

# **RESULTS OF A MARKET SURVEY OF FARMERS IN RAYMOND MHLABA LOCAL MUNICIPALITY, EASTERN CAPE**

## **Raymond Mhlaba Farmers Association and ARDRI-UFH**

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### **Introduction and purpose**

The Raymond Mhlaba Farmers Association, together with the Raymond Mhlaba Secondary Co-operative and the ARDRI-UFH, conducted a survey of previously disadvantaged farmers in Raymond Mhlaba Local Municipality regarding a range of issues related to marketing.

The survey was conducted between the 30 April and 16 May 2015. Two slightly different questionnaires were used in conducting the survey, of which one was for co-operatives (groups), and the other was for individual farmers. Twenty co-operatives and six individual farmers took part in the survey.

The objectives of the survey were to establish:

- How and how much farmers are presently marketing
- The challenges they face regarding marketing
- Farmers' present land use, and available land beyond that which they are presently using, if any
- Farmers' suggestions as to how some of their current marketing challenges could be addressed.

This brief report is an overview of the findings of the survey.

### **Overview of respondents**

Among the co-operatives that took part in the survey, the average number of members is 17 members; the largest co-op has 45 members and the smallest has 6. However, it should be remembered that the official number of members of a cooperative does not necessarily reflect the number of members who are actively involved. About fourth-fifths of the co-op members have primary schooling while the other fifth have secondary schooling; one co-op member has a tertiary education.

Of the 6 individual farmers who were interviewed, 4 are men and 2 are women. The youngest farmer is only 22 years old and the oldest is 65 years old. In terms of educational levels, 2 farmers have primary schooling, 3 farmers have secondary schooling and 1 farmer has a tertiary education.

## **Production levels and quantities marketed**

The table below summarises key information regarding the producers interviewed, including what they produced, how much they produced, and how much they sold over the previous 12 month period. Many of the producers appear to focus on one crop or type of livestock, but many have two or more activities going on. Quantities produced vary a great deal, as one would expect.

For crops and vegetables, the difference between the quantity produced and the quantity sold can be ascribed to own consumption. Even so, in general this difference is modest, indicating that these producers are overwhelmingly producing for the market. (For livestock producers, the difference between what is produced and what is sold is sometimes because the stocks are being kept on for further growth or as breeders, and sometimes due to animal mortality.)

## **Current marketing channels**

The majority of the co-ops and farmers surveyed market to informal markets, meaning they sell directly to the public in or near their own communities, or they sell to hawkers in Alice or Fort Beaufort. Three respondents mentioned selling to Fruit & Veg City, Royals, and/or Spar. From the production data, these three producers appear to be among the larger producers interviewed, although it should be noted that there are some other producers interviewed who are equally large but who are marketing only via informal channels. Also, of the three respondents selling to formal retailers, one was the only farmer interviewed who grew tomatoes, so perhaps their advantage in accessing these markets was in producing something relatively unusual for the area. In any case, we know independently that these formal retailers procure the vast majority of their fresh produce from outside Raymond Mhlaba Municipality.

The reliance on local informal markets is a mixed blessing. On the one hand, informal markets for fresh produce can benefit consumers, who sometimes pay lower prices, or don't have to travel as far to purchase it. However, it appears to constrain producers. By and large, selling to informal markets is not so much a choice as an indication that producers are unable, for one reason or another, to find an alternative. This is discussed more below.

## **Transport**

Only two of the producers interviewed have their own transport in order to get their produce to market. Of the others, roughly half hire bakkies or tractors-with-trailers, to transport their produce; the other half do not transport their produce at all, but rather buyers come to collect what they want directly. Approximately one third of respondents indicated that having their own transport was a priority to help them improve their ability to market.

**Table: Summary of key data**

Resp. number	Commodity	Production	Sales	Hectares available	Hectares used
1	Maize	30*50 kg bag	29*50 kg bag	300	6.12
	Butternut	200*10 kg bag	200*10 kg bag		
2	Cattle	18	10	65	65
	Goats	5	5		
	Butternut	350*10 kg bag	350*10 kg bag		
	Potato	170*10 kg bag	170*10 kg bag		
3	Maize	65*40 kg bag	60*40 kg bag	5	2.12
4	Cattle	NA	NA	1.5	1.5
	Pigs	NA	4		
	Maize	8 bags	6 bags		
5	Maize	20 kg	NA	6.12	3.8
6	Cattle	NA	NA	NA	NA
7	Onion	30 bags	20 bags	0.5	0.25
8	Goats	20	NA		
9	Maize	30 bags	24 bags	1.5	1.5
	Beans	2*50 kg	2*30 kg		
10	Cabbage	1000 head	200 head	12.5	12.5
	Carrot	60 bundles	60 bundles		
	Butternut	60 bags	57 bags		
11	Maize	148*40 kg bags	148*40 kg bags	15	5
	Butternut	220*10 kg	220*10 kg		
12	Cabbage	350 head	300 head	30	8
	Beetroot	375 bundles	325 bundles		
13	Butternut	50*10 kg bag	40*10 kg bag	10	5
	Potato	30*10 kg bag	25*10 kg bag		
14	Maize	100 bags	90 bags	10	10
15	Maize	20 bags	15 bags	NA	NA
	Potato	15 bags	8 bags		
16	NA	NA	NA	2	1
17	NA	NA	NA	8	7.5
18	Maize	20 bags	18 bags	NA	NA
19	NA	NA	NA		
20	Carrot	400 bundles	400 bundles	1.5	1.5
	Potato	52*10 kg bag	52*10 kg bag		
21	Tomato	484 boxes of 62 bu	484 boxes of 62 bu	8	2.5
22	Cabbage	2200 head	2000 head	15	8.5
	Butternut	60*10 kg bag	55*10 kg bag		
	Potato	100*10 kg bag	55*10 kg bag		
23	Maize	201 bags	180 bags	86	50
24	Maize	60 bags	40 bags	500	50
25	NA	NA	NA	NA	NA
26	Broilers	30*11/day	30*3/day	1.5	0.5

Notes: The first 6 respondents are the individual farmers who were interviewed, while respondents 7 through 26 are the co-ops; 'NA' stands for 'not available'.

## Constraints and proposals

Producers were asked what constraints they face in marketing, and also what they would like to see by way of efforts to improve their ability to market. The following are the main themes that emerged:

- **Central market place(s)** – About two thirds of the crop producers felt that they would benefit from a common central market place. While this idea was not elaborated upon, what seemed to be implied was some kind of marketing hub or fresh produce market.
- **Storage** – About two thirds of respondents indicated a lack of proper storage infrastructure. It was not specified generally whether the wish was to have one's own storage, or to have access to some other storage facility.
- **Transport** – As mentioned above, about one third of respondents indicated that they wish they had their own transport, while others indicated that they wish they had better/cheaper access to transport, which is not necessarily to say belonging to themselves.
- **Skills training** – About a third of respondents stated that they felt a need for training; the nature of the desired training was often not specified, otherwise a wide range of training needs were mentioned, for example to better understand how the 'price system' works, on management and 'basic administration.
- **Better information and ability to communicate** – About a quarter of producers indicated that they wanted to reach wider markets, but lacked information as to how to go about it, and indeed how to communicate with possible buyers.

Respondents also mentioned various needs and/or wishes regarding support for production (as opposed to marketing), implying that they felt their challenges with marketing were to some extent a function of inadequate or inconsistent supply. These various issues are not itemised here because they are fairly generic.

## Scope for expansion

The research team wanted to get a sense of whether the producers had scope for expansion, the idea being that investment in marketing infrastructure or assistance would make more sense if it unlocked latent capacity to produce more than current levels. This was mainly approached by means of asking how much land was presently being used versus how much was available (see table above). On this basis, it would appear that about two thirds of the producers surveyed have access to land which at present they are not using, or at least are not using intensively. However, this is not to say that greater ease in marketing would instantly allow this under-utilised land to go into fuller production; at the same time, this understates the potential for expansion, which could also take place via more intensive use of existing land, and of more producers seeking to produce for the market.

## **Conclusion**

The main purpose of this small and simple survey was to provide a clearer idea as to the current marketing practices and quantities of previously disadvantaged farmers in Raymond Mhlaba Municipality. The wish is to use this information both to empower farmers directly, and to enrich interactions between farmers and other stakeholders, especially government.

The general finding is that most producers in Raymond Mhlaba Municipality are marketing informally, meaning direct sales to the public or to hawkers. Many producers aspire to produce and market more, but are hampered by transport issues, lack of information, and lack of infrastructure, in particular storage facilities and a central market place. Together, we can do more.