



**ecsecc**  
eastern cape socio economic  
consultative council

# PUBLIC SECTOR ROLE IN VALUE CHAIN DEVELOPMENT

PRESENTATION TO ELRN 14 SEPTEMBER  
2016



# SA AGRICULTURE POLICY IMPERATIVES – WHAT ARE WE TRYING TO ACHIEVE?

NDP, APAP, AgriBEE policy, Agro-logistics SEZ and other policy documents seek to achieve the following:

- 1) Increase agricultural exports (to improve balance of payments)
- 2) Ensure national food security (and local/HH food security)
- 3) Expand production (HA under production and no of smallholder farmers/new entrants)
- 4) Create rural jobs and improve rural livelihoods (reduce poverty)
- 5) Transform agriculture and agro-business industry

# EC POLICY POSITIONS

- Provincial Development Plan
  - Agriculture sector expansion plan focusing on high-value and intensive irrigation crops (fruit, nuts, berries, high-value vegetables),
  - Red-lead strategy
  - Agriculture strategy
  - Provincial Irrigation programme
- A.DAR: Agriculture growth through commodity clusters in high potential sectors

# AGRICULTURE/AGRO BUSINESS STRATEGY – KEY DEBATES (i)

- Critics of the NDP argue that “one of the main contradictions in the NDP is that South African agrarian capitalism is in crisis, yet the NDP insists that the only way forward for smallholders is to be integrated into it” (Stephen Greenberg (2013) PLAAS).
- The commercialisation strategy:
  - Export oriented approach & “Bet on the strong” to create large numbers of jobs
  - Large-scale irrigation farming, fuel-based mechanisation, mono-cropping, and export-oriented and agrochemical-driven conventional agriculture vs. food sovereignty and promotion of indigenous knowledge
- The small holder based strategy:
  - Underneath corporate agri-business profits is an increasing cost-price squeeze for small- and medium-scale commercial producers that threatens their long-term survival.
  - There is need for better understanding of the conditions under which small holder farmers can enter formal value chains.
  - Local food economies and so-called ‘informal’ systems of production and distribution establish a basis for an alternative that is less resource intensive, more beneficial to producers and which has a higher likelihood of making food more accessible to the poor (food sovereignty and agro-ecological movement).

# AGRICULTURE/AGRO BUSINESS STRATEGY – KEY DEBATES (ii)

- The challenge for the Eastern Cape is to find the balance of strategy interventions that will grow new livelihoods, create stable jobs, but also causing minimal negative disruption to existing livelihoods.
- Current reality has to be a starting point on which the future will be built. There is a high risk that approaches that attempt to remove or sweep aside what exists will impact negatively on the poor.
- While the province must support “labour intensive winners” it must not be a strategy where the majority stands to loose.

## IN AN EC / SA CONTEXT, WHERE SHOULD THE PUBLIC SECTOR FOCUS ITS EFFORTS / RESOURCES TO CATALYSE SVCD?

1. Intelligence and information generation and sharing
  - In depth value chain analysis
  - Market intelligence
  - R&D linkages (product development)
2. Extension, skills and capacity
3. Market access and intermediation
4. Redesign instruments in line with requirements to grow priority commodities where these have promoted farming on behalf of producers.
  - Input support, mechanisation, infrastructure
5. Land, water and environmental protection

## SOME EXAMPLES

- ECDRA RED Hubs: “Just do it”
- Ivili Loboya: Value chain integration of smallholder/subsistence cashmere and wool farmers into the exchange economy.



# IVILI LOBOYA STRATEGY & OPERATIONAL PLAN



**Sheep farming**  
**Cashmere farming**  
**Flock Management**  
(Communal Farmer  
Partners)

(EC Districts: Alfred Nzo, Joe  
Gqabi, OR Tambo, Chris Hani  
and Ukahlamba)

**Wool and  
Cashmere  
Processing**  
(Butterworth)







# IVILI LOBOYA LOGISTICS APPLICATION

The screenshot shows the IVILI Dashboard web application. The browser address bar displays <https://www.ivili.net>. The page features a dark blue sidebar with the title "IVILI Social Wheel" and a "MAIN NAVIGATION" menu with items: Dashboard, Farms, Shearing Sheds, Wool Deliveries, Factories, Knitters and Weavers, Knitting/Weaving Jobs, Reports and Charts, and System Users. The main content area is titled "IVILI Dashboard" and contains four large colored cards: "Farmers" (blue), "Shearing Sheds" (green), "Knitters and Weavers" (orange), and "Factory" (red). Each card shows a large "0" and a "More info" link. Below these cards is a map of Southern Africa with several locations marked with red stars: Gaborone, Pretoria, Mbabane, and Maputo. To the right of the map are three filterable lists: "Farmers" (with columns for Full name and Physical Address), "Shearing Sheds" (with columns for Name of the Shed and Physical Address), and "Knitters and Weavers" (with columns for Organization Name and Jobs Count). All three lists currently display "No results found."

# Thank You



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