

# Grain Farmer Development Association (GFADA)

By

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# Background Information

- Private sector initiative – launched 2009 – NPO,
- Initiated by the GVCN companies:
  - Input suppliers,
  - Grain Processors,
  - Grain Traders,
  - Agribusinesses,
  - Grain storage,
  - NAMC.
- Has independent Board of Directors;
  - Emerging farmers,
  - Grain Industry Trusts,
  - NAMC,
  - Grain Commercial sector
- Regarded as a Transformation Agency of the grain industry Trusts,
- GFADA is both people and production orientated,
- Main project sponsors are Maize Trust, Winter Cereal Trust & Sorghum Trust,
- Long term goal – render a full support package (grain production, livestock & pasture management).

# Support Services Offered by GFADA

- Farmers are assisted with grant funding:
  - Soil correction through application of lime,
  - Cost of crop insurance premiums,
  - Cost of mentorship,
- Farmers need to raise the rest of the input cost from credit providers (Land Bank, Agribusinesses, etc);
- Farmers are supported for period of 5 years;
- Intention is to lower the risk of the farmers & improve profit margins for re-investment,
- Support is only on maize, wheat, barley, oats and sorghum,
- Collaboration with Grain SA Farmer Development;
  - Helps us to understand the farmer better (history of the farmer),
  - Share our farmer database,
  - Helps us to implement government sponsored projects through their established systems,
  - Established a “Projects Committee” – adjudicates applications and recommendations to the Board.

# Performance in 2013 Season – Maize Production

- Assisted 44 farmers producing maize on 4287ha (38% on communal lands):
  - NW, EC, MP, FS, GP Provinces
- GFADA subsidy was R12 million,
- Harvesting is currently in progress (output of 5,5 – 9t/ha dry land),
- Partners are Omnia, Masisizane Fund, SENWES, VKB, HumKoop and Wiphold and Grain SA,
- Re-investment strategy will be developed after harvesting (GFADA, farmers and Agribusiness).









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# Challenges faced by the Programme

- GFADA depends on donor funding to survive,
- The support given focuses on grain only, not on the entire farm potential and rotational crops,
- Use of contractors by the farmers,
- Lack of storage facilities – esp Eastern Cape province,
- There is a need to develop a special approach for farmer development by all involved including agribusinesses,
- Collaboration with government is very slow.

# Collaboration with GSI members

- Request for donor funding for operational purposes;
- What model can we use to afford development farmers an opportunity to sell their grain during peak prices?
- What model can we offer to these farmers to lower their transaction costs?
- How can we address the grain storage problems of the Eastern Cape Province?

THANK YOU