

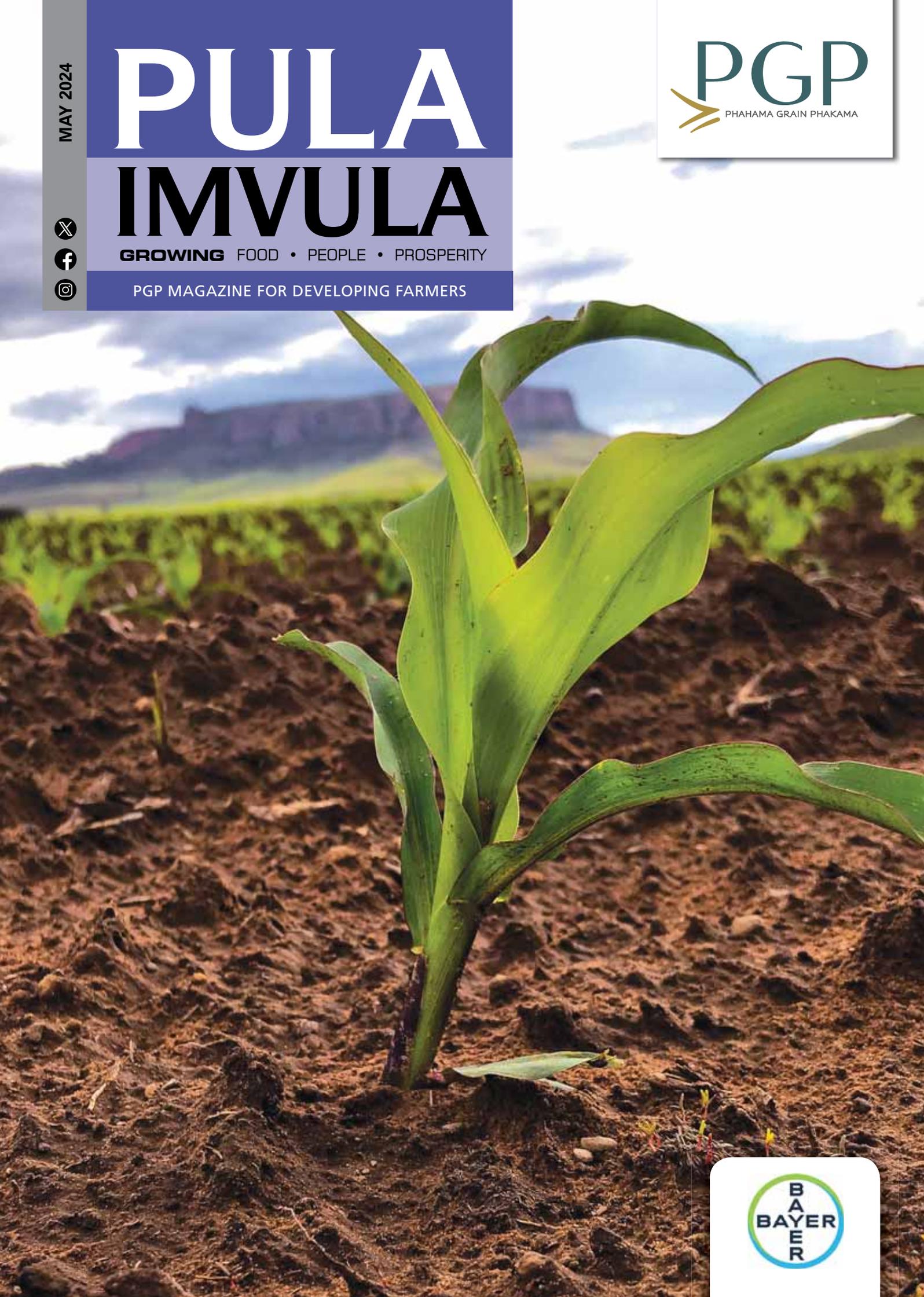
MAY 2024

PULA

IMVULA

GROWING FOOD • PEOPLE • PROSPERITY

PGP MAGAZINE FOR DEVELOPING FARMERS



Editorial team

PHAHAMA GRAIN PHAKAMA: PRETORIA
PO Box 74087
Lynnwood Ridge
0040
■ 086 004 7246
■ www.grainsa.co.za

EDITOR AND DISTRIBUTION

Liana Stroebe
■ 084 264 1422 ■ Office: 012 943 8285
■ liana@grainsa.co.za

PUBLISHING PARTNER

INFOWORKS MEDIA PUBLISHING
Assistant editor – Louise Kunz
■ louise@infoworks.biz

Team leader – Johan Smit

■ 082 553 7806 ■ Office: 018 468 2716
■ johan@infoworks.biz

Publishing – Elizma Myburgh, Jesseme Ross



PGP Farmer Development Programme

REGIONAL DEVELOPMENT MANAGERS

Jacques Roux
Eastern Free State (Bethlehem)
■ 082 377 9529 ■ jacques.rouxjr11@gmail.com

Johan Kriel
Western Free State (Bloemfontein)
■ 079 497 4294 ■ johank@grainsa.co.za

Mpumalanga/KwaZulu-Natal (Louwsburg)
Lanalie Swanepoel (Office assistant)
■ Office: 012 943 8289 ■ vryheid@grainsa.co.za

Graeme Engelbrecht
KwaZulu-Natal (Dundee)
■ 082 650 9315 ■ graeme@grainsa.co.za
■ Office: 012 943 8287 ■ Nkosinathi Mazibuko

Phumzile Ngcobo (Assistant: Dundee)
■ 060 477 7940 ■ phumzile@grainsa.co.za
■ Office: 012 943 8287 ■ Nkosinathi Mazibuko

MJ Swart
Western Cape (Paarl)
■ 072 090 7997 ■ mj@grainsa.co.za
■ Office: 012 943 8285 ■ Hailey Ehrenreich

Du Toit van der Westhuizen
North West (Lichtenburg)
■ 082 877 6749 ■ dutoit@grainsa.co.za
■ Office: 012 943 8290 ■ Lebo Mogatlanyane

Eric Wiggill
Eastern Cape (Kokstad, Mthatha and Maclear)
■ Luthando Diko (Office assistant: Kokstad)
■ Cwayita Mpotyi (Office assistant: Mthatha)
■ Lindie Pretorius (Office assistant: Maclear)
■ 082 620 0058 ■ eric@grainsa.co.za
■ Office: 012 943 8277

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A (LAST) WORD FROM...

Jerry Mthombothi



AFTER 20 YEARS, IT IS TIME TO CALL IT A DAY. A BIG THANK YOU TO GRAIN SA FOR GIVING ME THE OPPORTUNITY TO ACQUIRE THE NECESSARY SKILLS TO HELP DEVELOP FARMERS.

I worked with 25 study groups with an average of 50 farmers per group. In 2017 we added six villages in Limpopo to my list. The impact that the Farmer Development Programme has made on these farmers, is clear. In both Mpumalanga and Limpopo, most of the farmers have improved their yield from less than 1 t/ha to about 5 t/ha, with some farmers even realising a yield of more than 8 t/ha.

I wish all the farmers the best of luck. Continue working hard. Make sure that you follow the advice of the training staff and other stakeholders who are involved in developing your skills, knowledge and training. By doing this, your farming business will be profitable and sustainable.



Keep your eye on your fields and check if everything is going well.



Here are some important things to remember:

- Do planning before you do anything on the farm.
- Get a market before you plant any product.
- Choose the right planting dates and the right cultivar.
- Do a feasibility study. Do soil profiling to check the soil depth, texture and structure.
- Take soil samples to check the soil-pH and to know which fertilisers to apply. Do soil correction first before you plant.
- Use the correct herbicides for weed control. Control pests and diseases to get high-quality produce.
- Keep your eye on your fields and check if everything is going well. Do not manage your farming business with a remote control.
- Keep record of everything that you are doing.

Best wishes for this coming harvesting season and if you need assistance and there is no one around, I am just a phone call away.

– *Jerry Mthombothi, who has been part of the Farmer Development Programme in Mpumalanga for the past 20 years, retired at the end of April 2024.* ■

Take soil samples to get healthy crops

SOIL ANALYSIS IS ONE OF THE TOOLS IN THE FARMER'S 'TOOLBOX' TO MANAGE SOIL FERTILITY AND PLANT NUTRITION. THE MONEY THAT IS SPENT ANNUALLY ON CROP PRODUCTION SHOULD BE BASED ON A SOIL ANALYSIS REPORT OF THE FARM. IT IS THEREFORE WORTHWHILE TO TAKE A GOOD REPRESENTATIVE SOIL SAMPLE TO BE ANALYSED BY A LABORATORY.

This article will provide some guidelines on taking, processing and labelling a representative soil sample.

PURPOSE OF A SOIL SAMPLE

Soil analysis is essential for the crop farmer to determine the plant-available nutrient levels in the soil, in order to identify soil acidity and deficiencies in plant nutrients. It is also an essential tool on which he bases his liming programme, as well as his fertiliser programme, for the crop to follow.

TIMING THE SAMPLE

- Generally, a field should be sampled every three years, as the nutrient levels may have changed to such an extent after three years that chemical rectifications are needed.
- It is best not to sample within one year after liming or directly after fertiliser was applied.
- The best time of the year to take soil samples is directly after harvesting the crop, to about three months before planting the next crop. This will give the farmer enough time to do chemical rectifications, if needed.

COLLECT A WELL-REPRESENTED SAMPLE

When receiving the soil sample, it is processed in the laboratory by drying it in a soil-drying oven, usually at 40°C to 60°C. The sample is then homogenised by sieving and milling it. From this processed sample, a test sample of only 25 g (a teaspoonful) is eventually analysed. That 25 g of soil must represent the whole field.

If the farmer collects a poorly representative sample, the laboratory results will also give a poor reflection of the real nutrient status of the field. The old rule, namely 'garbage in, garbage out', also applies in soil sampling.

The aim is to collect a representative sample of the field. Rather make more effort in collecting a well-represented composite sample of the field, than cutting corners and collecting just a few subsamples at non-representing areas of the field.

WHERE TO SAMPLE

The composite sample consists of at least 15 to 20 subsamples (the more the better), taken across the field. The bigger the field, the more subsamples will be needed. Apply the following rule:

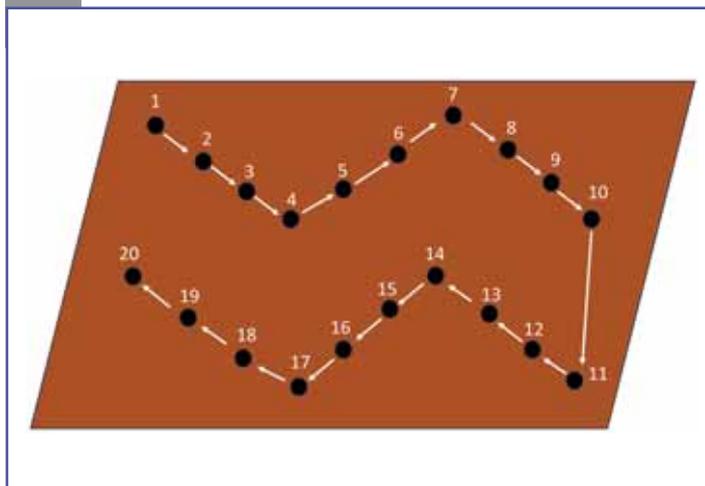
- In fields smaller than 10 ha to 15 ha, take at least 15 to 20 subsamples.
- In fields between 10 ha and 30 ha, take 20 to 40 subsamples.
- In fields between 30 ha and 100 ha, take 40 to 60 subsamples.
- It is recommended to divide fields bigger than 100 ha in two or more subfields and sample each of them separately.

The figures below show how to go across the field in collecting the composite sample, if necessary. **Figure 1** illustrates the zig-zag pattern across the field and **Figure 2** illustrates the diagonally traverse pattern.

Take the subsample between the previous crop rows if visible. If the field was already cultivated and the previous crop rows are not visible anymore, take the subsample at any place. Avoid taking subsamples at non-representative areas of the field, such as dongas, plough furrows, terraces, old fence lines, rocky outcrops, old manure or lime heaps, swampy or flooded areas, sand washouts or near trees.

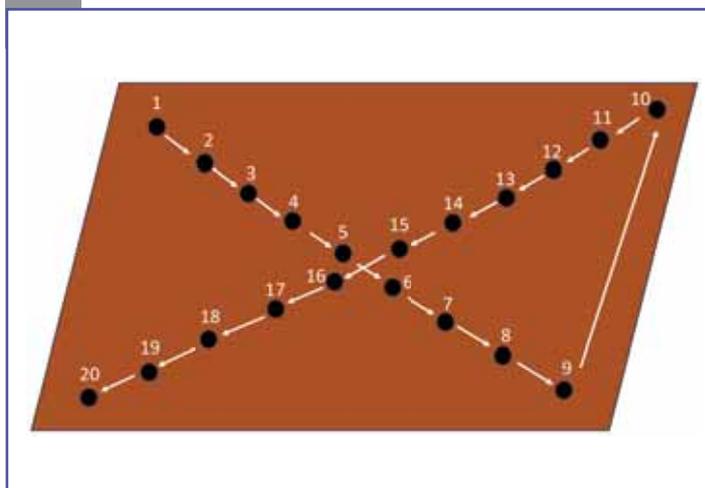
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An illustration of the zig-zag pattern of taking subsamples across the field.



2

An illustration of traversing diagonally from the corners across the field, taking subsamples.



METHOD OF TAKING SUBSAMPLES

1. Sampling depth

Most of the cultivated fields were ploughed approximately 250 mm deep before. The topsoil is therefore mixed to the ploughing depth. It is recommended to take soil samples to at least 200 mm deep, but not deeper than 250 mm.

2. Sampling tools

- A **soil auger** is the best tool to take subsamples, because it penetrates the soil well, even when the soil is dry, which is usually



Use a plastic bag to collect the soil samples.

the case during the dry season after harvesting. Add the soil in the auger into a clean container like a plastic bucket or clean plastic bag. Note: Do not use a fertiliser bag or animal feed bag, because it contains chemicals which will contaminate the soil sample and distort the analytical result.

- The next best option is a **spade**. Dig a vertical cut into the soil down to the desired sampling depth. Take a vertical slice of the cut, approximately 25 mm thick on the spade. Discard half of the spade (e.g., the left half) and add the right half of the slice in the container.

3. Processing the composite sample

The next important step is to take the final sample from the composite sample.

- Spread the composite sample out on a clean surface and preferably on a clean plastic bag.
- Mix the soil thoroughly. Take several mini-samples of about a dessert spoon full at various areas of the soil and add them into the soil-sample bag.
- Once again, remix the soil, take some more mini-samples and add them into the sample bag. It should be about one to two cups of soil.
- Thoroughly seal the sample bag, by rolling the open end and stapling it.

4. Labelling the sample

The laboratory will indicate the full details provided by the farmer on the analysis report. The basic information should be the farmer's name, farm name and field name. Additional information may be provided, such as topsoil, subsoil, depth of sampling, crop on the field and poor area vs good area.

The label must also be secured to the sample bag, so that it does not get lost on its way to the laboratory. It is usually stapled to the end or bottom of the sample bag. Do not put the label inside the sample bag, as it gets wet, easily tears and becomes unreadable.

5. Handling and shipping the final soil sample

Place the samples in a cool place in the vehicle. At home, put all the samples in a strong plastic bag. List all the samples' information on a piece of paper and put it into the plastic bag. This will make it



A young farmer takes a soil sample during a training session presented by the PGP Farmer Development Programme. Farmers were taught about the importance of soil sampling, soil depth analysis and soil health.

possible for the laboratory to check whether they have received all the samples. Store them in a cool, dry place.

Samples should be shipped to the laboratory as soon as possible (preferably the next day) to prevent alteration of the chemical properties by soil microbes.

6. Analysis report

The laboratories usually finalise the analysis and the report within two weeks, after which it is sent by e-mail to the recipient. It is recommended to forward the report to a soil scientist or agronomist to interpret the analysis and to make recommendations according to the test results.

CONCLUSION

The laboratory only analyses what they receive. The rule of 'garbage in, garbage out' is absolutely applicable. It is up to the farmer to collect the most representative soil samples possible. The critical performance area of soil sampling is collecting the various subsamples. It should be done in a proper way and to the required soil depth. Make sure the necessary information is provided with the sample to the laboratory.

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**MARTIENS DU PLESSIS,
SOIL SCIENTIST/SOIL AND
CROP CONSULTANT**

EXPLORING the futures market

IN THE FOURTH AND FINAL ARTICLE, THE FUTURES MARKET AND ITS DISTINCTIONS FROM THE FORWARD MARKET WILL BE EXPLORED. ADDITIONALLY, A PRACTICAL EXAMPLE WILL BE PROVIDED TO ILLUSTRATE THE FUNCTIONING OF A FUTURES CONTRACT.

EXPLAINING THE FUTURES MARKET

A commodity futures market is simply a public space (JSE-Safex) where commodities are contracted for buying or selling at an agreed-on price and on a specified date, regulated by a standardised contract. The contract is standardised for the quality, quantity, delivery date and place of delivery, with the only variable being the price decided on through an auction process between the buyer (farmer) and sellers (silo or miller) on a futures market.

The main reason futures markets were created, is so that farmers (who are hedgers) can use futures contracts to offset their positions in the cash market. This helps farmers to manage the risk of price changes, as they can transfer this risk from the cash market to the futures market.

Futures markets involve various participants, including:

- **Hedgers:** Those are typically crop farmers who use futures contracts to protect themselves from price changes.
 - **Speculators:** Those are people or groups who try to make money from changes in futures prices without needing the actual product.
 - **Contracts:** Futures contracts are standard agreements for buying or selling goods in the future, with the above-mentioned standards.
 - **Margin:** It is the required deposit (money) upfront as collateral. This helps to reduce the risk of not being able to fulfil contractual obligations.
 - **Price discovery:** Factors linked to supply and demand dynamics, economic indicators, geopolitical events and market sentiment influencing prices.
 - **Settlement:** Futures contracts are settled in two main ways. One is by exchanging the actual asset. The other is by just exchanging cash, based on the difference between the agreed price and the market price.
- Factors that differentiate between the forward and futures contracts:
- **Standardisation:** Futures contracts are like ready-made packages traded on organised exchanges. They have fixed terms, such as a set quantity and expiration date. Forward contracts, on the other hand, are like custom-made deals between two parties. They can be adjusted based on what the parties agree on, making them more flexible and personalised.
 - **Trading venue:** Forward contracts are traded directly between parties, like private deals. There is no central place for trading (JSE-Safex), so it is like a one-on-one negotiation.

- **Counterparty risk:** In futures contracts, buyers and sellers do not directly transact with each other. Instead, they transact through the clearinghouse (JSE). When a trade occurs, the buyer's obligations are matched with the seller's obligations, and the clearinghouse becomes the counterparty to both sides of the trade. This setup helps to reduce the risk that one party won't be able to meet his obligations, because the clearinghouse guarantees that everyone sticks to the deal.
- **Margin and marking to market:** In futures contracts, traders must put up some money upfront called the initial margin. This money acts like a safety net to cover any potential losses. Also, every day, the value of the futures contract is adjusted based on the current market price. This helps to keep things fair and ensures that traders have enough money to cover any changes in the contract's value. Forward contracts, on the other hand, don't usually have these requirements, although parties may still agree to put up some money, depending on their creditworthiness.

Overall, while both futures markets and forward contracts serve similar purposes, they differ in terms of standardisation, liquidity, counterparty risk, flexibility, regulation and marking to the market, making each suitable for different types of market participants and trading strategies.

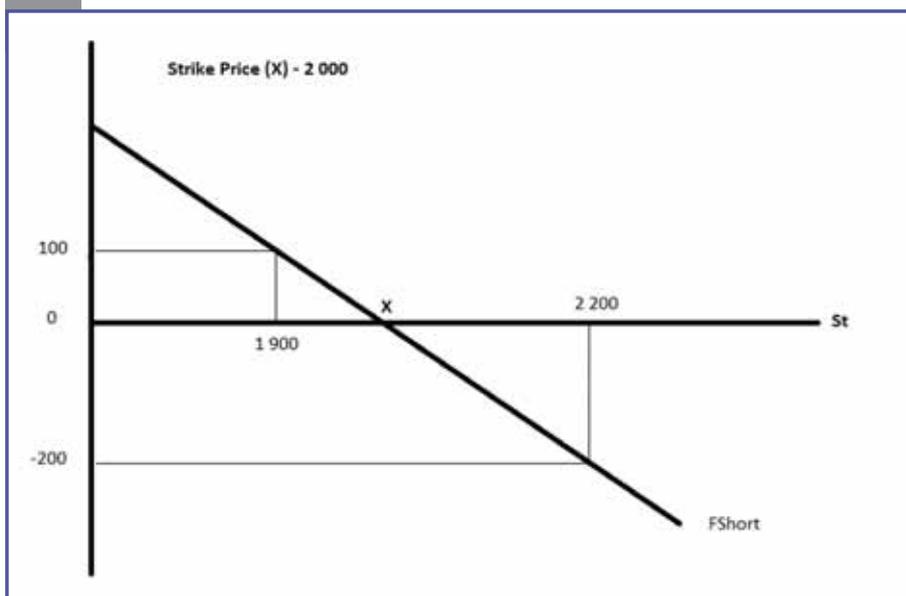
PRACTICAL EXAMPLE

Figure 1 illustrates the payoff diagram of the transaction about to be explained.

- The line labelled **FShort** represents farmer John's short position, while the line labelled **St** represents the future price.

1

An illustration of traversing diagonally from the corners across the field, taking subsamples.



Source: Grain SA



- Farmer John, who harvested 100 t of maize at the beginning of May, aims to sell it via the July 2024 future contract. Given that one contract size on the JSE equals 100 t, he will initiate one short future position to sell his maize. Assuming the current market price for maize in May is R2 000/t, he utilises this as his **strike price** (X).

Making a profit

Should the market price between the day he entered the July 2024 contract and the expiry date in July decrease and close at R1 900/t, farmer John would make a profit of R100/ton. This profit was realised because he sold his maize at R2 000/t, which is R100/t more than the prevailing market price of R1 900/t.

Making a loss

Should the market price between the day he entered the July 2024 contract and the expiry date in July increase and close at R2 200/t, farmer John would make a loss of R200/t. The loss was realised because he sold his maize for R2 000/t, which is R200/t less than the prevailing market price of R2 200/t.

CONCLUSION FOR THE SERIES

This series of articles was crafted with the intention of providing readers with comprehensive knowledge on various methods of selling maize. This information is crucial, as it equips farmers to make informed decisions regarding the sale of their maize. To summarise:

- In article 1, **Grain hedging can save costs**, which was published in the January/February issue, the fundamentals of hedging were examined, elucidating its significance. A concise overview of the different grain-selling methods was provided.
- Article 2, **Navigating options: Choosing a put or call**, which can be found in the March issue, the disparities between call and put options were navigated, along with guidance on when to employ each.
- In article 3, **Ensure optimum grain marketing**, published in the April issue, the concept of the spot price was expounded, elucidating its significance and appearance.
- Lastly, article 4 (this article) ventured into futures market exploration, offering insights into forthcoming trends.

By adhering to these guidelines, a farmer can tailor a marketing strategy designed not only to generate profits but also to ensure longevity on the farm. ■

JOHAN TEESSEN, AGRICULTURAL ECONOMIST INTERN, AND LERATO RAMAFOKO, APPLIED ECONOMICS INTERN, BOTH AT GRAIN SA



FARMERS, it's competition time

IT IS THAT TIME OF THE YEAR AGAIN WHEN NOMINEES ARE IDENTIFIED WHO QUALIFY FOR THE FARMER OF THE YEAR COMPETITION. THIS YEARLY COMPETITION IS NOT ONLY A HIGHLIGHT FOR ALL THE FARMERS, BUT FOR THE GRAIN SA AND PGP TEAMS AS WELL.

The main goal of the Farmer of the Year competition is not about winning, but about celebrating the learning, growth, development and hard work of the farmers who are part of the Phahama Grain Phakama (PGP) Farmer Development Programme – no matter how many hectares they plant.

Grain farmers who are active members of the programme work hard every single day to build their farming businesses and provide for their families. This competition offers them the opportunity to highlight their hard work and determination. It is always encouraging to see the progress of these farmers.

Unfortunately, it is impossible to enter every deserving farmer, so only a handful of candidates from each province are nominated in the four categories according to a strict criteria.

The four categories are:

- Subsistence: 1 ha to 3 ha
- Smallholder: 4 ha to 49 ha
- Potential commercial: 50 ha (or 101 t) to 249 t
- New era commercial: more than 250 t

In 2008 the decision was made to take one day off from facing agricultural challenges, to celebrate and recognise the many different individuals and institutions involved in the field. At the **Day of Celebration** the finalists and winners in the different categories are announced and everyone who makes the programme possible receives acknowledgement.

Furthermore, to inspire and encourage all the farmers the 250 Ton Club was established with different levels of membership recognising farmers who produce: 250 ton (Bronze), 500 ton (Silver), 1 000 ton (Gold) and 1 500 ton (Platinum). ■



Here are last year's four winners at the 2023 Day of Celebration which was held at NAMPO Park, near Bothaville.

EDITORIAL TEAM

Have a **BENCHMARK** to measure success

THE ONLY WAY TO KNOW WHETHER OR NOT YOU ARE IMPROVING AS A FARMER IS TO HAVE A BENCHMARK TO MEASURE YOUR SUCCESS. TO DEVELOP IN FARMING, YOU NEED CONSISTENT PROGRESS OVER THE YEARS. THIS CAN BE DONE BY COLLECTING AND ANALYSING AS MUCH DATA AS POSSIBLE.

If you have never recorded any data, now is a good time to start doing it. To get a starting point, consider recording the figures that you can remember, such as last season's data. It is important to record only quantitative data – yield, prices, planting dates, harvesting dates, expenses, incomes etc.

You can decide what the most important aspects are to consider. Once you have decided what you would like to keep track of, choose an easy method of capturing the information. This can be an excel spreadsheet or in a written form in a logbook, whatever suits you best.

Be honest, accurate, thorough and consistent in the recordkeeping. Try to get into a habit of recording information as it comes in. Once you have finished harvesting a land, calculate your average yield on that field by using your weigh slips and record it. When you spend money on maintenance, record it. When you purchase your inputs, record your expenses. Try your best not to miss anything, as this will alter the accuracy of your data.

WHAT TO MEASURE?

The farming results for a particular year are made up of the physical aspects of production and the current or projected value of the crops produced. Once you have assessed these aspects in detail, you can begin to benchmark what standards to measure against.

The positive or negative trends of the production benchmarks for your farm management potential should take into account the different soil types, soil depth, effective rooting depths, climate and average long-term rainfall. The yield for the 2023/2024 season may be far below the average for the last few years, with below-average rainfall and extreme heatwaves at critical summer crop flowering or seed-filling stages. The final yields will reflect which farming practices helped you to produce a crop.

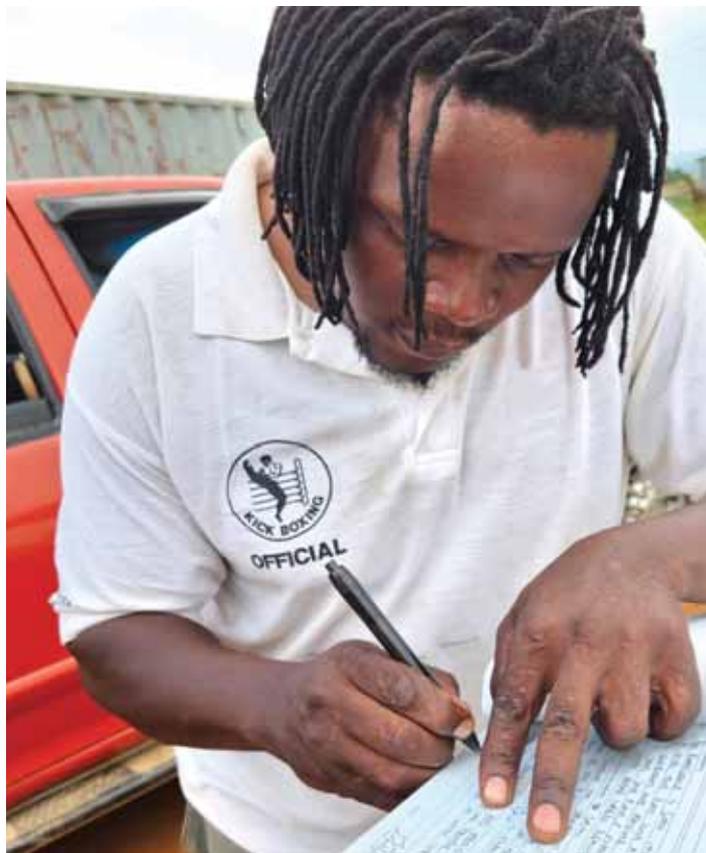


The good and bad years make up the long production trends.



Although a farmer has no control over the climate, keeping record of climatic conditions will help you to better understand the data. So make a point of recording aspects such as the rainfall and extreme weather events – hail, drought etc.

For example, if your yield results are low and your rainfall records were low in the same year, then you can better understand the correlation. Another advantage of recording the weather is that you can learn to have a better understanding of the weather, and in some



Comparing information between lands and seasons will help you to make informed decisions.

instances even make rough predictions of what the weather may do in the future.

RESOURCE ASSESSMENT

Resource assessment will cover areas of the farm suitable for crops, livestock or irrigation water rights, infrastructure such as dams, sheds and processing plants, roads and the condition of the pastures, amongst others.

The climatic zone of the farm and distribution of the average annual rainfall will have an impact on the agronomic potential of the crops to be produced.

Soil types and soil depth will change very little over the years. This means that a one-time assessment of all your lands doesn't need to be repeated every year. Together with soil sampling and the fertility status, the phosphate, potassium and pH levels are the bare minimum factors that should be well-known by a farmer. Fertilisation for each crop can then be properly done.

The farm plan after this assessment should be to eliminate planting in all the shallow, poor soils on the pastures. Perhaps the medium- and high-potential lands can be planted according to a high-yield rotation system and more drought-resistant crops on the medium-potential soils. (If you don't understand the gross margin analysis, please learn what this concept means.)



Looking at the soil potential is one aspect in deciding on the yield levels that your input costs will generate. More fertiliser on medium-potential soils may not translate into higher yields. The physical analysis impacts on the yield and therefore on the income and profit generated.

The yield levels on good or medium soils must be quantified to ensure that they will be profitable and determine what input costs are needed to produce the expected yields. If you have just started farming, find out what experienced farmers are producing on similar soils as a benchmark to aim at.

TO MEASURE, IS TO KNOW

Key performance indicators (KPIs) are metrics, or a way of measuring the performance or production that can track the yield per hectare of sunflowers, wheat, maize, soybeans, drybeans, sorghum and others over many seasons, for example. A group of KPIs can be weighted individually and combined to produce a picture of your crop farming for each past, current or future production season.

Grain farmers often remember the best years and forget about the really bad drought years. If you can look back over the years, add up your actual grain delivery slips against the area planted. The good and bad years make up the long production trends.

The financial risk for production for each different crop on a certain farm or land can then be determined with actual records. For instance, the analysis may indicate that profitable maize production can only be achieved on your deepest and most fertile soils. Other crops such as soybeans, sunflowers or sorghum may have to be included in the rotational planning to make the farming business viable at a lower financial risk. Viability is determined by production and the future prices used to complete a full gross margin analysis.

Some factors to measure on the **income side** can be the yield in kilograms or tons per hectare, price per ton, total income per hectare and total income for the enterprise.

On the **cost side** for seed used, the metrics will include the kgs/ha planted, kernels or pips planted per hectare, and the final plant population per hectare. Fertiliser, including root growth enhancers, leaf sprays and micronutrient applications, as a major input should also be measured for kgs/ha planned and planted.

Each of the following cost centres should be measured against what was planned and what was used in any season: Herbicides, insecticides, fungicides, crop insurance, fuel, harvesting, seasonal labour, packaging material, marketing, irrigation, mechanical repairs and maintenance and hire of equipment.

The financial analysis can include the total income per hectare, total margin over direct cost/ha, margin over fixed costs/ha, margin over R1,00 of the direct costs and margin per ton of the yield.

'To measure is to know' is the only way forward, ensuring that you can continue farming and following your passion in life. ■



RICHARD MCPHERSON, AGRI-BUSINESS AND PROJECT MANAGEMENT CONSULTANT



WORDS OF WISDOM



There is always space for improvement, no matter how long you've been in the business.

~ OSCAR DE LA HOYA,
FORMER PROFESSIONAL BOXER





How to combat the financial impact of El Niño

FOR MANY FARMERS THE 2023/2024 SEASON'S EL NIÑO BECAME A REALITY WITH YIELDS THAT WERE FAR BELOW AVERAGE. THE IMPACT IS THAT DEBT AT FINANCIAL INSTITUTIONS MAY BE IN ARREARS. EVERY FARMER NEEDS TO MAKE HIS OWN DECISION ABOUT WHAT ACTIONS TO TAKE AND NEEDS TO ACT QUICKLY TO MANAGE THE SITUATION.

Underlying the steps and processes to be taken – especially in conversations with financiers and with oneself – are the non-negotiable attributes of integrity, discipline and honesty. However, it is important for each farmer to personally determine the future of his business.

PUT ALL YOUR CARDS ON THE TABLE

When you go to the doctor, you tell him exactly where you have pain, so why not do the same when dealing with your business? A relationship with a large financier is built up over years. It is difficult for a financial institution and the person working with the account when a farmer cannot repay his debt. What is even worse for this person, is when it becomes evident that the client was not honest and twisted the facts.

If farmers cannot repay their debt, financial institutions must make provision for bad debts, which in turn impacts negatively on their profitability. As a result, the financial institution can also be under financial pressure.

The inability to repay debt is a traumatic experience for anyone. However, the tendency is usually to ignore the problem. Farmers would much rather carry on as if nothing happened and hope that the problem will be resolved by itself. Keep in mind that when you do this, you are going to get negative results. It will not work to keep on doing things in the same way.

A financial crisis puts a lot of stress on the farmer, his family and other dependants of the farming operation. It is important to admit that there is a problem and to inform the people closest to you (e.g. your wife) of the situation. The best way to get out of a financial crisis, is to get a holistic picture of the farming operation's current status.

TAKE THESE STEPS

The following steps are recommended in a situation where the harvest is poor and debt cannot be repaid:

- Determine the estimated size of the harvest and if it will be worth the money and effort to harvest.
- Decide on the best plan of action to manage the poor harvest. Determine how much additional capital will be required, for instance:
 - Suppose the plan is to cut off the maize and let it be utilised by cattle. What will it cost to cut off the maize, purchase additional cattle and buy animal feed for rounding off the cattle. How will this affect your cashflow?
 - What is the value of the maize that was cut off? Consider if it can be sold to other farmers and what the impact on your cashflow will be.
- Determine the value of the expected income.
- Determine how big the total debt will be.
- Calculate the total cash shortage.
- Update your asset list. Give special attention to assets lying around that are not reflected on your books. Draw up a list of small bills that are payable.
 - Determine which assets are necessary for the different farming divisions and which are not.
 - Draw up a list of the assets that can be sold.
 - For instance, it serves no purpose when there is a groundnut lifter on the farm, but for the past ten years no groundnuts were planted.
 - Pay special attention to implements that may have become redundant due to changes in farming practices and that can be sold.
- Update the balance sheet and make sure that the value of all the assets (especially tractors and harvesters) is reflected correctly.
- Analyse the different farming business units and determine the following:
 - The long-term profitability of the different units.
 - Why the expected results are not realised and why the profits are lower than these of other farms in the area.
 - What actions need to be taken to improve the results?
 - Cost to improve the results.
 - What you as manager should do to improve the results.
 - Try to get the different input suppliers together and tap into their knowledge to table the best plan for the business.
- Compile a cashflow plan for the next five years. Incorporate the business plan and determine what the impact is.
- Derive a realistic strategic plan to improve the results.

- Get help to improve the efficiency and income without attracting additional risks.
- Identify skilled people who will be willing to assist you in your efforts to improve the profitability and lower the risks of your business.
- Goal management is an integral part of business without which no farm can be managed successfully. To do this efficiently, make income and expense management an integral part of managing a financial crisis.
- Make an appointment with your creditors and suggest a possible action plan. Allow them to review the plan and make revisions to table a workable plan that suits all stakeholders. If there are more than one creditor, engage with all and try to get them all together in one meeting. Try to reduce the number of creditors by paying the smaller creditors first or by requesting the larger creditors to take over the debt of the smaller ones.
- Do not think that larger areas planted will solve the problem – it will most likely make it worse. It is important to decide on timeframes and agree to keep to these timeframes. Set targets for debt levels, and then set dates and action plans for these targets. The calculated plan and planned results should be communicated to the largest creditor. If there are deviations from the plan due to circumstances beyond your control, immediately communicate with your creditors and table an indication of the possible impact on the cashflow. The relationship with financiers can deteriorate quickly if there is deviation from an agreed plan without any communication.

The best way to get out of a financial crisis, is to get a holistic picture of the farming operation's current status.

- Include financiers in your decisions. If the debt in arrears is not very high, immediately sell non-income-generating assets to pay the debt. To sell cattle is not the answer, as cattle yield a reasonable income stream. However, unutilised tractors and equipment do not generate an income stream, except where it is used in contract work.
- Farmers who own more than one farm, should strongly consider selling a farm or a piece of land to settle debt. It is better to sacrifice something than to lose the whole business.
- Keep in mind that it takes years to accumulate a balance sheet. This can be lost in an instant if the wrong decisions are taken.
- Compile a final cashflow plan and stick to it as far as possible. Communicate with the financiers if you are going to deviate from the set plan.

A financial crisis can hit any farmer at any time. Whatever the reason is, becomes irrelevant when it comes to the repayment of debt. Always be prepared for a situation like this. Farm future-focussed and ensure that everyone in your team knows what the goals are. Never underestimate the value of a budget. It may be a 'paper exercise', but it forces the farmer to analyse the current situation and plan beforehand.

DEBT COLLECTION

For many farmers, a crisis like this means the end of the road. If there is no help available, the process of debt collection will be followed. The process of debt collection changed somewhat since the imple-

mentation of the *National Credit Act (Act 34 of 2005)*. The institutions that resort under the act now have the option to apply for debt review consultation. In this process the court or the counsellor is requested to negotiate with the parties and come up with a solution on how to repay the debt, considering the debtor's financial position.

In respect of the usual collection, the process is as follows:

Summons or application for sequestration and/or liquidation

In the case of a summons, it can become a defended action and/or the creditor can take judgement and follow execution steps to sell the debtor's assets. Upon completion of the execution process, the debtor can be summoned to appear in court to answer questions on where his assets are, and/or what happened to existing income streams.

This will put the court in a position to determine a fair instalment amount for the repayment of the debt. The court will then issue an order regarding a fair instalment amount. If the person does not pay this, he/she will again be summoned to appear in court.

In the case of a sequestration application, there must be a 'deed' of insolvency, for instance the value of liabilities must exceed the value of assets. A sequestration application is lodged, and if successful, a preliminary order is issued. A curator is appointed, who must compile a report for the court indicating whether the sequestration order should be converted to a final order or not. If the order is not converted to a final order, the creditor must follow the summons or debt review consultation process.

Final order

After the final order is issued, all the debtor's assets are sold and the proceeds are applied according to the security ranking and the *Insolvency Act*.

Remember: If the farmer cannot repay his debt, he can often also not repay his production credit. This is why a financier must act a call on the farmer's security in many instances.

CONCLUSION

Remember that a financial crisis will not last forever. Plan now for when it has ended. Here are some pointers to consider:

- Please, do not revert to the old ways!
- Plan for the future – the footwork has been done. The planning process should become an integral part of the farm's management system. The farmer should take ownership of the planning process to ensure that all involved in the farm work towards the same goal.
- An important aspect often overlooked is the relationship with financiers. Before a financial crisis, relationships were most likely good but can deteriorate when financial problems arise. Make an effort to improve your relationships. No one knows what the future looks like and it may become necessary to make use of the same financier again in the future to bridge a difficult situation. ■

PIETMAN BOTHA, INDEPENDENT AGRICULTURAL CONSULTANT AND MICHAEL VAN ROOYEN, MANAGER: ADVISORY SERVICES AT NWK, FIRST PUBLISHED ON sagrainmag.co.za, 7 MARCH 2024.



MADE POSSIBLE BY
BAYER



Use drought-stricken maize as animal feed

AS WITH THE 2015/2016 DROUGHT, MANY FARMERS EXPERIENCED INTENSE HEATWAVES AND MOISTURE SHORTAGES. THESE CONDITIONS RESULTED IN MANY PLANTED FIELDS SUFFERING DAMAGE AND FARMERS ARE LOOKING FOR ALTERNATIVE UTILISATION OF THESE CROPS, MOSTLY AS FEED.

Although drought-stricken maize can be utilised in various ways, it is mostly utilised as feed, depending on the degree of drought damage. This can range between 'let the cattle run free and eat it all' to 'cut it off for silage'. The focus here is to serve the maize as winter grazing for cattle. Farmers without a livestock component do not have to make these decisions.

Every farm's situation is unique, and separate calculations must be done for each farm and field. When considering the different utilisation options, the production cost is not included in calculations as it has already been spent and can no longer be recovered.

HARVESTING

It is possible that the value of the harvested grain exceeds the harvesting cost, in which case harvesting is the best option. Where maize is harvested, the available crop residues are an added advantage that can help to feed animals in the winter.

The budgets of NWK's industry branches for the 2023/2024 production season indicate the harvesting cost at R949/ha, at a yield of 3 t/ha to 4 t/ha in the main maize-producing area of its service area. Estimates indicate the cost of harvesting 1 ton of grain to be approximately R860.

At the time of writing this article (March 2024), the maize price materialising in Lichtenburg was R3 720/ton (Safex, 29 February 2024). There is additional costs to consider, for example transport to the silo, but the income at least exceeds the harvesting cost of approximately R2 860/ha.

In addition, 1 ha of crop residue can feed 1,5 animals (cattle) for one month, while purchased grass hay would have cost approximately R1 013 per month for 1,5 animals. This saving, calculated with the profit surplus from harvesting, thus amounts to R3 873/ha. The income from the cattle as well as the loss realised from the maize input cost is not included in this calculation.

Whole-plant maize without the cobs contains about 85% dry material (DM), 10,8% crude protein and 6,9% metabolic energy (MJ).

PASTURES

As alternative, the maize can be left on the fields to serve as hay for utilisation in the winter. Where a considerable volume of produce

per hectare is available, approximately three animals can be fed on this maize for a month. The wastage is quite significant when the maize is grazed by cattle only, in which case adding sheep is a viable option. However, be vigilant towards the occurrence of acidosis (*suurpens*) with maize when there is grain available together with plant material.

Animals must have an adjustment period of ten to 14 days by extending the pasture time every day. This practice is typically applied with sheep. Where cattle are grazing, it is advisable to introduce sheep at a later stage to utilise maize that fell on the ground. The grazing of standing maize is a more economic alternative. Additional expenses include a winter lick that contains a buffer. These buffer-containing licks are widely available – discuss it with your animal feed representative or your local agri company.

Whole-plant maize without the cobs contains about 85% dry material (DM), 10,8% crude protein and 6,9% metabolic energy (MJ). The feed consumption of 'n medium frame dry cow is approximately 12 kg DM per day. This type of silage and its DM content will determine how much of this type of feed a cow will need per day. In this case, at an 85% DM content, the cow will need about 14,1 kg feed per day. The number of animals that can be fed on such maize can be calculated as follows:

- **Amount of material available**

Make an estimate of the amount of material available on a specific field by cutting short (10 m) representative rows at different places in the maizefield and then weighing the material.

The row width and tracks will determine what the total length of rows on a hectare is. For example, if 90 cm rows were planted, then there should be 111 rows/ha, each 100 m long. If the average weight of the material, for example, is 10 kg/10 m (or 1,0 kg/m), then the average mass of material per hectare will be 11,1 t/ha. This is then the equivalent of 9,4 ton DM/ha (at an 85% DM content).

- **Carrying capacity calculation**

As mentioned earlier, an animal requires 14,1 kg DM per day. As a result, in the example above there are thus 667 grazing days per hectare available on the field.

The grazing days can be used as needed. One farmer may for instance decide that he wants to use it for three months, in which case he can carry 7,4 cows/ha for 90 days. Another farmer may choose to carry 100 cows, in which case he should be able to carry 100 cows for approximately seven days on one hectare. Farmers should do their own calculations according to their availability and needs.

- **Wastage**

Depending on the circumstances, significant wastage can occur. Losses occur mainly because of erosion, wind and trampling. The impact of these factors naturally worsens over time. It is therefore advisable to not leave the plant material on the fields for too long before it is grazed. Otherwise rather consider an alternative form of storage. Nonetheless, keep in mind that as much as 50% wastage can occur.

SILAGE

A better way to preserve nutritional value is ensiling the crop. The consideration may be to store the crop and not use it immediately. However, keep in mind that this feed source contains little to no maize and as a result does not produce good quality silage – a shortage of energy results in the fermentation process necessary for preservation not being completed successfully.

This type of silage usually must be supplemented with an energy source such as molasses or maize meal during the process of ensiling, which increases the cost of an already inferior silage.

The chopping cost of maize silage (with own equipment) already amounts to R1 672/ha (including fuel). Other expenses such as tarpaulins, transport, compacting and labour are not included – this makes the ensiling of an inferior feed source much more expensive. Furthermore, this silage should preferably be used in the same year due to its lower quality. It is, however, possible to feed as many as six animals for a month off one hectare's maize silage, provided there were sufficient volumes available from the maizefield.

GREENCHOP

Plants can also, while they are still green, be cut and carved daily and fed to animals (greenchop). With this practice, as in the case of silage, approximately six animals can be sustained off one hectare for a month. However, the window of opportunity will be small before the plants dry out too much. The advantage of this practice is that the feed quality is better compared to when the crop is stored as standing hay. Consideration must be given to the stage when the feed is required for use.

STOVER

In the past farmers had cut, packed and milled stover. However, there is little advantage in this practice as opposed to just leaving the standing maize to be grazed at a later stage. One hectare's stover can feed approximately three to four heads of cattle for a month, but the labour and milling costs of stover exceed the land erosion and lower quality that can occur with maize as standing hay.

CUT, RAKE AND BALE

The material can also be baled. However, the additional cost to cut, rake and bale must be considered in comparison to grazing. Mechanisation costs have lately increased to such an extent that any associated action must be carefully considered against the quality of feed that is obtained, as well as the need to store the feed for later use. ■



**PIETER LE ROUX, CHIEF ANIMAL
& PASTURE SCIENTIST, NWK.**
FIRST PUBLISHED ON
sagrainmag.co.za, 5 MARCH 2024.



Drought-stricken maize can be used as livestock feed.



MADE POSSIBLE BY
BAYER

100% focused on agriculture

THEMBA RIKHOTSO WAS APPOINTED AS CEO OF LAND BANK IN APRIL 2023 AND HAS ALREADY MADE STRIDES IN ENSURING THAT THE BANK IS 'FIT FOR PURPOSE' AND ON A TRAJECTORY TO BECOME A LEADER IN AGRICULTURAL FINANCING. SA *GRAAN/GRAIN* SPOKE TO HIM ABOUT HIS VISION FOR THE BANK AND HIS PLANS TO OVERCOME THE MANY CHALLENGES ASSOCIATED WITH AGRICULTURAL FINANCING.

Born and raised in a village near Giyani in Limpopo, Rikhotso's family were subsistence farmers, planting grain and raising cattle. After school he obtained his Bachelor of Commerce in accounting and information systems from the University of KwaZulu-Natal and later a Masters of Business Leadership from Unisa.

Before joining Standard Bank to eventually become executive head of Sales and Transactional Banking, Rikhotso honed his skills by developing banking solutions for several banks in countries like Mozambique, Zimbabwe, Malawi, Tanzania, Uganda and Swaziland.

His first introduction to agricultural financing was with the Rabobank Australia & New Zealand Group which is part of the international Rabobank Group, the world's leading specialist in food and agribusiness banking.

CHALLENGES FACING AGRICULTURAL FINANCING

Even though he admits that there are many challenges when it comes to agricultural financing, he is not disillusioned. 'I believe that Land Bank has the potential to be a strong leader in financing this sector. No other bank is focused solely on agriculture and we have worked hard to acquire the necessary capacity and skills within the bank to develop solutions to these challenges.'

'Our biggest challenge, I believe, is to provide patient and affordable financing in a sector that is unlike any other. The seasonal characteristic and the low margins associated with farming makes it a difficult sector to finance sustainably. The sector's non-performing loan rates are high and so are the decline rates for farmers due to constrained repayment ability. Add to this volatile commodity prices and growing climate-related risks and it is not difficult to see that we need tailor-made solutions for the sector, which I believe Land Bank has the capability and capacity to do.'

Rikhotso is convinced that agricultural financing faces many of these challenges because of a lack of support. 'In Europe up to 50% of a farmer's revenue comes from government subsidies, this includes insurance subsidies. South African farmers do not have that luxury.'

When it comes to 'new era' farmers, Rikhotso thinks that access to productive land remains the biggest

challenge. 'These farmers often do not have the equity and collateral to secure financing. New era farmers are responsible for 10% of South Africa's agricultural output and a third of cattle farming is in their hands. Communal ownership and leasing land from government have proven to be challenging for commercial farming. These farmers often struggle to secure security of tenor on leases and remain financially sustainable.'

TARGETED SOLUTIONS

More than 80% of the Land Bank's clientele are commercial farmers and Rikhotso says the bank is currently implementing strategies towards restructuring its operating model to better assist producers. 'In addition to financing current and new clients, our aim is to facilitate solutions for defaulting clients who are struggling to service their loans. To this end we have set aside half a billion rand to assist in the restructuring of loans.'

When it comes to new era farmers the Land Bank has several strategies and programmes in place. 'We are currently working with government to address access to land issues; we are also speaking to input suppliers regarding solutions to make inputs available at lower costs. We have a team working with big off-takers to ensure that these farmers have market access.'

'Grower programmes for specific commodities are already in place. I believe that we have the capability in South Africa to make agriculture more inclusive, but there is insufficient coordination of funds and I see the Land Bank taking up that role of coordinating initiatives and pulling funds together.'

'In the end our aim is to continue to service all segments of agriculture.'

LAND BANK'S ROLE IN AGRICULTURE

Rikhotso's vision is to see Land Bank become a leader in agricultural financing and he is certain that the bank will take on more of a coordinating role as it works towards sustainable solutions for affordable financing.

'In five years' time, I would like to see the Land Bank function as an orchestrator of various activities across the agriculture value chain, as we set up an eco-system of partnerships with commodity forums, farmer organisations, off-takers and input suppliers. We are developing holistic solutions and the strategies in place are solid. We have restructured our operating model and our aim is to move closer to our clients.'



Themba Rikhotso, CEO of Land Bank.



VALERIE CILLIERS, EDITOR:
SA GRAAN/GRAIN. FIRST PUBLISHED
IN SA GRAAN/GRAIN, MARCH 2024.



Photo: Johan Kunz

THREE WAYS TO ENHANCE livestock farming

THE FARMING SECTOR IS FACING A CHALLENGE. BY 2030, THE NUMBER OF PEOPLE WITHIN THE GLOBAL MIDDLE CLASS IS EXPECTED TO GROW TO FIVE BILLION AND BY 2050, TEN BILLION PEOPLE WILL LIVE ON THE PLANET. FARMERS WILL NEED TO SUPPLY MORE PRODUCE THAN EVER BEFORE, WHILE USING FEWER RESOURCES.

However, farmers are stepping up to the challenge by adopting practices that can make production more efficient. Here are three ways that are already showing success:

1. Good animal health = lower emissions

Maintaining good animal health is clearly important. Healthy animals produce more and live better lives. They make the production process much more efficient and profitable for the farmer.

One aspect that may not be so obvious, is that good animal husbandry practices also reduce the impact on the environment. In 2013 the Food and Agricultural Organisation (FAO) outlined that emissions from livestock could be reduced by 30%, in part by adopting existing best practices in health and husbandry.

Poor animal health, lacking welfare and the mismanagement of livestock mean that animals are more susceptible to diseases and may die before they reach lactation, or an age where they are ready to breed or for slaughter. Ensuring good animal health reduces the number of unproductive animals that emit greenhouse gas (GHG) emissions.

2. Changing the nutrition mix

Nutrition is critical in the fight to limit emissions produced by livestock. Good overall nutrition on the farm boosts the animals' natural

immune systems, helping to keep them at their optimum health. This helps animals to produce more, which enables farmers to meet the local demand with fewer animals and thereby lowering greenhouse gas emissions.

Scientists have found that changing the make-up of animal feed can cut the levels of methane and nitrogen gas produced, which contribute to global warming.

Poor animal health, lacking welfare and the mismanagement of livestock mean that animals are more susceptible to diseases.

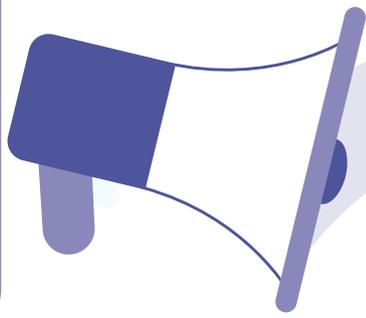
3. New products to target methane reduction

Innovation within supplements and vaccines is helping to cut emissions by targeting the production of methane within the digestion process.

In ruminants, methane is produced by fermentation in one of the four stomach chambers, called the rumen, during the digestion process. Supplements have been developed that reduce the amount of methane produced. They block the enzyme that triggers microbes in the gut to create methane.

SOURCE:
<https://healthforanimals.org/resources/newsletter/articles/three-ways-livestock-farming-is-becoming-more-sustainable/>





HAVE YOU HEARD?

MINISTER OFFERS GOOD ADVICE TO FARMERS



Photo: Facebook

Minister Thoko Didiza was the keynote speaker at the third Mzansi Young Farmers Indaba in April. She urged farmers, both young and old, to be go-getters and use all the available resources to make their operations a success. The indaba was attended by farmers, agripreneurs and representatives from agricultural enterprises, stressing the vital role of collaboration – not just locally but across Africa, including representatives from as far as Nigeria.

Didiza urged farmers to take control of the whole value chain, which would ensure they broaden their horizons and increase their market reach, especially in Africa. Furthermore, the minister reminded farmers of the critical role they play in the sector. She assured farmers of the government’s support from provincial to national level.

TRANSFORMATION ON THE TABLE IN RED MEAT INDUSTRY

A newly formed red meat commodity association is calling for a real and impactful transformation in the South African red meat industry. The call was made by Aggrey Mahanjana, national chairperson of the National Emergent Red Meat Producers’ Organisation (NERPO), when introducing the National Livestock Farmers’ Association of South Africa (NaLFA-SA) at its launch ceremony held at the Agricultural Research Council (ARC) headquarters in Pretoria. This new commodity association has replaced NERPO.

NaLFA-SA was launched by 19 district-based associations across all nine provinces and the process of re-mobilisation is ongoing to cover all 42 agriculture-based districts.



NW MEC SUPPORTS LOCAL BUSINESSES

The North-West MEC for agriculture and rural development, Desbo Mohono, oversaw the handover of a refurbished 45 000-capacity broiler house to Selame Poultry, a Hartbeesfontein-based agriculture project.

The broiler house can accommodate 45 000 birds per cycle and is equipped with new systems including water reticulation, modernised security and electrical power supply.

Rose Ragnwale, owner and founder of Selame Poultry, expressed her gratitude, stating that the refurbishment marked a pivotal moment for the project after a three-year hiatus due to infrastructure issues.

Mohono also delivered a refurbished 45 ha pivot system to Frank Sekonyela at Witpoort Farm, and provided garden inputs and tools to Bakang Primary School and the Tshepang Care Services project in Hartbeesfontein.



Photo: NW DARD

NOMINATE YOUR HERO AND WIN R2 500

The My Hero series, a competition by Grain SA and John Deere, is your chance to acknowledge the heroes who fuelled your passion for the agricultural industry!

Say thank you to your hero by nominating him/her in this competition, whether it is a parent, grandparent, neighbouring farmer or mentor. Your story is a tribute to their lasting legacy. You can win a cash prize of R2 500 and provide your hero with an exciting gift from John Deere.

Scan the QR code to fill in the form or visit the sagrainmag.co.za website. ■



Corner Post

BY LOUISE KUNZ, ASSISTANT EDITOR

ZOLIWE NOMBWU (46), AN EASTERN CAPE FARMER, WAS A FINALIST IN THE PHAHAMA GRAIN PHAKAMA (PGP) POTENTIAL COMMERCIAL FARMER OF THE YEAR CATEGORY. FOR THIS ENTHUSIASTIC FARMER, FARMING IS NOT JUST A WAY TO EARN AN INCOME – IT IS A LIFESTYLE.

Zoliwe was raised in a farming environment. Although her parents were farmers out of necessity, farming became her passion. During her childhood there were not many jobs available in the area and for her parents, farming became a means to support the family. Little did they realise that this decision would play a role in their daughter's path to become a very successful farmer.

'I strongly believe that if you love what you do, you will make a success of it. Being passionate about farming helps me to stay focussed on my dreams. It also helps me to keep improving my production practices, to move closer towards my goal of becoming a commercial farmer,' she says about her success as a farmer.

Zoliwe began farming in the early 2000s but started growing as a farmer in 2009 after her husband, Daliwonga, joined Grain SA. The couple farm together and when they began farming, it was on Daliwonga's 4 ha piece of land. At this stage a yield of 1,5 t/ha was considered a good yield. Then PGP came onto the scene and showed them what could be achieved with better agricultural practices. Last season Zoliwe realised a yield of 5,5 t/ha with her maize.

Daliwonga has been a great source of inspiration and motivation in his wife's farming career, but she is also extremely grateful to PGP for all the knowledge imparted to her and for the agricultural skills they have developed in her. 'The Farmer Development Programme showed me that farming is a business and that I can survive without being employed by someone else.'

Marketing is one of the most important aspects of farming for this successful farmer. 'I did

a marketing course about four years ago. The knowledge about how to market my business has really been helpful. It taught me how to make a profit, look at my expenditure, know where I am losing money and where I am making a profit. It also helped me to know when to mark down my price, when the quality of maize is not so good.'

ZOLIWE'S STORY

SHARE YOUR CAREER HIGHLIGHTS WITH US.

Apart from being a finalist in the PGP competition, I received a certificate of excellence in 2021 from the Eastern Cape Department of Rural Development and Agrarian Reform (DRDAR) as the Agriculture Female Entrepreneur Award winner. This was a result of my growth as a farmer. I planted 2 ha in 2008, and by 2020 I was planting 200 ha.

DO YOU HAVE A FARMING MOTTO?

Farming is a lifestyle, so it must be part of who you are. To me the most important advice I can give farmers, is to focus on their farming operation and develop a keen interest and passion for their business.

WHAT IS YOUR DREAM FOR THE FUTURE?

I want to achieve my goal of being a successful farmer and see my maize production increase from 10 t/ha to 12 t/ha to increase my profit. I want to be able to make my own feed for my livestock, so I don't have to buy any maize during the year. ■



Zoliwe Nombwuu

FARM FACTS

Farm: Communal land in the Madwaleni administrative area

Nearest town: Tsolo

Region: Eastern Cape

Size: Plants 300 ha of maize

Type of farming operation: Mixed – plants maize and soybeans, grows vegetables and owns cattle and sheep for meat and wool production

Yield: 5,5 t/ha

PGP'S CONTRIBUTION

- Joined Grain SA in 2014
- Chairperson of Sophumelela Study Group

Training courses completed:

Has completed several courses including:

- Introduction to maize production
- Maize marketing
- Nixtamalisation

A mentor's view:

Eric Wiggill, PGP mentor in the Eastern Cape, says Zoliwe is a hard-working farmer who is always keen to learn. She has a passion for farming and is determined to succeed.



Eric Wiggill

ZOLIWE'S 3 TOP TIPS

1. Don't start too big. Focus on one crop and gain as much knowledge as possible about it.
2. You must be part of the farming process and be on the farm. You cannot give instructions from a distance.
3. Make sure you keep record of everything you do.



MADE POSSIBLE BY
BAYER

A programme that is changing lives



Severe drought and heat affect grain production

SOUTH AFRICA IS FACING A SEVERE DROUGHT CRISIS, WHICH IS EXACERBATED BY EXTREME HEAT WAVES, LEAVING THE NATION'S GRAIN FARMERS REELING UNDER IMMENSE PRESSURE. THE SCORCHING TEMPERATURES AND PROLONGED DRY SPELLS HAVE RAVAGED AGRICULTURAL LANDS, SEVERELY IMPACTING BOTH DEVELOPING AND COMMERCIAL FARMERS.

With financial strains mounting due to decreased yields and rising production costs, the South African grain industry is urgently calling on the government for support and assistance to alleviate the burden on farmers.

The current drought gripping South Africa has pushed agricultural conditions to their limits. The relentless heat waves, coupled with erratic rainfall patterns, have desiccated farmlands, leaving them parched and unyielding. Grain farmers, who form the backbone of the nation's agricultural sector, are facing an uphill battle as they struggle to cope with the devastating effects of the drought, with some farmers receiving below 50% of their average rainfall in the current season.

This is on the back of the industry already experiencing a negative growth in gross domestic product (GDP) for the last two quarters, placing the agricultural sector in a technical recession. Grain and oilseeds form 70% of all food and therefore have a large multiplier effect throughout various industries. The financial strain on grain farmers has far-reaching implications – not only for their own livelihoods but also on South Africa's GDP. It is therefore paramount and in the country's interest that farmers are assisted to survive financially through the drought cycle.

'The sweltering temperatures have led to decreased yields, squeezing profit margins and threatening the viability of entire operations. Many commercial farmers are grappling with the prospect of crop failures and financial losses, which is further exacerbating the strain on their businesses,' Derek Mathews, Grain SA's chairperson, said.

This impact is also pronounced among developing farmers, who often lack the financial resources and infrastructure to withstand such adversity. Investments that have been made in developing the agricultural sector are diminished due to the disaster of the drought. With their livelihoods hanging in the balance and no method to mitigate the risk, those farmers are facing dire financial constraints, struggling to keep their farms afloat amidst dwindling resources and mounting debts.

'The current conditions highlight the realities of agricultural production and the impact of climatic conditions on food security and food prices for South Africans, but also for the Southern African community. Agricultural farmers are currently engaging with financiers and agribusiness to ensure that they can resume production in the next season. However, it is obvious that many farmers are in severe distress and will need support to ensure the sustainability of our food production sector,' Tobias Doyer, Grain SA's chief executive officer, said.

Considering these challenges, the South African grain industry is issuing an urgent appeal to the government for support and assistance. Immediate action is needed to provide financial assistance through an agricultural disaster fund, access to affordable credit remedies and affordable income insurance, enabling farmers to weather the crisis and sustain their livelihoods.

– Grain SA press release, 13 March 2024

AT GRASS ROOTS

The impact of the extreme temperatures and low rainfall was clear when the PGP Farmer Development team visited members of the programme:



In the Kokstad area, this farmer was excited about the season ahead. The picture on the right was taken one month later and shows the damage caused by the drought and heat.



A sad sight in the Western Free State.



Groundnuts planted at Luphisi in the Mbombela region were also affected by the drought.



The highs and lows of farming

FARMERS are faced with many challenges and highlights during a season. This season some farmers saw their hard work ruined by excessive rain and hail, while others stared hopelessly at the sky, waiting for the rain.



The Mthethwa's from Wise-kingdom farm in the Dundee regional area were among the fortunate farmers. Mentor Chris de Jager found no sign of leaf diseases or late weeds during his farm visit. The maize crop was busy pollinating and looking fantastic.

Mentor Martin Botha visited the farm of Alfred Gondo, Koorfontein, which suffered severe hail damage. Alfred had started harvesting his soybeans, but due to soybean pods splitting had experienced even more losses.



Samuel Moloï from the Fouriesburg area became a member of the 2 000 Ton Club in 2022 after producing 3 200 t of yellow maize. He harvested an average of 6,7 t/ha that year. This year the harsh reality of the drought is clearly visible:



With no rain since January, most of the soya plants have only between seven and 15 pods per plant, with very small pips.

The maize plants are also very small, with half of the leaves dying. If it rains, it could help with the seed, but Jacques Roux, regional development manager in the Eastern Free State, says 50% of all the maize plants will not deliver any cobs.



Teamwork makes THE DREAM POSSIBLE

SPONSORS form an integral part of the success of the Farmer Development Programme. **Dekalb Bayer** hosted a farmers' day on 8 March at Rietgat in the Lichtenburg area. Farmers were taught about all the different cultivars, the new technologies that the company has been working on and what different herbicides can do to different cultivars. The farmers asked many questions on topics that they did not know much about.



The farmers' day was attended by 75 farmers.

These laboratory representatives taught farmers more about the seed treatment processes that take place in their laboratory to ensure that farmers get their return on investment on the seed they buy.



The Oil and Protein Seeds Development Trust (**OPDT**) and **Agri Care** (chemicals) made the planting of two sunflower demonstration trials possible. The trials were planted in Mbizana in the Kokstad area in the Eastern Cape. The first trial was done with conventional methods and the second with no-till. Farmer TH Tobo planted both trials on 6 February at a plant population of 45 000 and a row width of 76 cm.



During a visit to the trial locations, it was found that little germination had taken place due to a lack of rain.

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