

# Transforming the agricultural sector by unlocking the potential of smallholder farmers

By [Dr Klaus Eckstein](#)

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The South African government believes that the key to food security lies in investing in smallholder agriculture and have committed to pumping R5.5bn of the national budget to support 435,000 subsistence and smallholder farmers over the next three years (National Budget Reviews 2017). The government has also [committed itself](#) to expand the 200,000 smallholder producers who sell their produce to 500,000 smallholders by 2020.



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In fact, according to South Africa's development blueprint, the National Development Plan, agriculture is a significant sector of the South African economy and has the potential to create close to one million new jobs by 2030. Smallholder farmers are expected to play a significant role in this, both in terms of poverty alleviation and rural development for South Africa's rural economies and moreover, contribute to the sustainability of food supply. The key to this is to get smallholder farmers to become commercially viable by creating a return on investment which can be invested to grow their farming practices.

It is also important to note that agriculture contributed 33.6% to the GDP growth of 2.5% in the second quarter, helping the economy to emerge from a technical recession, following GDP contractions over two consecutive quarters earlier this year.

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With close to 30 million South Africans said to be poor and living below the poverty line on less than R1,000 a month according to Stats SA, corporate South Africa must play its part in boosting the country's food security and poverty alleviation efforts. At Bayer Southern Africa, we are using our innovative solutions and new business-based approaches to help tackle a myriad of challenges facing smallholder farmers daily.

## Equipping smallholder farmers

We know that smallholder farmers' challenges impede their growth and ability to effectively contribute to food security relative to commercial farmers. They need to be equipped with the ability to better identify opportunities for increased agricultural production. To this end, we have implemented more than a dozen initiatives focused on smallholder farmers, largely in Africa and Asia.

The focus of our initiative is two-fold: To provide education to smallholders on best management practices, pest and disease management, and how to establish better links in order to market their harvest. Second, to implement specific initiatives tailored to meet local market needs, including the development of food chain partnerships and collaborative initiatives with public institutions.

Fundamentally, we believe these initiatives should be driven by commercial rather than solely by charity or philanthropic considerations if they are to be sustainable and impactful in the long term. The significance of the smallholder farmer cannot be underestimated and will become even more important in the future.

## **The important role of smallholder farmers in the future of food production**

Maryam Rahmanian, the vice-chairperson of the Food and Agriculture Organisation's High-Level Panel of Experts on Food Security and Nutrition Committee, has been quoted as saying that, prior to the 2008 food price crisis, smallholder agriculture was seen as a problem that kept countries in a backward state. Farmers were told to 'get big or get out'. This is no longer the case, according to Rahmanian.

Over the past few years, smallholder farmers' contribution to food production, growth, stability and security has been recognised as significant. There are currently more than 500 million smallholder farms worldwide, most of which are still dependent on natural rainfall for crop irrigation.

Although the term smallholder refers to all farms with less than two hectares, there are significant differences within the farm operations in this category. In total, there are three categories of smallholders:

- Professional smallholders (around five percent, using many of the most modern techniques)
- Developing or emerging smallholders
- Subsistence smallholders

Our studies have shown that by focusing on the requirements and aspirations of farmers in the developing/emerging categories, we can have the most significant impact on farmers' livelihoods, their further development to commercialisation and contribution to food production overall. This is because our work at local level, in the field of education as well as inputs towards healthy crops can have rapid, demonstrable and scalable effects and can be used as a catalyst to encourage further development among these and other smallholder farmers, and have the effect of an increase in yields.

This is crucial, especially in the context of the land restitution process, with land reform beneficiaries increasingly abandoning their newly acquired farms due to the lack of necessary experience, skills and support to make a success of them. Our numerous local initiatives are the starting point for a step-change in the lives of smallholder farmers, recognising the fundamentally important role that they have currently and will increasingly have in our future food production.

## **Innovation in farming inputs**

Importantly, we also recognise that the needs of the smallholder farmer extend past the full cycle of agricultural production. Access to credit, selection of the right seeds, agricultural know-how, land preparation and seeding, management of water, energy and soil, pest, disease and weed control, harvesting and storage, and access to market are all important factors that smallholder farmers need to be familiar with if they want to move beyond subsistence farming alone.

Our experience globally has shown that innovation in farming inputs is undoubtedly a major driver to increase crop quality and productivity and has proven to be one of the most decisive ways to increase the income and development of smallholders.

It is up to all the stakeholders involved in the local agricultural sector to come together to unlock the very real potential that exists in the smallholder farming sector in South Africa and Africa overall.

## ABOUT THE AUTHOR

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