



South Africa Siyasebenza

10th ANNIVERSARY

A DECADE OF INNOVATION AND PARTNERSHIP



Ushintsho Olughakazile

Jobs Fund-GTAC Webinar

*Good Practice Framework for Emerging Farmer Support Programmes:
Tailored Packages of Support for Sustainable Farms*

20 January 2023

The event will start at 14h00



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA







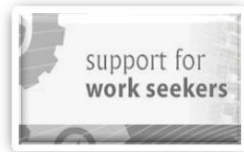
National Treasury
REPUBLIC OF SOUTH AFRICA




Welcome

Vuyo Tetyana
Jobs Fund


- In the context of persistent unemployment, the Jobs Fund was established to inspire innovation in the face of several challenges government was experiencing, including:
 - Lack of innovative and flexible public instruments to leverage private sector resources and test solutions to social challenges.
 - Despite a number of interventions in government, the desired impact has not always been achieved.
- In 2011, it was capitalised with **R9 billion**.
- The Jobs Fund is a programme of the National Treasury and, for administrative purposes, is located in the Government Technical Advisory Centre (GTAC).
- The Jobs Fund is government's R&D Pilot on innovative job creation models:
 - 
Test innovative approaches to job creation - supply and demand side of the labour market
 - 
Share risk - catalyse social return
 - 
Encourage wider market adoption of challenge fund funding instrument over the medium to long term
 - 
Encourage adoption of successful Job creation Models by organisations
- The Fund works with intermediaries, leveraging their networks to access and provide support to the targeted beneficiaries, through four funding windows. The intent is to focus on addressing specific barriers to job creation.




support for
work seekers



enterprise
development



infrastructure
investment



institutional
capacity building
- The Jobs Fund was established with knowledge sharing as one of its foundational pillars and has a rigorous monitoring, evaluation, reporting, and learning framework.
- In this regard, the Jobs Fund regularly hosts and participates in knowledge exchange sessions, together with its partners.

Emerging Farmer Support - Good Practice Framework

**Hilton Sarukunda, Danie Swart,
Sonkho Phiri & Lionel Kunene**

Jobs Fund



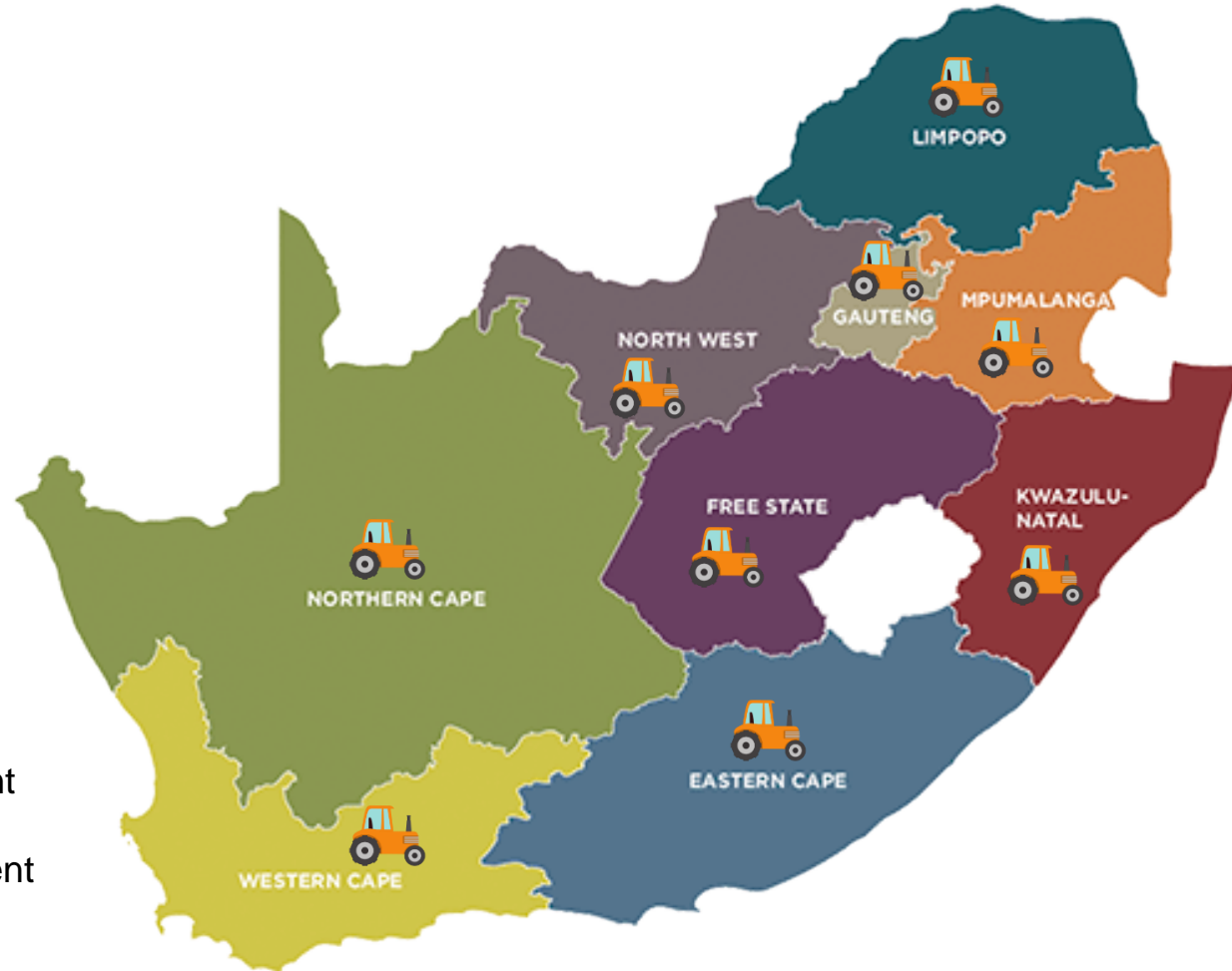
- Agriculture plays an important role in economic development and can contribute significantly to household food security in the context of widespread poverty.
- South Africa's National Development Plan (NDP) has included comprehensive rural development and land reform as one of its key outcomes.
- The Jobs Fund has supported emerging farmer development since its inception, with agriculture projects being approved in almost every funding round.
- One of the key objectives of the Jobs Fund agricultural portfolio is to **leave behind a legacy of sustainable, competitive and commercially viable agricultural entities.**
- The role of the Jobs Fund in this sector is to facilitate innovative partnerships and new approaches that:
 - Offer systemic solutions to constraints faced by SHFs,
 - Lower barriers to entry,
 - Create large scale impact,
 - Produce sustainable models, and
 - Ultimately provide support to smallholder farmers to improve their commercial viability and integrate them into existing value chains.
- As at September 2022, JF has 45 contracted agriculture projects.



- Type of project models implemented include:
 - **Shareholding scheme/Primary production** - Enhancing ownership of the farming enterprises/agro-processors by black South Africans through a shareholding scheme, coupled with primary production technical support, e.g. Stargrow's Sizana project (a partnership model between a commercial entity and an emerging entity).
 - **Value chain development** - Assisting SHFs in overcoming constraints such as poor market access and weak bargaining power, e.g. Hortfin's Fruit value chain project (a funding facility that targets emerging entities to enter the deciduous fruit industry).
 - **On-lending** - Provision of appropriate blending finance for smallholder farmers to grow, e.g. Capital Harvest's Emerging farmer project (provides niche-market financing products to smallholder farmers that include up to 15-year loan repayment arrangements. These services are augmented with technical, business and mentorship support).
 - **Out-grower** - Off-take is secured for smallholder farmers e.g. Illovo's Small-scale grower project (provides technical support to farmers and secure off-take for sugarcane).
 - **Agro-processing** - Beneficiaries are given access to agro-processing facilities and thereby benefit from secondary production, e.g. MilkSA (a farmer support programme that targets emerging farmers to participate in the milk industry).
 - **Infrastructure investment** - Investment in critical infrastructure that will benefit SHFs (e.g. buildings, farming implements, irrigation, pack-houses) e.g. Timbali's Nwanedi project (a farmer support programme to emerging farmers that includes the upgrading of enabling infrastructure).
 - **Incubator** - Provision of land, infrastructure and training for the purpose of improving skills and farming business know-how in a real situation, e.g. WIBC's Urban Agriculture Initiative (aims to create an urban agricultural entrepreneurial ecosystem and support young black, urban farmers).
 - **Technical skills development and support** – Offers farmers training on how to improve production/ processing/ enterprise management, etc., e.g. LIMA's Smallholder support programme (assists smallholder farmers to improve agronomic practices, use innovative technologies, and access formal markets).



- The Jobs Fund’s 45 agriculture projects operate in all 9 provinces
- Outcomes to date (as at Sep 2022)
 - Finances:
 - R1.8 billion in grant funding disbursed
 - R3.2 billion in matching funding leveraged from partners
 - Farmers and beneficiaries supported:
 - 17,618 SHFs and agriculture-related SMMEs supported
 - 47,362 people trained
 - Job creation:
 - 82,863 jobs facilitated
 - 47,490 permanent jobs and placements
 - 15,010 seasonal jobs
 - 20,163 short term jobs
 - 200 completed internships
- Through the support of these projects, the JF has amassed a significant body of knowledge on what works well in the emerging farmer support space – this is informed by both JF portfolio information and independent evaluations conducted.
- This webinar will share those findings.



- Given the importance of agriculture in South Africa, how do we design and implement agriculture interventions that are actually going to:
 - Produce sustainable farming enterprises
 - Create real empowerment
 - Deliver on the country's rural development and land reform priorities in a sustainable and practical manner
- Through the experience gain in supporting 45 agriculture projects, the JF has come to appreciate the complexity and technical requirements of agriculture projects, as well as their long-term nature.
- To promote successful initiatives, the Jobs Fund has identified **10 critical elements** that must be in place to ensure the effective, efficient and sustainable roll-out of smallholder farmer (SHF)/ emerging farmer (EF) agricultural interventions. These elements are:
 1. Good Governance, Institutional Arrangements and Management
 2. Effective Human Resources & Skills Development
 3. Consultative Social Facilitation
 4. Access to Land and Appropriate Water Recourses
 5. Access to Production Inputs and extension services
 6. Access to Markets
 7. Fit for Purpose Financial Support
 8. Access to Meaningful Information
 9. Sustainable Empowerment
 10. Effective Measurement Arrangements
- These fundamental project elements should form the foundation of the project and can be tailored to best suit the context in which the project is to be implemented.





- This refers to a collection of business management processes that are required for planning and implementing the core business area of a project and which will influence and impact on the project's ability to meet its goals (and indirectly that of its stakeholders such as smallholder farmers).
- Having established these arrangements at the onset is fundamental in the support initiative.
- Key **success factors concerning governance:**
 - Design of a project governance framework before the start of the project.
 - Establish an inclusive structure at the project strategic level to provide strategic direction and to ensure stakeholder involvement.
 - Develop and confirm organisational design.
 - Design and establish committees, systems and procedures for each of the created entities.

Good Practice 1 - Good Governance, Institutional Arrangements and Management (2)



- The key success factors required for this element, the anticipated outputs, the required evidence to show progress/ completion and the accountable parties.

Key Success Factors	Outputs/Further Detail	Evidence	Responsibility
<i>Design of a project governance framework before the start of the project – supported by all stakeholders</i>	<ul style="list-style-type: none"> Governance framework prepared that is appropriate to ensure that the project goals will be achieved 	<ul style="list-style-type: none"> Governance framework 	<ul style="list-style-type: none"> Implementing Partner to prepare the governance framework Fund Manager to review framework (project manager /Specialist, Team Leader, Finance Analyst, M&E and Project Director, Legal Specialist)
<i>Establish an inclusive structure at the project strategic level to provide strategic direction & to ensure stakeholder involvement</i>	<ul style="list-style-type: none"> Stakeholders mobilised into a representative entity, including beneficiary level entities 	<ul style="list-style-type: none"> Stakeholder map Terms of reference for strategic entity supported by all Approved establishment documentation Operating documents (e.g. decision-making systems, committee structures, delegation authority, Standard Operating Procedures [SoPs]) 	<ul style="list-style-type: none"> Implementing Partner to prepare map and TORs Fund Manager team to review map and TOR
<i>Design and confirm organisational structure (including ownership)</i>	<ul style="list-style-type: none"> Mandate documentation prepared and implemented Organisation type selected & establishment documents approved Organisation structure prepared and implemented Human resource plan prepared and staff employed Financial plan prepared and funding mobilised. 	<ul style="list-style-type: none"> Mandate documentation Organisation establishment documents Human resource plan Financial plan 	<ul style="list-style-type: none"> Fund Manager reviews documentation and structures from Implementing Partner
<i>Design and establish committees, systems and procedures for each of the created entities</i>	<ul style="list-style-type: none"> Committees, systems and procedures in operation 	<ul style="list-style-type: none"> Approved design documents Operational documents (e.g. minutes of meetings, operations reports) 	<ul style="list-style-type: none"> Fund Manager reviews documentation from Implementing Partner



- To ensure the success of small-holder farmer support interventions, the provision of human capital must be adequately planned for and organised.
- For the project: Appropriate human resources to implement the project are critical:
 - Overall project management
 - Service provision to smallholder farmers (e.g. suitably qualified and experienced mentors and trainers)
 - Loan management (in the case of on-lending projects)
- For the farmer: Farmers require the appropriate skills and the appropriate staff to improve their farming enterprises:
 - Lack of human capital has been found to be a serious constraint for SHFs
 - Illiteracy and poor technological skills hamper SHFs from accessing useful formal institutions that disseminate technological knowledge;
 - Lack of marketing and financial skills can result in challenges in securing lucrative off-takes for produce
 - The ability to meet stringent quality standards that are set by fresh produce markets and food processors is at risk;
 - Lack of production skills can lead to lower quality produce and lower yields; and
 - Lack of human resource management skills is likely to have a negative effect on employee motivation and performance.
- In beneficiary selection: This includes the selection of the right farmers to participate in the intervention (motivated, decent track record)
- Key **success factors concerning human capital**:
 - Performance management, monitoring and evaluation
 - Induction or on-boarding of project stakeholders
 - Targeted recruitment of farmers
 - Formulation of a realistic business plan and the implementation thereof
 - Skills Development

Good Practice 2 - Effective Human Resources and Skills Development (2)



- The key success factors required for this element, the anticipated outputs, the required evidence to show progress/ completion and the accountable parties.

Key Success Factors	Outputs/Further Detail	Evidence	Responsibility
Targeted recruitment of farmers	<ul style="list-style-type: none"> Selection criteria that results in the on-boarding of motivated and productive individuals. Farmers with a good track record of previous relevant management skills, farming experience or competence in a related work environment. 	<ul style="list-style-type: none"> Feasibility study Selection criteria Track record 	<ul style="list-style-type: none"> Implementing Partner Farmer Fund Manager to review criteria and monitor implementation of criteria
Induction or on-boarding of project stakeholders <ul style="list-style-type: none"> Farmers New employees 	<ul style="list-style-type: none"> Fully inducted and on-boarded stakeholders. Community leaders and members who are accepting and supportive of the intervention. On-going stakeholder involvement and updates. 	<ul style="list-style-type: none"> On-boarding strategy for 1) Farmers and 2) Employees Social facilitation strategy Letter of commitment from community leader Minutes from stakeholder update meetings 	<ul style="list-style-type: none"> Implementing Partner Farmer Fund Manager to review documentation
Formulation of a realistic business plan	<ul style="list-style-type: none"> Realistic Business Plan, that is acceptable to both the farmer and the JF Partner. The Business Plan is informed by and based on facts from a feasibility/viability study. The farmer is closely involved in drafting the plan. 	<ul style="list-style-type: none"> Viability study Business Plan 	<ul style="list-style-type: none"> Implementing Partner Farmer Fund Manager to review plans submitted by farmer
Implementation of business plan	<ul style="list-style-type: none"> Business Plans are used to guide the business and are being updated regularly. 	<ul style="list-style-type: none"> Update reports 	<ul style="list-style-type: none"> Implementing Partner Farmer Fund Manager (checking progress)
Performance management, monitoring and evaluation	<ul style="list-style-type: none"> HR management processes are operationalised in the farming operation. Motivated and productive Human Resources. 	<ul style="list-style-type: none"> Formalised employment contracts Payment of UIF for workers Formalised process to penalise poor performance and reward good performance 	<ul style="list-style-type: none"> Implementing Partner Farmer
Skills Development	<ul style="list-style-type: none"> Targeted training and mentorship programmes. Improved technical skills and productivity. 	<ul style="list-style-type: none"> Tailored training plan per farmer Tailored training plan per worker Progress reports (human capital reports and farming operation productivity reports) 	<ul style="list-style-type: none"> Implementing Partner Farmer



- Positive social relations and social facilitation are crucial for the success of support interventions, especially in communal farming settings.
- Social facilitation is crucial in the development of an overall community consultation plan and on-going communication - where all stakeholders are adequately consulted and informed throughout project implementation.
- Important elements to consider include:
 - Community leadership and support,
 - Social facilitation and trust building,
 - Realistic expectations,
 - Community buy-in,
 - Conflict management,
 - Benefit sharing amongst beneficiaries and the broader community, and
 - Succession planning.
- Alignment of interests with the JF Partner only is insufficient; this must be extended to include the alignment of interests with the project beneficiaries and the greater community.
- Key **success factors concerning social facilitation:**
 - Appointment of a social facilitator at the design phase of the initiative
 - Understand the contextual framework under which the project is being implemented
 - Understand how the beneficiaries and wider community engages with the project
 - Development of a clear conflict/grievance resolution process
 - Appropriate structures identified, designed and established



- The key success factors required for this element, the anticipated outputs, the required evidence to show progress/ completion and the accountable parties.

Key Success Factors	Outputs/Further Detail	Evidence	Responsibility
<i>Appointment of a social facilitator at the design phase of the initiative</i>	<ul style="list-style-type: none"> The selection and appointment of the social facilitator. 	<ul style="list-style-type: none"> Service level agreement with the social facilitator. 	<ul style="list-style-type: none"> Implementing Partner Fund Manager to review SLAs (project manager, legal specialist)
<i>Understand the contextual framework under which the project is being implemented</i>	<ul style="list-style-type: none"> Commissioned and completed study 	<ul style="list-style-type: none"> Report from the social facilitator or service provider. 	<ul style="list-style-type: none"> Implementing Partner to engage the social facilitator Fund Manager to review
<i>Understand how the beneficiaries and wider community engages with the project</i>	<ul style="list-style-type: none"> Regular Community meetings. 	<ul style="list-style-type: none"> Meeting Minutes. Social facilitator updates 	<ul style="list-style-type: none"> Implementing Partner Fund Manager to review progress updates
<i>Development of a clear conflict/grievance resolution process</i>	<ul style="list-style-type: none"> Process documents produced. 	<ul style="list-style-type: none"> Process documents and evidence of beneficiary workshops. 	<ul style="list-style-type: none"> Implementing Partner Fund Manager to review documents (and monitor progress)
<i>Appropriate structures identified, designed and established</i>	<ul style="list-style-type: none"> Beneficiary level entities established. 	<ul style="list-style-type: none"> Establishment documentation approved. Operating documents compiled. 	<ul style="list-style-type: none"> Implementing Partner Fund Manager to review documents



- The potential of land often determines the type of agricultural enterprise that can be practised successfully.
- Land is often classified in the following categories:
 1. Arable or non-arable
 2. Grazing
 3. Land for construction purposes (sheds, houses, etc.)
 4. Waste ground (outfall land) for roads, fences, water ways, etc.
- Ownership of land and water varies between private, state or communal ownership.
- The right to use land and water can be exchanged through mechanisms such as trade, lease, or right to use agreements (quota allocation for water).
- Key **success factors concerning land access:**
 - Security of tenure (Note that security of tenure is the key, not the tenure type)
 - Appropriate selection of farming enterprise according to land potential
 - Application of sound environmental practices





- The key success factors required for this element, the anticipated outputs, the required evidence to show progress/ completion and the accountable parties.

Key Success Factors	Measurement	Evidence	Responsibility
<p>Security of tenure <i>(Note that security of tenure is the key, not the tenure type)</i></p>	<ul style="list-style-type: none"> Contractual documents available e.g.: <ul style="list-style-type: none"> ✓ Title deed ✓ Lease agreements ✓ Permission to occupy (PTO) ✓ Water allocation permits Note that the length of the contract should align with the production cycle of the enterprise, e.g. orchards: 30 years 	<ul style="list-style-type: none"> Contractual documents 	<ul style="list-style-type: none"> Implementing Partner Fund Manager to review (Legal Advisor) Fund Manager project team to monitor implementation of agreements
<p>Appropriate selection of farming enterprise according to land potential</p>	<ul style="list-style-type: none"> Evidence of similar application in the area. Technical recommendations by experts Past experience and application on the farm Soil tests and classification. Veld condition studies and carrying capacity guidelines 	<ul style="list-style-type: none"> Technical reports 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Project Manager & Agric Specialist to track implementation
<p>Application of sound environmental practises</p>	<ul style="list-style-type: none"> Identification of environmentally sensitive dimensions related to farming operations Preparation and implementation of an environmental management plan 	<ul style="list-style-type: none"> Environmental reports 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Project Manager & Agric Specialist to track implementation



- Production inputs refer to goods and services that are used by farmers for the production of their commodities such as grain or livestock.
- Production inputs can be grouped into the following elements:
 1. Infrastructure, (also referred to as fixed assets that usually cannot be removed from the farm) such as orchards, buildings (broiler houses, packhouses, sheds, offices, houses. Etc.) roads, fences, kraals and bulk water works (canals, bulk pipelines. windmills, dams);
 2. Capital items (also referred to as movable assets that can be removed from the farm) such as trucks, bakkies, mechanisation (tractors and machinery, harvesters, trailers, etc.) and infield irrigation systems, office equipment (computers, furniture, etc.), equipment and tools;
 3. Overhead costs such as salaries and wages, maintenance, insurance and stationary; and
 4. Variable inputs (quantity varies according to the size of operations such as ha planted, number of animals farmed, etc.) such as seed, fertilisers, chemicals, petroleum (petrol, diesel, paraffin, oil, etc.), trees, medicine, feed.
- Key **success factors concerning inputs and extension services:**
 - Achieve economies of scale: size of operations
 - Effective and efficient farm activities (i.e. follow good practice guidelines, such as planting depths, application rates of inputs, cultivation methods and practices, etc.)
 - Regular maintenance of fixed and movable assets
 - Purchase production inputs at competitive prices
 - The quality of inputs should be sufficient for its intended use
 - Production inputs should be available at the right time and place
 - Decide on whether the provision of goods and services should be outsourced to contractors
 - Extension services are available to SHF to guide them on the effective use of production inputs



- The key success factors required for this element, the anticipated outputs, the required evidence to show progress/ completion and the accountable parties.

Key Success Factors	Outputs/Further Detail	Evidence	Responsibility
Economies of scale: Size of operations.	<ul style="list-style-type: none"> Farm operations should be large enough to cover repayment of fixed and movable assets and overhead costs with gross margins (income less variable cost) 	<ul style="list-style-type: none"> Financial analysis 	<ul style="list-style-type: none"> Implementing Partner Fund Manager to review progress
Farm activities should be effective and efficient (i.e. follow good practice guidelines)	<ul style="list-style-type: none"> Good practice guidelines as required by technical specialists. 	<ul style="list-style-type: none"> Activity schedule and application guidelines 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Agri Specialist and team to review progress
Fixed and movable assets should be regularly and properly maintained	<ul style="list-style-type: none"> Monitoring of maintenance schedules. Maintenance cost as % of asset value Proof of service from service providers (maintenance invoices) <ul style="list-style-type: none"> ✓ Fixed assets: 1% ✓ Movable assets: 5-10% 	<ul style="list-style-type: none"> Maintenance invoices 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Finance Analyst and team to review progress
Production inputs should be bought at competitive prices	<ul style="list-style-type: none"> Comparison of purchase price against market related prices. 	<ul style="list-style-type: none"> Invoices and price lists 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Finance Analyst and team to review progress
The quality of inputs should be sufficient for its intended use.	<ul style="list-style-type: none"> Quality guidelines as determined by technical experts. 	<ul style="list-style-type: none"> Application reports 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Agri Specialist and team to review progress
Production inputs should be available at the right time and place	<ul style="list-style-type: none"> Availability of inputs when required according to the activity schedule. Available at the right place i.e. where it is required 	<ul style="list-style-type: none"> Order forms Delivery notes 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Agri Specialist and team to review progress
Extension service available to SHF to guide them on the effective use of production inputs	<ul style="list-style-type: none"> Application of good technical farming practises 	<ul style="list-style-type: none"> Farm visit reports from extension officer 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Agri Specialist and team to review progress
Sound decision whether the provision of goods and services should be outsourced to contractors.	<ul style="list-style-type: none"> Outsourcing can be motivated based on consideration such as: <ol style="list-style-type: none"> Cost savings Internal capacity constraints Efficiency improvements. 	<ul style="list-style-type: none"> Financial analysis 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Finance Analyst and team to review progress



Good Practice 6 - Access to Markets (1)

- Access to markets refers to the ability of farm produce to reach markets.
- This includes the ability to consistently provide produce of the required volumes and quality at the best prices.
- Efficient marketing is also essential for sustainable agricultural project success.
- Key **success factors concerning access to markets**:
 1. **Identification and understanding of the various markets by the beneficiary.** These include the informal, wholesale, retail and export markets. Factors to look at are the quality and consistency requirements of each market, how they are accessed and the certification requirements for each;
 2. **Training for producing for each market must be an ongoing process.** Regular feedback on production must be part of the process and inform future training interventions. Training must be tailored to the particular circumstances of the beneficiaries. This must include visual aids where appropriate;
 3. **Off-take agreements must be in place where possible.** These are often not possible at the start of a project due to the quality and scale of production being unknown. Also, where the Implementing Partner is a financial institution that is not geared towards providing this access:
 - Beneficiary selection criteria must include secure access to the market; or
 - The implementer should partner with an organisation that can facilitate these linkages.
 4. **Aggregation of production (inputs and outputs)** is crucial to the competitive positioning of the beneficiary within the wider value chain; and
 5. **The presence of a credible marketing plan is vital.**



- The key success factors required for this element, the anticipated outputs, the required evidence to show progress/ completion and the accountable parties.

Key Success Factors	Outputs/Further Detail	Evidence	Responsibility
Training programmes: Market dynamics	<ul style="list-style-type: none"> The number of training sessions held, number of farmers attending, Regular impact assessments, tracking of results. 	<ul style="list-style-type: none"> Training registers Content of training sessions Impact assessments 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Agri Specialist and team to review progress
Training programmes: matching production to market requirements	<ul style="list-style-type: none"> The level and quality of production compared to market demand. 	<ul style="list-style-type: none"> Sales to various markets Certifications needed 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Agri Specialist and team to review progress
Off-take agreements	<ul style="list-style-type: none"> The production and quality requirements, ability of the off-taker to honour commitments 	<ul style="list-style-type: none"> Off-take agreements Proof of off-take 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Agri Specialist and team to review progress
Aggregation to improve competitiveness	<ul style="list-style-type: none"> Comparison of purchase price (inputs and production) against market related prices. 	<ul style="list-style-type: none"> Invoices and price lists 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Finance Analyst and team to review progress
Credible Marketing plan	<ul style="list-style-type: none"> Reasonability of plan. 	<ul style="list-style-type: none"> The marketing plan 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Agri Specialist and team to review progress

- Access to appropriate finance has always been a key challenge for SHFs.
- Problems encountered include lack of adequate collateral (e.g. land ownership) and credit history.
- Financial support has two key components:
 - **Access to the required finance** - Support packages to these beneficiaries must be tailored to the needs of the beneficiaries. Critically, these packages also must be linked to the earnings profile of the sector being funded and the cash flow requirements of the beneficiaries being targeted.
 - **Financial planning of the farming operation** - Packages should include financial training for the beneficiaries who often do not have a good understanding of the business of farming or the costs inherent in the value chain.
- Key success factors concerning access to meaningful information:
 - A detailed financial training plan incorporating the various facets
 - Reasonable project and beneficiary budgets accounting for key items such as insurance, repairs and maintenance, reinvestment and unforeseen issues.
 - The provision of a reasonable, tailored funding package





- The key success factors required for this element, the anticipated outputs, the required evidence to show progress/ completion and the accountable parties.

Key Success Factors	Outputs/Further Detail	Evidence	Responsibility
<i>A detailed financial training plan incorporating the various facets of financial management</i>	<ul style="list-style-type: none"> Financial management course content developed Training sessions held and attended by farmers Regular impact assessments, tracking of results 	<ul style="list-style-type: none"> Training curriculum Training registers Impact assessments 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Finance Analyst and team to review progress
<i>Reasonable project and beneficiary budgets accounting for key items such as insurance, repairs and maintenance, reinvestment and unforeseen issues</i>	<ul style="list-style-type: none"> Budget produced The budgets along with assumptions are incorporated and tracked 	<ul style="list-style-type: none"> Approved budgets Management accounts 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Finance Analyst and team to review progress
<i>The provision of a reasonable, tailored funding package</i>	<ul style="list-style-type: none"> Matching of income and expenditures, reasonability of cost structures, provision for key items 	<ul style="list-style-type: none"> Agreement with funders Farmer funding approvals Loan agreements Budgets Loan book 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Finance Analyst, Legal Specialist, and team to review progress



- Meaningful information refers to information that is useful to the farmer and project, that is communicated effectively, and is readily accessible.
- This intel enables farmers and the project team to make operation-enhancing decisions.
- Some of the barriers to meaningful information for farmers include:
 - **Lack of access to information in local languages.** Farmers are more likely than other population groups to require information in local or regional languages.
 - **Lack of computers and ICT skills to gather information.** Many farmers do not have access to computers and lack the ICT capacity to gather information. It has to be noted that most farmers have access to phones for access to information but they do not have the requisite skills to mine relevant information using cell phone technology.
 - **High cost of data.** Data cost in South Africa is high and most farmers cannot afford it.
 - **Limited connectivity.** Most JF agriculture projects impact the development of SHFs in remote rural and peri-urban areas where connectivity is slow and unavailable.
 - **Lack of training facilities, to encourage group training and peer learning.** Projects often train farmers at their own farms and not as a group. This reduces the level of group information sharing and understanding.
- Key **success factors concerning access to meaningful information:**
 - Access to information in local languages
 - Access to basic ICT training
 - Group training facilities



- The key success factors required for this element, the anticipated outputs, the required evidence to show progress/ completion and the accountable parties.

Key Success Factors	Outputs/Further Detail	Evidence	Responsibility
Access to information in local languages	<ul style="list-style-type: none"> Video documentaries on farming methods explained by farmers in their local language. This must be done within reasonable cost impact to the project. PowerPoint presentations, or repurposed presentations as leaflets for distribution at farmers' meetings. Basic training/communication material printed in local languages. This must be done within reasonable cost impact to the project. 	<ul style="list-style-type: none"> Interventions reflected in project budget Video and PowerPoint presentations 	<ul style="list-style-type: none"> Implementing Partner prepares local language information material Implementing Partner to monitor impact of information disseminated in local languages Fund Manager Agri Specialist and team to assess progress and impact.
Access to basic ICT training	<ul style="list-style-type: none"> Farmers trained on how to access relevant information using their phone. Use of cheaper cell phone technologies for information dissemination, e.g. updates to farmers via a WhatsApp group arrangements, such as, weather warnings, disease updates, update on markets, market trends, etc. Basic computer training for information gathering to farmers 	<ul style="list-style-type: none"> Training manuals Training registers Support correspondence, e.g. WhatsApp support group discussions 	<ul style="list-style-type: none"> Implementing Partner to submit manuals Fund Manager Agri Specialist and team to review manuals Fund Manager's IT Specialist Team to assist with technical understanding/ interpretation for the Fund Manager team. Implementing Partner to monitor training and provide feedback to Fund Manager. Fund Manager Agri Specialist and team to assess progress.
Group training facilities	<ul style="list-style-type: none"> Projects must make have a periodic schedule for training farmers in a group environment. This is meant to encourage interactivity and knowledge share associated in a group environment. 	<ul style="list-style-type: none"> Group training registers 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Agri Specialist and team to monitor implementation by the Partner

- The Fund Manager and Implementing partner must ensure that there is an integrative approach to the empowerment of the farmers during and post the project life cycle.
- Empowerment elements must be elicited at the project appraisal stage; enforced and enhanced during project implementation; and monitored post-project implementation.
- Key **success factors for sustainable farmer empowerment:**
 - Sustainable tenure security,
 - Full farmer decision-making empowerment,
 - Collective organisation of farmers,
 - Equity sharing and partnerships,
 - Social Facilitation,
 - Full farmer understanding of their project value chain (from farm to fork),
 - Sustainable farmer exits from incubators,
 - Implementing agents exits that ensure farmer continued existence and sustainability, and
 - Continued mentorship.





Key Success Factors	Outputs/Further Detail	Evidence	Responsibility
<p>Collective organisation of farmers: <i>Farmers must, at the end of the project, be able to fully exploit economies of scale as farmers not as a group represented by the Implementer. Farmers must be assisted to organise themselves collectively for a common goal such as collective buying of inputs or selling of produce through collective bargaining for competitive prices or the collective use of equipment based on economies of scale.</i></p>	<ul style="list-style-type: none"> Formalised farmer collective registration where possible e.g. NPCs Bulk buying of inputs Collective production and selling 	<ul style="list-style-type: none"> Farmer entity proposals Registration certificates Signed purchase agreements between farmer collective entity and suppliers of inputs and other elements Signed agreements between farmer collective entity with markets Farmer collective entity invoice to markets Collective farmer purchase invoices 	<ul style="list-style-type: none"> Fund Manager to review farmer entity proposals and provide input before registration of entities Implementer to ensure the purchase and markets agreements are fair, competitive and equitable to the farmer Fund Manager Project Manager and team to measure and monitor implementation by Implementer (sales, purchase invoices, etc.)
<p>Full farmer understanding of their project value chain (from farm to fork/soil to stomach): <i>Supported farmers, although largely involved in primary production, must fully understand the project/product value chain. This understanding empowers them to identify possible areas of improvement in their businesses</i></p>	<ul style="list-style-type: none"> Farmer training manual on project value chain finalised Training sessions completed Follow-ups made and additional support provided. 	<ul style="list-style-type: none"> Fund Manager to review the manuals Submission of training certificates/attendance registers 	<ul style="list-style-type: none"> Implementing Partner Fund Manager Agriculture Project Manager and project team to measure and monitor implementation
<p>Sustainable farmer exits from incubators: <i>Some agriculture projects are incubation projects. Incubators are flexible combination of business development processes, infrastructure and people designed to nurture new and small businesses by helping them to survive and grow through the difficult and vulnerable early stages of development. Farmers must be able to survive and grow beyond the incubation period.</i></p>	<ul style="list-style-type: none"> Farmer incubator exit plans produced Farmer performance tracked post incubation Farmer is able to access to land, markets, finance and further training post incubation Farmer has access to arable land post incubation (where farmers are incubated on land that they don't own/lease/PTO, arable land access post incubation evidence is a prerequisite for farmer incubation. 	<ul style="list-style-type: none"> Exit plans Farmer performance reports Land arrangement documentation 	<ul style="list-style-type: none"> Fund Manager Agric Specialist to review exit plans and provide feedback Fund Manager Project Manager and M&E Specialist to review and verify indicator evidence Fund Manager Legal to review documentation and provide feedback

Good Practice 10 - Effective Measurement Arrangements (1)

- Each of the Good Practice elements is underpinned by effective M&E
- In any farmer support programme, it is fundamental to have strict monitoring and control measures in place that:
 1. Ensure the reliable collection of information regarding the progress of farmers;
 2. Serve as early warning systems for potential problems (to prevent issues before they occur and/or mitigate the problems should they occur); and
 3. Allow the valid measurement of impact (both at the farmer and intervention level).





- Key **success factors for effective measurement:**
 - **M&E personnel assigned solely to the project** to monitor progress, verify collected information, analyse findings and provide insights into improving project implementation
 - **A good monitoring and control system** that will sufficiently track progress towards the achievement of intervention outputs, outcomes and impact. The system therefore must ensure the following:
 - That business development support offered to beneficiaries is delivered,
 - That training offered to beneficiaries is given,
 - That Institutional arrangements, partnerships and contract arrangements are clear and adhered to by all parties involved,
 - That effective M&E systems are developed and implemented for ease of collection of data,
 - That there is a systematic collection of project information including evidence of jobs and training,
 - That there is systematic reporting on production outputs and land prepared for planting,
 - That there are periodic project visits made to projects especially those that deal with livestock,



Conclusion

- Government and civil society organisations have begun to recognise the limitations of some of the agriculture support initiatives rolled out to date and are looking to design new interventions and invest further funding into agricultural development.
- But **these new interventions must be based on good practice and learnings from other initiatives** (support designs that have been proven on the ground and are likely to promote real change in the sector, over the long term).
- The **provision of land and improving farmer access to finance alone is not the answer to growing the sector:**
 - It requires a more nuanced approach that **considers the farmer, the community, the environment, the market, the right technical and funding partnerships, and the long-term sustainability** of agricultural operations
 - Significant **investment needs to be made into capacity building**, both for emerging farmers and farming enterprises and for the government departments and agencies that provide extension services and funding.
- The 10 critical success factors highlighted in this presentation form the foundation of support initiatives, but it is also important to note that **there is not a one-size-fits-all answer to farmer and farm development:**
 - Interventions need to be tailored to best suit the target beneficiaries and the expected outcomes.
 - These interventions are by their nature long term, and emerging and smallholders farmers require significant support to graduate to a state of self-sufficiency.
 - Aligning stakeholder interests and establishing clear commitments to driving real empowerment beyond the intervention's involvement are crucial to ensuring the sustainability of farming enterprises and the sector as a whole.



Q&A

Facilitated by: Hilton Sarukunda (Jobs Fund)



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Jobs Fund contact details:



jobsfund@treasury.gov.za



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