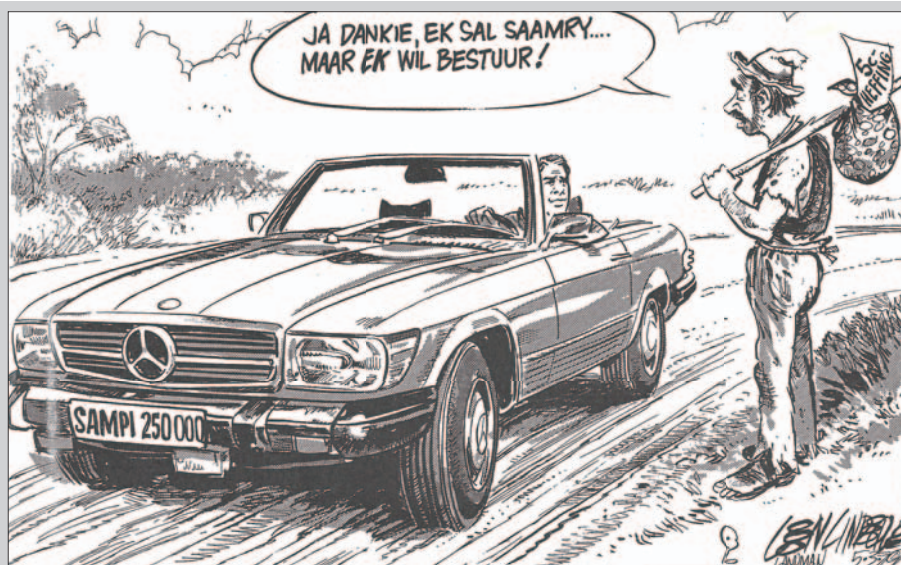
However, with the election on 31 January 1977 things started to go wrong. The result was that 190 of the delegates were representatives of SAMPI, and only 150 were from SAMSO, which meant that SAMPI would have the majority vote in Congress.



Video: SAMPI launches its own magazine as mouthpiece of the organisation.



This cartoon from *Die Landman* (March 1979) plays on SAMPI winning the 1977 election – leading nowhere, because SAMSO still wanted to be in charge. SAMPI was even willing to have another election on the same conditions.



This seemed to be unacceptable to SAMSO, as the latter then tried to provide the representatives from the co-operatives with a vote at Congress as well. This was now unacceptable to SAMPI, because SAMPI's view from the beginning was that only the maize producers should decide about maize affairs.

Once again these differences led to serious disputes between SAMPI and SAMSO, as SAMPI maintained that according to the agreement between the parties only producers could have a vote at the Congress. SAMSO persisted in its refusal to accept and admit that this had been the terms of the agreement. In the end SAMSO decided unilaterally to suspend all further talks with SAMPI.

SAMPI objected strenuously and made several attempts to save the process. These did not succeed, and SAMPI appealed to Minister Schoeman on two occasions to resolve the matter. However, he was not prepared to become involved again. The unpleasant disagreement between the two organisations therefore continued, even by way of court cases against each other.

Levy for the SAAU

In the meantime, SAMPI made inputs on the recommendations of the commission of enquiry into the Marketing Act of 1977. SAMPI also submitted recommendations on various matters involving the composition and functions of the Maize Board and financing of the SAAU, but to no avail. Among other things, SAMPI convened a meeting with Minister Schoeman on the introduction of a levy to finance the SAAU. The Minister promised that such a levy would not be introduced before unity had been achieved in the maize industry.

In spite of this, the Marketing Amendment Act of 1977, which was subsequently promulgated, did make provision for introducing a levy on agricultural products, from which funds could be paid over to the SAAU at the direction of the Minister of Agriculture. A levy of five cents/ton was accordingly introduced for maize, which meant that any person who produced maize had to pay the levy, regardless of whether they were a member of organised agriculture.

To SAMPI it meant that its members were obliged to contribute to the funding of the SAAU, and therefore also to that of SAMSO. Naturally this led to enormous dissatisfaction among SAMPI members, as they were statutorily obliged to contribute to the funding of an organisation with which they were engaged in a fierce battle.

Because of this, SAMPI convened meetings with various members of the national assembly to communicate SAMPI's protest to them clearly. The meetings were attended by many producers and the message of dissatisfaction was conveyed unambiguously. SAMPI launched several attacks on the levy, but with no success.



SAMPI's biggest problem was probably that even the government did not recognise SAMPI as the representative of the maize producers, but it recognised the SAAU and therefore also SAMSO.

Document of unity

In the midst of the ongoing struggle and increasing division between SAMPI and SAMSO Minister Schoeman became involved again in January 1979 by having a document of unity drafted and submitting it to SAMPI and SAMSO for comment. The document made provision for the election of delegates to the founding Congress of a new organisation for unity.

During the election 400 producer delegates had to be appointed at regional production level, as well as 70 co-operative delegates, who also had to be maize producers. All maize producers who produced maize for marketing would be allowed to vote for the selection of delegates. The elected delegates would then meet on a regional basis to elect a regional Chairperson to be the representative for the relevant region on the Executive council. Twenty regions were identified for this purpose.

SAMSO accepted the Minister's proposals unconditionally, but SAMPI expressed its dissatisfaction with quite a number of issues because they would harm SAMPI's members. It was clear that the Minister's proposals had been drafted in collaboration with SAMSO and the SAAU. The Minister subsequently submitted somewhat amended 'final' proposals. However, they did not address all the matters raised by SAMPI, and were therefore not acceptable.

In the end this attempt at achieving unity also failed. Minister Schoeman then appealed to the maize producers to come up with a 'boereplan', as it seemed to be impossible to achieve reconciliation at management level. Arising from this, SAMSO's branch in Middelburg in Mpumalanga proposed a maize parliament comprising 20 members. SAMPI accepted the plan in principle, but it was eventually rejected by SAMSO and the stalemate situation continued.

In the meantime, SAMPI decided to appeal directly to the Prime Minister, Mr PW Botha, to accomplish unity in the maize industry, and on 10 August 1979 a letter in this regard was sent to him. In his reply the Prime Minister said that the attitude among the maize producers did not promote the industry and he strongly appealed to SAMPI to do everything they could to accomplish unity in the industry. This was supported unconditionally by Minister Schoeman.

Shared vision

At its subsequent Annual Congress in March 1980 SAMPI emphasised that unity in the maize industry was vital, but insisted that it occur through an autonomous specialist organisation.

TURNAROUND AFTER BROEDERBOND DISCUSSIONS

When it became evident again in 1980 that SAMSO was not prepared to collaborate with SAMPI, SAMPI tried to determine who was behind SAMSO's reluctance. SAMPI knew that the Broederbond opposed the founding of SAMPI and approached a member of the Broederbond who was well disposed towards SAMPI. He succeeded in arranging an appointment for SAMPI representatives with the Broederbond, provided the delegates were all members of the Broederbond. SAMPI set up a team comprising Messrs Piet Earle, Hannes de Kock, Naas Pretorius and Prof Piet Aucamp to meet representatives of the Broederbond.

It is not known exactly what role the Broederbond played, but shortly after this meeting an agreement was reached between SAMPI and SAMSO to collaborate and the process was continued, leading to the meeting of 3 October 1980.



When SAMPI and SAMSO were dissolved, their leaders said the following:

Mr Hennie de Jager: 'We have now reached a point where nobody can prevent us from achieving unity. Unity among the maize producers is here to stay. Those who do not want to accompany us, are free to stay behind.'

Mr Faan Basson: 'This day is not SAMSO's funeral, but a milestone, because the decision to dissolve will contribute towards developing the existing order, namely a recognised and well-functioning maize specialist organisation.'

SAMSO also emphasised the idea of unity at its Annual Congress. SAMSO's chairperson, Mr Faan Basson, confirmed that SAMSO was not an anti-SAMPI organisation, and that he had no desire to see the two organisations fighting.

SAMPI then consulted Minister Schoeman again, who expressed himself in favour of a united specialist organisation, provided that it was affiliated with the SAAU. He was not prepared to become directly involved in negotiations between SAMPI and SAMSO again, but did pass on SAMPI's working document to the president of the SAAU, Mr Jaap Wilkens, after which SAMPI and SAMSO negotiated directly with each other.

At that stage SAMSO had already achieved its own success as specialist organisation and had the advantage of recognition by the government. Essentially, this was what SAMPI also wanted to achieve. The two organisations therefore pursued the same interests and both had the need to end the dispute.

The negotiations continued in that spirit, and on 7 August 1980 Minister Schoeman announced that SAMPI and the SAAU had reached an agreement on the establishment of a united maize specialist organisation, the status, powers and competencies of which would be determined by the maize producers themselves.

The agreement also made provision for organisational matters to implement this, which included the founding Congress of the new organisation on 3 October 1980, chaired by Mr SW (Billy) van der Merwe, the president of the Transvaal Law Association at the time, assisted by two assessors, namely Prof Piet Aucamp of the PU for CHE for SAMPI and Dr Andries Scholtz, General Manager of NWK, for SAMSO.

The election of 340 delegates to the founding Congress would take place on 30 September 1980. All the delegates had to be maize producers who would be elected by bona fide maize producers. The election would take place according to the same rules as for the 1977 election with respect to district and regional classification, voting procedure and voting stations.

On the basis of the agreement it was decided that SAMPI and SAMSO had to take the necessary steps to ratify the agreement, dissolve the two individual organisations and merge their assets. The assets of the two organisations would be frozen at their dissolution Congresses and taken in trust by the Minister of Agriculture on the day of the election, to be handed over to the new organisation at the founding Congress.



This is what the front page of the 1980 Maize Election ballot looked like.

As far as the status of the new organisation was concerned, namely whether it would affiliate with the SAAU as an autonomous body, and whether it would function as an integral part of the SAAU, the agreement was that it would be left to the founding Congress to decide.

Although both organisations expressed their satisfaction with the agreement that had been reached, the election campaign that followed was not completely peaceful and always in a good spirit. Given the history of previous attempts at unification, it is actually surprising that the process was not derailed again by disagreements, but in the end both SAMPI and SAMSO held their dissolution congresses on 26 September 1980, upon which both ceased to exist.

Last election

On 30 September 1980 about 6 000 maize producers voted at 83 voting stations for the election of the 340 delegates to the founding congress. The result was 198 delegates for SAMPI and 142 for SAMSO.

THE FIRST NAMPO
MEMBERS ON THE MAIZE
BOARD WERE:

MESSRS CL VON ABO
(CHAIRPERSON)

JH VILJOEN
(VICE-CHAIRPERSON)

AP VISSER

AS BEYERS

CJ LEONARD

SJ SCHOEMAN

HL DELPORT

DR B STEAD



Video: There was always a strong bond between the SAMPI men – Mr Crawford von Abo.

THE CONGRESS VENUE
AT NAMPO PARK
WAS NAMED AFTER
FANIE FERREIRA IN
RECOGNITION OF THE
SPECIAL LEADERSHIP
ROLE HE PLAYED IN
THIS ERA.



SAMPI was terminated as proof of co-operation to establish unity in the maize industry. The Executive and members signed a commemorative certificate on 26 September 1980.



At the founding Congress on 3 October 1980 the Congress decided that the new organisation would function independently in terms of its own constitution, but that it would affiliate with the SAAU.

Ferreira, the last Chairperson of SAMPI, was elected the first Chairperson of the organisation, and De Jager, also from SAMPI, was the first Vice-chairperson. When the Executive was appointed, nine members were elected from each of the dissolved organisations.

The Congress also decided that the eight production members of the Maize Board would be appointed by the Congress from its ranks, based on the regional division used for the election of the Executive. With the exception of Von Abo, who had already gained a seat as producer representative on 1 January 1981, the designated NAMPO members took their seats on the Maize Board on 1 July 1981.

The decisions about the name of the organisation, the location of the head office and the name of the magazine were left to the Executive, on condition that the name of the organisation may not be SAMPI or SAMSO. The Executive consequently made the following decisions on 11 November 1980:

- The name of the organisation: NAMPO
- Location of head office: Bothaville
- Magazine: *Mielies/Maize*

At the founding Congress it was decided that the new organisation would provisionally be known as the Maize Specialist Organisation (MSO). Thus NAMPO was established, and the long-awaited ideal that maize producers could decide on their own affairs in a specialist organisation was achieved.

THE NAMPO ERA BEGINS

Membership

Members of SAMPI and SAMSO did not have automatic membership of NAMPO after the merger. Any producer who planted maize for commercial purposes could apply for membership of NAMPO. The requirements for membership were that the prospective member had to produce maize for marketing purposes, pay the prescribed membership fees and support NAMPO's objectives.

NAMPO'S MISSION

To broaden the economic living space of the maize producer.

At one stage it was a requirement for the applicant to produce more than a certain quantity of maize to qualify to be a member of NAMPO. Later provision was made to accept members on another basis than production, however, to make provision for membership for emerging producers too. However, only the members who met the production requirement were allowed to vote in the management structures of NAMPO.

NAMPO did not permit affiliations from other interest groups. They argued that NAMPO would not be able to achieve its specialisation objective if groups with other interests from those of members were admitted, as different interest groups naturally also had different objectives. NAMPO did pursue co-operation with other role-players and interest groups in order to identify common problems and collaborate in this regard.

From the beginning it was one of NAMPO's objectives to accomplish greater co-operation between the different grain producer organisations. Since it was founded, NAMPO pursued this objective actively from time to time by way of mutual engagement between the industries, but without success.

Funding

Initially, apart from the revenue from the Harvest Day, NAMPO was funded only by contributions from its members. In the period shortly after NAMPO was established,

the revenue from membership fees was reduced considerably because the number of members declined. This gave NAMPO's financial position a serious knock – to the extent that at one stage in 1983 the organisation did not have sufficient funds to pay the staff's salaries and an overdraft facility had to be arranged with the bank to do so.

During the mid-1980s the Director-General of Agriculture paid an amount from a surplus in the levy fund over to NAMPO. These funds were invested and were never employed by NAMPO, as the General Manager felt that the organisation's running costs had to be funded by the industry itself. The intention was to allow the investment to grow to a level where the income from it would be sufficient to maintain the organisation's core functions, regardless of member contributions. By the time Grain SA was established, it had grown to a tidy nest egg.

NAMPO did receive funding for research later, as well as assistance for certain projects and actions. However, one of the biggest restrictions for SAMPI and NAMPO remained limited funds.

Strategic planning

NAMPO had various strategic objectives. On the one hand was the so-called Development Trust, led by the chief economist, Dr Kit le Clus, which concentrated on business economics research. The results of this division's work were employed in providing members and other stakeholders with accurate information. Such information allowed producers to make better production and marketing decisions. The so-called 'brain trust' was also located in that division. The aim of the brain trust was to provide NAMPO producer members in the Maize Board with information and advice in their preparation for Maize Board meetings, as part of the strategy was for all the producer members to participate actively in Maize Board discussions.

On the administrative side different projects were launched by Van Zyl to improve the image of maize production and maize producers in the broad economy. These projects included the following: image building, media networks, the NAMPO Harvest Day, the *Mielies/Maize* magazine, the Maize Man of the Year awards and public relations.

NAMPO's leadership placed great emphasis on projections to allow strategic adjustments to be made. Experts from the political arena as well as the private sector were involved, including Drs Kobus Neethling, Frederik van Zyl Slabbert and Jan Dreyer, as well as Messrs Clem Sunter and Jac Laubser, in order to expose NAMPO's Executive Members to external views that could support them in shaping their own vision of the future.

Sunter addressed producers on various occasions on future scenarios and his publications were distributed regularly among NAMPO's Executive Members to keep them updated on the current views or future expectations.

NAMPO projects

During its existence of 20 years NAMPO was an active, progressive organisation that attempted many projects and delivered great inputs to the maize industry in South Africa in particular. It is not possible to even just refer to all those inputs in this publication, let alone provide details. For that reason only a few of the activities and initiatives are mentioned in an attempt at providing a view of the nature of the inputs and contributions made by NAMPO.

Status of grain producers

At the time NAMPO was established the general view of the grain producer in South Africa was one of a poor farmer with a bedraggled overall on a worn-out tractor – not at all positive. Dr Piet Gous, General Manager, was tasked with changing this view. Under his guidance the focus fell specifically on demonstrating that grain producers could hold their own at the highest levels of the business world and society.

In time the image and position of the grain producer improved to the extent that producers have for quite some time been respected and acknowledged for the major role they play in the business world and in the community.

**DURING THE SAMPI ERA
THE MEMBERSHIP GREW
TO 6 700 FULLY PAID-UP
MEMBERS, BUT BY 1983
NAMPO HAD ABOUT
2 200 FULLY PAID-UP
MEMBERS.**



Video: The huge maize battle is aptly summarised by Mr Giel van Zyl.



Video: Arguments were continuously based on facts and supporting data prepared by expert personnel, Mr Von Abo explains.



NAMPO INTERVIEWS WITH THE PRESS

In order to ensure that the right image and message of NAMPO are conveyed at all times, a rule was introduced that nobody may talk about a matter if they were not duly primed to do so. At the insistence of Mr Hennie de Jager it was decided later that only the Chairperson of NAMPO was authorised to grant interviews to the press, and only if the Chairperson was not available, was the General Manager allowed to do so.

In the process the co-operation and inputs of various leading businessmen and academics were obtained, and they made great contributions to the development of NAMPO's internal pool of knowledge. One of them was Prof Jan Groenewald, who was the dean of the Faculty of Agricultural Economics at the University of Pretoria. Another was Dr Japie Jacobs, who served on various important and leading commissions of inquiry – some of which are mentioned in this publication. He provided particularly important inputs with respect to projects and solutions tabled by NAMPO.

NAMPO's objectives can be summarised briefly as follows:

- To improve the general image of producers;
- To enable producers to hold their own better in the business environment;
- To support growth in the organisation;
- To develop NAMPO Harvest Day into one of the best agricultural shows in the world; and
- To establish a high-quality magazine.

NAMPO was an organisation of farmers for farmers. In realising the demands that grain production makes of producers, NAMPO attempted at all times to provide its members with assistance, information and practical solutions that could support them in farming sustainably.

Image-building project

Public relations

Even after the merger between SAMPI and SAMSO antagonism towards NAMPO continued, particularly from officials from the Department of Agriculture and the SAAU. This often made co-operation with those organisations very difficult. Various leaders in organised agriculture, including the Maize Board and co-operatives,



Video: NAMPO served its members' requirements in various ways – mr Giel van Zyl.

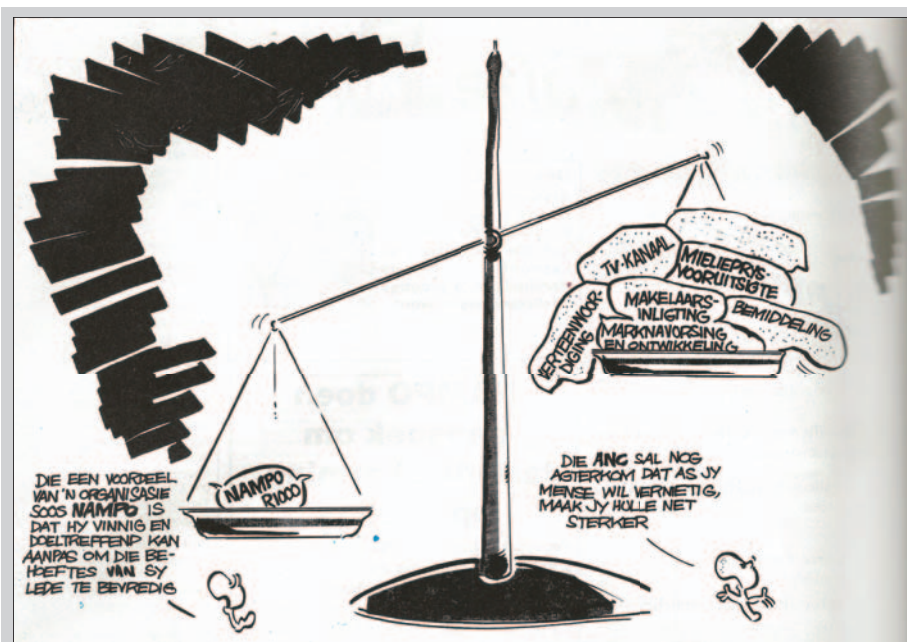


The first Chairperson of NAMPO, Mr Fanie Ferreira.



Mr Japie Grobler, NAMPO's last Chairperson before unification of the grain industry in 1999.

In addition to its normal tasks, a whole new dimension was added to NAMPO's work terrains, namely extended marketing services. A cartoon in the August 1997 edition of *Mielies/Maize* shows the new dynamics.





gave no recognition to NAMPO at all, and were not prepared to collaborate with the organisation.

NAMPO's Executive therefore launched a dedicated public-relations programme as part of NAMPO's image-building project. The dedicated focus in time bore fruit, particularly as other programmes in the image-building project achieved success.

Women groups and trade unions

Given the important role of trade unions and women groups with respect to opinion making in the South African society, NAMPO made a special effort to invite representatives from those groups (on occasion even the top structure of Cosatu and the ANC Women's League) to the NAMPO farm. The objective was to inform them about agriculture and improve their perception of farmers and agriculture in general.

From NAMPO's point of view the project succeeded, except that it did not have quite the impact that NAMPO wanted. The ideal would have been to repeat the programme more regularly, but due to limited funds and manpower this was not possible.

Schools programme

As part of NAMPO's image-building programme a project was launched in collaboration with the agricultural public relations officer, Mr Steyn Lureman, to bring school groups to the NAMPO farm to expose schoolchildren to agriculture and farming in general. This programme, which was initially sponsored by a fertiliser company, Omnia, and later also by Northmec, was aimed at changing children's perceptions of animals and farming through information and exposure to animals, grain products and practical grain cultivation practices.

As part of the programme the children had to write an essay and submit a project on agriculture after their visit to the farm. In this way they could depict in a practical manner what they learnt during their visit to the farm. The projects were entered for a competition that had various prizes.

The programme was a great success, to such an extent that the Deputy Minister of Agriculture, Ms Thoko Didiza, acted as one of the judges at one stage, and the Minister of Education, Prof Sibusiso Bengu, delegated a representative of the Department of Education for this purpose.

The Schools Programme was later continued with great success by Grain SA.

In 1996 NAMPO was lauded by the Public Relations Division of the Danish agricultural council for its vision in offering the information programmes to learners.

Economic research unit

Even in the SAMPI era one of the complaints by the industry was that no reliable information was available on the production costs of maize. This contributed to the dissatisfaction with the setting of the maize price in that era. NAMPO also identified it as a gap and tasked Dr Le Clus with developing an economic research unit, the so-called Development Trust. The brain trust started functioning within this environment. The information produced was very complete and well researched. It was provided to producers in various ways as a value-adding service that was not available before.

Agricultural research

At the direction of the Minister of Agriculture agricultural researchers associated with government institutions were prohibited from speaking to any representative of SAMPI in the period before the establishment of NAMPO.

After the founding of NAMPO a project was launched in collaboration with the Department of Agriculture and agricultural research units to determine critical research needs and identify the best way to provide producers with feedback in this regard.

Product and production research was conducted in collaboration with the Grain Crops Institute of the ARC. NAMPO's involvement in research focused particularly



on identifying and prioritising research needs and disseminating research results and appropriate information to the producers. NAMPO played a very important role in this process by publishing research results in the magazine, *Mielies/Maize*, and sharing them with producers at NAMPO branch meetings.

Research planning was done annually and co-ordinated in order to eliminate duplication. The approach was to bring the producers and researchers closer together and make sure that research results were brought to the attention of the producers.

Training programmes

During the early 1980s the Department of Labour made funds available for training. This was done on the basis that an amount per labourer who had to be trained was allocated to the training institution concerned, which meant that producers could have their workers trained for free.

NAMPO already had many good training programmes and facilities that could be used successfully to train even people from towns and equip them with skills, for instance tractor drivers, builders, electricians, et cetera.

As a result of the success NAMPO achieved with the training programmes, the Bloemfontein Training Centre agreed with NAMPO to take over the latter's training programmes. Initially this was very successful and the training programmes were well supported, but the training centre was closed down because of financial problems.

NAMPO did not have the funding to continue with the training on its own. Several attempts were made to obtain funding for the training needs from the government, yet without success. With the introduction of training setas it became even more difficult to obtain funding for NAMPO's training programmes. NAMPO therefore had no other choice but to stop the training.

Diversification

The severe drought that prevailed in the first part of the 1980s made everyone aware that it was essential for producers to diversify and not put all their eggs in one basket. NAMPO realised that the organisation could play a role in advising producers on the benefits of diversification and assist them in identifying opportunities.

Producers were encouraged by NAMPO to optimise their businesses and profit as businessmen, among other things by diversifying their farming operations and investments – including to investments outside agriculture. The point of departure and message were that the producer had to use his land according to its optimum potential, and where necessary he had to change or expand into other types of farming to achieve this.

Underlying this approach was the fact that producers should focus on cultivating maize in good soil and employ the rest of the land for the purpose it was most suited for. This included the addition and/or diversification to stock farming, dairies and vegetables, among other things.

NAMPO decided to assist producers in this by also investigating possibilities and identifying opportunities for producers and illustrating how to convert marginal land used for grain production for other industries.



Sheep Project

One of the projects NAMPO launched was a model for diversification and specialisation, the so-called Sheep Project, which was aimed at illustrating practically how cultivated pastures, specifically blue buffalo grass and dryland lucerne, can be used for sheep farming on marginal land.

NAMPO allocated low-potential land on its existing property outside Bothaville that could not really be used for any other purpose to the Sheep Project and planted dryland lucerne on it. In addition, NAMPO purchased an adjacent piece of land where blue buffalo grass had been established. Although it could actually be regarded as two trials, it was managed as one project.

NAMPO obtained the co-operation of the Mutton Merino, Merino and German Merino Breeders' Associations for the project. The breeders' associations provided ewes for the breeding programme and the rams were provided by producers in the Bothaville area. The ewe lambs from the project were delivered to the breeders' associations, while NAMPO sold the wethers to contribute towards covering the costs of the project.

The main aim of the project was to promote the integration of sheep on dryland pasture and at the same time to illustrate that marginal land could be better utilised than just for maize cultivation. The project was extremely successful and led to several very successful sheep farms subsequently being established on planted pastures.

Land conversion scheme

On the back of the success achieved with the sheep project, negotiations were conducted with the government to make funds available for withdrawing marginal land from grain production and establishing alternative industries.

The main advocate and driver of the concept was Mr Cerneels Claassen, who was an Executive Member of NAMPO at that stage, and later became the Chairperson of NAMPO.

He recounts that the realisation developed that the area on which maize was cultivated was too big and that the large quantity of maize that was produced had a negative effect on the price of maize. At that stage about five million hectares of maize were planted annually. The opinion was that it had to be scaled down by about one million hectares.

At the NAMPO Congress of March 1987 Claassen made a submission on the effect the conversion or withdrawal of one million hectares of maize land from cultivation would have on the producer price of maize.

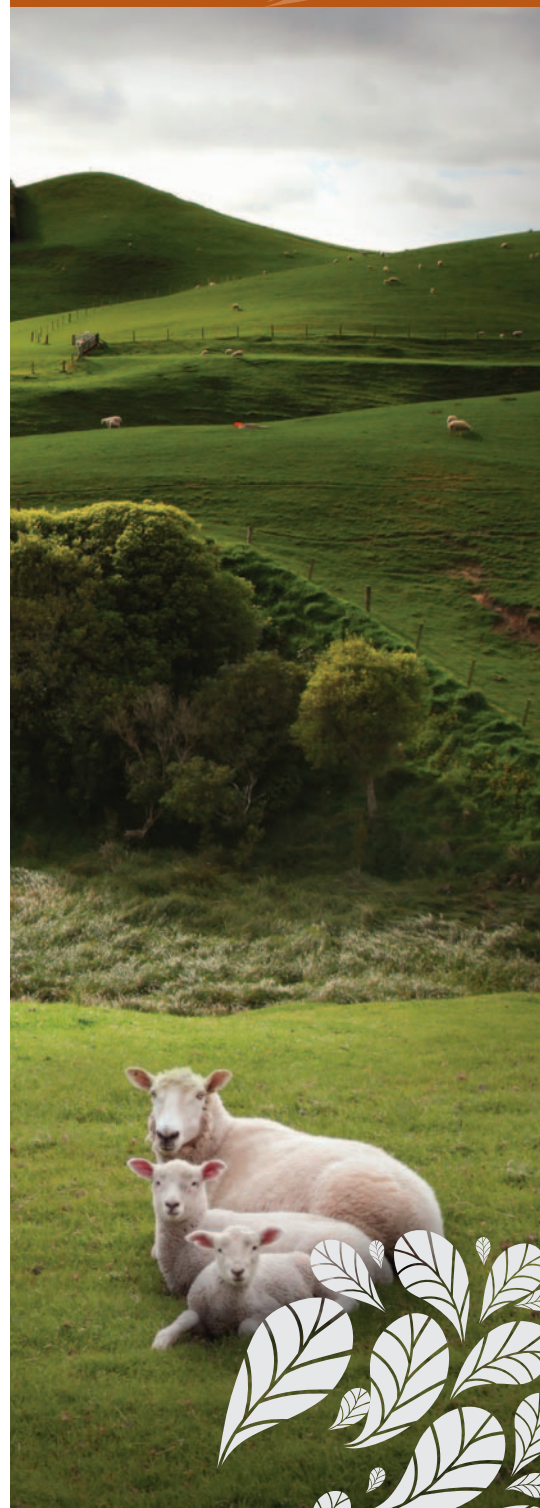
Congress accepted a proposal by Claassen that a committee be appointed to design a system in terms of which the withdrawal of that amount of land from maize cultivation could be accomplished. The committee consisted of representatives from NAMPO, the Maize Board, the SAAU, Uniegraan, the Department of Agriculture and the National Marketing Council, with Claassen as Chairperson.

At a subsequent meeting of the Maize Board, at which the Minister of Agriculture, Mr Greyling Wentzel, was present, final approval was given for the development of a scheme for land conversion. The scheme involved that the government would provide assistance for guided structural adjustments in the summer grain area – in other words, land conversion. The particulars of the scheme were submitted and explained to Mr Alwyn Schlebusch, the Deputy State President, who gave his support to the scheme. It was then approved by the Cabinet.

The land conversion scheme was announced at a special NAMPO Congress in Potchefstroom in September 1987 by Minister Wentzel. It was ultimately a very successful project and about 750 000 ha of maize fields were withdrawn from maize cultivation and converted to planted pastures. The land conversion project actually provided many producers with a lifeline to get their farming operations on a profitable foot again.

The land conversion project went hand in hand with a larger awareness campaign by NAMPO in collaboration with certain suppliers about the value that an

**THE SHEEP PROJECT
WAS MANAGED BY MR
ANDRÉ FERREIRA, SENIOR
ECONOMIST OF NAMPO,
WHO FARMED WITH SHEEP
AND CATTLE IN HIS
OWN RIGHT.**



improvement in the quality of agricultural products could have for producers. They drew the attention of the producers to the value the upgrading of the quality of their animal herds could add. They were also made aware of the existence of maize seeds that were more drought resistant than others and encouraged to use them to increase their production.

Naturally there were producers who realised the value of a focus on inputs and products of high quality themselves and adjusted their farming practices accordingly. NAMPO's agricultural researchers collaborated with those producers to disseminate their knowledge to other producers and thus increased the general quality and levels of effectiveness. In the process working groups were established and the information that became available from their projects was likewise provided to other producers.

Broker service

The abolition of controlled marketing and the advent of Safex caused a lot of uncertainty and mistrust among producers. Many of the producers had no knowledge of the marketing of grain or the way Safex worked and information in this regard was very limited. Consequently the producers were often exploited by traders, which was reminiscent of the position before controlled marketing was introduced in the 1930s.

Under the leadership of Dr Le Clus NAMPO offered training with respect to the new market environment to producers. On his initiative NAMPO also decided to establish a broker service that could acquire more knowledge on the operation of the markets and advise producers in this regard. The broker service also had to serve as a frame of reference with respect to prices, the availability of contracts, commissions, costs, et cetera. for producers.

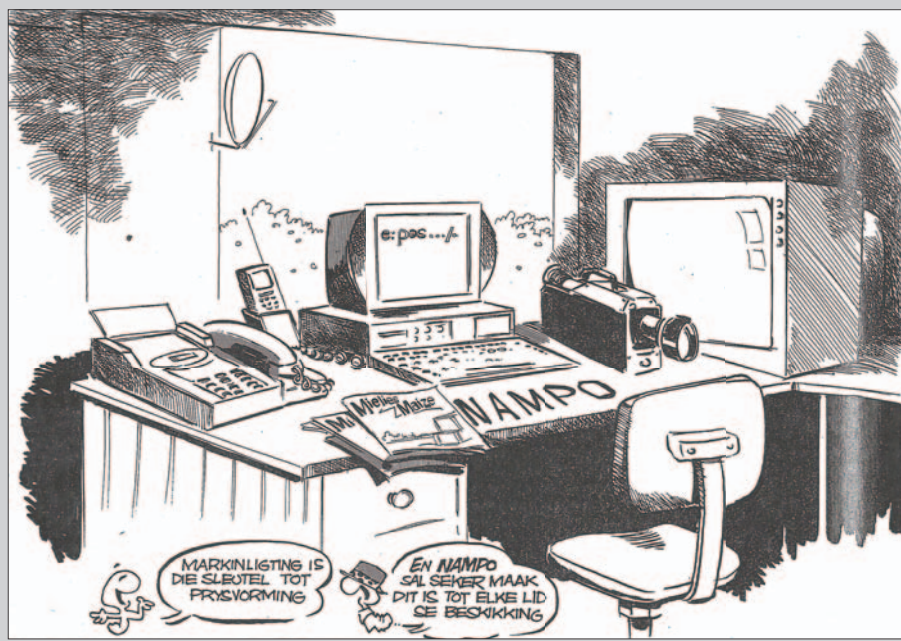
As the general knowledge on the operation of commodity exchanges like Safex was limited, NAMPO decided to arrange a study tour to the USA to acquire more specific knowledge on this subject. Dr Le Clus arranged the tour through a contact

DIE INVLOED VAN DIE OMSKAKELING/ONTREKING VAN 1 MIJOEN HEKTAAR MIELIEGROND UIT VERBOUING								
MNR C J CLAASSEN, Hoofbestuurslid Streek 16								
Direkte insetkoste by 'n opbrengsmiljpunt van: 2 Ton/ha — R273/ha 2,5 Ton/ha — R300/ha								
Produsentepryse volgens pryscenarios (gemiddeld van wit en geel) soos aangekondig deur Minister in Augustus 1986								
TABEL 1 OESOPBRENGS 2,5 TON/HA								
Aanplantings (m ha)	Oes (mt)	Prys R/t	Bruto ink (R×10 ⁴)	Direkte koste (R/ha)	Direkte koste (R×10 ⁴)	"WINS" (R×10 ⁴)	"WINS" (R/ha)	
4	10	179	1790	300	1200	590	147,50	
2,4 (-40%)	6 (-40%)	246	1476	300	720 (-40%)	756 (+28%)	315 (+113%)	
TABEL 2 OESOPBRENGS 2 TOT 2,5 TON/HA.								
Aanplantings (m ha)	Opbrengs (t/ha)	Oes (mt)	Prys (R/ton)	Bruto inkomste (R×10 ⁴)	Direkte koste (R/ha)	Direkte koste (R10 ⁴)	"WINS" (R×10 ⁴)	"WINS" (R/ha)
3	2	6	246	1476	273	819	657	219
4	2	8	205	1640	273	1092	548	137
4	2,5	10	179	1790	300	1200	590	147,50
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Aanplantings (m ha)	Opbrengs (t/ha)	Oes (mt)	Prys (R/ton)	Bruto inkomste (R×10 ⁴)	Direkte koste (R/ha)	Direkte koste (R×10 ⁴)	"WINS" (R×10 ⁴)	"WINS" (R/ha)
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4 de	2	2	50	100	300	300	(- 200)	(- 200)

The April 1987 edition of *Mielies/Maize* published an article about Mr Cerneels Claassen's neat table and explanation that he presented to Congress. It supported the argument surrounding the proposed land conversion scheme.



From July 1997, NAMPO offered an extended service package to its members at a cost of R1 000 per member per year. It included a broker service and the provision of essential market information. *Mielies/Maize*, July 1997.



person with the main aim of attending a course at the Chicago Board of Trade (CBOT). The tour group consisted of office bearers and staff of NAMPO, as well as producers who undertook it at their own expense. In addition to the course that the tour members attended at the CBOT, they visited agribusinesses involved in grain trading, as well as producers who used the services of those businesses.

In order to get NAMPO's broker service off the ground, two brokers were employed by NAMPO, and they were very successful. As had been initially foreseen, the need for NAMPO's broker service started to disappear as the expertise and systems of the agricultural co-operatives and other grain traders became established and they could provide the service on a more intensive basis.

The broker service was continued after Grain SA was established, although the services that were provided were adjusted over time to meet the demands and needs of Grain SA's members. The service ceased in 2003 after the volumes it handled dropped to uneconomically low volumes because of the large number of private brokers who had entered the market.

NAMPO TV

Shortly after the deregulation of agricultural marketing in 1997 grain producers were suddenly in a position where timeous, accurate and reliable market information was vital.

In collaboration with the African Growth Network (AGN) – which formed part of the DSTV satellite dish package – NAMPO came up with a brilliant solution for this challenge: its own TV channel to communicate directly with members and other producers. This enabled producers to remain up to date on changes in the market place, regardless of the geographic location of their farm.

During the first broadcast on 9 September 1997 from a studio of AGN in Johannesburg, Mr Japie Grobler, Chairperson of NAMPO, pointed out that it was extremely important for the most recent and up to date information to be provided regularly to the producers of South Africa. The General Manager, Mr Giel van Zyl, mentioned among other things that it was the best and easiest medium to get essential information to producers quickly and efficiently.

The programme, which was an hour long every week, was broadcast on Tuesday evenings at 20:00 and involved the following:

- Opening with devotions (by a Minister from agricultural circles)
- Agricultural news (prepared by NAMPO staff)
- Weather programme



NAMPO TV's first broadcast was on 9 September 1997.

- Global commodity prices (presented by NAMPO's senior economists)
- Panel discussion (specialists in a specific field as studio guests, anchored by NAMPO staff)
- NAMPO focus (presented by Dr Kit le Clus and Mr Frans Lubbe, with a focus on matters like import and export parity, rand/dollar exchange rate, cash prices and Safex prices)

The attitude that applied at NAMPO at all times, namely if you start something, you do it to succeed, was once again to be seen in the case of the TV programme. Although setting up and successfully running a TV programme was not part of NAMPO's core business, the impact of new grain marketing circumstances on its members forced the organisation to fill the gap.

The programme eventually ended in 2002 when Grain SA decided that sufficient market information was relatively easily available at that stage and that a website for the organisation could take over this function.

Debt settlements

In NAMPO's striving and vision to supply producers with information and possible solutions to problems in the industry, the organisation also became involved in finding solutions to the debt problem in which many producers found themselves after the severe drought of 1982 to 1984.

This started when a producer approached NAMPO for advice on the enormous interest load dragging him down. Gous requested Mr Tiny van Niekerk, a NAMPO staff member and former auditor, to check the producer's financial statements for possible errors. Van Niekerk found several irregularities in the producer's bank accounts, among other things changes to interest rates, addition of unjustified costs and incorrect and/or unfair rounding off of figures. He was then requested to check a number of other producers' accounts, where he found the same things.

On the basis of this, NAMPO advised the producers to negotiate with the commercial banks with regard to a settlement of their debt. NAMPO assisted a number of the producers by instructing attorneys to institute a claim against one of the commercial banks to recover amounts that had been charged incorrectly against their bank accounts. Although NAMPO was not involved in the matter to the end, it culminated in the commercial bank concerned having to repay the producers a large amount that had been illegally recovered from them.

NAMPO STAFF COMFORTABLE IN FRONT OF AND BEHIND THE CAMERA

NAMPO's own staff presented the agricultural and technical parts of the TV programme. The current affairs section, NAMPO focus and commodity discussions were normally led by Mr Giel van Zyl and/or Dr Kit le Clus. They were assisted by Messrs Frans Lubbe, Fanie Brink and André Ferreira. Mr Johan Loxton was the co-ordinator of the TV programme.

The staff were assisted by the following individuals:

- A Minister from agricultural ranks handled the opening with devotions
- Mss Chante Hinds and Deidre Brand were the presenters
- Mr Sakkie Nigrini of the SA Weather Service handled the weather programme
- Representatives from sponsors and experts from the industry participated in panel discussions



NAMPO then made the method that had been used to do the calculations available to attorneys and agribusinesses. They used it very successfully to negotiate settlements with the commercial banks for their clients and members and many producers were saved from financial disaster in a very difficult time in this manner.

Training of beginner producers

As part of its public relations programme NAMPO decided to facilitate training for beginner producers in order to illustrate its commitment to the promotion of the interests of all producers.

Again a lack of funds and a shortage of staff presented a major stumbling block. Mindful of the fact that many white producers had also been established as beginner producers in certain schemes in the period directly after the Second World War and that they had achieved great success, research was conducted into the recipe followed at the time.

It seemed that study groups played an important role in the process. The success achieved with study groups was partially due to the fact that the process was conducted in a disciplined manner. Participants had to become members of the study groups and in order to remain a member of the study group they were, among other things, obliged to share information with other members of the study group and participate in research projects. Members of the study group therefore exchanged valuable information and were assisted with research information and practical assistance from agriculturists, who were a major link in the process.

The project was launched with only a few study groups and was to a certain extent opposed by the unwillingness of some tribal heads to make communal land available for grain cultivation.

The aim of this initiative was mainly to contribute to the establishment of commercial black producers. Several of the projects did not succeed due to a combination of a lack of funds, commitment, interest and/or co-operation, but in other cases success was achieved.

Residential area in Bothaville

After several exploratory talks and information meetings with Mr Derek Hanekom, Minister of Agriculture, a meeting with him was arranged at NAMPO in Bothaville, among other things to discuss his planning for the establishment of so-called Agri Villages. The meeting was attended by Executive Members of NAMPO.

During the discussions NAMPO's view on the feasibility and practical implementation of the concept in the traditional maize-producing areas was discussed. Several practical problems envisaged were pointed out, after which Hanekom was requested to rather arrange for residential plots in Bothaville to be made available for housing for black farmworkers. The proposal involved that 1 000 plots be made available for development, to be purchased by producers for their workers. It further involved that the plots be registered in the names of the workers, but that the government finance the costs of building houses on them from the Reconstruction and Development Programme.

Hanekom did in fact make available 1 000 plots in the Naledi residential area in Bothaville for this purpose. The plots were all sold within a very short time to producers, who bought them for their farmworkers. NAMPO did the planning for the building of houses, but when the government was requested to provide the funds for the construction, it transpired that there was no budget of any nature available for the provision of housing to farmworkers.

In the end Hanekom provided the funds for building the houses from the budget of the Department of Agriculture. Through this initiative of NAMPO permanent housing was provided in a town for a large group of farmworkers who would otherwise probably have disappeared between the cracks.

The value of this initiative is reflected by the fact that former President Nelson Mandela personally handled the official opening of the residential area.



High school (secondary farm school)

Although a large number of farm schools existed in the rural areas where farm-workers' children were educated, no single school offered instruction up to matric (Grade 12). NAMPO identified this as a shortcoming and engaged in talks with the government. The result was that approval was obtained to establish a secondary school on the NAMPO farm. An amount of R20 000 was made available to establish the school. This was totally inadequate and the management had to try and make alternative plans.

Various enquiries by Van Zyl, General Manager of NAMPO, eventually led to Eskom, which made a compound building that was no longer in use available to NAMPO. It was an asbestos building in the Amersfoort area and was dismantled by NAMPO and erected again at the training centre on the NAMPO farm as a school building.

The school that was established with this initiative was very successful – to the extent that even children from Bothaville later preferred to attend school there. In 2001 its achievements placed it 11th in the Free State on the basis of its matric pass rate.

The school grew so much that transporting of pupils to and from the school became a problem in time. NAMPO's management succeeded in acquiring a new Mercedes Benz school bus with the assistance of a sponsor, but because pupils had to be transported from all directions, it was decided to exchange the bus for three other buses to meet the demand.

However, the three buses were in a very poor condition and NAMPO was forced to examine other alternatives. The bus company Putco was contacted, and negotiations entered into for them to donate old buses that they intended to scrap to the school. NAMPO converted these buses into trailers drawn by tractors, and they could serve as bus transport for the pupils. The tractors used to draw the converted vehicles and the drivers were supplied by producers in the area.

Several years after the school opened, it was contracted to carry out certain cleaning and other services on the grounds during the NAMPO Harvest Day. For this compensation was paid directly to the school.



1989 Congress

NAMPO's Congress of 1989 was characterised by a very unusual incident that led to a major change in the top structures of the organisation.

At the Congress a serious argument developed between the Vice-chairperson, Mr Hennie de Jager, and the General Manager, Dr Piet Gous. The exact nature and details are not known, but it led to Mr Boetie Viljoen, who in his capacity as Chairperson of NAMPO was also the Chairperson of the Congress, declaring himself willing to resign as Chairperson if De Jager would resign as Vice-chairperson. De Jager accepted the challenge and he and Viljoen immediately resigned.

Dr Gous also resigned and the Congress was in a constitutional crisis because there was nobody to chair the Congress. Initially Mr Giel van Zyl, Head of Administration, acted as chair. After objections by a member, Mr Jasper van Zyl, that an official could not act as Chairperson of the Congress, Mr Kobus Jooste, the president of the SAAU, with the approval of the meeting, handled the election of a Chairperson (Mr Cerneels Claassen) and Vice-chairperson (Mr Jan Schabert).

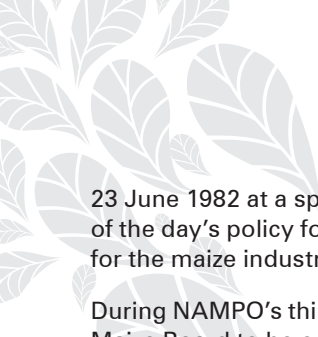
After the Congress Dr Le Clus and Van Zyl for a while jointly handled the responsibilities of the General Manager until Mr Danie Schoeman was appointed as General Manager. In 1992 the latter was replaced by Van Zyl as General Manager.

Maize Board

Since its establishment until the abolition of the Maize Board NAMPO played a significant role in the Maize Board. The producer members of the Maize Board, who constituted the majority on the board, were all members of NAMPO's Executive. The Chairperson and Vice-chairperson of the Maize Board were both NAMPO members too. More details on the founding, composition, activities and important events in the history of the Maize Board are provided in Chapter 2 of this publication. The role of NAMPO and its office bearers in the Maize Board is clear from that chapter.

However, what should be mentioned here is that NAMPO's direct involvement in the Maize Board also introduced a new era in the board, with greater focus on marketing and activities as a marketing council rather than a control board. In fact, on





23 June 1982 at a special Congress NAMPO in principle accepted the government of the day's policy for a freer economy. At that Congress the desire was expressed for the maize industry to actively move to a market-related economic system.

During NAMPO's third Annual Congress in 1983 an appeal was in fact made for the Maize Board to be empowered to act more autonomously as the marketing arm of maize producers.

Visit by Mandela and other heads of government

Since about 1989 Dr Le Clus and Van Zyl were speaking to high-ranking ANC members to try and convince them of the importance of agriculture for South Africa. After Mandela was released from prison, these talks were followed by an invitation for him to visit NAMPO.

Van Zyl addressed the invitation to the ANC via Mr Mosiuoa Lekota, a senior member of the ANC and later the first Premier of the Free State after the election of 1994. The ANC accepted the invitation and made arrangements for Mandela and other senior members of the ANC, including Messrs Trevor Manuel and Mosiuoa Lekota, to meet a few members of the NAMPO management at NAMPO Park outside Bothaville. The visit took place on Sunday, 13 May 1992. The visitors were entertained and NAMPO's representatives used the opportunity to build on the talks by Dr Le Clus and other office bearers from NAMPO with the ANC.

The delegation was informed of the position of the maize industry and the important role it played in the domestic economy and particularly in the provision of staple food to a large portion of the South African population. The producers' fears for the future were shared with Mandela and the issue of land tenure and the protection of property rights were discussed with him. The latter issue was discussed with Mandela on later occasions too.

Mandela spelt out the ANC's policy clearly and extended an open invitation to NAMPO's management to contact him at any time about the affairs of farmers.

During the visit and the meal the conversation sometimes took a more informal turn and a few interesting facts were revealed. Lekota, for example, recounted that many of their followers believed all the silos at NAMPO Park to be filled with gold. It was explained to him that the producers sometimes referred to maize as white gold (for white maize) and yellow gold (for yellow maize), but that they definitely did not store gold there. The NAMPO representatives were also very amused at a question from Manuel, who wanted to know how often maize plants had to be planted.

In the period before the change in South Africa's political dispensation in 1994 several Ministers from the South African government held discussions with representatives from NAMPO and paid visits to NAMPO, particularly the Ministers of Agriculture from time to time. Various other senior political figures and heads of state, in addition to Mandela, visited NAMPO and the NAMPO Harvest Day, including King Mswati III from Swaziland and a number of his Ministers.

After Mr Thabo Mbeki had been elected President of South Africa, Mr Japie Grobler, Chairperson of NAMPO, held regular discussions with him. At the first of these discussions Grobler pointed out to Mbeki that there was no plan for agriculture in South Africa and that it was therefore impossible to do something about the establishment of black commercial producers in the country.

On the basis of this conversation Mbeki instructed Ms Thoko Didiza, Minister of Agriculture in his cabinet, to draft a plan for agriculture. The Agricultural Plan, with profitability, access to agriculture and sustainability as its main elements, was accepted a few months later.

NAMPO Harvest Day

The NAMPO Harvest Day is a major success story that was inherited from SAMPI and has made such an important contribution to the grain industry, SAMPI, NAMPO and Grain SA over a long period that it justifies a chapter on its own. The origin and development of the NAMPO Harvest Day and highlights from its history are contained in Chapter 6.







Video: Mr Giel van Zyl talks about Mr Mandela's visit to the NAMPO Harvest Day farm.

NATIONAL OIL AND PROTEIN SEEDS PRODUCER ORGANISATION (NOPO)

1994: Requests for servicing of special interests

Until 31 December 1994 oilseed producers in South Africa were serviced at provincial level by the oilseeds committees of the Northern Cape, Free State, Natal and Transvaal agricultural unions.

The National Oilseeds Committee of the SAAU handled common matters with respect to oilseeds that had been referred by the provincial committees. This committee did include elected producer representatives from the respective provincial oilseeds committees, but representatives from other interest groups also served in the national committee.

However, in time oilseeds producers expressed the need for servicing of special interests by a national industry organisation.

NOPO as a national industry organisation

At a meeting of the National Oilseeds Committee on 7 October 1994 it was decided to establish the National Oilseeds Producer Organisation (NOPO) from 1 January 1995 as a national industry organisation.

The principle was accepted that NOPO would be autonomous with respect to all oilseeds industry affairs, but that general matters like roads and infrastructure would be referred to the SAAU.

Notice was given that the founding Congress of NOPO would take place at the ARC's Grain Crops Institute in Potchefstroom on 16 February 1995.

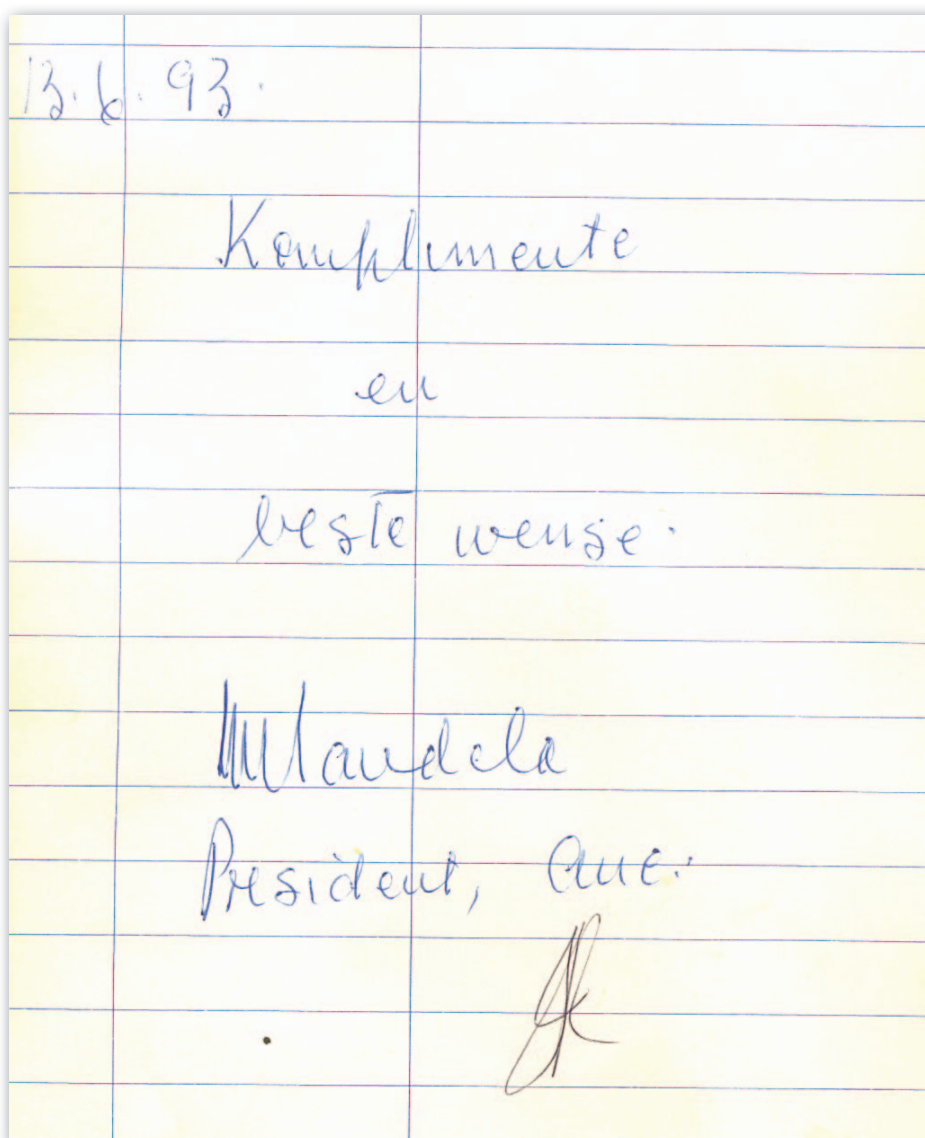
After the founding of the organisation NOPO affiliated with the SAAU.

The National Oilseeds Committee also decided on 7 October 1994 that the principle of production representation would be accepted for the composition of the Executive and Congress.

The newly established NOPO's office was located in Pretoria and Mr Nico Vermaak was appointed as the first manager.



Photo taken during Mr Nelson Mandela's visit. From the left: Messrs Japie Grobler, Trevor Manuel, the pilot who brought Mr Mandela to NAMPO Park, an unknown person (possibly a bodyguard), Boetie Viljoen (Chairperson of NAMPO at that stage), Johan Hoffman, Nelson Mandela, Cerneels Claassen, Bully Botma, Mosiuoa Lekota, Giel van Zyl and Dr Kit le Clus.



Mr Mandela's message in the NAMPO Park visitors' book.

BECAUSE THERE WAS UNCERTAINTY ABOUT THE PRODUCERS' REACTION TO THE VISIT BY THE ANC, IT HAD TO TAKE PLACE IN GREAT SECRECY AND SPECIAL ATTENTION WAS PAID TO SECURITY MEASURES. AMONG OTHER THINGS, ACCESS TO THE MEETING VENUE WAS STRICTLY CONTROLLED AND A SECURITY NET WAS DRAWN AROUND THE GROUNDS. ARRANGEMENTS WERE ALSO MADE FOR THE VISITORS' AEROPLANE TO LAND AT 09:00 TO COINCIDE WITH THE TIME OF MOST OF THE CHURCH SERVICES IN BOTHAVILLE SO THAT IT WOULD EXCITE THE LEAST ATTENTION.

In the era in which NOPO was founded, the oilseeds industry was faced by material changes, including:

- A new political dispensation that came into existence after the first democratic election in 1994.
- The first steps in the deregulation of the oilseeds industry had been taken.
- The GATT agreement, which would place international trade and the import of oilseeds to South Africa on a new footing.

The amendment of the existing marketing scheme for sunflower, soybeans and groundnuts would be the central theme for Congress in 1995.


First management committee meeting

The first management committee meeting took place on 10 January 1995. The following persons attended:

- Gert Pretorius (Chairperson)
- Japie Grobler (Vice-chairperson)
- Jan Theron (Member of management committee for groundnuts)
- Japie Middel (Member of management committee for soybeans)
- Faan Malherbe (Member of management committee for sunflower)



Mr Gert Pretorius, Chairperson of NOPO, 1999.



The primary focus of this management committee meeting was to finalise arrangements for the Congress that would take place in the Alex Holm Hall of the ARC's Grain Crops Institute in Potchefstroom on 16 February 1995.

First Congress: 1995

The first task of the Congress was to approve the charter for NOPO as national industry organisation. Congress could then be constituted and continue with its activities and decision-making. In terms of the charter the Executive comprised 15 members, namely the Chairperson, Vice-chairperson and 13 members, who were elected on a regional basis with respect to production.

In addition to the discussion of joint industry affairs, the request was made that breakaway groups be offered for soybeans, sunflower and groundnuts to handle industry-specific matters at the Congress. This became customary at subsequent NOPO Congresses.

A positive point was that 146 out of 150 delegates registered for the Congress. This clearly indicated that adequate support for NOPO as organisation existed.

Mr Attie Swart, Chief Director Marketing of the National Department of Agriculture, delivered the opening address at the Congress.

Discussion points

Among other things the Congress decided that the marketing schemes for soybeans, sunflower and groundnuts had to be amended. It was decided that for sunflower and soybeans a surplus removal scheme would be administered by the Oilseeds Board from the 1996/1997 season. For groundnuts it was decided that a surplus removal system (and voluntary pools) with a single-channel export system should be managed by the board.



The amendment of the groundnuts scheme led to a sharp decrease in the delivery of groundnuts to the Oilseeds Board, as producers developed new market opportunities.

Congress requested the board as authorised representative (Agricultural Product Standards Act) to continue with inspections and the issuing of certificates. The board was also requested to continue to offer analytical laboratory services to the industry.

Membership base

At the Congress approval was granted for a membership recruitment action to be launched to establish NOPO as a representative producer organisation. A membership fee of R50, to be reviewed annually, was implemented for the first year and it was decided that only members whose subscriptions were paid up would be allowed to attend NOPO's Congresses.

New management committee

During Congress the following persons were elected to the NOPO management committee:

- Mr Gert Pretorius (Chairperson)
- Mr Martiens Prinsloo (Vice-chairperson)
- Mr Jan Theron (Chairperson for the groundnuts industry)
- Mr Japie Middel (Chairperson for the soybeans industry)
- Mr Lourie Bosman (Chairperson for the sunflower industry)

The Chairperson and Vice-chairperson were elected by the Congress, and the industry Chairpersons at the respective breakaway sessions for groundnuts, sunflower and soybeans.



Strategic focus areas

The newly elected management committee convened at the Congress on 13 and 14 March 1995 to reflect on the strategic focus areas for NOPO.

They agreed on the values, overall objectives and industry focus, which were defined in a strategic plan for the organisation. The point of departure was that NOPO as organisation would strive to expand the economic living space for oilseeds producers.

The mission of NOPO was defined as follows: To promote the interests of producer members as a needs-driven united front. Collective bargaining on behalf of oilseeds producers would be aimed at organisational, production and marketing matters. The aim was to establish NOPO as mouthpiece for the oilseeds producers. The strategic plan and focus areas were accepted unanimously by the Executive on 20 April 1995. At this meeting the Executive also decided to change the name of the organisation to: *National Oil and Protein Seed Producer Organisation of South Africa*. However, the organisation would still be known as NOPO.

The Executive furthermore decided that the following industry committees would be formed to manage the strategic focus areas: Research priorities committee, cultivar evaluation committee, tariffs committee, committee for quality standards and an arrangement committee for information days.

A total of nine production regions were identified and area managements were activated for each region with the co-operation of the various Executive Members. The priority task for the area managements was to recruit members at grassroots level. However, the task was hampered by groundnuts producers in particular trading their product through private buyers and their particulars therefore not being available on the board's database. Membership of NOPO was voluntary, with producers agreeing to membership in writing. Membership fees amounted to R50 and the aim was not primarily to raise funds, but to establish a legitimate membership base. The recruitment action also held a financial benefit for area managements, as a portion of subscriptions from the region was paid back to the relevant area management.

Liaison with canola producers

In 1995 canola production was limited to the Southern and Western Cape, but various problems were experienced in the production and marketing process. In June 1995 a delegation from NOPO liaised with producers from those areas on the viability of the canola industry in South Africa. NOPO invited canola producers to join NOPO as industry organisation. However, the canola producers decided not to join NOPO formally at that stage.

NOPO then decided to activate a liaison committee with canola producers in the Southern/Western Cape and a seed company that undertook cultivar trials with canola. The first meeting of the liaison committee took place on 23 January 1996 and activities were soon expanded to involve producers, agribusinesses, the animal feed industry, oil pressing plants and the Protein Research Trust.

Tariffs committee

The tariffs committee convened for the first time on 5 July 1995. The committee consisted of representatives from NOPO, the Oilseeds Board, the Edible Nut Processors Association, SA Peanut Company, Groundnut International, AFMA and the Oil Expressors Association.

The tariff committee reached consensus on tariffs on the import of certain oilseeds and products and submitted an application to the Board on Tariffs and Trade, following which tariffs were approved in November 1995.

International competition was a new reality for producers. Tariffs were an important instrument to protect the local industry, as supply and demand, transport costs and the prices of imported products would have a great impact on domestic prices – in contrast to the period of controlled marketing.





It soon became apparent that although there was a degree of consensus between the role-players on the tariff committee about the method of calculating tariffs, the long interval for the adjustment of a tariff made matters difficult.

Guidelines for concluding grain contracts

In an increasingly deregulated market environment, many producers were uncertain about the meaning of certain terms in grain contracts. NOPO drew up a set of guidelines on matters that should be kept in mind when grain contracts are concluded.

Research priority committee

The committee convened for the first time on 12 October 1995. At the meeting, the ARC's Oil and Protein Seed Centre (ARC-OPS) informed the committee about existing and new projects. A complete budget and cost structures for projects were submitted. The NOPO Executive used this opportunity to pass on research needs to the ARC. On the back of this it was decided that feedback on research projects would be presented annually at the Congress to the respective breakaway groups.

Profile study: Needs of oilseed producers and long-term sustainability of the oilseeds industry

The Executive granted permission for NOPO to undertake a macro-economic study on the long-term sustainability of the oilseeds industry in collaboration with the University of Pretoria's School for Economic and Management Sciences.

The aim of this research was to obtain a statistical profile of the oilseeds industry through the primary and secondary sources of information. The data was used to assess the importance of the industry in the general economy, including liaison effects, and to set off the impact of policy changes on the industry in a strategic vision of the future.

A questionnaire was also distributed to 9 600 producers as a profile study as part of the project. The aim of the questionnaire was to identify the needs and expectations of oilseeds producers in order to support decision-making on strategic focus areas for NOPO.

The first draft report was released on 31 December 1995, after which the results of the investigation were announced at the 1996 Congress.



Take a careful look at the fine print...NOPO gave producers guidelines on how to avoid problems in contracts. NOPO News, 1997.



Executive planning 1995

A planning session for the NOPO Executive was presented in October 1995. The opportunity was also used to strengthen relationships with role-players in the industry and assess matters that had to be dealt with in the short to medium term. The new Marketing Act was of great interest to producers and they requested more information on the impact of deregulation, the property rights of reserve funds and assets managed by the Oilseeds Board on behalf of the industry, and possible statutory measures.

An exploratory discussion took place between the NOPO management committee and the Executive Committee of the Oilseeds Board on 21 November 1995. At this meeting the principle was tested that reserves and assets of the board be hedged by a trust in order to fund actions in the interest of the oilseeds industry.

The Executive's planning was also used to reflect on trade agreements and a tariff policy to protect local producers against subsidised products. Finally, the focus fell on royalties from research to support research projects.

NOPO information days

In order to introduce NOPO to oilseeds producers, area management meetings were combined with information days during 1995. Organisational matters as well as the most recent technology, research results and market information were presented to producers. The information days were presented in close co-operation with the research team of the ARC-OPS and the various agribusinesses.

NOPO logo

The Executive replaced the logo of the National Oilseeds Committee with NOPO's own logo in 1995.

1996: Marketing Act and deregulation

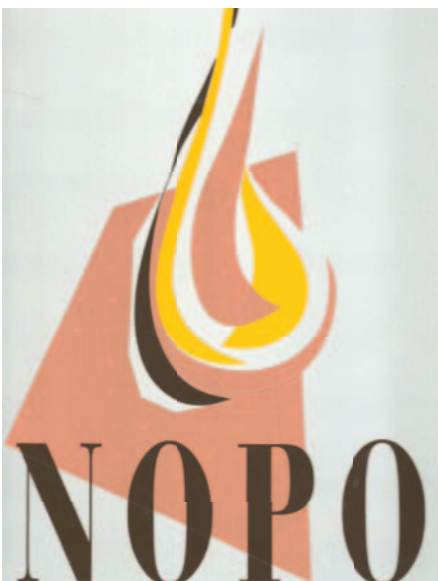
The Marketing of Agricultural Products Act (Act 47 of 1996) was approved by parliament in the second semester of 1996, for commencement on 1 January 1997.

In the run-up to the implementation of the new Marketing Act in 1996 NOPO held discussions with various policymakers in order to inform them first hand of the activities of NOPO. These included talks with the retiring Minister of Agriculture, Dr Kraai van Niekerk, the Chairperson of the Portfolio Committee on Agriculture, Ms Janet Love, the Chairperson of the Senate Committee, Dr Sam Motsonjane, the leader of the PAC, Mr Clarence Makwetu, the spokesperson on agriculture of the National Party, Dr EA Schoeman, and Mr Brendon Bailey of the LAPC (adviser to the new Minister of Agriculture and Land Affairs, Mr Derek Hanekom). Discussions about the deregulation process were also held with AFMA and the Oil Pressers Association.

The new Marketing of Agricultural Products Act (Act 47 of 1996) provided that statutory control boards had to be phased out. It further provided that the industry had to submit a business plan to the Minister and the Marketing Council with recommendations on the way in which the board concerned would manage the conclusion of its activities. Requests for statutory measures also had to be motivated in the business plan. Proposals for the restructuring of the functions of the board had to be supported by consensus restructuring from the industry.

Hanekom, the new Minister of Agriculture and Land Affairs, announced that the new National Marketing Council would meet for the first time on 6 January 1997. This implied that the business plan for the oilseeds industry had to be submitted to the Marketing Council by the first week of February 1997.

This was the end of an era in which producers with a guaranteed majority vote in the various boards could direct industry decisions, as the process of deregulation had to be handled through consensus decisions.



NOPO's own logo, in use since 1995. The oil droplet symbolised the factor (oil), which oilseeds have in common.

Activation of the Oilseeds Working Group (September 1996)

After it became clear that the Oilseeds Board had to be phased out, NOPO requested an Oilseeds Working Group to be set up for the industry. The aim of the working group was to serve as a forum where role-players could reflect on industry functions and the business plan that had to be prepared for the Minister. The recommendations of the Oilseeds Working Group would eventually serve as basis for the business plan for the deregulation of the industry.

The Oilseeds Working Group convened for the first time on 23 September 1996 and comprised representatives from NOPO, the Oil Pressers Association, AFMA, the Groundnuts Forum (already established by then) and the Oilseeds Board. The discussion was handled within a framework of the practical implications of the Marketing Act for the industry, the identification of functions of the board that could be continued in the industry after deregulation, the timeframes within which the new structures had to be activated and the funding of the new structures. The board was requested to prepare a viability study with recommendations by 30 November 1996, after which the working group had to convene again on 3 December 1996 to discuss the recommendations.

Preparation for the establishment of the Oilseeds Trust

At the 1996 NOPO Congress the Executive was given a mandate to continue investigating the activation of an Oilseeds Development Trust when the Oilseeds Board was phased out.

Discussions in this regard were held with the Minister of Agriculture, Mr Kraai van Niekerk, who recommended that all the interest groups in the industry be involved in the deregulation process. He also discussed practical guidelines for this with NOPO.

The NOPO legal representatives prepared recommendations for a draft trust deed. These proposals were passed on to the Oilseeds Working Group. These included that a donation of R100 be recorded as part of the initial trust capital.

Establishment of Groundnuts Forum

The first meeting of the Groundnuts Forum took place on 8 May 1996. The aim of the forum was to handle matters of joint interest within the groundnut value chain.

NOPO recommended that a similar forum be established for sunflower and soybeans.

Strategic actions to adjust to new policy environment

Congress decisions on the marketing schemes: 1996

Despite the proposed deregulation of the industry the 1996 Congress requested the Oilseeds Board to take steps to handle possible surpluses of oilseeds produced in South Africa. This decision was motivated by the possibility that a sunflower surplus could realise during the 1996/1997 season. The Congress decided further that the single-channel export scheme for groundnuts should be retained.

From these decisions it could be concluded that oilseeds producers had not yet fully accepted the impact of the new Marketing Act and deregulation.

Commercial grain producer organisation

The south-west area management of NOPO recommended that a model for a commercial grain producer organisation be investigated. The aim of such an organisation would be to provide cost-effective support services to oilseeds, maize, sorghum and winter cereal producers by combining the existing industry organisations. Martiens Prinsloo discussed this proposal on behalf of the south-west area management at a NOPO Executive meeting on 28 May 1996. This was the first step for NOPO in a process of closer co-operation between existing industry organisations in the grain industry.





A joint visit to the Minister of Agriculture, Mr Greyling Wentzel, was in fact historical, as it was the first time that the three grain industries spoke from one mouth. Minister Wentzel said it was the most fulfilling day of his life. From the left: Messrs Johan Roux (sorghum), Cerneels Claassen (NAMPO) and Japie Neethling (winter cereal).

Market information in a free-market environment: NOPO market information service

Given that the new Marketing Act provided that the Oilseeds Board had to be phased out, NOPO's Executive decided that an own capacity had to be developed to interpret market trends and make it available to producers. The results of the questionnaire to producers, which was sent out in collaboration with the University of Pretoria, also confirmed the need for an independent information service.

An agreement was concluded with Agrimark Tendense (Dr Johan Willemse and Ernst Janovsky) to develop a unique and accessible market information service for oilseeds producers. The service included weekly and monthly reports on the sunflower, soybean and groundnut markets, with analyses of international market factors as well as the South African market conditions, crop estimates and other factors that could affect the domestic market.

What made the market information service unique for that time was that it was available 24 hours/day, seven days a week via an automatic fax service as well as an internet link. Producers could therefore also obtain access to an objective and independent market information service after hours.

When the Oilseeds Board was phased out, the NOPO market information service was available as an information service to all role-players in the industry. However, there was not sufficient support from the Oilseeds Working Group to maintain the project as a project in the interest of the broad industry and the service had to be stopped. The Oilseed Advisory Committee did approve a monthly oilseeds market overview be published in *NOPO Nuus* and later in the *SA Graan/Grain* magazine.

NOPO also used the services of Dr Andre Jooste, from the University of Pretoria at the time, for economic analyses on an ad hoc basis.

After the NAMPO and NOPO magazines merged in 1999, Dr Johan Willemse continued to offer a monthly oilseeds review, analysing domestic and international market trends. The Oilseeds Trust approved the monthly article as one of the first projects in the interests of the broad industry.

The market overview article was concluded as a project of the Oilseeds Trust in March 2014, after 15 years. Dr Willemse was the writer from 1999 - 2012 and Dr Dirk Strydom from 2012 - 2014. (Dr Strydom assumed an appointment with Grain SA as Manager: Grain Economics and Marketing from 2016.)





Communication strategy: NOPO Nuus magazine

At an Executive meeting on 28 May 1996 a communication strategy was approved for NOPO. This included that a new magazine, *NOPO Nuus*, be established. It was initially published every two months.

Mr Johann van Zyl of Randcom was appointed on contract as editor and Ms Jana Greenall as advertising salesperson.

The first edition of NOPO Nuus was published in July 1996 with a print run of 5 900. It was distributed to oilseeds producers, input providers, political opinion formers, training institutions and marketing agencies. The magazine was launched at a special function on Loftus Versveld in Pretoria in August 1996, and the event was attended by more than 140 guests and agricultural writers.

In its first year of existence *NOPO Nuus* grew to a proud product through which oilseeds producers and all other stakeholders in the industry were kept informed on a regular basis about the newest market trends, technology, information days, research results and current events in the industry.

The magazine was managed according to strict business principles in that the advertising income covered the distribution and printing costs. The circulation list of the magazine grew to 7 200 over time.

NOPO fact sheet

In 1997 the Executive decided to compile a fact sheet on the activities of NOPO, as well as a breakdown of the way in which membership fees could be paid. The fact sheet was distributed as widely as possible to all Executive Members, provincial agricultural unions and co-operatives in order to support NOPO's recruitment of members.

Media liaison

NOPO also liaised with oilseeds producers via the electronic and print media since 1997. Press statements on market and price trends as well as important events in the industry were provided to the media network on a regular basis. Joel Kotze from the Agricultural Writers Association also arranged a media tour for NOPO.

Production and marketing matters: 1996

Research

NOPO's view was that without new research and technology South African oilseeds producers would not be able to compete in the rapidly changing international global markets. Consequently it was decided to make the research committee of NOPO's Executive more inclusive for role-players from the industry by involving other role-players in the industry. This created new opportunities for the planning and prioritising of research projects that would benefit the broad industry.

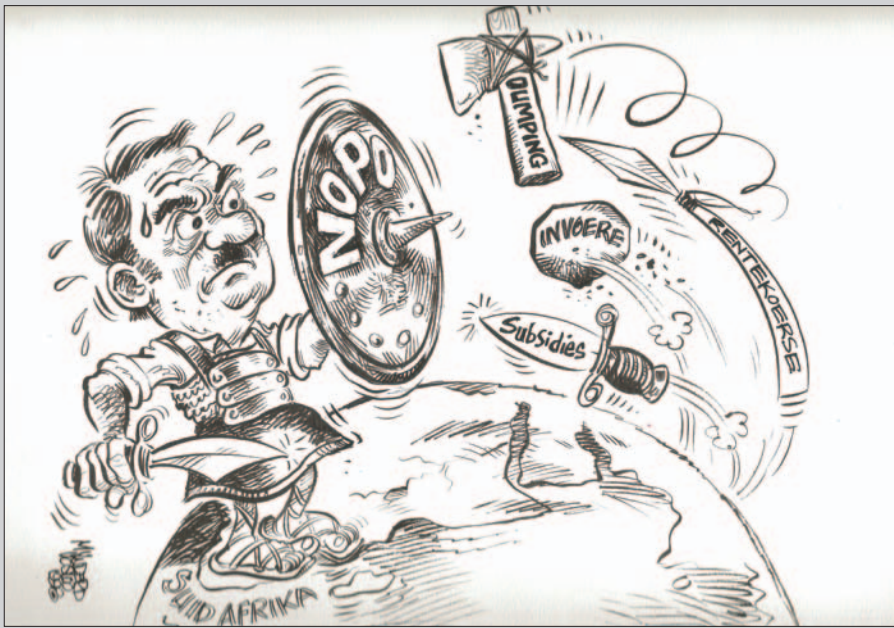
Groundnuts seed scheme

The Plant Breeders' Rights Act provided seed breeders, traders and producers involved with seed propagation with protection. After the deregulation of the groundnuts industry various problems were identified, including sampling, sales outside approved channels, uncertified seed, withholding of seed and a long interval before seed could be released from breeding programmes.

Various discussions were held with role-players with the request that the integrity of the groundnuts seed scheme in a free market be upheld. However, practice taught that a simple solution was not possible.

Promoting soybean production: PRT

A Soybeans Working Group was established by the Protein Research Trust (PRT) with a view to promoting soybean production in South Africa. The PRT (later known as the Protein Research Foundation – PRF) launched a Super Soy competition in KwaZulu-Natal, which was expanded to Mpumalanga and North West. The aim of



...to protect producers' interests against international attacks. NOPO News, 1997.

the competition was to bind producers together through study groups and thus launch the newest technology for profitable production.

The Super Soy competition contributed to the yield/hectare and the protein content of soybeans improving drastically.

Tariff policy for imports

The initial consensus in the industry on the way in which tariffs on imports had to be managed quickly faded. In a free market it was a natural development for producers to attempt to protect the domestic market against imports from subsidised products while buyers and processors wanted to utilise international opportunities.

On 11 March 1996 discussions were held between representatives of the Board on Tariffs and Trade, AFMA, the Oil Pressers Association, the Oilseeds Board and NOPO. At this meeting it was clear that NOPO and the other role-players differed drastically about the tariff policy that should be implemented. NOPO's proposals included that tariffs should be adjusted automatically when international price trends reached certain levels. However, AFMA and the oil pressers requested that an adjustment to existing tariffs be negotiated only when a major change in global markets had occurred. A compromise was reached after the rand-dollar exchange rate weakened drastically and the cost implications for imports changed. The tariffs committee did recommend to the Board on Tariffs and Trade that vegetable oil could be imported at a zero tariff and all oilcake at a tariff of 6,6%.

Code of ethics for a deregulated market

With the deregulation of the grain industry, buyers and sellers of grain and oilseeds incurred great losses because of breach of contract. Some of the producers joked after the season that they received a good price, they just did not receive their money.

Representatives from the co-operatives, grain traders, transport industry and various financial institutions met on 17 July 1996 to try and find solutions. It was decided that a code of ethics for grain trading should be developed and released. NOPO also published practical guidelines for concluding grain trading contracts for producers in *NOPO Nuus*.

NAMPO inputs committee

NOPO made a decision in principle as far back as 1996 to integrate with NAMPO's inputs committee as inputs had an equal impact on all grain producers. Participation

in NAMPO's inputs committee promoted co-operation between NOPO and NAMPO even at an early stage.

Sunflower seed is exported

The exporting of 100 000 tons of sunflower seed was approved in the first semester of 1996. This was the first opportunity since the early eighties that sunflower was shipped from South Africa. Because of the mass-volume ratio the export of sunflower was regarded as uneconomical, but the sharp drop in the rand/dollar exchange rate and a strong demand in Europe made the export of sunflower profitable.

Implementation of the Marketing of Agricultural Products Act: 1997

During 1996 the National Party withdrew from the Government of National Unity and the Minister of Agriculture, Dr Al van Niekerk, vacated his position. The governing party (ANC) decided to appoint Minister Hanekom as the new Minister of Agriculture and Land Affairs. One of the first priorities of the new Minister was to finalise the Marketing of Agricultural Products Act (Act 47 of 1996).

The deregulation process of the oilseeds industry was completed in 1997 with the phasing out of the Oilseeds Board on 30 September 1997. This was preceded by extensive negotiations between role-players in the industry in preparation for the business plan for the oilseeds industry that had to be submitted for approval to the Minister of Agriculture.

The new legislation not only set new rules for the marketing of agricultural products, but it was also the end of an era in which producers were able to guide policy decisions through their involvement in the various control boards.

In terms of the Act all assets and reserves of the Oilseeds Board had to be transferred to the soon to be established Oilseeds Trust. From a producer perspective the experience was that assets and reserves collected from producers through statutory levies had in effect been alienated from producers by the new Marketing Act. In future producers would be only one of many affected groups when decisions about the employment of funds were made in the industry structures. The Marketing Act thus also brought an end to the ability of industry organisations to fund themselves through statutory levies.



In March 1997 NOPO held exploratory discussions with NAMPO and the DPO (Dry Beans Producer Organisation) about possible co-operation agreements. Ultimately the NOPO leadership decided that they had more in common with NAMPO than with the DPO. Discussions progressed from a debate on co-operation to the merger of NOPO and NAMPO.

Restructuring of the oilseeds industry

In terms of the business plan for the oilseeds industry it was agreed that the Oilseeds Board would conclude all functions on 30 September 1997. The activities of the Oilseeds Board, which had been established in 1952, were therefore terminated after 45 years. The business plan that the Oilseeds Board submitted to the Minister made provision for the following structures to look after the interests of the industry after the abolition of the Oilseeds Board:

- ***The Oil and Protein Seed Development Trust (OPDT)***

The trust was registered on 18 September 1997. The main objective of the trust was to promote the oilseeds industry in South Africa. Trust income and capital would be employed only for research, information and support services in the interests of the industry. The deed made provision for the appointment of seven trustees, one of which would be a representative from the Minister.

- ***Oilseed Advisory Committee (OAC)***

The advisory committee, comprising ten representatives of the industry, convened for the first time on 1 December 1997. In terms of the deed the advisory committee had to be consulted by the trustees before any decisions regarding requests for financial support were made. The advisory committee was also responsible for the appointment of trustees, excluding the Ministerial representative. However, the committee's primary function was to assess information and research projects in the interest of the industry and refer them to the trust for funding.

- ***Research Priority Committee***

The Research Priority Committee (committee of the advisory committee) was tasked with identifying research and other projects in the interest of the industry. After priorities had been determined and the assessment process completed, the priority committee passed recommendations on to the advisory committee for decision-making.

- ***SAGIS: Information to industry***

The maize, oilseeds, winter grain and sorghum industries decided to establish a section 21 company and contribute pro rata to the SAGIS budget. SAGIS was established with the aim of managing generic information services for the grain and oilseeds industries. Where necessary, statutory measures would be introduced to ensure that information was given to SAGIS. The respective trusts would also nominate and appoint the members of the SAGIS board.

- ***Industry forums for sunflower, soybeans and groundnuts***

After the Oilseeds Board had been phased out, the various commodity sectors still had a need to liaise with one another on common commodity matters.

The following forums were established:

- Groundnuts Forum (1996)
- Sunflower and Soybean Forum (1997)

All role-players from the value chain could attend forum meetings (at their own expense) and consensus decisions were made. When consensus was not reached, the forums appointed a technical committee as the next step to investigate the matter further and pass recommendations on to the forum. Common matters that were handed by the forum included grading, health regulations and research needs.





• **Technical services**

The involvement of the Oilseeds Board in the provision of technical services developed over more than 40 years. This technical services function involved the application of quality standards, delivery of analytical services and training of graders.

Role-players regarded the continuation of the technical services function as essential. Various alternatives were investigated and it was decided to transfer the function to the PPECB. The Minister of Agriculture approved the transfer from 1 September 1997.

• **Liquidation committee of the Oilseeds Board**

A liquidation committee handled the arrangements for the completion of the outstanding matters of the board after 30 September 1997. Mr Gert Pretorius, Chairperson of NOPO and the Vice-chairperson of the Oilseeds Board at the time, served on the liquidation committee.

Discussions on co-operation between NOPO and NAMPO

As far back as March 1997 discussions between NAMPO and NOPO were held at administrative as well as policy level. The aim of these discussions was to develop models for future co-operation. From the beginning it was clear that NAMPO and NOPO had a lot in common, as a shared vision existed to promote the economic living space of maize and oilseeds producers.

The NOPO Executive approved recommendations for co-operation with NAMPO on 14 October 1997. The Chairpersons of NAMPO and NOPO, Gert Pretorius (NOPO) and Japie Grobler (NAMPO), then announced the official co-operation between the two organisations by way of a media release on 24 November 1997. The media statement specifically mentioned that NOPO and NAMPO were still managed separately and that oilseeds and maize producers had to contribute through membership fees to funding the structures.

NOPO member recruitment 1997

In February 1997 the NOPO Congress approved the principle that the organisation had to be funded through a voluntary contribution at the first point of trade in future. The NOPO Congress would annually approve a business plan and budget for services to oilseeds producers. On 14 October 1997 the NOPO Executive approved proposals for collecting a voluntary contribution as membership fees. The collection method made provision for the grain silo industry and private buyers to handle



NOPO's Management Committee by 1997 (from the left): Messrs Nico Vermaak, Naas Bellingan, Gert Pretorius, Lourie Bosman and Japie Middel.



the collection, provided that producers sign a written mandate for the deduction. The voluntary levy for the 1998 season was calculated as follows:

- Sunflower at R2,60/ton
- Soybeans at R2,81/ton
- Groundnuts at R5,19/ton

The above were calculated at 0,22% of the estimated turnover and price for the various crops.

The NOPO Executive approved the principle that an amount of R30 be paid out to member recruiters for each completed membership application form, with a sponsorship agreement to support recruitment actions.

The method of a voluntary contribution per ton as membership fees at the first point of trade was a first for agriculture. Producers were used to statutory levies that could be collected without a written mandate. The transition to a system where a mandate had to be signed to confirm voluntary association presented unique challenges. Agreements were concluded with buyers and co-operatives, but the process was hampered by traditional co-operative borders for delivering products having faded in a free-market environment.

However, the process of liaison and communication with agribusinesses and oilseeds producers emphasised the awareness of a system of voluntary levies, which was later implemented successfully by Grain SA. Although the system was accepted within the NOPO structures, the implementation of the system never really got off the ground after it had been announced that NOPO and NAMPO had concluded a co-operation agreement (Media statement, November 1997).

Other important commodity matters

During the NOPO Congress in February 1997 the request was made that producers be compensated according to the oil content of sunflower seeds. After the Congress buyers and processors received several enquiries about compensating producers according to the oil content of sunflower seed. However, feedback from the silo industry was that it would not be logistically possible to store sunflower seed according to oil content levels.

In November 1997 Senwes announced that it had been decided in consultation with buyers to purchase sunflower on an oil basis in the 1998 season. The producer price would be calculated on an oil content of 42%, with a sliding scale for payment if the oil content was higher or lower than the 42%.

Groundnuts seed scheme: Code of conduct

The Groundnuts Forum recommended that a code of conduct for the seed scheme be put in place. The essence of the decision was that self-regulation had to be applied. A working group was requested to investigate methods for implementing the code of conduct. Short-term profit with groundnuts seed often determined outcomes, however, without the long-term impact being taken into account.

1998: Planning, transition and unity in the grain industry

The year 1998 will be remembered for important decisions by leaders in the grain and oilseeds industries to accomplish unity.

Initially the focus of discussions between NOPO and NAMPO were on co-operation, but the borders of negotiation shifted to unity in the grain industry. The WPO (winter grain) and the SPO (sorghum) in time became involved in these talks and gave their support.

Producers at grassroots level also expressed the need for unity in the grain industry to be established in a single industry organisation. This approach received general support, as many producers farmed with summer and winter grain and oilseeds in a crop rotation system on the same farm.

In the run-up to deregulation and the dissolution of the Oilseeds Board NOPO co-operated at various levels with industry role-players to establish relation-



NOPO held various talks with role-players as well as with the Groundnut Forum in order to uphold the integrity of the groundnuts seed scheme within a free-market environment. However, the practice taught that a simple solution was not possible. NOPO News, 1997.

ships with them. The 1998 NOPO Congress programme included an open discussion of the future of the oilseeds industry, with invitations for submissions to the Oil Pressers Association, AFMA, the grain silo industry, Safex and Agri Market trends. NOPO's management committee also decided to invite the Chairperson of NAMPO as keynote speaker to the 1998 NOPO Congress so that a start could be made even at this Congress in February 1998 with establishing a message of unity in the grain industry.

Visit to Minister Derek Hanekom

On 15 October 1998 a NOPO delegation visited Minister Hanekom. NOPO was represented by Pretorius, Vermaak and Mr Basie Ntsimane. The invitation by the Minister to provide elucidation was received at short notice and the opportunity was used to inform the Minister about the contribution of the oilseeds industry to the local economy, the creation of job opportunities and the supportive role of NOPO in the industry. The opportunity was further used to inform the Minister of the NOPO development programme.

Decision-making and mandates for unification in the grain industry

At the NOPO Congress in February 1998, the NOPO Executive was granted a unanimous mandate to continue with consultations with NAMPO and other industry organisations in order to establish a single service provision structure for grain producers.

The management committees of NOPO and NAMPO convened at Bothaville on 19 August 1998 to reflect on key elements to ensure the success of the merger. During these discussions it was confirmed that both the NOPO and NAMPO Congresses had given mandates for them to continue with a discussion on unification.

Good attitudes between the leadership of NOPO and NAMPO made positive talks possible. However, NOPO and NAMPO were two totally independent organisations, each with their own culture and focus areas, due to the different crops they served. It remains a compliment to the leadership at the time that they could bridge the differences.

To the NOPO management committee it was essential that the model of co-operation initially and later merging should retain the principle of specialist servicing of the respective grain and oilseeds crops. Within the NAMPO group



the focus was only on white and yellow maize, but in the NOPO frame of reference three industries (sunflower, soybeans and groundnuts) were served.

The NOPO Executive decided that a balanced service to all three oilseeds should be provided and the NOPO Congress established the practice that breakaway groups for sunflower, soybeans and groundnuts be held so that industry-specific matters could be dealt with. NOPO therefore regarded the fact that oilseeds should still be serviced per crop in a new organisation as a core element of the discussions on amalgamation.

The constitution that was ultimately accepted by Grain SA also specifically made provision for specialist working groups within Grain SA, and for expertise to be co-opted to the Executive should there not be sufficient expertise for a commodity sector among the elected Executive Members.

1999: Termination of NOPO and founding of the Grain Producer Organisation

During the first semester of 1999 the focus fell on final arrangements for phasing out NOPO as industry organisation. Many meetings were held to handle the transition and the dissolution in such a way that the interests of oilseeds producers would still be served in the process.

The new industry structures established after the termination of the Oilseeds Board was also active and through its representatives NOPO also made a constructive contribution to the new Oilseeds Trust, Oilseed Advisory Committee, research priorities committee, Sunflower and Soybean Forum and the Groundnuts Forum.

NOPO's Executive says goodbye

On 17 April 1999 NOPO's Executive said goodbye at a Final Executive meeting. This was a special occasion, as two major objectives had been achieved as:

- The oilseeds industry's structures were in place and functioned actively, namely the trust, the advisory committee, forums and technical committees of the forums.
- The oilseeds industry's structures were in place and functioned actively, namely the trust, the advisory committee, forums and technical committees of the forums.

However, NOPO's Executive wanted to confirm at the Final Executive meeting that the principle of servicing of special interests of the smaller industries would still be possible in the structures of the new Grain Producer Organisation and that not only maize interests would be served in a new structure. Consequently a request was submitted for servicing of special interests for sunflower, soybean and groundnut producers to be entrenched in the constitution of the new organisation and that this mandate be reconfirmed at NOPO's final Congress.

At the farewell dinner the NOPO Executive Members each signed a commemorative certificate. This commemorative certificate was handed to the new Grain Producer Organisation at Bothaville after the dissolution of NOPO, after which it was placed in the boardroom. As designated Executive officer of the new Grain Producer Organisation, Van Zyl also attended the NOPO farewell function.

NOPO's final Congress

NOPO's final Congress took place in the Fanie Ferreira Hall on the NAMPO Harvest Day grounds (later known as NAMPO Park) on 9 June 1999.

The theme of the opening address by Pretorius was: 'NOPO made a difference'. In a media article after the Congress he was quoted as follows:

'We look back on the activities of NOPO over the past five years with pride, but we also look ahead with confidence, where producers will address challenges with combined abilities, expertise and leadership. This Congress leads to a new era where all grain producers in South Africa will find a home within a single organisation.'

The Congress requested the Executive of the new Grain Producer Organisation to give specific attention to a number of oilseeds matters, which were defined as Congress





During the NOPO farewell dinner on 17 April 1999, the entire Executive signed this commemorative certificate.



resolutions for this purpose. The sunflower, soybean and groundnuts working groups handled these matters within the structures of Grain SA after unification.

Motion for dissolution of NOPO and concluding the Congress

In terms of the guidelines of the charter a motion for the conclusion of the activities of NOPO was submitted to the Congress. The Congress passed the motion unanimously.

Various votes of thanks were made, after which Congress was concluded with a prayer by Mr Adriaan Ferreira of Hoopstad.

Support to developing oilseeds producers from 1996

During its existence NOPO made important and valuable contributions to the developing agricultural sector, which were continued and expanded in Grain SA after unification.

The NOPO development model via a regional office with involvement with developing producers in a certain area was implemented with great success in other areas too after the founding of Grain SA. NOPO started developing agriculture long before it became a buzz word in agriculture because it was the right thing to do. The action was also driven by leaders in NOPO's Executive to whom it was a passion to act as mentors.

NOPO's involvement in this regarded is discussed in Chapter 8, which focuses on developing agriculture in the grain and oilseeds industries.

Involvement in the oilseeds industry

Before the establishment of Grain SA, NOPO agreed with the industry structures to offer secretarial services to the trust (OPDT), the Oilseed Advisory Committee, the research priority committee and the forums as a transitional measure.

The secretarial services to the forums were in time transferred to other service providers so that the producer representatives could take part in debates without reservations. After the establishment of Grain SA it was decided that continued secretarial services would be provided to the Oilseed Advisory Committee and research priority committee as an interim measure. A full-time administrator (Mr Gerhard Keun) was appointed by the oilseeds industry in 2000 to take over the administration of the trust, advisory committee and research priority committee.

WINTER CEREAL PRODUCER ORGANISATION (WPO)

Establishment

Prior to September 1989, the responsibility of industry services for winter cereal producers fell on organised agriculture. The structures responsible for these services were the National Industry Committee for Wheat and other Winter Cereals of the SAAU (the National Winter Cereal Committee), together with the winter cereal committees of the provincial agricultural unions – namely the Transvaal, Free State, Northern Cape and Western Cape agricultural unions. (TAU, FSAU, NCAU and WCAU).

The winter cereal committees were set up at provincial level by nominating persons from the various district agricultural unions. Representatives on the National Winter Cereal Committee were appointed on the basis of production volumes. The Western Cape, with the largest production volume of winter cereal, therefore had the biggest representation on the National Winter Cereal Committee.

By the late 1980s, the movement to agricultural specialisation started gaining ground. The National Winter Cereal Committee took due note of the changing circumstances. At its meeting on 15 September 1988, the committee in principle accepted that it had become essential to critically evaluate the structures available for the servicing of winter cereal producers.

This led to the recommendation by the National Winter Cereal Committee to establish a national industry organisation for the winter cereal producers with

its own identity, a new name and its own logo. The recommendation further stated that the organisation would still function within the SAAU structures, with retention of the National Committee of the SAAU as the highest authority in the industry.

The recommendations were referred to the SAAU and the Wheat Board for further consideration. It seemed as though the recommendations were favourably considered, as during its meeting on 15 March 1989 the National Winter Cereal Committee decided that a national producer organisation would be established, as had been envisaged. It was resolved that the name would be the Winter Cereal Producer Organisation (WPO). This was also the last meeting of the National Industry Committee for Wheat and other Winter Cereal, which was subsequently dissolved.

Mr J Neethling was elected as the first Chairperson of the WPO, with Mr WE Pienaar as the Vice-chairperson. Mr Nico Hawkins was appointed as the first Manager of the WPO.

The WPO's main function was to serve as producer organisation, and therefore as the mouthpiece for the winter cereal producers. After its establishment the organisation played a key role in the handling of winter cereal producers' interests and the winter cereal industry in general.

Following an Executive decision on 4 April 1991, the function to nominate producer members to the Wheat Board was taken over by the WPO. Pursuant to this decision, the WPO would nominate two members from the FSAU and one member from the WCAU. Furthermore, it was decided that the Wheat Board member who had previously been nominated by Uniegraan, would in future be nominated by the WPO Executive. This meant that from 1993 the WPO structures nominated all producer members for appointment to the Wheat Board.

First meeting

The WPO's first Executive Meeting was held on 14 September 1989 in Gordons Bay and Mr Eddie Pienaar, the Chairperson of the Wheat Board, attended.

During this meeting reports were presented concerning the consultations between the WPO, NAMPO and the National Grain Sorghum Committee. According to the report, the representatives of the different organisations identified many points and problems in common between the various industries, which in their opinion might be addressed more successfully when looked at collectively. It remains interesting that, even a decade later, this aspect was also one of the key reasons for the establishment of Grain SA.

At this meeting it was noted that the research structure and function of the Department of Agriculture and Water Supply would be transferred to an autonomous research council, the Agricultural Research Council (ARC), which could serve all populations groups and could co-ordinate and support all agricultural research. A proposal with full details regarding the purpose and functions, management, funding and other aspects of the ARC was discussed.

Durum wheat

A meeting for the representatives from all co-operative areas producing durum wheat was held on 15 February 1990 at Hopetown. During that meeting it was requested that a permanent committee under the auspices of the WPO be created to handle the interests of the durum wheat producers.

This request was approved by the WPO's Executive on 21 March 1990. A sub-committee was established with representatives from the Wheat Board, Fatti's & Moni's, South-Western Transvaal Agricultural Co-operative, Prieska Meat Co-operative, Hopetown Co-operative, Eastern Cape Agricultural Co-operative, Douglas Co-operative and Albert Co-operative.

New Chairperson

At the WPO's Executive Meeting on 18 September 1991 Mr Chappie Ferreira, representative of the Free State WPO, took over the role of Chairperson from



Mr Andries Beyers, Chairperson of the WPO, 1999.



Neethling. The Executive also decided to request the Wheat Board to grant the WPO the opportunity to make an annual price submission to the Wheat Board. Until then, the proposal had been made by one of the members of the Wheat Board. The Wheat Board was also requested to agree to Messrs H Claasen and F du Bois presenting the proposal to them.

Commission of enquiry into the Marketing Act

With the appointment of the Kassier Committee in 1992 to enquire into the Marketing Act, the WPO drafted comments that were presented as supporting documents to the Wheat Board's submission to the Committee. In reaction to the final Kassier report, the Chairperson of the WPO, Mr Andries Beyers, pointed out that experience had shown that the deregulation of agricultural markets did not necessarily lead to cheaper food as had been alleged in the media.

Following the Kassier report, the WPO realised that the government's eventual decision regarding statutory marketing could possibly influence the WPO's future financing and functioning. Consequently, a WPO Chairperson's committee met representatives of the ANC on 10 June 1993 to get up to speed on their views regarding agricultural policy. At the same time the WPO, as the representative of the winter cereal producers, conveyed their view on winter cereal policies to the ANC.

The WPO's Executive was of the opinion that it was vital for the WPO to continue to exist, be it in its current or in a modified form. Consequently, a working group comprising Messrs Beyers, Crawford von Abo, Du Bois and Hawkins was constituted on 15 September 1993 to investigate alternative methods of funding for the WPO that could be implemented should statutory levies be abolished.

In the run-up to the changes to the Marketing Act of 1968, the winter cereal producers were of the opinion that the statutory single-channel marketing system was still the best method of marketing the South African winter cereal crop – specifically wheat and barley. The WPO's management argued that a level playing field in the industry would only be possible if the producers negotiated collectively.

The Wheat Board supported the WPO's views by pointing out to the Kassier Committee that all grain-producing countries in the world offer some form of protection to their producers or exercise a measure of control over their marketing system. The Wheat Board contended that the winter cereal scheme had succeeded in organising the market with respect to winter cereals in an excellent way. However, the Kassier Committee did not agree with this.

New Marketing Act

At the WPO's Executive meeting of 26 March 1996 cognisance was taken of the Marketing of Agricultural Products Bill, which had been published in the Government Gazette. The Bill was also discussed during the meeting of the Chairpersons committee on 25 June 1996 and cognisance was taken that the new Marketing Act would probably come into effect before the end of 1996.

On 2 October 1996 the new Marketing of Agricultural Products Act was indeed announced for implementation on 1 January 1997. This Act, implementing invasive changes to the Marketing Act of 1968, also pressurised the winter cereal industry immensely to adapt according to the new provisions.

The Wheat Board drafted a business plan, as was required in terms of the Marketing Act of 1996. This business plan was discussed in its totality by the WPO's structures and they responded with proper inputs. In addition the WPO's Executive contemplated the future marketing of winter cereal and decided that the WPO as a producer organisation would not get involved in the marketing of winter cereal. It was decided that Unie-graan would be asked to establish a winter cereal industry committee within its structures where coordination regarding the marketing of winter cereal could take place.

The WPO's Executive also decided that the following two requests should be included in the business plan:

- A request for the introduction of a statutory levy for the financing of research; and
- A request that bridging finance should be granted to the WPO for one year.



On the recommendation of the provincial WPO Congresses, it was also decided that the WPO should continue to exist.

In order for the WPO to take care of the interests of the winter cereal producers properly, the organisation applied to the National Agricultural Marketing Council (NAMC) to register as a directly affected group.

In terms of the winter cereal scheme that was in force with the commencement of the new Marketing Act, all producers were prohibited from supplying their products to any other buyer than the Wheat Board. This would mean that during the 1997/1998 season, all wheat had to be sold only to the Wheat Board until the termination of the winter cereal scheme on 30 October 1997. Subsequently it would be freely traded, which meant that a portion of the crop had to be sold in the controlled market environment and a portion could be sold in a free-market environment. In order to address the difficulties that arose, the WPO's Executive requested the Wheat Board to abolish the prohibition from 1 September 1997. This request was approved by the Minister of Agriculture.

Funding

Initially the WPO was funded through statutory levies, the so-called section 35 levies. However, this was stopped with the abolition of the control boards, after which the national WPO called on the winter cereal producers to finance the WPO through voluntary contributions. The intention was that the National WPO's budget should be allocated provincially on a production-volume basis.

Although the winter cereal producers contributed diligently to the voluntary levy of the WPO, this meant additional costs for them. These additional costs played a role in the eventual consideration of a merger with the producer organisations of the other grain industries – which is discussed in the next chapter.

The WPO's role in and involvement with the initiative to unite the different grain industries' producer organisations in 1999 are discussed in the next chapter. It is sufficient to say here that the WPO definitely contributed to the establishment of Grain SA.

After the establishment of Grain SA, the affairs of the WPO were handled by the specialist working group for winter cereals. Subsequently this working group was responsible for identifying relevant issues in the winter cereal industry, which were then referred to the responsible department or managing body within Grain SA.

THE SORGHUM PRODUCER ORGANISATION (SPO)

Establishment

The interests of the sorghum producers in South Africa as a producer group were traditionally handled by the provincial agricultural unions' producer organisations for grain sorghum.

However, this changed on 24 March 1994 with the establishment of the Sorghum Producer Organisation (SPO) in Vanderbijlpark. Even though the SPO was a specialist organisation, it was still affiliated with the SAAU – as was the case with NOPO.

Structure

The SPO was not divided into provincial structures like in the previous dispensation, but rather into specific areas that could represent sorghum producers across the country. The organisation was organised into ten area managements that all reported to the Executive and national Congress (as highest authorities).

In addition to the Congress and Executive, a management committee was formed and a Secretariat appointed to administer the affairs of the SPO.

Objectives

The SPO's main goal was to be a representative national organisation for the sorghum industry and to look after the interests of the sorghum producers. The SPO would



On 9 June 1999, during their farewell Congress, the WPO's Executive signed this commemorative certificate in support of the establishment of the GPO.



Mr Pieter Morkel, Chairperson of the SPO, 1999.

also take the initiative to maintain the best possible dynamic position for the sorghum producers in a co-ordinated manner.

While the Sorghum Board handled the interests of the broader industry (including the producers), the SPO was exclusively a producer organisation and functioned independently as part of the SAAU.

The SPO addressed the following matters, among other things:

- Sorghum as an economically viable crop;
- Market-related production;
- Functional storage; and
- Industry relationships.

Common problems experienced with respect to seed, combatting queleas, grading and the marketing of sorghum were all dealt with by the SPO.

Funding

The SPO submitted an annual budget to the Sorghum Board, as per the agreement. These costs amounted to R338 563 during the 1995/1996 year, which represented a cost of R1,71/ton – measured against the 1995 sorghum harvest.



Everyone present at the SPO's last Congress on 9 June 1999 signed this commemorative certificate.

The first Executive of the SPO comprised the following members:

Messrs	JD Tonkin (Chairperson)
	JNS du Plessis (Vice-chairperson)
	JV Roux
	D Hattingh
	SP Wessels
	E van Jaarsveld
	ML van der Westhuizen
	AHJJ Strydom
	HJ Bonnet
	W Wierenga
	WA Kruidenier
	PH Ferreira
	PW Morkel
	APJ du Plessis
	TPJ Swart

Other persons who served on the Executive during the existence of the SPO were:

Messrs	EE du Plessis
	J Scott
	JV Roux
	A Herbst
	JJ van Niekerk
	APJ van Zyl
	A Odendaal

Mr Johan Swarts was appointed as the SPO's first Manager.

Moments and achievements

In 1998, the SPO awarded honorary Vice-chairmanship to Mr JD Tonkin.

Tonkin was a founding member of SAGIS and the Sorghum Forum, and a member of the IGG SGS planning committee. He was a member of the latter committee when it established the marketing company Sorghum SA (Pty) Ltd in 1997 to market sorghum.

Mr Pieter Morkel was appointed by Minister Hanekom (Agriculture) to represent the producers on the liquidation committee of the Sorghum Board.

Merging and establishment of Grain SA

During 1997 Van Zyl, NAMPO's General Manager, approached Ferreira of the WPO and Morkel of the SPO at an SAAU general board meeting regarding the possibility of merging the various producer organisations. Neither of them was in favour of a merger with NAMPO at that stage, because they were not comfortable with what they saw as NAMPO's confrontational style towards the government and other role-players like buyers. The SPO also feared dominance by NAMPO.

Following the dissolution of the Sorghum Board and the loss of financial support associated with it, the SPO started experiencing financial problems. This, as well as the influence of talks that the SPO had with other specialist organisations, convinced the SPO to become involved as a party to the merger. The first opportunity was in Bothaville in NAMPO's board room on 17 November 1998 during a joint meeting involving the management committees of the SPO, WPO, NOPO and NAMPO.

The SPO's dissolution Congress was held on 9 June 1999 in Standerton. It was attended by enough members to form a quorum in order to pass the resolutions regarding the merger. At that stage, Morkel was the Chairperson of the SPO.

Following the dissolution of the SPO and the establishment of Grain SA, the sorghum producers' interests were taken care of by a specialist working group of Grain SA.



