# Land Reform in the South African sugar industry: The Quest for Reconstruction, Development and Equity

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#### **Abstract**

Land reform in South Africa (SA) is a broad policy initiative which is implemented under the auspices of the Reconstruction Development Program (RDP) in South Africa. In pursuit of equity, inclusive growth and economic development, the ANC government has to date, through the land redistribution program enabled some PDIs to own land and engage in mainstream commercial agriculture. The introduction of black farmers into the SA sugar industry has reshaped entry paths into the industry. Integration of new entrant farmers into the sugar industry has also lead to increased demand for extension and other post-settlement services. This paper i. highlights the benefits of land reform in SA, ii. reports on the respondents' demographics and entry paths into the SA sugar industry in KZN by the emerging black growers and iii. suggest some policy implications. The surveyed NFGs were mostly male and relatively old and, had no educational background in either agriculture or/any business related field. Relatively few surveyed growers had prior experience in managing sugarcane farms, hence the majority were in the rare entry path. Growers identified mentorship and extension as important sources of skills for agronomic or technical aspects of sugarcane production. Consequently, mentorship should not be used to replace extension, but should rather complement it. Policy makers therefore, need to craft and implement post-settlement support services customized to meet the needs of growers from diverse backgrounds. Further, there is need to do detailed grower needs analysis and profile them according to their backgrounds, training and development needs in order to optimize the intended benefits of support services and land reform sustainability.

**Keywords:** Land reform, Agriculture, Equity, Reconstruction, Development.

### Introduction

The years that followed the election of the African National Congress (ANC) in 1994 saw the introduction of a wide range of new policy initiatives in SA. Among other priorities, the new policy initiatives were aimed at addressing issues relating economic reconstruction, development, and equity. Land reform, has from the inception of ANC-led government's development agenda, been and still remains one of the key focus areas to bring about the much-desired reconstruction, development, and equity in SA. Land reform in SA is a broad policy initiative which is implemented under the auspices of the Reconstruction Development Program (RDP) and it not only confined to agriculture but also covers land tenure systems and aims to redress the forced removals of 1913. The SA land reform program therefore, has three subdivisions: redistribution, restitution and land tenure. Through these threelegged approach, the Department of Rural Development and Land Reform (DRDLR) which was launched in 2009 (i.e. former DLA) has been mandated to transfer 30% (about 24.9 million hectares) of white-owned farmland to PDIs by 2014<sup>1-4</sup>.

According to DRDLR<sup>5</sup>, the formation of the new ministry was in line with the African National Congress (ANC) Polokwane resolutions of 2007. The DRDLR is therefore, mandated to

facilitate social and economic development of SA's rural population based on the auspices of the Comprehensive Rural Development Programme (CRDP). The CRDP's main objective was "Agrarian Transformation" through creation of vibrant, equitable and sustainable rural communities. Further, the CRDP was the department's strategic priority in the Medium Term Strategy Framework (MTSF), for the term ending in 2014. Consistently, the agreed outputs on which the success of the DRDLR is measured include sustainable land reform, food security, rural development and sustainable livelihoods and job creation linked to skills training. The MTSF is guided by the ANC government's five priorities, namely: creation of decent work and sustainable livelihoods, education, health, rural development linked to food security and fighting crime and corruption.

Notably, the mandate of the former DLA makes an integral of the "Agrarian Transformation System", which has a three-legged strategy. The first leg is on sustainable land and agrarian transformation and aims to increase agricultural production through optimal and sustainable use of natural resources and appropriate technologies to ensure food security, dignity and improved livelihoods, and subsequently vibrant local economic development. The second leg focuses on rural development and aims to improve economic infrastructure such as roads,

Vol. **5(3)**, 9-18, March (**2016**)

community gardens, food production, fencing for agriculture, etc) and social infrastructure (e.g. communal sanitation and non-farm activities). Lastly, the third leg concerns land reform based on restitution, redistribution and land tenure reform. Emphasis is also placed on post-settlement support in order to ensure food security, (DRDLR<sup>5</sup>).

Components of the South African land reform program:

The ANC government introduced a three-tiered land reform program after 1994 and set a target that 30% all land owned by the white commercial farmers would be transferred to PDIs by 2014. The three components of the land reform are redistribution, land restitution and land tenure. Land redistribution aims to provide PDIs and the poor in SA with access to land for residential and productive purposes. The scope of redistribution covers urban and rural poor, farm workers and emerging farmers. Redistribution is based on a system whereby the government provide grants for purchase of commercial farm land based on the willing-buyer willing-seller principle.

Redistribution also forms part of Land Redistribution for Agricultural Development (LRAD) programme. LRAD was designed to provide grants to PDIs over the age of 18, to purchase land for agricultural purposes. Grants range from R20 000 to R100 000, depending on the amount of own contribution. A minimum contribution of R5 000 (mostly labour) is usually required in order to access the R20 000 entry grant. Higher grants require higher own contributions, which usually include own equity or borrowed capital<sup>2,3,6,7</sup>.

A summary in Table-1 shows that about 848 farms totaling 882,238 ha were acquired through the redistribution programme by the end of March 2012. Northern Cape (NC) had the highest number of hectares acquired (350 869) followed by Eastern Cape (EC) (132 849 ha), while Gauteng province (GP) had the least (7 653). A total of 4,428 females benefited from the state's land redistribution programme, with majority (2,433) from KwaZulu Natal (KZN), followed by Western Cape (WC) (499) and Northern Cape (NC) with the fewest (54). Notably, 3,756 youth benefited from the programme, with KZN being the highest (2,118) followed by Mpumalanga (632) and NC with fewer beneficiaries (55), (DRDLR<sup>5)</sup>.

Land restitution in South Africa is in terms of the Restitution of Land Rights Act of 1922 and covers cases of forced removal that took place after 1913. A Land Claims Court and a Commission were established under the Restitution of Land Rights Act 22 of 1994 to deal with cases relating to land restitution. According to the Ministry of Agriculture and Land Affairs (MALA)<sup>8</sup>, the SA government's Restitution Programme is based on the provision in section 25(7) of the SA Constitution. The Commission on the Restitution of Land Rights (CRLR) was instituted to facilitate the finalisation of all restitution claims. DRDLR (2012) reported that 835 land claims were finalised through acquisition of 634 properties (331,193.3690 ha of land) from May 2009 to March 2012 (Table-2). In addition, R1,5 billion was awarded to 56,804 households during the same period (Table-3).

Table-1 Redistribution Statistics as at 1 May 2009 to 31 March 2012

Duarinas		Redistribution Statistics									
Province	Projects	Hectares	Beneficiaries	Female	Households	264 93 72 2118 210 632 55 98	Disabled				
EC	123	132 849	1 167	388	394	264	4				
FS	102	71 428	427	197	24	93	0				
GP	56	7 683	231	89	117	72	0				
KZN	154	72 936	4 817	2 433	864	2 118	10				
LP	92	40 512	481	188	138	210	1				
MP	122	100 933	1 209	464	84	632	1				
NC	57	350 869	179	54	0	55	3				
NW	99	73 977	246	116	224	98	2				
WC	41	31 051	1 693	499	627	214	8				
Totals	848	882 238	10 447	4 428	2 472	3 756	29				

Source: DRDLR<sup>5</sup>. EC = Eastern Cape; FS = Free Sate; GP = Gauteng Province; KZN = KwaZulu Natal; LP = Limpopo Province; MP = Mpumalanga; NC = Northern Cape; NW = North West; WC = Western Cape.

Vol. 5(3), 9-18, March (2016)

Int. Res. J. Social Sci.

Table-2 Restitution Statistics as at 1 May 2009 to 31 March 2012

Province	No. of properties	Hectares acquired from						
Province	acquired	Private owners	The State	Total				
KwaZulu-Natal	209	51092	13475	64567				
Western Cape	46	8.2726	62.6864	70.959				
Northern Cape	19	65659	0	65659				
Eastern Cape	53	55.2100	35420.2	35475.41				
Free State	9	1437	4089	5526				
Limpopo	112	66646	1717	68363				
Gauteng	27	0	6759	6759				
North West	81	28612	6366	34978				
Mpumalanga	78	44669	5126	49795				
Total	634	258,178.4826	73,014.8864	331,193.3690				

Source: DRDLR<sup>5</sup>

Table-3
Summary Financial Compensation 2009 to 2012

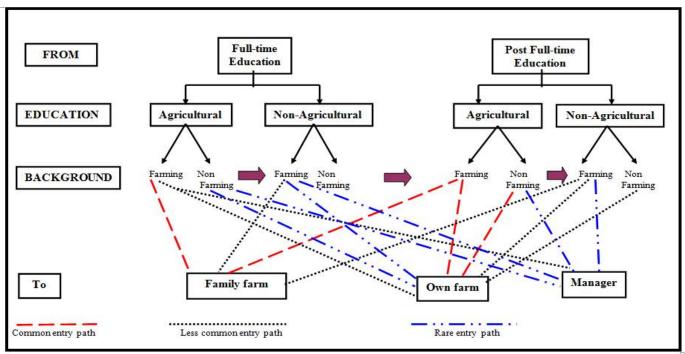
Duoringo	Financial Compensation						
Province	No. of Households	Total Compensation Awarded  288 125 914  211 467 988  42 298 551  513 721 404  165 151 809  94 986 452  195 841 216					
Eastern Cape	15 557	288 125 914					
Free State	4 714	211 467 988					
Gauteng	3 267	42 298 551					
KwaZulu-Natal	13 899	513 721 404					
Limpopo	2 897	165 151 809					
Mpumalanga	3 555	94 986 452					
Western Cape	12 915	195 841 216					
Total	56 804	1 511 593 334					

Source: DRDLR<sup>5</sup>

Land tenure reform in SA aims to improve tenure security through coordinated policies, reform programmes and support labour tenants and farm workers through the Labour Tenure Act and the Extension of Security of Tenure Act (ESTA), respectively<sup>7</sup>. Lahiff<sup>4</sup> highlighted that tenure reform remains one area in the land reform policy, where not much progress has been made. Areas that need to be addressed include farm worker and community tenure reforms, such as issues relating to eviction of farm employees from farms where they have lived for many years. There have been farm evictions in some provinces in the recent past and the government has introduced the Land and Agrarian Reform Program (LARP) to acquire land and provide long term security to farm dwellers, farm workers and emerging communal farmers.

**Transition paths into SA agriculture:** SA agriculture is mainly dual in nature. Dual nature here means that the SA agriculture has a well-developed commercial sector mainly operated by the white farmers and a predominantly subsistence

sector in the rural areas and largely operated by black farmers. Consequently, due to the ongoing agrarian reform initiatives in the SA, there is a likelihood that i. entry/transition paths in the SA agriculture may significantly change in the long-run, and ii. the number of PDIs involved in commercial agriculture may also increase, all else remaining constant. Reeve and Stayner<sup>9</sup> described three entry paths into farming by new entrant farmers (Figure-1). It is therefore highly probable that SA commercial agriculture might become more inclusive in the long run, as more black farmers benefit from the state's land redistribution program. Further, the introduction of new entrant black farmers in to into SA commercial agriculture might shape transition paths into the agriculture sector locally in the long term. However, there is limited published research work on how entry paths into the SA agriculture have changed since 1994. The only study on occupational paths into commercial agriculture in SA, known to the researcher was conducted by Anseeuw and Laurent<sup>10</sup> in the Namagualand in the Northern Cape, SA.



Source: Reeve and Stayner (2006)<sup>9</sup>

Figure-1 Entry paths into farming

The study involved 266 mine workers, of whom 44% were engaged in small-scale commercial agriculture. Fuller<sup>11</sup> observed that *pluriactivity* (combining several occupational activities over a period of time) in agriculture, may be an effective way of making income by households with small-scale farms in developed countries. De Janvry and Sadoulet cited by Anseeuw and Laurent<sup>10</sup> agreed that the same is true about *pluriactivity* in developing countries. Land reform therefore, has the potential to reshape entry paths into SA commercial agriculture and thus dictate the nature of support services offered to new entrant black farmers.

Land reform in the SA sugar industry: The SA sugar industry has over the past 18 years shown commitment towards settling new entrant black growers in previously white-owned and state-owned farms, through the government's land reform program. Thomson and Bates<sup>2</sup> noted that the sugar industry has transferred miller-cum-planter land through Inkezo Land Company, an independent established in 2004. Inkezo's mandate was to fast-track the industry's target of 30% black ownership of freehold sugarcane land by 2014. The primary objective of Inkezo was to streamline the transfer of land ownership by identifying sellers and buyers. It was envisaged that this would promote sustainability of the new ventures through outsourced support service such as mentoring. However, in 2009 Inkezo was incorporated into the South African Sugar Association due to the industry's renewed focus on restitution and efforts to promote the sustainability of the sugar industry<sup>12</sup>.

Armstrong<sup>1</sup> explained that as part of the process to achieve the 30% target, the state disposed of its 2000 hectare of sugarcane farms near Eshowe on the North Coast (in KwaZulu Natal) in 2002 and those in the South Coast in 2003. The farms were previously administered by Natal Trust Farms (NTF) (Pty) Ltd. The disposed state-owned farms became part of the land transferred to the PDI sugarcane growers. Tongaat-Hullet Sugar (T-HS) Ltd was involved in making the NTF Eshowe Farms available for redistribution to PDIs, after being requested by the Department of Agriculture and Environmental Affairs (DAEA). The T-HS involvement was three-fold: i. provision of contract services (e.g. planting, ratoon management, harvesting and transportation) during the transitional period; ii. advice on land subdivision, compilation and implementation of business plans for individual farms, mentoring and training of new entrant farmers; and iii. provision of individual farm maps, arrange for farm valuation, preparation of sale agreements and allocation of utility services and housing to each farm.

There were about 152 registered NFGs in 1999 who farmed 13 244 hectares (ha). The highest number of 386 NFGs was recorded in 2009, and they farmed 55965 ha. In 2010 and 2011, the number of registered growers declined to 376 and 342, respectively. They farmed 52548 ha and 51159 ha, respectively. The decline in the number of NFGs may be attributed to recession and drought which occurred between 2008 and 2011 (Tables 4 and 5).

Vol. 5(3), 9-18, March (2016)

Int. Res. J. Social Sci.

Table-4
Registered NFGs and area of land under freehold (1999 to 2005)

Year	<b>Number of NFGs Registered</b>	Total Area Under Cane (ha)
1999	152	13 244
2000	190	17 497
2001	224	20 990
2002	260	23 009
2003	302	28 605
2004	327	32 345
2005	341	37 675
2006	357	42459
2007	369	44810
2008	385	50167
2009	386	55965
2010	376	52548
2011	342	51159

Source: Pilusa<sup>13</sup>.

Table-5
Total area under cane farmed by NFGs as at March 2007

Source of AUC	Freehold	Total*	Change
1999 PDI LSG AUC	12 525	13 244	-
Less: change in AUC of existing growers	-176	-193	-0.7%
Less: Net transfers from PDIs	-793	-1 393	-4.8%
Add: transfers from milling companies	14 829	14 829	50.9%
Add: transfers from white LSGs	12 498	12 549	43.0%
Add: transfers from other sources	2086	3 361	11.5%
Total as at March 2007	40 969	42 397	100

NB: \* Including LSGs in tribal land. LSGs refers to large scale growers.

Source: SACGA<sup>14</sup>.

SA sugar industry supporting organizations: The organizations that support the sugarcane growers include the SA Canegrowers' Association (SACGA). SACGA represents individual growers through 26 grower groups which make up the member organizations. Milling companies are represented by SA Sugar Millers' Association Ltd (SASMAL). The SA Sugar Association (SASA), an independent organization which operates free of government control, administers partnership between growers and millers on behalf of SACGA and SASMAL. The SA Sugar Technologists' Association (SASTA) is an organization of technical workers and other people who are interested or directly involved in the technical aspects of sugarcane production. SASTA operates under the auspices of SASA, but is governed under its own constitution by a Council which is elected by its members. Shukela Training Centre, SA Sugar Research Institute (SASRI) and SA Milling Research Institute (SAMRI) support research, education and training needs of the SA sugar industry. Other organizations that support growers and millers include Mill Group Boards and

National Bargaining Council<sup>12</sup>. Other key supporting bodies include commercial banks, input suppliers government departments such as DRDLR and Revenue Services.

SA sugar industry post-settlement support services: The industry offers various post-settlement support services to land reform beneficiaries, in order to ensure proper integration of new entrant black farmers into commercial sugarcane farming and equip growers with the much-needed technical and business management skills. Planned post-settlement support also promotes the sustainability of the sugar industry, land reform and competitiveness of SA agriculture regionally, in the continent and internationally. The industry offers agricultural extension support to new growers on cane growing agronomic aspects. SACGA also offers growers a one-stop facility called CaneFarms, which assists growers with bookkeeping and tax reporting. There are Regional Economic Advisors in all sugar growing regions, who assist growers on economic aspects of managing their farms as viable businesses.

Additionally, SACGA also coordinates and implements formal mentorship programmes for emerging growers. Thomson and Gillitt<sup>3</sup> reported that new black sugarcane farmers generally do not have any agricultural or business background. As a result, these inexperienced farmers without the necessary agronomic, financial and labour management skills may negatively affect the sugar industry as some cane farms can be mismanaged within a few seasons following acquisition.

More importantly, Reeve and Stayner<sup>9</sup> admonished that farming is becoming increasingly professionalized. Thus, the highly evolving technical nature of commercial agriculture, the increasing importance to establish and maintain relationships with service providers, requires new skills on the part of the farmers. It is therefore, hoped that mentorship will address skill gaps among emerging farmers and thus promote equity, emerging farmer learning, orientation, capacity development, entry and engagement in commercial agriculture. Further, Street and Kleynhans recounted that mentorship complements extension.

The KwaZulu-Natal Department of Agriculture and Environmental Affairs (KZNDAEA)<sup>15</sup> defined mentorship as a relationship either between an experienced farmer/s (mentor/s) and an inexperienced farmer/s (mentee/s) or between a strategic commodity partner and a mentee/s. A commodity partner in the SA sugar industry could be SACGA. The SACGA has to date, implemented two mentorship programmes, the first one from October 2003 to May 2005 and the second one from June 2008 to June 2009. Post settlement support is therefore, an integral part of land reform and should not be compromised at all costs.

# Methodology

A survey questionnaire designed to identify farm/farmer specific, socio-economic and industry factors that influence NFGs' participation in mentorship was administered in KwaZulu Natal (KZN) sugar growing regions from April to June 2010 (Figure-2). The questionnaire was first tested for clarity with four respondents in one of the regions. A random sample of 70 NFGs was drawn from a population of 291 emerging black growers in KZN. However, a major challenge that faced the researcher during data collection was the unwillingness of the majority of the NFGs to be interviewed. The growers' unwillingness to be interviewed was partly due to the fact that they felt that they the NFG mentorship programme was not beneficial.

As a result, fewer NFGs and mentors, than originally planned were surveyed. A total of 43 NFGs were interviewed, with 22 of the respondents from the North Coast, 15 from the Midlands and six farming on the South Coast. Additionally, a focus group discussion was held in early April 2010 with some of the key stakeholders in the sugar industry, mainly from SACGA and SASRI. The purpose of the discussion was to get more information and understanding about the two mentorship

programmes implemented in the sugar industry and make further adjustments in the survey instrument. This study focuses on the 2008/9 mentorship.

#### **Results and Discussion**

The study results have been categorized into the description of the surveyed growers, growers' entry paths into sugarcane farming and respondents' views on sources of skills on capacity development to manage sugarcane farms successfully.

**Description of surveyed growers:** The majority (81.4%) of the sample NFGs were male and 18.6% female. Half (4) the surveyed females NFGs participated in mentorship up to the end and the other 50% discontinued. The majority (75%) of the female NFGs who discontinued were from the North Coast region. Overall, about 35% (15) of the surveyed NFGs discontinued from the mentorship programme, with the majority (73.3%) from the North Coast region.

The average age of the sample NFGs was 51.51 years, with the youngest being a 26 year old male from the Midlands and the oldest 72 years old (*i.e.* a male from the South Coast). Furthermore, the majority (32.6%) of the surveyed NFGs fell within the 51 to 60 age category. The mean ages per region were 49.13, 59.50 and 50.95 years for the Midlands, South Coast and North Coast, respectively (Table-6).

Respondents' entry paths into sugarcane farming: A summary presented in Table-7 in the appendix shows that the majority (81.3%) of the surveyed NFGs had no educational background in agriculture. Nine percent of the surveyed NFGs had a business-related educational background, with the majority (75%) of them men. Additionally, about 70% (30) of the surveyed NFGs had prior experience in general management, with 46.6% of them from the North Coast region. Nearly 40% of the sample NFGs acquired their experience in management while employed elsewhere. Almost nine and nineteen percent of the sample NFGs acquired their managerial expertise by managing farms and through formal training, respectively. The majority of the surveyed growers therefore, fall in the rare entry path due to their lack of farming experience and agricultural education. Correspondingly, NFGs may require more support services and training on sugarcane production.

Further, an estimated 63% of the sample NFGs had previous experience in finance, with 18.5% of them female. On the other hand, about 23.2% of the sample NFGs had acquired their experience in finance while employed elsewhere and through formal training, respectively. Almost forty-nine percent of the surveyed NFGs had previous experience in marketing, with the majority (85.7%) of them male. Managing own farms and formal training accounted for a higher proportion of NFGs' previous experience in marketing (i.e. about 19% respectively).



Source: SASA (2008)

 ${\bf Figure - 2} \\ {\bf Map\ of\ sugar\ producing\ areas\ and\ mill\ Areas\ in\ KZN,\ South\ Africa}$ 

Table-6 Surveyed NFGs' demographic information by gender and region, 2010

Characteristic	KZN (n=43)	Midlands (n=15)	South Coast (n=6)	North Coast (n=22)
Mentorship participation status and duration				. ,
Fully participated (number)	9	5	0	4
Discontinued (number)	15	1	3	11
Never participated (number)	19	9	3	7
Mean participation duration (months)	6.29	4.93	1.83	8.52
Male NFGs	<u> </u>			
Fully participated (number)	5	1	0	4
Discontinued (number)	11	0	3	8
Never participated (number)	19	9	3	7
Total number male NFGs (number)	35	10	6	19
Female NFGs	<u> </u>			
Fully participated (number)	4	4	0	0
Discontinued (number)	4	1	0	3
Never participated (number)	0	0	0	0
Total number female NFGs (number)	8	5	0	3
Mean age (years)	51.51	49.13	59.50	50.95
Minimum (years)	26	26	45	32
Maximum (years)	72	70	72	70

Source: Study data, 2010

Int. Res. J. Social Sci.

Respondents' views on source of skills in grower capacity development: A summary in Table-8 in the appendix show that the respondents viewed mentorship and extension as important sources of skills to enable NFGs to successfully farm commercially. However, own experience and other farmers were also seen as significant sources of skills in sugarcane growing. Mentorship and extension collectively accounted for 41.9% and 44.2% % of sources of skills in ratoon management and varieties, respectively. On the contrary, the surveyed growers viewed accountants and formal training as the

significant sources of skills in financial management aspects. These study results therefore, suggest that mentorship should not be used to replace extension, but should rather complement it. These findings are consistent with Street and Kleynhans<sup>16</sup>. Further, policy makers need to recognize i. accountants and formal training as some of the significant sources of skills in financial management and ii. own experience as one of the most important source of skills in labour management and transport to the sugar mill.

Table-7
Surveyed NFGs' educational background and experience by region, 2010

Surveyed NFGs' education		ZN	Midla			Coast	North Coast	
Characteristic		:43)	(n=15)		(n=6)		(n=22)	
	F	M	F	M	F	M	F	M
Educational background in agriculture and busine	ess mana	gement		•				
With agricultural educational background (number)	1	7	-	5	-	1	1	1
	(7)	(28)	(5)	(5)	-	(5)	(2)	(18)
With business related educational background	1	3	-	1	-	1	1	1
(number)	(7)	(32)	(5)	(9)	-	(5)	(2)	(18)
Prior experience in management, finance and man	keting							
NFGs with prior experience in management	2	28	-	9	-	5	2	14
(number)	(6)	(7)	(5)	(1)	-	(1)	(1)	(5)
NFGs with prior experience in finance (number)	5	22	3	7	-	5	2	10
NICC	(3)	(13)	(2)	(3)		(1)	(1)	(9) 7
NFGs with prior experience in marketing (number)	3 (5)	18 (17)	(4)	(3)	-	(2)	(1)	(12)
Source of experience in management	(3)	(17)	(4)	(3)		(2)	(1)	(12)
Managing own farm (number)		4	_	1	_	1		2
,	_		_		_			
Employed elsewhere (number)	1	16	-	5	-	3	1	8
Formal training (number)	1	8	-	3	-	1	1	4
No experience (number)	6	7	5	1	-	1	1	5
Source of experience in finance		ı		1				
Managing own farm (number)	1	2	1	1	-	-	-	1
Employed elsewhere (number)	1	10	-	2	-	3	1	5
Formal training (number)	3	10	2	4	-	2	1	4
No experience (number)	3	13	2	3	-	1	1	9
Source of experience in marketing		<u> </u>						
Managing own farm (number)	1	2	1	1	-	-	-	1
Employed elsewhere (number)	1	8	-	1	-	2	1	5
Formal training (number)	1	8	-	5	-	2	1	1
No experience (number)	5	17	4	3	-	2	1	12

**NB:** F = female and M = male. The numbers in paranthesis are for NFGs with no agricultural and business educational background, prior management, finance and marketing experience.

Source: Study data, 2010

Int. Res. J. Social Sci.

Table-8
Surveyed NFGs' source of skills in grower capacity development

Surveyed NFGs	Financial KSAs (%)			Agronomic KSAs (%)				Other KSAs (%)		
Sources of Skills In Building NFGs' Capacity in Financial, Agronomic And Other Key Result Areas	Budgeting	Tax reporting	Book keeping	Cash flow mgt	Ratoon mgt	Varieties	Harvesting	Trashing/ burning	Labour management	Transport to mill
Mentorship					9.3				9.3	
Extension					9.3	14.0	16.3	16.3		25.6
Mentorship, formal training and own experience	20.9			11.6					9.3	
Mentorship and extension	16.3		9.3		23.3	20.9	16.3	11.6		
Others	55.9	41.9	60.5	68.2	58.1	55.8	53.4	60.4	55.8	39.5
Accountant	6.9	16.3	20.9							
Extension and formal training		14.0								
Formal training		11.6	9.3	11.6						
Formal training and own experience				14.0						
Own experience and other farmers						9.3	14.0	11.6		
Own experience									25.6	20.9
Mentorship, extension and own experience										
Mentorship, extension and other farmers										14.0
Total percentage (%)		100	100	100	100	100	100	100	100	100

Source: Study data, 2010

# **Conclusion**

The sample NFGs were mostly male and relatively old and the majority of them had no educational background in either agriculture or any business related field. However, most of the respondents had prior experience in general management. Relatively few surveyed growers had prior experience in managing sugarcane farms. Further, most of the sample growers had gained financial management experience while working elsewhere and or through formal training. These study results therefore, suggest that most of the respondents fall within the rare entry path and do not possess key farm business management skills and hence, the need for targeted post-settlement support services.

In addition, the surveyed NFGs identified various tools that equip them with skills in different aspects of cane growing. Growers identified mentorship and extension as important sources of skills for agronomic or technical aspects of sugarcane production. Consequently, mentorship should not be

used to replace extension, but should rather complement it. Personal experience and other farmers were identified as other sources of skills in sugarcane agronomy. In contrast, growers cited accountants and formal training as the significant sources of skills in financial management. Personal experience was recognized as the most important source of skills in labour management and transport to the sugar mill.

Policy makers therefore, need to craft and implement post-settlement support services customized to meet the needs of NFGs from diverse backgrounds. Further, there is need to do detailed NFG needs assessment and profile the emerging farmers according to their backgrounds, training and development needs in order to optimize the intended benefits of support services. SA policy makers also need to ensure efficient extension services, integrate mentorship and extension and, design and implement other post-settlement support programs that may facilitate smooth transition of emerging farmers into commercial agriculture locally. More importantly, SA policy makers should decipher how in a pragmatic manner, to continue

putting emphasis on nation building, reconstruction and reconciliation issues (*i.e.* on which land reform is founded), without compromising the sustainability and competitiveness SA agriculture. Lastly, this study paves way for potential future research work. Identifying entry paths into the SA sugar industry may help policy makers know and undersatnd the skill needs of NFGs and how best to provide them with the required support services. Other studies may investigate the impact of gender mentoring on the attainent of mentorship functions.

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