



Agricultural Commodity Trusts

**Who, What and
Where**



Agricultural Commodity Trusts

Who: Formed before (or after)
Control Boards were dissolved.

To safeguard and utilise
statutory assets to the benefit of
a particular industry.

Trustees are industry and
ministerial representatives.



Agricultural Commodity Trusts

What: Custodians of industry funds –

1. Inherited from previous Control Boards
2. Obtained from statutory levies
3. Obtained from other sources



Agricultural Commodity Trusts

Where: Funds utilised in each industry (specific objectives) –

1. Production and Market research
2. Market information functions
3. Market access/transformation
4. Supplementary industry specific objectives



Agricultural Commodity Trusts

**13 Agricultural Commodity
Trusts currently active. Most
formed in period 1997 to 2000.**

**Annual total funding in excess of
R130 million.**



Agricultural Commodity Trusts

Case study:

**Transformation projects in the
maize industry as funded by the
Maize Trust**



The Maize Trust

Funding of Transformation in the South African Maize Industry

Main Projects and Involvement by the Trust



The Maize Trust

Type of Funding:

- **On-Farm Trials**
- **Crop Production Training**
- **Training of Extension Staff**
- **Information Days and Interaction with Farmer Groups**
- **Financial Assistance: Soil Correction/ Production Risk/ Mentoring**



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COURSE	TRAINEES (Annual)
Crop Production Course	20
Maize Production Short Course	30



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Farmer Development Programme



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**Rural Development Programme
in Limpopo Province
(Food Security)**



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Table: Summary of Results of Trust's Contribution

Employment contribution	Employment declined from 42% to 38%
Use of Hybrid seeds	Increased from 33% to 55%
Yield	Increased from 63% to 78%
Land preparation	Increased from 17% to 85%
Broadcasting planting	Decreased from 45% to 12%
Raw plantation	Increased from 56% to 88%
Intercropping	Decreased from 72% to 65%
Crop rotation	Decreased from 24% to 21%
Training	Increased from 42% to 80%

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Maize Desk Development

Objectives:

- 1. Promotion of maize production among emerging farmers**
- 2. Empowering resource poor farmers**
- 3. Attending and participating on a sustained basis in the Maize Forum and Industry working groups.**
- 4. build the foundation for the maize desk to be elevated to a grains desk to handle other grains on a similar basis**



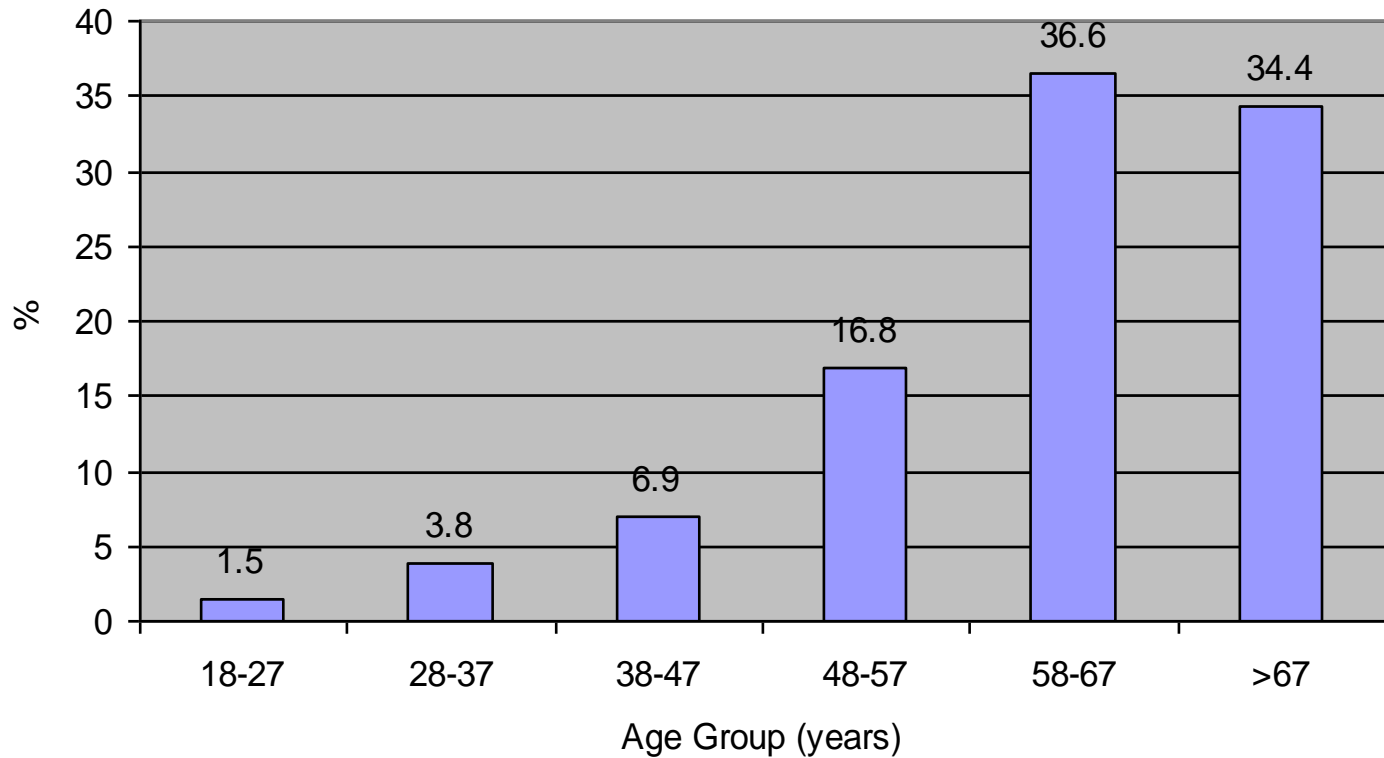
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**Sustainable Rural Livelihood
(SRL) Programme**

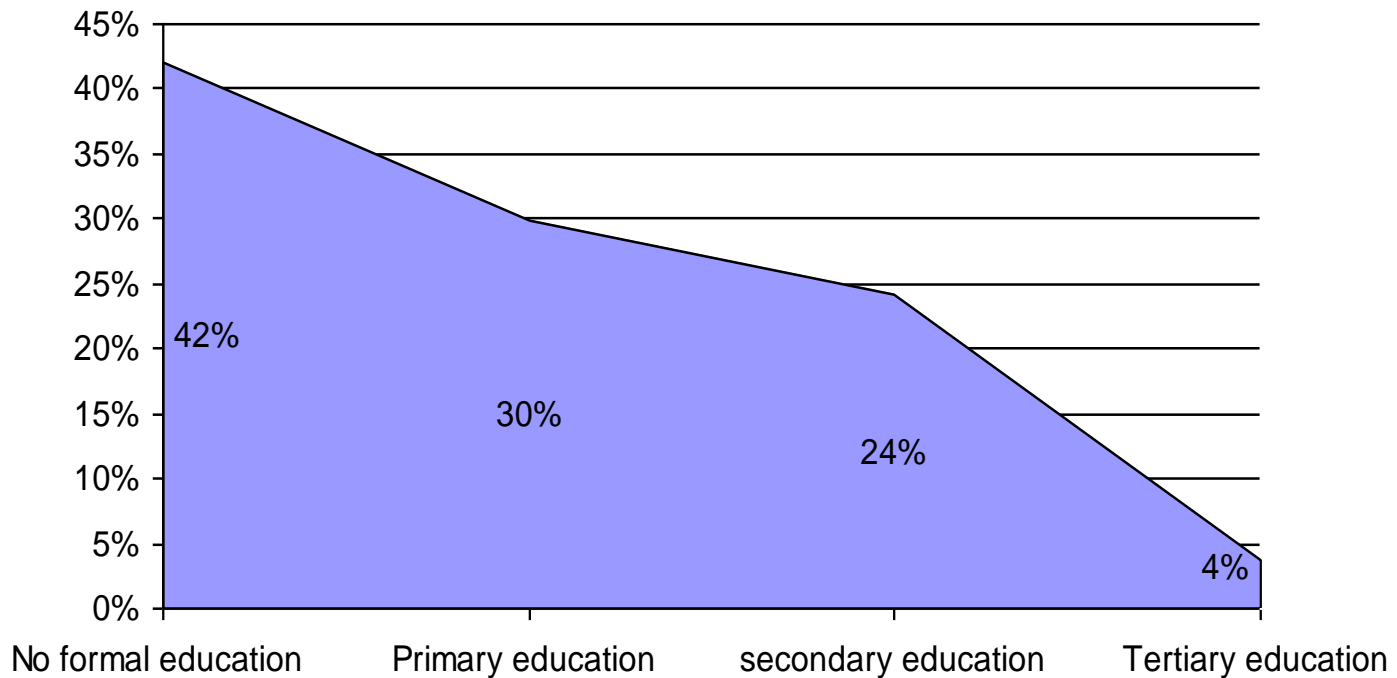
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Age distribution of black farmers



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Educational level of black farmers



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FINANCIAL ASSISTANCE

Pilot Project to Assist Emerging Farmers – 2007 to present

- **Cost of Liming (Soil Correction)**
- **Cost of soil analysis**
- **Cost of Crop Insurance Premiums**
- **Portion of Mentoring Cost**



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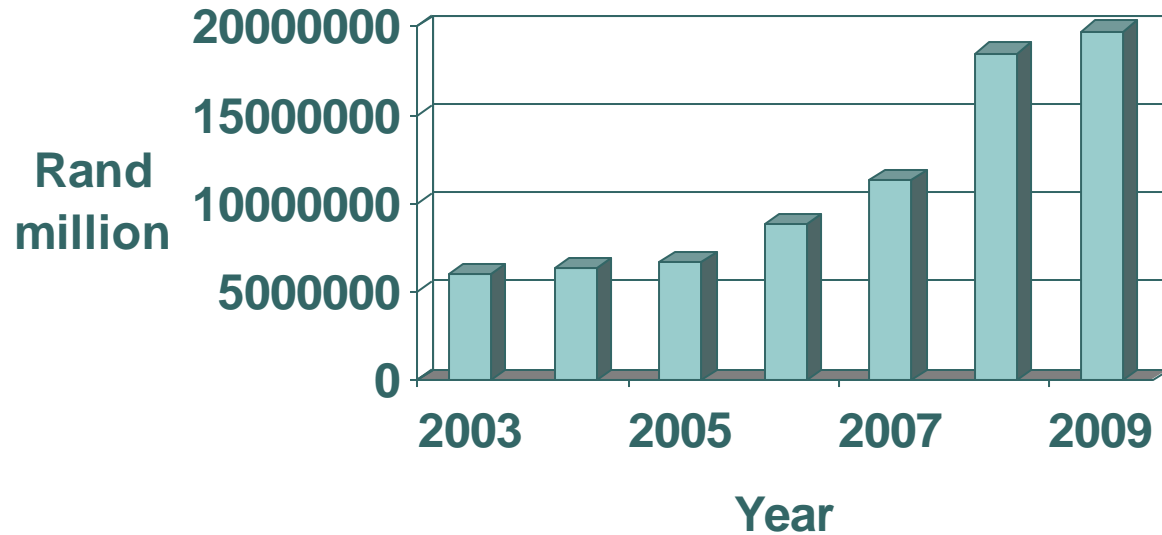
Agri-Businesses

- **VKB Limited**
- **Suidwes Limited**
- **Senwes Limited**
- **GWK Limited**
- **NWK Limited**
- **OVK Limited**
- **MGK/TEMO Agri-Services**



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Maize Trust Funding Development Projects





THANK YOU

LEON DU PLESSIS

Senior Manager: L&L Agricultural Services

Administrators:

***The Maize Trust / Maize Forum / Grain Building / Wheat Forum /
Sorghum Trust / Sorghum Forum / SA Grain Arbitration Services
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