

Recapitalisation programme a lifeline for farmers

Before

After

"IF AT FIRST YOU DON'T SUCCEED, TRY AND TRY AGAIN." THIS IS VERY MUCH THE MOTTO OF THE FARMER DEVELOPMENT PROGRAMME OF GRAIN SA. THE MISSION OF OUR PROGRAMME IS "TO DEVELOP CAPACITATED BLACK COMMERCIAL FARMERS AND TO CONTRIBUTE TO HOUSEHOLD AND NATIONAL FOOD SECURITY THROUGH THE OPTIMAL USE OF THE NATURAL RESOURCE AVAILABLE TO EACH FARMER". THIS IS QUITE A MOUTHFUL AND IT IS ALSO QUITE AN ARDUOUS TASK!

Over many years, we have invested in human capital – we are involved with the development of farmers. We have study groups, demonstration trials, farmer's days, a Farmer of the Year competition, on farm support to individual farmers, a multitude of training courses, radio broadcasts and the monthly Pula Invula. All this is aimed at capacity building. We have seven provincial coordinators who toil tirelessly to invest in the lives of our farmers.

However, when you are a farmer, at some

stage you have to get into the business of farming which means that you have to have access to arable land, tractors, implements and production inputs. This is where the real challenge starts. Over the past number of years, crop production has not been very profitable and it has therefore been difficult for farmers to access production loans and there have not been surplus profits to invest in the farm or mechanisation.

Having been let down badly by one of the larger commercial banks who promised loan finance but did not deliver, we were in a desperate position as our farmers needed financing. Consistent efforts to access production finance from the Department of Agriculture have borne little fruit over years. Just as we were losing hope, officials from the Department of Rural Development and Land Reform came to Bothaville to tell us about their 'recapitalisation programme'.

After much negotiation and discussion, an agreement was signed between the Department

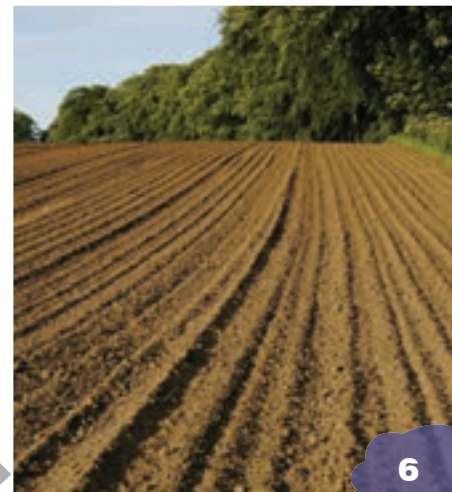
Grain SA magazine for
developing producers

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Mme Jane says...

By the time you receive this edition of the Pula it will almost be time to come to Grain SA's NAMPO Harvest Day. Remember that NAMPO is a massive agricultural show that takes place outside Bothaville each year during May. This year it will be from 15 to 18 May 2012.

NAMPO has something for everyone who is interested in farming – from beef cattle, goats, sheep, tractors, implements, machinery and much much more. You can spend a day or more just walking around the show and seeing all the amazing things that are related to the agricultural sector (with a few stalls for the ladies as well).

The Farmer Development Programme of Grain SA will also have an exhibition during NAMPO – please make an effort to come and visit us there – we look forward to your visit.



The Farmer Development exhibition at NAMPO 2011.

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and Grain SA and the following points are included in the agreement:

"The Department adopted a Comprehensive Rural Development Strategy ("CRDP") linked to land and agrarian reform and food security based on agrarian transformation with two pillars namely rural development and land reform.

The strategies employed in implementing the CRDP include social mobilisation of rural communities to take initiatives, strategic investments in economic and social infrastructure, increased economic activity and rural livelihoods and sustainable land and agrarian reform.

The CRDP approach to development (its indicators being shared growth and prosperity, full employment, relative income equality and cultural progress) include de-racialising of the rural economy for shared and sustained growth, democratic and equitable land allocation and use across gender, race and class and strict production discipline for guaranteed national food security.

A pilot project has been established (through the recapitalisation and development programme, whose objectives are to increase production; to guarantee food security; to graduate small farmers into commercial farmers and to create employment opportunities within the agricultural sector is presently) to assist beneficiaries to participate in the Grain SA/Farmer Development Initiative.

The Department, after holding discussions with Grain SA, requested that their involvement in the provision of technical expertise in farm support, access to markets and in the long term access to financial support for the beneficiaries. Grain SA will submit a business plan for each farmer/beneficiary, which will be accepted by the Department. It was also agreed that as grain production is seasonal and very dependent on the weather, these business plans might be amended from time to time, so as to ensure that all grants are used optimally and to the benefit of the farmer.

Grain SA will open a separate bank account into which all the recapitalisation grants will be paid.

Grain SA will assist the farmers to utilise their recapitalisation grant so as to optimise the utilisation of the natural resources and contribute to the development of the farmer. The use of the grant will include repairs to existing tractors and equipment, purchase of new or used equipment, production inputs for various crops, purchase of livestock and feeds, infrastructural expenditure (fencing, contouring, windmills etc.), repairs to sheds – as per the business plan.

This agreement shall have national application allowing GRAIN SA to roll out their assistance to farmers in all nine provinces."

And in accordance with the agreement, we prepared business plans for 16 farmers who were the beneficiaries of the land reform



Before



After

programmes and who were part of the Grain SA Farmer Development Programme. The total amount of R36 million was deposited into the new bank account and we were able to start with the implementation. This was very exciting but also quite daunting as all eyes were on the team!

It has always been our belief that we are never going to take decisions for farmers or farm for them – all our programmes are designed to empower and develop the farmers and we intended to do the same with the Recap programme.

In order to have sufficient support on the ground, we identified five retired farmers who indicated that they would be willing to act as mentors to these farmers (four of them are trainers in our programme). Flip du Preez from Senekal is mentoring five farmers there, Attie Louw is mentoring one farmer near Bloemfontein, Eduard Foord is supporting three farmers (Bothaville, Wesselsbron and Hennenman), Bertie Human is helping three farmers near Welkom and Johan van der Merwe is helping four farmers in Theunissen.

We had to get additional financial capacity in the Bothaville office and we were fortunate to be able to add Marina Kleynhans to our team. Marina has worked in the finance section of Grain SA for many years and is excellent at managing the financial administration and payments. We had to create a whole new set of books on Pastel and thanks to Philip Smith, this was achieved. Each farmer has his/her own codes, which has made it possible to keep a detailed record of each and every transaction and monitor the spending against the budget.

Although the business plans had been developed and signed off

by each farmer, we felt it very important to have the farmers involved in every step of the way. We devised a system whereby the farmer and the mentor have to make out an order for every purchase – quotations for expenditure have to accompany the order. The reason for the quotations is so that we are sure to be using the money very wisely and at the same time, teaching our farmers the value of comparative shopping. The physical payments are made electronically from Bothaville, in accordance with the Grain SA processes and procedures. After a payment is made, the farmer, the mentor and the supplier receive a sms informing them of the payment. The supplier also receives a remittance advice so that the items can be delivered.

As we only started implementing the programme in October, we had to prioritise the expenditure – first the necessary tractors and equipment (both new and used), then production inputs. Once the crops had been established, we were able to focus on the other areas – livestock and infrastructure. To date, the farmers have used R27 million of the R36 million originally approved – controlled spending will continue until the entire budget is used.

The accompanying photos show some before and after scenes. This programme has made a huge difference in the lives of these farmers and should put them on a sustainable path.

**JANE MCPHERSON, PROGRAMME MANAGER OF
THE GRAIN SA PRODUCER DEVELOPMENT PROGRAMME**



Before



After



Before



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The recapitalisation programme made a huge difference to the lives of the farmers who received benefits from the Department of Rural Development and Land Reform.

One year's seed = seven years of weeds!

In the 1940's, Georges de Mestral a Swiss engineer and inventor, went for a hike with his dog. They both returned home with burrs (those plant seed-sacs that cling to something in order to be dispersed naturally to new growing sites) clinging to them. As he plucked the burrs off both his dog and his woollen socks his inventive mind grew curious so he put a burr under a microscope for a closer inspection. There he observed the hundreds of unusual hooks which so easily attached themselves to fibre. Through following a process of trial and error, de Mestral eventually duplicated the hook and loop configuration which he found in nature and named it Velcro. This product became more popular than the old zipper in many instances and today is used in everyday life in many different ways.

A YOUNG FARMER HIRING FARM LAND IN THE NORTH WEST EXPRESSED HIS UTTER FRUSTRATION AS HE SAID HE HAD TO MAKE YET ANOTHER TRIP TO HIS MAIZE AND SUNFLOWER FIELDS WITH HIS SPRAY RIG AS HE CONTINUES TO WAGE WAR ON WEEDS. AND THE LATE SPRAYING WAS IN SPITE OF THE FACT THAT HIS EARLY SEASON PROGRAMME HAD BEEN DONE FOLLOWING THE EXPERT ADVICE OF CHEMICAL REPRESENTATIVES AND DOING EVERYTHING EXACTLY AS HE WAS SUPPOSED TO!

He is only now beginning to understand the full impact of all the years that those hired lands lay neglected and unused or where weed management was inadequate. The seed bank is still lying full and deep and waiting beneath those soils. The war must rage on and the farmer must not grow weary...

The determination and tenacity of a weed must not be underestimated and just because a farmer's attack with herbicides was according to the perfect programme, it does not mean the battle is over. Remember just one dandelion plant makes up to 15 000 seeds, each of which can survive about six years in the soil, creating 15 000 more seeds when it sprouts and matures. One needs to remember that weeds fall into different categories: unwanted grasses; grass-like plants called sedges and

broad leaf plants. Most are annuals or perennials. Annuals complete their life cycle in one season and reproduce from seeds. Perennials live several years and spread underground as well as by seed, making them harder to control.

Cocklebur (*Kankerroos*)

One problem weed that the silo managers in South Africa are on the lookout for when grading a delivery of harvested grain is the common Cocklebur or *Kankerroos* as it is commonly known in South Africa. The Cocklebur is an aggressive, noxious weed which has become an invasive species worldwide and has the potential to compete with most field crops rather successfully. It is a very adaptable plant and while it will grow tall in deep rich fertile soils, it can also thrive and set fruit which will seed in a few inches of poor dry soil. The cocklebur is a large coarse annual plant which can reach up to three feet high. It has very tough stems which are covered with coarse hairs. The flowers are not very conspicuous and the male flowers form small yellow clusters which drop off the plant while the female flowers are small green prickly capsules which develop into inch long brown "fruits" which are called burrs. These burrs are covered with hard hooked spines which stick to



animal hides, fur, wool and even clothing using them as the vehicles for the dispersal of seed. This is an easy way for the seed to be carried by animals to be distributed to other sites away from the parent weed. This plant only reproduces by means of its seed. Cocklebur seeds have a long lifespan. It has been documented in scientific studies that seeds buried eight inches deep in soil for 16 years still had a 15% germination potential which is why cocklebur plants have been known to reappear in areas where they have been eradicated for many years.

Cocklebur invades farmlands and is toxic for livestock. Although most animals will avoid it in favour of other plants present in the field,

less fussy foragers such as pigs will eat it and then suddenly sicken and die within a few hours. The seedlings and the seeds are the most poisonous parts of the plant and if consumed will result in nausea, vomiting, difficulty in breathing and even death. Clearly grain silo managers must then be very particular when grading to eliminate these seeds and they will send the delivery for sifting and re-sifting until the load is declared contaminant free. This all adds to the harvesting costs of the farmer.

**JENNY MATHEWS, CHAIRMAN OF THE GRAIN SA
FARMER DEVELOPMENT PROGRAMME**

Don't be caught with surplus stock this winter

DURING THE SUMMER MONTHS WHEN THERE IS PLENTY OF GRAZING FOR OUR LIVESTOCK, WE ARE OFTEN TEMPTED TO KEEP MORE THAN WE SHOULD. IT IS NOT EASY TO IMAGINE THAT YOUR GRAZING WILL HAVE TO LAST UNTIL OCTOBER OR NOVEMBER BEFORE THERE IS ANY NEW GROWTH.

As a farmer, you will not ever realise a good price for a thin animal – the market demands an animal that is in good condition. At the end of the summer, your animals are likely to be in good condition – this is the time to sell of all unnecessary animals and bank the money. The unnecessary animals will include old cows, infertile animals, weaner calves, old bulls and other steers. Remember that your cattle are a factory – each cow must produce a calf each year so that you have something to sell. If you have cows that are not calving every year, sell them and rather invest in fertile productive animals.

The grass during winter is not as nutritious as during the summer and it is very important that you provide the livestock with a good lick which contains sufficient protein. Maize meal is not an adequate diet for livestock as the protein levels are too low – you need to add protein to the meal. Feed mixing is a speciality field and it is best to get advice from the experts. The money that you spend getting advice will save you a lot of money at the end of the day.

**JANE MCPHERSON, PROGRAMME MANAGER OF
THE GRAIN SA PRODUCER DEVELOPMENT PROGRAMME**



Understand what to do and why you are doing it

IN OUR PROGRAMME WE CONTINUE TO INVEST IN PEOPLE THROUGH THE STUDY GROUPS, FARMERS DAYS, ON FARM SUPPORT, PULA IMVULA AND THE VARIOUS TRAINING COURSES. FROM TIME TO TIME WE NEED TO RE-ASSESS THE SITUATION – ARE WE HAVING THE DESIRED EFFECT ON THE PRODUCTION PRACTICES OF THE FARMERS?

We do our best to visit the lands of all the farmers as often as we can, but we cannot get to see what each and every farmer is doing on his/her land. We need to rely on you to ask yourself some of the questions below.

- On what type of soil am I producing my crops?
- How many hectares did I plant?
- What is the effective depth of my soil?
- What is the pH status of my soil?
- What is the nutrient status of my soil (P and K)?
- What is the expected annual rainfall in my area?
- In a normal year, what yield could I hope to harvest in my area?
- Do I have a plough pan in my lands?
- Which crop did I plant and was it the most suitable choice?
- When is the best time to plant my crop and why is this the best time?
- How did I decide which fertiliser to use and how much to apply?
- Which cultivar did I plant and what made me decide that?
- What was my target plant population?
- What final plant population did I achieve?
- How much fertiliser was I planning to apply and what did I achieve?

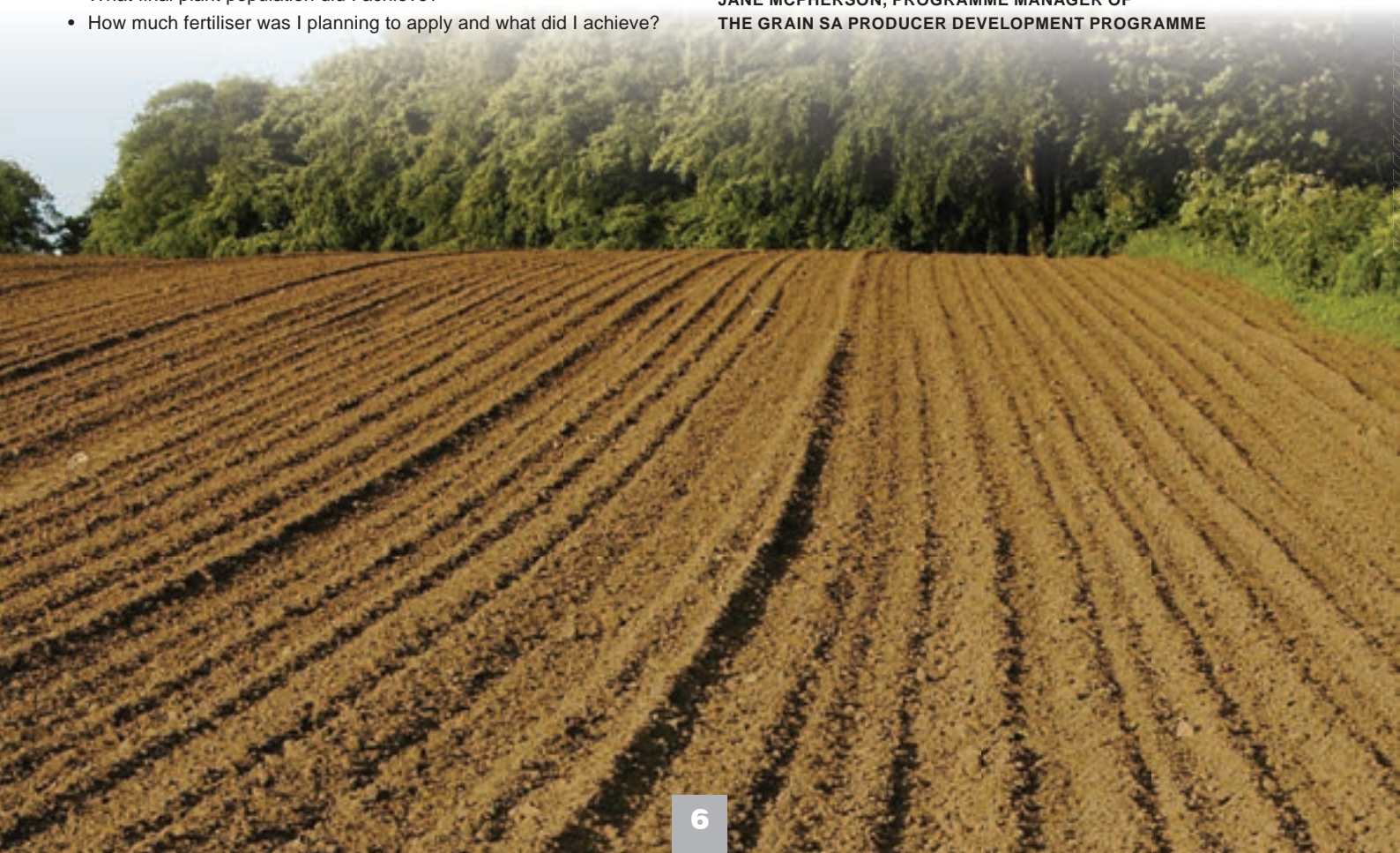
- What measures did I take to control the pests and diseases in my crop?
- How was my weed control?
- What weeds are problems in my lands?
- How much money did I spend to produce the crop?
- What price per ton did I achieve and how did that compare with others?
- What did the crop cost me per hectare?
- What did the crop cost me per ton?
- After harvesting this crop, what am I planning to plant on that land next year?
- How am I going to finance the next crop?
- Are my tractors adequate to work the area that I am working?
- Will I be able to do all the work at the right/optimal time?
- Do I have the implements that I require to produce the crop?

If you are unable to answer these questions then perhaps you should refer to your various training manuals, or attend another course. These are the very basics and if you are to be a commercial farmer, you must be able to answer these questions for yourself.

As personnel in the Farmer Development Programme, we are making you aware of the questions you should be asking yourself. You have to understand what to do and why you are doing it. After you have understood the why's and wherefore's, you must take action – you must implement what you have learned so that your farming practices can improve.



**JANE MCPHERSON, PROGRAMME MANAGER OF
THE GRAIN SA PRODUCER DEVELOPMENT PROGRAMME**



Harvesting

– the final chapter in the production book



YOU WILL HAVE WORKED HARD FOR THE ENTIRE SEASON – PREPARING THE SOIL, PLANTING THE CROP, KEEPING THE WEEDS AND PESTS UNDER CONTROL AND NOW IS THE TIME TO REAP – TO HARVEST FROM YOUR LABOURS. THIS LAST STEP IN THE PROCESS REQUIRES YOUR ATTENTION JUST AS ALL THE OTHER STEPS NEEDED IT.

Moisture content of the grain

As a result of the fact that a high moisture content of maize could allow it to rot or become mouldy, the grain must dry to an acceptable level before it is harvested. Harvesting however, should not be delayed unnecessarily because the crop could be harmed on the land as it is exposed to the weather and to all other pests. Before harvesting starts, it is advisable to have a sample of the grain tested for its moisture content. Grain can be sold and stored at not more than 14% moisture content. Grain can be harvested at a higher moisture content but then it will have to be dried artificially.

Grain storage

Rodents and weevils pose a serious threat to grain both before and after harvesting. Storage facilities must be treated regularly to control all the pests.

Grading regulations

Grading regulations are aimed at safe guarding both animal and human health. These were instituted in order to market grain of acceptable qual-

ity and also ensure a standard and quality. Since marketing takes place from grain depots across the country it is essential that the standards be maintained throughout. Grading also enables processing industries to buy according to grade and be assured of the quality of the grain. Maize is either sold in bulk, or in undamaged, clean bags containing 70 kg of grain.

Principles of grading

The grading regulations of maize discriminate against the presence of:

- **“Foreign matter”** – this is anything that is not a maize kernel for example, pieces of plant material, seeds of weeds or other crops, stones, soil etc.
- **“Defective maize kernels”** – these could be shrivelled, sprouted, mouldy, broken, damaged by insects, soiled or contaminated and those of inferior quality.
- **“Maize kernels of another colour”** – this would be yellow maize kernels in a load of white maize, or vice versa.
- **“Pinked maize kernels”** – these are kernels that are pink.
- **“Maize kernels infested with live insects”** – this is self-explanatory.

There will always be a market for clean, dry grain of a good quality – too often we hear that there is not a market for the product. If your product meets the required standards demanded by the market, you will be able to sell it. Make sure that you have done everything necessary to produce good quality grain.

**JANE MCPHERSON, PROGRAMME MANAGER OF
THE GRAIN SA PRODUCER DEVELOPMENT PROGRAMME**

PULA IMVULA

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Grain SA opens an office in the Western Cape

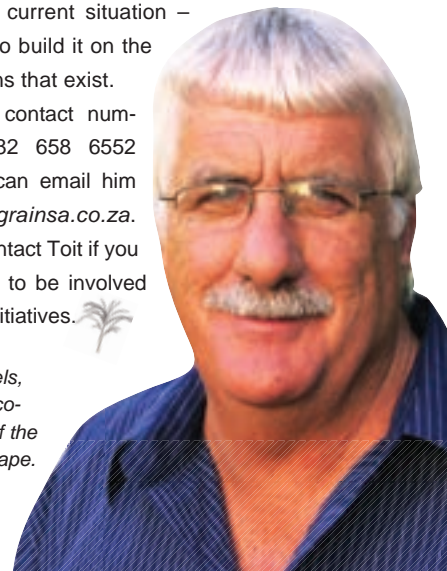
GRAIN SA HAS OPENED AN OFFICE IN THE WESTERN CAPE AND THE ADDRESS IS 262 MAIN STREET, PAARL. WE HAVE APPOINTED TOIT WESSELS AS THE PROVINCIAL CO-ORDINATOR. TOIT IS WELL KNOWN IN THE GRAIN INDUSTRY IN THE WESTERN AND SOUTHERN CAPE AND HAS BEEN INVOLVED IN GRAIN TRADING FOR THE PAST NINE YEARS – MOSTLY WHEAT AND CANOLA.

Toit will be identifying all the existing development farmers and also identify new possibilities for development farmers so that we can empower them with knowledge and skills so as to assist them to become capacitated commercial farmers. The mission of our entire programme is "To develop capacitated black commercial farmers and to contribute to household and national food security through the optimal use of the natural resource available to each farmer".

In the Cape there has been a lack of "investment in human capital" – the focus of the programme is on the development of individuals. Development is a process of positive change in the life of a person and the starting point has to be the current situation – we need to build it on the foundations that exist.

Toit's contact number is 082 658 6552 and you can email him at toit@grainsa.co.za. Please contact Toit if you would like to be involved in these initiatives.

*Toit Wessels,
provincial co-ordinator of the
Western Cape.*



*What I hear I forget, what I see I remember,
what I do, I understand.*

How many enterprises can you manage?

THERE ARE A MULTITUDE OF DIFFERENT ENTERPRISES POSSIBLE FOR MANY FARMS – BEEF, DAIRY, PIGS, BROILERS, LAYERS, CROPPING, SHEEP, FEEDLOT-TING, GRAIN PRODUCTION, VEGETABLES, FRUIT, GOATS, NUTS, FORAGE CROPS ETC. IN THEORY, YOU CAN PROBABLY SELECT QUITE A NUMBER FROM THIS LIST THAT YOU COULD HAVE ON YOUR FARM. THE QUESTION IS – HOW MANY ENTERPRISES CAN YOU MANAGE?

In life, everything looks simple from far, but most things are far from simple! Let's take dairying for example – you need to have the infrastructure for milking the cows, dry cows, bulls and calves; you need a fodder flow for the entire year; you need to understand the nutritional requirements of all the cattle in their various stages of growth and lactation; you need to know animal health – the preventative side as well as the curative side, dairy hygiene, marketing of fresh produce, labour management and financial management. And that is just for the dairy...

All of these different enterprises have their own complications and if you are to succeed, you have to be the master of them all.

Quite often, there are consultants who have a very academic approach to farming who draw up business plans which include four or more enterprises. This is very dangerous to a developing farmer. I would suggest that you do a thorough evaluation of your farm, coupled to an evaluation of your particular interests and strengths. If you like livestock then you should farm with livestock – you must love what you are doing, otherwise you will not succeed. Farming becomes your life and you cannot spend your life doing something that you do not enjoy! Once you have mastered one enterprise, then it is the time to start another – too many different things all at once are extremely difficult to manage.

**JANE MCPHERSON, PROGRAMME
MANAGER OF THE GRAIN SA
PRODUCER DEVELOPMENT PROGRAMME**

*Our aim is to produce the best
publication possible. Please direct any
comments on the editorial content or
presentation thereof, to Jane McPherson.*