



AGRI-PARK

your agri-park; your future

Agri-parks Presentation

02 JUNE 2016



rural development
& land reform
Department:
Rural Development and Land Reform
REPUBLIC OF SOUTH AFRICA

agriparksinfo@drdlr.gov.za

This presentation represents the close collaboration with the following departments their agencies and the relevant provincial departments:

- *The Department of Agriculture Forestry and Fisheries (DAFF)*
- *The Economic Development Department (EDD)*
- *The Department of Trade and Industry (DTI)*
- *The Department of Science and Technology (DST)*
- *The Department of Small Business Development (DSBD)*
- *The Department of Water and Sanitation (DWS)*
- *The Department of Environmental Affairs (DEA)*
- *The Department of Cooperative Governance (DCoG)*

Strategic objectives of Agri-parks

NDP (National Development Plan)



- 1 million additional jobs in the agricultural sector by 2030;
- 1 million hectares under production

NGP (New Growth Path)



- 145,000 new jobs in agro-processing by 2020;
- 300 000 new smallholders

MTSF (Medium-Term Strategic Framework)



- 1 million new jobs in rural economy by 2030;
- Reduction of rural unemployment from 49% to less than 40% by 2030



rural development
& land reform

Department:
Rural Development and Land Reform
REPUBLIC OF SOUTH AFRICA

Agri-parks Programme in the 9 Point Plan

1. Resolving the energy challenge
2. **Revitalising Agriculture and the Agro-processing value chain (RAAVC)**
 - ✓ **Agri-parks Programme**
3. Advancing beneficiation or adding value to the mineral wealth
4. More effective implementation of a higher impact Industrial Action Policy Action Plan (IPAP)
5. Encouraging private-sector investment
6. Moderating workplace conflict.
7. Unlocking the potential of SMMEs, cooperatives, townships and rural enterprises
8. State reform and boosting the role of state-owned companies, information and communications technology infrastructure or broadband roll-out, water, sanitation and transport infrastructure
9. Operation Phakisa, which is aimed at growing the ocean economy and other sectors



rural development
& land reform

Department:
Rural Development and Land Reform
REPUBLIC OF SOUTH AFRICA

Guiding Principles (10)

1. One Agri-Park per District (44)
2. Agri-parks must be farmer controlled.
3. Agri-parks must be the catalyst around which rural industrialization will take place.
4. Agri-parks must be supported by government (10 years) to ensure economic sustainability.
5. Strengthen partnership between government and private sector stakeholders to ensure increased access to services (water, energy, transport) and production on the one hand, while developing existing and create new markets to strengthen and expand value-chains in-line with APAP.

Guiding Principles (10)

6. Maximise benefit to existing state land with agricultural potential in the provinces, where possible.
7. Maximise access to markets to all farmers, with a bias to emerging farmers and rural communities.
8. Maximise the use of high value agricultural land (high production capability).
9. Maximise use of existing agro-processing, bulk and logistics infrastructure, including having availability of water, energy and roads.
10. Support growing-towns and revitalisation of rural towns, in terms of high economic growth, high population growth over past 10 years and promote rural urban linkages

Definition of an Agri-park

The Agri-park comprises three distinct but interrelated basic components:

1. The Farmer Production Support Unit (FPSU) -a rural small-holder farmer outreach and capacity building unit. The FPSU does primary production, extension services including mechanisation.
2. The Agri-hub (AH) - processing, packaging, logistics, equipment hire innovation and training unit.
3. The Rural Urban Market Centre (RUMC). The RUMC has three main purposes;
 - Linking and contracting rural, urban and international markets through contracts.
 - Acting as a holding-facility, releasing produce to urban markets based on seasonal trends.
 - Provides market intelligence and information feedback, to the AH and FPSU, using latest Information and communication technologies.

An **Agri-park** is a networked innovation system of agro-production, processing, logistics, marketing, training and extension services, located in a District Municipality. As a network it enables a market-driven combination and integration of various agricultural activities and rural transformation services.

Static representation of the Agri-park Model

- Agri-park Catchment Area
- Agri-Hub
- Farmer Production Support Unit Catchment Area
- Farmer Production Support Unit
- Small holder and Commercial farmer linkages to the FSPU
- FSPU linkages to the Agri-hub
- Link to Rural Urban Marketing Centre



Unpacking the model....



Farmer Production Support Unit



1. Agricultural Extension support office
2. Local Mechanization center and workshop
3. Primary logistics collection support centre
4. Produce sorting facility
5. Storage facility
6. Local packhouse
7. Small scale processing facilities for local market
8. Local market
9. Auction facility
10. Aquaculture and Agri-Tourism Facility

Clarification of terms: FPSU

- A Farmer Production Support Unit (FPSU): Are a. Weighing of produce and stock.
- Centers (more than one per district) of: b. Sorting of produce for local and other markets.
- a. Agricultural input supply control, in terms of quality, quantity and timeous deployment of inputs. c. Packaging of produce for local markets
- b. Extension support and training, using Universities, agricultural graduates and Narysec working in a symbiotic relationship to “hold-hands” with farmers over the next 10 years. h. Local storage.
- c. Mechanization support (tractor driving, ploughing, spraying, harvesting etc.) i. Processing for local markets (small scale mills etc.)
- d. Machinery, servicing workshop facilities. j. Auction facilities for local markets
- e. Local logistics support, which could entail the delivery of farming inputs, transportation post-harvest, transportation to local markets. k. Provide Market information on commodity prices (ICT).
- f. Primary produce collection. l. Farmers wanting services and support from the FPSU will register with the FPSU of their choice.
- m. Small Business Development and Training center.
- n. Banking
- o. Fuel (energy center)

Agri-Hub Zones



- 1. Production Zone
 - 2. Retail Zone
 - 3. Agro-Processing Zone
 - 4. Research and Innovation Zone
 - 5. Logistics Zone
 - 6. Aquaculture Zone
- ↕ Synergetic Relationships

Agri-Hub facilities



- 1. Retail facility
 - 2. Administrative facility
 - 3. Machinery rental/Mechanisation support
 - 4. Packaging
 - 5. Quality Control
 - 6. Agro-processing
 - 7. Training Centre
 - 8. Research and Demonstration Plots
 - 9. Student and Staff housing
 - 10. Logistics and transport facility
 - 11. Agricultural input distribution and sales centre
 - 12. Silo's
 - 13. Abattoir
 - 14. Feedlots
 - 15. Aquaculture
 - 16. Greenhouses
- Railway line
- Enterprise Area (rental space)

Clarification of terms: AH

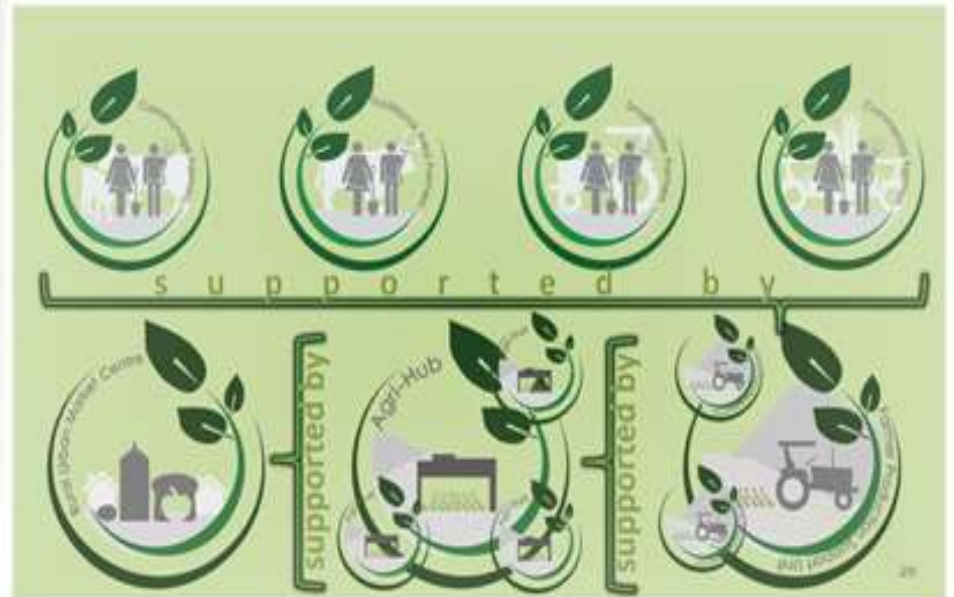
Agri-hub: Agri-hubs are located in central places within a District Municipality, preferably places both sufficient, physical and social infrastructure to accommodate:

- a. Storage/warehousing facilities; cold storage, dehydrators, silos etc.
- b. Weighing facilities
- c. Agri-processing facilities; ginneries, mills, abattoirs,
- d. Enterprise development areas that lease space to high intensity start-up industries that can benefit from the inputs of outputs of the Agri-hub, i.e. piggeries, tunnel grow crops, bio-gas production etc.
- e. Large scale Nurseries to supply FPSUs.
- f. Packaging facilities for national and international markets.
- g. Logistics hubs for collection of goods from the FPSUs.
- h. Transport service workshops and spare parts for larger maintenance tasks of Agri-hub and FPSU equipment.
- i. Agri-cultural technology demonstration parks to train farmers in the AP catchment area on new technologies in terms of fertilizers, plants and seeds, irrigation, energy use and farm implements
- j. Soil testing laboratories.
- k. Accommodation for extension training and capacity building programmes
- l. Housing and recreational facilities for workers and Agri-hub staff.
- m. Business, marketing and Banking facilities, (ICT)

A Rural Urban Marketing Center (RUMC):

RUMCs are located on the periphery of large urban areas, these facilities provide:

- a) Market intelligence
- b) Assist farmers, processors in managing a nexus of contracts.
- c) Large warehousing and cold storage facilities to enable market management.
- d) Logistic and transport in collection of produce from FPSUs or Agri-hubs
- e) Both FPSU's and Agri-hubs provide inputs to the RUMC.
- f) Agri-parks share RUMCs.



Clarification of terms: RUMC

A Rural Urban Marketing Center (RUMC): RUMCs are located on the periphery of large urban areas, these facilities provide:

- a. Market intelligence
- b. Assist farmers, processors in managing a nexus of contracts.
- c. Large warehousing and cold storage facilities to enable market management.
- d. Logistic and transport in collection of produce from FPSUs or Agri-hubs
- e. Both FPSU's and Agri-hubs provide inputs to the RUMC.
- f. Agri-parks share RUMCs.

Agri-hub sites identified

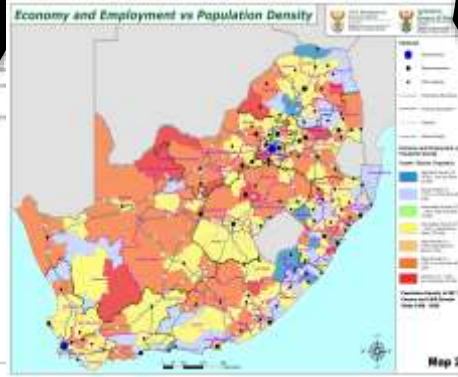
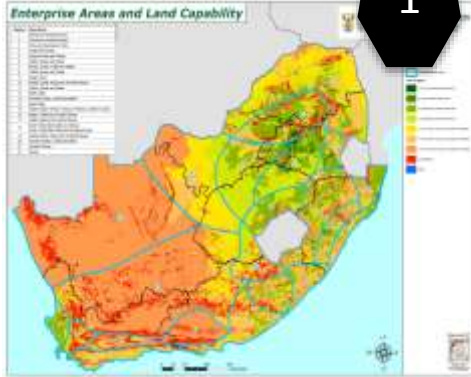


Process followed

1

2

3



Land Capability and commodities

44DMS & 27 Priority Districts

EDD Function Regions (growing + declining areas)

+

+



4



Province	District	Municipality	Commodity	Value	Value	Value	Value	Value	Value	Value	Value	Value	Value	Value	Value	Value	Value	Value	Value	Value
Eastern Cape	Alfred Nzo	Alfred Nzo	Wool	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000
Free State	Fezile Dabi	Fezile Dabi	Wool	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000
Gauteng	City of Johannesburg	City of Johannesburg	Wool	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000
KwaZulu-Natal	Amajuba	Amajuba	Wool	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000
Limpopo	Capricorn	Capricorn	Wool	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000
MPumalanga	Ehlanzeni	Ehlanzeni	Wool	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000
North West	Bojanala	Bojanala	Wool	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000
Northern Cape	Frances Baard	Frances Baard	Wool	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000
Western Cape	Central Karoo	Central Karoo	Wool	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000

APAP Commodity analysis per Local Municipality

PROVINCE	DISTRICT/MUNICIPALITY NAME	27DMs	Proposed Sites based on Gateway Town	Proposed Alternate Sites	Provincial Selected Agri-park Sites
Eastern Cape (5 DMs)	Alfred Nzo	Alfred Nzo	Matatiele	Mount Erere/Umzimvubu	Matatiele
	Amathole	Amathole	Butterworth		Butterworth
	Buffalo City				
	Cacadu	Cacadu	Graaff-Reinet/Grahamstown		
	Chris Hani	Chris Hani	Queenstown	Whitesea/Craddock	Nora
	Joe Gqabi	Joe Gqabi	Abwal/North Stickspruit		Greytown/Stickspruit
Nelson Mandela Bay Metro					
	O. R. Tambo	O. R. Tambo	Mtata	Flagstaff/Luskiski	Mtata
Free State (5 DMs)	Fezile Dabi	Kroonstad	Sasolburg	Parys	Parys
	Ljwelo/putswa	None	None	Virginia	Virginia
	None				
	Thabo Mofutsanyane	Xhariep	Phuthaditaba	Harrishith/Bethlehem/Ficksburg/Ladybrand	Tshame/Harrichith
Gauteng (5 DMs)	City of Johannesburg				
	City of Tshwane				
	Kuruhleni				
Sedibeng	West Rand	West Rand	Mogale City		
KwaZulu-Natal (11 DMs)	Amajuba	Amajuba	New Castle		Danhauser
	eThekweni				
	Harry/Eswala	Harry/Eswala	Stanger	Mandeni	Kwadakusa
	Ugu	Ugu	Kokstad		Umzimkulu/EM(Ebutha Farm)
	Umgungundlovu	Umgungundlovu	Port Edward		Izingolweni/Real/Horse Shoe Farm)
	Umkhanyakude	Umkhanyakude	Petermaritzburg		Ungweni/EM
	Umkhanyakude	Umkhanyakude	Mkhuze		Mkhuze
	Umkhanyakude	Umkhanyakude	Nobu		Dundee/Greytown
	Uthukela	Uthukela	EScorut		Lady Smith
	Uthungulu	Uthungulu	Eshowe		Okhambashe/MB/Bergville/ETC)
	Zululand	Zululand	Nkandla		Eshowe
Limpopo (5 DMs)	Capricorn	Capricorn	Blouberg		Bushbuckridge
	Greater Sekhukhune	Greater Sekhukhune	Jansenville		Mkhondo
	Mopani	Mopani	Tzaneen		Kameel/Port/ETC(DRCS/Moroka)
	Vhembe	Vhembe	Thoyoyando		
	Waterberg	Waterberg	Lephalale		
Mpumalanga (5 DMs)	Ehlanzeni	Ehlanzeni	Bushbuckridge		Hazyview
North West (5 DMs)	Bojanala	Bojanala	Brits		Ledig
	Greater Tshwane	Greater Tshwane			
	Dr Ruth Segomotsi/Mopani	Dr Ruth Segomotsi/Mopani	Vryburg		Vryburg
Northern Cape (5 DMs)	Frances Baard	Frances Baard	Lichtenburg		Springbok
	John Taolo Gaetsewe	John Taolo Gaetsewe	Kimberley		Warrenton
	Namakwa	Namakwa	Kuruman		Kuruman
Western Cape (6 DMs)	City of Cape Town	City of Cape Town			
	Eden	Eden			
	Overberg	Overberg			

Proposed Agri-park sites per District

5

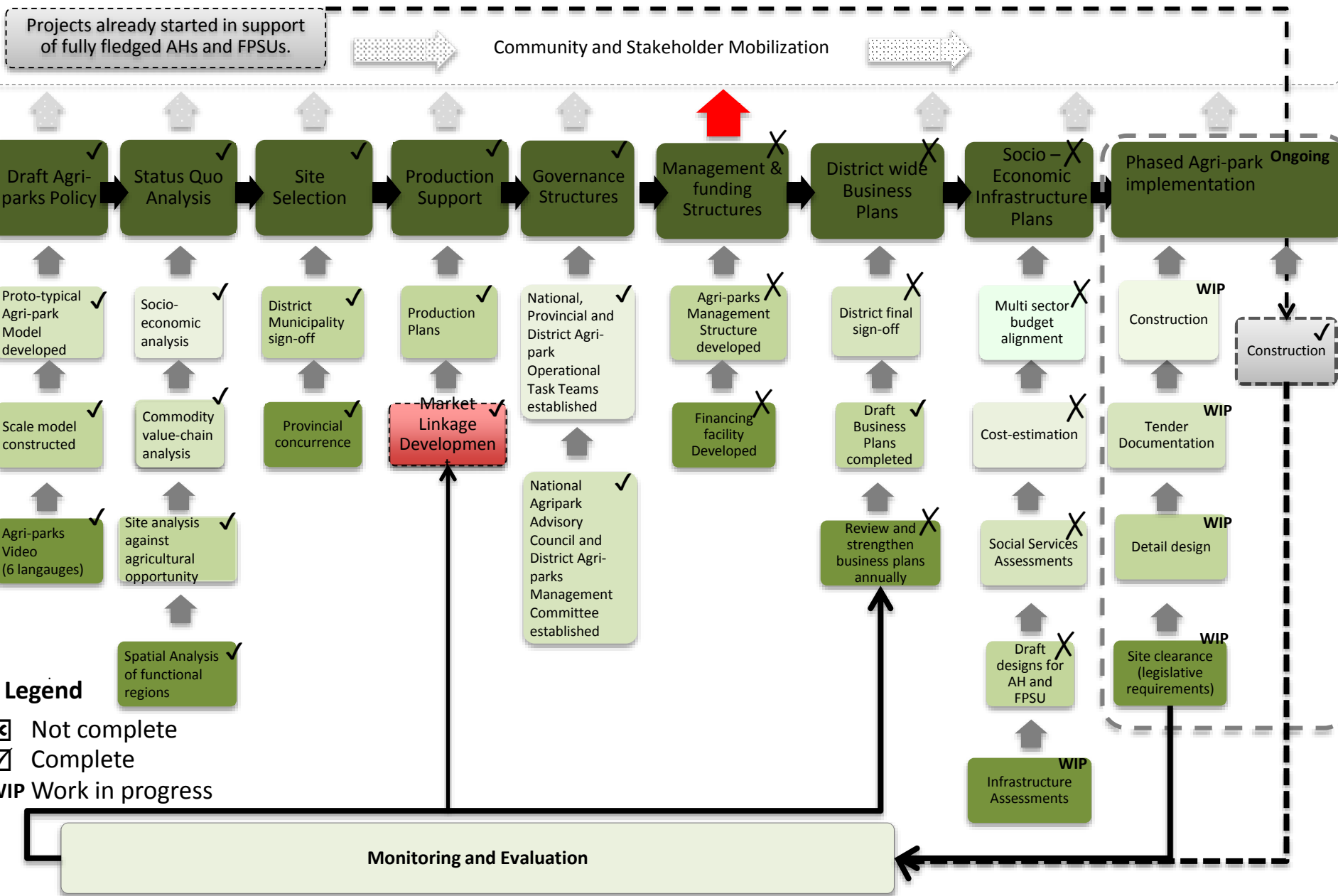
Provincial selected Agri-hub Sites (44 +1)

PROVINCE	DISTRICT MUNICIPALITY NAME	Provincial Selected Agri-hub Sites
Eastern Cape	Alfred Nzo	Cedarville (Matatiele)
	Amathole	Butterworth
	Saar	Addo
	Chris Hani	Ncora
	Joe Gqabi	Lady Grey (Sterkspruit)
	O.R.Tambo	Lambasi (Port St Johns)
Free State	Fezile Dabi	Parys
	Lejweleputswa	Wesslesbron
	Mangaung	Thabanchu
	Thabo Mofutsanyane	Tshiame (Harrismith)
	Xhariep	Springfontein
Gauteng	Sedibeng	Rietkuil
	West Rand	Brandvlei (Randfontein)

PROVINCE	DISTRICT MUNICIPALITY NAME	Provincial Selected Agri-hub Sites
KwaZulu Natal	Amajuba	Danhauser
	iLembe	Kwadakuza
		Umzimkulu
	Harry Gwala	LM(Ebutha Farm)
		Izingoleni Area (Horse Shoe Farm) & Ugu Fresh Produce market
	Ugu	
	UMgungundlovu	Umgeni LM
	Umkhanyakude	Mkhuze
	Umzinyathi	Dundee
	Uthukela	Okhalamba LM (Bergville)
Uthungulu	Eshowe	
Zululand	Vryheid	
Limpopo	Capricorn	Ga-Poopedi
	Greater Sekhukhune	Groblersdal
	Mopani	Tzaneen
		Nwanedi (40km From Musina proposed SEZ)
	Vhembe	
	Waterberg	Modimolle
Mpumalanga	Ehlanzeni	Bushbuckridge
	Gert Sibande	Mkhondo
		Kameel Poort A (Dr JS Moroka)
	Nkangala	

PROVINCE	DISTRICT MUNICIPALITY NAME	Provincial Selected Agri-hub Site
North West	Bojanala	Makapanstad
	Dr Kenneth Kaunda	Klerksdorp
	Dr Ruth Segomotsi Mompoti	Vryburg
	Ngaka Modiri Molema	Springbokpan
Northern Cape	Frances Baard	Magareng
	John Taolo Gaetsewe	Kuruman
		Springbok (with link to Niewoudtville)
	Namakwa	Petrusville
	Pixley ka Seme	Melkstroom (Upington area)
	ZF Mgcawu	
Western Cape	Cape Winelands	Ceres
	Central Karoo	Beaufort West
	Eden	Oudtshoorn
	West Coast	Vredendal
	Overberg	Bredasdorp

Agri-parks Implementation Progress



Socio – Economic Infrastructure Plan Framework (based on District Agri-park Business Plans)

1. Economic Infrastructure Assessments aligned to Agri-hubs and Farmer Production Support Units:

Start 1 May 2016. Completed 30 June 2016

June

2. Draft Agri-hub and Farmer Production Support Unit designs based on infrastructure assessments.

Start 1 July 2016. Completed 31 August 2016

July

Aug

3. First Order Cost Estimates

Start 1 August 2016. Completed by 31 August 2016

July

Aug

4. Socio Infrastructure and Service Assessment (AH and FPSU)

Start 1 June 2016. Completed by 31 October 2016

Sept

Oct

5. Cost estimates and multi-year project programming

Start 1 August 2016. Completed 30 November 2016

Oct

Nov

6. Multi - sector budget alignment and commitment

Start 1 October 2016. Completed 28 February 2016

Oct

Nov

Dec

Jan

Feb

3D modeling





Contact information

Agri-park Help desk:

email: agriparksinfo@drdlr.gov.za

Agri-park website:

<http://www.drdlr.gov.za/agri-parks>



AGRI-PARK

your agri-park; your future

- Thank you

