COMMUNIQUE

THE GRAIN INDUSTRY EXPERIENTIAL TRADE MISSION TO SOUTH AFRICA

DATE:

13TH - 17TH MAY 2019
INTRODUCTION

The Eastern Africa Grain Council (EAGC) facilitated a grain industry experiential trade mission to South Africa from 13th to 17th May 2019.

The trade mission comprised of Members of the National Assembly Departmental Committee for Agriculture and Livestock from Uganda and Kenya and a Media relations Officer from the Parliamentary Service Commission.

In attendance were 2 Honorable Members of Parliament who are Members of the National Assembly Departmental Committee for Agriculture and Livestock in Kenya and 2 Honourable Members of Parliament from Uganda’s Parliamentary Committee on Agriculture, animal industry and fisheries one student interested in undertaking an undergraduate degree in Agricultural studies and a media relations officer from the Kenya Parliamentary Service Commission.

Presenting the Members of the delegation in the EAGC trademission to South Africa

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<th>Honourable Members of Parliament from Uganda’s Parliamentary Committee on Agriculture, Animal Industry and Fisheries</th>
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<td>HON OKORI-MOE JANET GRACE</td>
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Hon Janet is the Chairperson of the Parliamentary Committee on Agriculture, Animal Industry and Fisheries in the Parliament of Uganda and also serves the Appointments Committee of the Parliament of Uganda. She is the Member of Parliament of Abim District in Uganda with a Master of Arts in Social Sector Planning and Management and Bachelor of Arts from Makerere University, Kampala, and a Diploma in Educational Planning and Management.

Hon Catherine is a Woman Member of Parliament in Omoro District. She is also a Member of the committee of Agriculture, Animals industry and fisheries and a Member of committee of Government Assurance. Hon Catherine holds a Masters degree in public administration and management studies and a Bachelor’s degree in Development studies- rural development.
Honourable Members of Parliament from Kenya’s Parliamentary Committee on Agriculture and Livestock

HON. JOYCE KAMENE KASIMBI

Hon. Joyce Kamene Kasimbi is the current Machakos County Women Representative. Currently, she is a Member of the Agriculture & Livestock Committee of the Kenya’s National Assembly. She is also serving as a Vice Chair the Catholic MPs Spiritual Initiative (CAMPSSI _ KENYA). Formerly, she has been a business woman and working with the Community/Churches.

HON. FRED ODHIAMBO OUDA

Hon. Fred Odhiambo Ouda is the current sitting Member of Parliament Kisumu Town Constituency. Hon. Ouda is a Member of the Agriculture & Livestock Committee, National Assembly. He formerly served as a Member of Siaya County Assembly. Previously, he has been in the business sector. Hon Fredrick Ouda holds a Bachelors Degree in Governance & Administration.

More participants of the trade mission delegation

DEBORAH GHTI MUPUSI

Debora is a Communication Specialist currently serving as a Media Relations Officer at the National Assembly. She serves in the Agriculture & Livestock Committee Secretariat and is in charge of Media and Communications of the Committee.

BILL MANDELA

Bill is a high school finalist under the Kenya National Examination Council’s 8-4-4 system in Kenya. He completed his high school studies at Lukenya Academy in November 2018. Bill has a passion for agriculture and is aiming to study an agriculture course in the near future.
**ORGANIZING SECRETARIAT AT THE TRADEMISSION TO SOUTH AFRICA**

**JACINTA MWAU**

Jacinta is the Regional Manager in charge of Market Information Systems and Communication at the Eastern Grain Council (EAGC). She is in charge of the coordination, analysis and dissemination of grain market information in the Eastern Africa region, which supports the grain sector stakeholders to make informed trade and policy decisions. She also coordinates the Council’s communication and events management including experiential trade missions.

**PREAMBLE**

Each year during the month of May, EAGC organizes a trade mission and a grain industry experiential visit to South Africa for the Agribusiness sector players from the Eastern Africa region and beyond.

The objective of the mission usually is to expose the value chain actors to best international practices in agribusiness sector on technology and innovations. The mission is held during the same week as the annual NAMPO Show, which is the biggest agricultural show in the southern hemisphere showcasing latest technologies, innovations and also highly discounted agricultural equipment and machinery sale.

These include: promoting agricultural production in the context of climate change, Post-Harvest Handling, commercial agricultural commodity marketing as well as high level deliberations on favourable policies that would be key towards promoting competitiveness within the sector and reducing the cost of doing business. Participants also get an opportunity to interact with South Africa’s commercial grain farmers, traders and processors at their facilities where they get exposure to interact and exchange experiences amongst them.

The trade mission was aimed at exposing the delegation to key learnings on the online commercial commodity trading processes, interaction with the latest farming products, equipment and machinery, opportunities to meet renown suppliers and manufacturers of agricultural equipment, machinery and latest technologies in precision farming and also exposure to practical demonstrations of machinery & Equipment.

**HIGHLIGHTS OF THE GRAIN INDUSTRY EXPERIENTIAL TRADE MISSION**

**1. THE NAMPO HARVEST DAY**

The Grain SA’s NAMPO Harvest Day is one of the largest agricultural exhibitions under private ownership in the southern hemisphere and it takes place annually, just outside Bothaville, in the Free State. The first NAMPO Harvest Day was held in 1967 and thereafter the Harvest Day was held on various farms until the size of the event started necessitating a
more permanent venue. In 1974 the NAMPO Harvest Day was established on a permanent terrain outside Bothaville, which is today known as NAMPO Park.

Grain SA’s NAMPO Harvest Day enables producers and other role players in the agricultural industry to experience the latest technology and products on offer in the farming industry first-hand and on one terrain. The show also offers producers the opportunity to obtain knowledge from experts in their various agricultural fields by means of debating and discussion panels. The unique aspect of the show is that it is a multifaceted presentation that offers a wide spectrum to mainly to farmers. The products and services on display by more than 750 exhibitors deem the show a diversified trade exhibition, which offers farmers the opportunity to compare a wide variety of products and services.

The show is attended by 81,345 visitors for several key reasons, which include viewing of new products purchase and trade of products, building of networks and to gather agricultural information.

The theme of the NAMPO show this year was ‘Efficiency with Technology’.

EXHIBITION AT THE NAMPO SHOW 2019

This year, the show boasted of 775 exhibitors, 50 of whom were international organized groups of exhibitors from the USA, United Kingdom, France, Brazil, Canada, Argentina and Italy, as well as individual exhibitors from Denmark, China and Turkey.

The exhibition continues to grow in line with the most recent developments in agriculture and this was evident from the fact that the show accommodated 60 new exhibitors. Exhibitors profiles this year included: all agricultural input suppliers, including agricultural machinery, irrigation, chemicals, transport, fertiliser and seed, extension services, commercial sectors, utilities, feed manufacturers, financial institutions and livestock breeders.

Total exhibition area this year was 400,000m² with 17,060 m² indoors exhibition and 382,340m² outside.

The growing number of exhibitors at the NAMPO Agricultural Trade Show could be attributed to the positive sales reaction and the unique demonstration programme that allows interactive demonstrations on stands in addition to the static exhibits. The key products and services exhibited at the show this year included: Tractors, agricultural machinery, commercial vehicles, irrigation equipment, pumps, generators, research and financial
services, banking and futures, transport equipment and materials handling, chemical products, feeding systems products and services, seeds, dairy equipment and products, pig, poultry, cattle and sheep equipment and services, hydroponics, artificial insemination equipment and IT technology for farming.

**PROGRAMME OF PANEL DISCUSSIONS DURING THE NATION IN CONVERSATION SESSIONS**

The challenges and opportunities in the agriculture sector in South Africa were addressed during the Nation in Conversation discussion sessions.

The Nation in Conversation platform brought leaders from different fields of expertise together to discuss issues that influence agriculture, food security and rural development. Thought leaders such as Roelf Meyer, a politician and businessman, Prof Nick Binedell the Director of the Gordon Institute of Business Science of the University of Pretoria, Theo Vorster the CEO of Galileo Capital, Leona Archary the Deputy director of rural infrastructure and youth development at the Department of Rural Development and Land Reform, Christo van der Rheede the Deputy Executive Director at Agri SA and Chris Burgess the Editor of agricultural magazine christened “Landbouweekblad.”

The topics of discussion included the following:

**Agriculture – a Global Business – Where does South Africa stand?**

There are multiple new opportunities for local producers to enter the world with their agricultural products, but South African farmers are not always sufficiently equipped to maximize those opportunities. The discussion revolved around how this could be overcome, and new markets secured for the SA farming community.

**Public Private Partnerships towards Sustainable Economic Growth**. The Government committed to remove the inhibitors presented in a five-year Agricultural Sectoral Plan on condition that the sector commits to the full execution of their plans towards the five themes of growth, employment creation, skills training, investment and transformation.

**Post-Election Political Perspectives**. The session confronted the issues influencing agriculture in South Africa head-on in this hard-hitting political debate. The main question was on how threats to food security could be overcome to ensure a prosperous future and healthy agri-sector.

**Supporting and Funding a Developing Agriculture Industry**. A widely suggested recommendation, as a means to accelerate land and agrarian reform in SA, had been the establishment of an Agrarian Development Agency for the country. The panelists discussed proposed “best practice models” for supporting the transformation of land and agricultural development in South Africa.
Technology and Funding. South Africa being a trendsetter in the implementation of new technology, funding plays a critical role. The session focuses on identifying the key role players and how challenges to access funding could be overcome.

The role of Communal Land in Agricultural Development. The big question that this session deliberated on was: Can and should options be explored for communal land to be structured in a way that it can become accessible for commercial farming. Equally important was also the question of finding models that would ensure that poverty reduction could be achieved for local communities through the opening of markets for subsistence and small farmers in South Africa.

Water: A Critical Commodity: Water was noted to be a critical economic enabler that has been in crisis in South Africa for a multitude of reasons. It is a national priority where a thriving economy, as envisioned by the NDP, would ensure dignity and hope for all South Africans, whilst unlocking much-needed Foreign Direct Investment to recapitalize and industrialize South Africa.

A Glance into the Future - Opportunities in Agriculture: The panelists noted that positivity and tenacity of key role players in the agri sector played a huge part in agricultural growth and sustainability since career opportunities in this sector were noted to be broadening.

A FARMER PATENTS’ COMPETITION

The NAMPO show this year featured a farmer patents’ competition sponsored by Omnia in which farmers who had invented, designed, or adapted equipment to solve their own practical problems shared their inventions with fellow farmers.

2. FIELD VISIT TO SENWES GRAIN COMMERCIAL HANDLING FACILITY

The trade mission included a field visit to a commercial grain handling facility in Viljoenskroon in the Free State Province and owned by the Senwes Group of Companies.

Senwes was initially a producer cooperative during the era of government regulation of the agricultural sector and then it transformed itself into a full service agribusiness company after deregulation and took over several grain silos across the country that were previously owned and operated by the various Grain Marketing Boards.
KEY LESSONS LEARNT FROM THE TRADEMISSION:

- The Extrusion technology and innovation learnt by the delegation during the Nampo show can help to promote Food security, job creation, poverty alleviation, empowerment of the agricultural sector players, clean production, localization of products as well as production of affordable nutritional foods from locally produced agricultural products.

- The Harvest Day is a wonderful place for fathers and sons to dream together about their agricultural family businesses, which lays a good foundation for succession planning.

- Matters to which the South African government needed to attend to urgently involved financing for black farmers, expanding markets, the profitability of the sector, a national crop insurance subsidy, skills development, improvement of infrastructure, as well as research on climate in particular.

- NAMPO offers the agricultural sector a platform for one large strategic planning session every year.

- Individual and collective plans for the next year are made at the NAMPO show for implementation at the farm level.

- With the greater supply of technology and opportunities arising, NAMPO increasingly demands more than a one-day visit.

- Just like the drivers and trendsetters of agriculture it was noted the executive heads of input providers and agribusinesses and other decision-makers were present on the grounds throughout NAMPO week.
Unlike in the Eastern Africa Region where farmers are viewed to be among the poor population, the South African Farmers are among the rich players in the population. For instance, the landing strip at the NAMPO park handled a record of 376 aeroplanes and 63 helicopters, mainly owned by the farmers.

The role of Government in the grain sector was noted to be limited for the obvious reason to creating a supportive policy environment.

For an online grain trading system to function efficiently and effectively, there would be need for a transparent Grain Sector Information System which should be supported by Law.

The Johannesburg Stock Exchange futures trading platform increases transparency thus allowing for Commodity Price Discovery.

Structured grain trade which the Grain SA advocates for provides farmers, traders and millers a means to access financial services.

The role of Grain SA was evident:
- Grain SA has been lobbying for financing models for emerging farmers who could not access finance because they lack title deeds, and the communal lands that they till have been effectively run by tribal chiefs. Many of the commercial farms that have been transferred to black farmers are owned by the state, so they lack the collateral required to get bank loans. Thanks to GRAIN SA’s proposals, black farmers will now get a proportional grant from the government and a loan from the commercial sector.
The focus of Grain SA is for the small farmers to get to a commercial yield so they can sell the excess and still sustain themselves where the only way to get to a commercial level, the farmers need financing to take them there.

- Grain SA has been pushing to open new market opportunities for South African crops such as a free trade agreement with China to start exporting soya beans.
- The Grain SA’s areas of grain research focus on Crop Improvement, Crop Protection and Climate Change and ensuring that each focus area is linked up with various technology-driven initiatives so that appropriate technologies reach the producers.
- Professional Grain Handling & Storage is a fundamental necessity for structured grain trade services to farmers and grain buyers, which should include quick and effective intake and redistribution of grain, as well as food safety standards.

WAY FORWARD AND RECOMMENDATIONS FROM THE TRADE MISSION

The trade mission adopted the following recommendations and way forward:

**Policy related recommendations**

The participation of Honorable Members of the Kenya’s Parliamentary Committee for Agriculture, will contribute TO THE DEVELOPMENT OF THE DRAFT REGULATIONS for the EFFECTIVE IMPLEMENTATION OF THE WAREHOUSE RECEIPT SYSTEMS BILL in Kenya.

EAGC and the Uganda Parliamentary Committee of Agriculture, Animal Industry and Fisheries to EXPLORE THE OPPORTUNITIES FOR INVESTMENT IN VALUE ADDITION FOR THE UGANDA’S GRAIN SECTOR.

**Trade mission related recommendations**

EAGC TO CONTINUE FACILITATING delegations from the Eastern Africa region as the show enables participants TO GATHER THE INFORMATION required to select the EQUIPMENT THAT WILL ENHANCE THE EFFICIENCY AND PRODUCTIVITY of their businesses.

EAGC to plan a TRADE MISSION TO SOUTH AFRICA FOR THE EXTRU AFRICA 2019 SHOW for stakeholders in the grain sector who are aiming at investing in value addition through technologies such as extrusion.

PICTORIAL OF THE GRAIN INDUSTRY EXPERIENTIAL TRADE MISSION TO SOUTH AFRICA

Honourable Members touring the exhibition arena at the NAMPO Agricultural Trade Show in Bothaville, Free State Province

Group photo of the delegation of Honourable Members of Parliament from Kenya and Uganda, from left, Hon Fred Ouda Member of Parliament, Kisumu town, Kenya, Hon Catherine Lamwaka, Member of Parliament Omoro District, Uganda, Hon Joyce Kamene, Member of Parliament Machakos Town, Hon Janet Omoro, Abim District in Karamoja District, Uganda and the Chair of the Ugandan Parliamentary Committee on Agriculture, Animal industry and Fisheries

Hon Janet Okori Moe, the Chairlady of the Uganda Parliamentary Committee for Agriculture explaining Uganda’s grain sector to Dr. Raphael Karuaihe, Head of commodity derivatives

Group photo of the delegation and with the Johannesburg Stock Exchange team which comprised of Dr. Raphael Karuaihe, Chris Sturgess, currently a Consultant and former Head of Commodity Derivatives at the JSE Vuyo Mpumza, specialist Commodities capital markets

A tour of the Grain SA Exhibition stand to expose the delegation to the role of the institution in promoting the grain sector in South Africa
Group photo of the delegation with the CEO of Grain SA Mr. Jannie De Villiers and Grain SA’s Economist Mr. Luan Van Der Walt

Practical demonstration to the delegation of how a small volume capacity maize Sheller is operated

Mr. Jannie De Villiers, the Chief Executive Officer of the Grain SA explaining to the delegation the role of the Grain SA in promoting farmer development

A robot excavator displayed at the NAMPO show 2019

EAGC member in South Africa: Ronin System Solutions PTY hosts the delegation at their exhibition stand at the Nampo show and explains how their solutions work especially for grain inventory management
Professor LJ Grobler, Director of CFAM a manufacturing company for world class food and feed processing plants and equipment explaining to Hon Joyce Kamene how the CFAM Extrusion technology works.

Mr. Nico Van Rensburg, one of the Top Silo Managers at the Senwes Group of Companies explaining to the delegation how the Ronin System software is used to manage grain inside the silos.

The latest New Holland T5 Electro Command™, TD3.50 and TS6.120 High Clearance tractors, the SP310 sprayer, and the CR7.90 IntelliSense™

John Deere’s ATU 300 Cotton-picker

NAMPO Layout 2019
More Agricultural Equipment and Machinery Display at the NAMPO show 2019
For more information, please feel free to contact the EAGC Secretariat:

**EASTERN AFRICA GRAIN COUNCIL**

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