

Project Profile: Umbumbulu Agri-Hub as at April 2011



Project Origination

The project originated from Newlands Mashu Community Development Centre, a non-profit organisation which has previously worked with PPT on a number of fruit tree establishment and food garden projects. The objective of the project is to improve the profitability of small farmers and community growers with limited access to capital, land and skills in the Umbumbulu sub-node of eThekweni Municipality by means of piloting an intervention that will capacitate and add value to loosely-arranged small farmers' groups in the area. The project aims to facilitate improved access to markets, improved technical and business skills and a co-ordinated support service to farmers as well as providing infrastructure such as a storage facility, sorting facility, cold room and office facilities which will provide input functions, light processing and output functions of vegetable and niche crops.



Project Funding

The project was jointly funded by PPT in the amount of R98,587.50 (allocated from funding donated by Angela Mai) and eThekweni Municipality in the amount of R1,769,160. PPT's contribution was necessary to leverage and secure funding from eThekweni Municipality.

The project provided limited in-kind subsidies to farmers such as agricultural inputs and transport, but in light of the documented negative impact of subsidisation on agricultural activities, the project was designed so that the in-kind donations to farmers functioned as initial start-up support instead of ongoing formal subsidisation.

Roles of PPT and other stakeholders

PPT participated in this project as part of its Informal Economy Support Programme. PPT's funding contribution secured funding from eThekweni Municipality by providing co-funding for the project, which was used to provide training and support for the informal business activities of 106 small-scale farmers.

Newlands Mashu Community Development Centre (Newlands Mashu) conceptualised and implemented the project.

eThekweni Municipality provided funding for the capital costs of building and providing services to the facility, as well as providing security and technical farming support.



Project Activities / Progress

Activities included site construction, identification of farmers willing to make use of the Agri-Hub's services, training of farmers in technical and informal business skills, identification of markets, branding and advertising and co-ordination of farming activities.

PPT's intervention

PPT contracted Mandla Sindane and Gerry Delany to assess the business skills needs of the farmers

and facilitate a learning & decision-making process designed specifically to meet the identified needs. In light of the very low levels of literacy prevalent in the area, the process was designed to meet the needs of both literate and non-literate people. The topics addressed included:

1. "What will we grow?"
2. "When will we grow it?"
3. Managing resources; and
4. Planning for the future

Challenges

1. Access to higher value 'sympathetic' markets requires a level of effort from farmers which they may not at first realise
2. Significant co-ordination is required to provide supports to grower contract farmers that are widely geographically dispersed.
3. Farmers lack fencing and irrigation (or favourable financing to access fencing and irrigation) which prevents improvement in the volume and quality of output.
4. It will be necessary to secure ongoing mentorship support beyond the initial funded project period in order to build in systems and capacity to sustain a self-managed unit.
5. Initially difficulty was experienced in managing the Agri-hub's response to the varied levels of grower commitment and setting up audit systems to determine appropriate support within the grower target groups.
6. It is evident that it is necessary to identify and nurture group capacity (and leaders) to self manage.



Main Lessons

1. Access to affordable seeds, seedlings, composts and related farming products and access to information is highly valued by grower groups as a hub service.
2. Skills and mentorship are in demand as a service.
3. Access to markets is valued by the grower groups.
4. Collectives of networked growers managed through a single site such as the Agrihub attracts significant interest from market players.
5. Growers are very prepared to pay for discounted services (seedlings, seeds etc.) and appreciate accessibility and formalised services of an appropriately placed Agrihub.
6. The importance of establishing administrative Agrihub systems to deal with efficient support delivery requires time and effort and must be informed by a clear needs assessment based on experience.



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