Pushing and pulling

Attempts to stimulate small holder agriculture in metropolitan Cape Town

Rick de Satgé with Boyce William, Phuhlisani Solutions – September 2008

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Introduction

This case study provides a comparative analysis of two different initiatives designed to grow small scale agricultural production in Cape Town.

The City of Cape Town has developed an urban agriculture policy and initiated a joint venture between itself, the Provincial Department of Agriculture and private sector partners to put in place a fresh produce market in the Philippi horticultural area. The objective of the market is to provide the "suction force to enable the establishment of more than 2 500 emerging farmers and the development of more than 5 000 hectares of farmland over a five-year period in the Philippi and Cape Flats area." (Provincial Government of the Western Cape, 2006)

Abalimi Bezekhaya an NGO with over 20 years experience in supporting homestead growers and group gardens. It has focused on developing a comprehensive range of services to promote and 'push' small farmers to find their place in a production continuum encompassing survivalist, subsistence, livelihood and commercial scales and modes of production. Abalimi supplies small farmers with inputs and infrastructure, provides technical advice and institutional support and recently introduced a planned production and marketing process known as the Harvest of Hope.

We examine what is involved in these different initiatives which aim to pull or push small growers into production and the market place. We profile the Philippi fresh produce market initiative and the services provided by Abalimi. We examine three groups which Abalimi characterise as their most successful. In the process we assess what must be put in place to develop an enabling environment for a more vibrant and sustainable urban agriculture sector which enhances household food security and generates livelihood opportunities at different points along the value chain and identify lessons for improved policy and practice.

Context

The Western Cape is the second most urbanised province in South Africa (89%), second only to Gauteng (97%). According to the HSRC, it is also the province that experienced the fastest rate of annual population growth in the country between 1996 and 2001 (2%). (Kok, O'Donnovan, Bouare, & van Zyl, 2003). During this period the Western Cape experienced the highest net migration of metropolitan areas in South Africa which accounted for more than half (approximately 58%) of population growth within the City. The rapid growth of the City is associated with the urbanisation of poverty.

The Provincial Growth and Development Strategy *iKapa Elihlumayo* which was developed in 2003 highlights the concentration of extreme poverty in the Province's urban centres. It observes that in the Western Cape, unlike many other parts of South Africa, the cities are where the poor live while the rural areas are home to many of the wealthy.

In the Western Cape 57, 3% of households earn less than R 3500 per month (with more than half earning less than R 1500). This economic profile means that "the majority of the population generally cannot afford service charges let alone meeting home ownership obligations".(Department of Local Government and Housing, 2007: 25)

Small holder agriculture as a poverty reduction strategy

In a context characterised by acute urban poverty, the low levels of skill of many of those in poverty and high levels of unemployment, different approaches have been taken to try and stimulate small scale agriculture within the City on the assumption that it represents a viable poverty reduction and livelihood strategy. Interventions to grow small scale agriculture take different forms. They range from policy formulation and investment in infrastructure development projects through to small scale support initiatives providing a complete basket of services and facilitated market access.

Pulling…

At one end of the continuum the City of Cape Town has developed an urban agriculture policy and invested in a R35 million fresh produce market in Philippi in a joint venture with the Department of Agriculture and private sector partners. However this investment and infrastructure led approach shows few signs of securing a return on investment in the short term as many of the small farmers which the market is supposed to serve have either yet to 'emerge' or are not yet a viable productive force. Overall there remains a significant gap between the assumptions of policy and the complex realities which characterise small scale production initiatives on the ground.

Pushing…

These realities are highlighted by the experience of Abalimi Bezekhaya ("Planters of the Home")- a registered Non Profit Organisation (NPO) founded in 1982 which provides support services such as supply of low-cost bulk compost, seed, seedlings, training and on-site project extension to groups and individuals in townships and informal settlements . Abalimi is based at the Business Place in Philippi, Cape Town. It runs two non-profit People's Garden Centre's in Nyanga and Khayelitsha which annually supply agriculture and horticulture inputs to an estimated 2,000- 3,000 home-based survival and subsistence gardeners and approximately 200 community agriculture and greening projects on public land.

With the recent introduction of their Harvest of Hope marketing initiative in 2007 Abalimi have begun to provide an outgrower model through which groups and individuals are contracted to grow organically grown but uncertified vegetables. These are harvested weekly and are sorted and packed into vegetable boxes which are delivered to collection points where they are picked up by suburban consumers who sign up for the service. Abalimi provides these groups with comprehensive services and support as well as significant subsidy to enable them to begin to access the market.

The methodology

The preparation of this case study has involved the following elements:

- A rapid review of the literature on urban agriculture internationally with particular reference to Africa;
- A review of the documentation informing the development of the urban agriculture policy of the City of Cape Town;
- A semi structured interview with Stanley Visser – an official in the City of Cape Town's economic development who has overall responsibility for urban agriculture policy development and support;
- Telephonic and email follow up with stakeholders involved in the Philippi Fresh Produce market.
- Attendance of an introductory Harvest of Hope tour involving a visit to the Eden garden in Khayelitsha and a tour of the pack house facility and surrounds at the Business Place in Philippi;
- An interview with five members of Abalimi's field support team;
- Three separate interviews with members of the Fezeka, SCAGA and Eden producer groups involving a total of xx growers;

The contribution of urban agriculture to the livelihoods of the poor

Researchers have attempted to disaggregate the different ways in which poor urban dwellers engage in food production. They highlight the following dimensions:

- Survival for the very poor which often involves farming activities on used public and private land which is often in conflict with planning and land use management regulations in cities;
- Personal strategies by women to develop independent livelihood streams;
- Contributions to household food security;
- As a substitute for cash food purchases;
- As a means of supplementary income;
- As a commercial rather than a subsistence activity.

(Ellis & Sumberg, 1998)

Research also highlights the importance of distinguishing the different categories of land on which this production takes place including:

- Home plots or gardens;
- Cultivated or grazed areas that are apart from the household on public land;
- Cultivated or grazed areas apart from the household on private land;
- Peri-urban cultivation or grazing.

It has been argued that the keeping livestock and growing of crops can make a significant contribution to the livelihoods of the urban poor. These have been characterised as “hidden livelihoods” based on the premise that many natural resource based livelihood activities “are not recognised, or are overlooked, in assessments of urban livelihoods”. (Slater & Twyman, 2003)

It should be noted that in South Africa and particularly in Cape Town (see below) urban agriculture policy, where it exists, often rests on the assumption that recent migrants to the city will be those who opt for agricultural livelihood opportunities. This runs counter to research evidence from the rest of the continent which indicates that “established urban dwellers are more likely to be involved in agricultural activities than new arrivals from the countryside.” (Sanyal,1986, 1987; Freeman, 1991; Sawio, 1994 in Ellis and Sumberg 1998). This research concludes that the ability “to command land access” is much more significant than recent agricultural experience.

Urban agriculture in Cape Town

The importance of the potential of urban agriculture features in numerous spatial and development planning frameworks developed for the metropolitan area. The rural management framework for the City of Cape Town (SetPlan & Practiplan, 2002) emphasises the importance of protecting established and emerging farming areas in and around the city, and the opening up of opportunities for new and emergent farmers.

The long term Metropolitan Spatial Development Framework (City of Cape Town, 2005) highlights the need to consolidate and expand a regional system of urban agricultural complexes. Currently, the Philippi Horticultural Area (PHA) and Joostenberg Vlakte are the only examples of such complexes. The spatial framework envisages that:

A regional system of these, extending beyond Cape Town’s current boundaries will ensure the ongoing sustainable production of food for the city, provide important income-generating opportunities for new arrivals to the city whose only income-generating skills are often limited to agricultural activities and provide a new way of addressing housing, economic and land restitution issues while at the same time safeguarding key parts of the city’s agricultural resource base. (City of Cape Town, 2005: 5)

As noted above the conception which envisages agriculture offering opportunities for new arrivals in the City runs counter to research findings which indicate that it is often long established urban residents with stronger social and political networks in the city who are best placed to make use of urban agricultural opportunities.

In the metropolitan area agricultural land is concentrated to the north-east along the Tygerberg Hills and to the south-east around the Helderberg Mountains and to the south around Constantia and Hout Bay. Continued low-density residential expansion into these areas is placing pressure on remaining good soils and agriculture. The Philippi horticultural area situated to the south of the City of Cape Town is also under threat from urban expansion.

The map on the following page highlights different land uses in Cape Town.

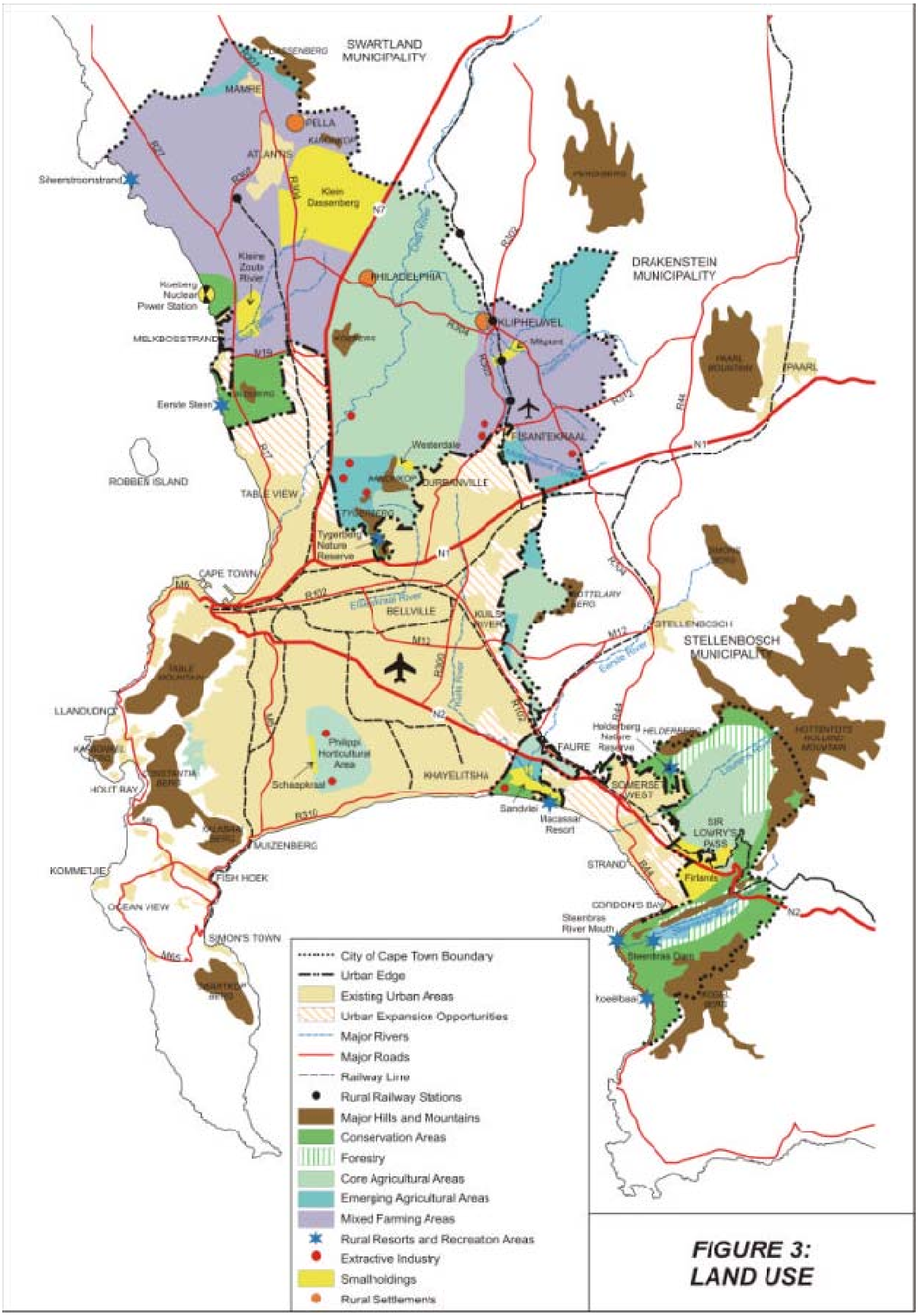


FIGURE 3: LAND USE

Map source: http://planet.uwc.ac.za/nisl/Conservation%20Biology/Conservation_CCT/rural_plan_for_CAPE%20Town.pdf

However agricultural land in Cape Town is also increasingly threatened by a mix of illegal dumping and occupation of public and private land to establish informal settlements. A number of constraints have been identified which currently limit the growth and livelihood potential of urban horticulture and livestock keeping. These include:

- Conflicts of interest between livestock keepers and city officials: Livestock keepers benefit from grazing their livestock on open land adjacent to where they stay in that they do not pay grazing fees and remain in close proximity to local markets;
- Lack of data on urban farming activities in the area;
- Insufficient agricultural knowledge and skills amongst urban farmers;
- Lack of access to and affordability of water;
- Availability of suitable land;
- Very weak linkages to the commercial agricultural sector in terms of supplies, marketing and sharing of opportunities;
- Low level of alignment and coordination between all main role-players;
- Lack of tools and production inputs (seeds, compost, etc).

(City of Cape Town, 2008)

Production in the City

Stats SA Agricultural Census of 2002 indicates the extent of vegetable production within the City of Cape Town. However a reliable profile of who is actually growing and marketing this produce does not appear to be available.

Type of Vegetable	City-wide	
	Planted Ha	Production Tons
Potatoes	489	12 274
Tomatoes	85	2 949
Cauliflower	194	4 768
Cabbage	465	19 113
Onions	115	2 559
Beetroot	38	522
Carrots	548	17 189
Sweet Potatoes	15	121
Green beans	183	1 213
Pumpkins	117	1 942
Other	1 386	34 248

The Philippi horticultural area

A recent situation analysis for the MDP/Philippi Agricultural Project (City of Cape Town, 2008) surveyed and assessed urban agricultural activities in Philippi area between the R300, Lansdowne Road. The Philippi Horticulture Area totals 3073,9 ha in extent. Currently only 60% (1800ha) of the potentially productive land in the PHA is used to produce vegetables. Growers mainly supply the Epping Market and or grow on contract to chain stores. Currently it is estimated that about 2000 people are employed in the PHA in varying capacities.

It is in this area that the Philippi Fresh Produce Market has been constructed (see below) and where Abalimi Bezekhaya has its offices in the Philippi Business Place –one of eight centres supported by

Investec to grow small business in South Africa and Botswana. In Philippi Investec has partnered with the American Tobacco Company, Abalimi Bezekhaya, and the Sustainability Institute. Investec acquired 11 ha of vacant land around a defunct cement factory and seeks to develop the area into a site which will combine housing and urban agricultural opportunities. Currently the plan is to sell or lease small plots to local growers, for income generating initiatives (such as the production of value-added crops) and subsistence food gardening programmes.

The urban agriculture policy process

The development of an urban agriculture policy for the City of Cape Town has taken over five years to be approved – partly a reflection of the changing political character of successive municipal administrations and the ongoing restructuring associated with the adoption of a unicity in September 2000.

An additional complication was that the Constitution of South Africa does not list agriculture as a function of local government and, "therefore, a lot of motivation and lobbying was necessary during the consultative process to convince city council decision makers that the development of urban agriculture should be viewed as part and parcel of poverty alleviation and economic development, which are the concurrent responsibility of all spheres of government."(Visser, 2006)

First Urban Agricultural Summit, City of Cape Town, 8 – 9 May 2002.

The City of Cape Town hosted this summit to initiate the process of formulating an urban agricultural policy for the City Of Cape Town This included an attempt to determine the current status of urban agriculture in the city which was characterised as "a very superficial assessment."(Visser, 2006)

Second urban Agricultural Summit, City Of Cape Town, 18 – 20 June 2003.

A follow up summit a year later :

- Introduced the draft urban agriculture policy;
- Discussed livestock keeping in the City;
- Aimed to identify urban agricultural opportunities in the City.

The period between the second summit and the final adoption of the policy appears to have largely been spent securing political approval in fiercely contested council environment.

Urban agriculture policy for the City of Cape Town, March 2007

The City of Cape Town claims to be the first city in South Africa to have developed an urban agriculture policy. This has four overarching goals:

- To enable the poorest of the poor to utilize urban agriculture as an element of their survival strategy (household food security);
- To enable people to create commercially sustainable economic opportunities through urban agriculture (jobs and income);
- To enable previously disadvantaged people to participate in the land redistribution for agricultural development programme (redress imbalances);
- To facilitate human resources development (technical, business and social skills training).

The City of Cape Town distinguishes between four different types of operations, which have been defined as:

1. Home producers – home dwellers using their own gardens to grow vegetables and/or keep animals on a small scale in order to supplement the family diet;

2. Community groups – a group of people who produce food collectively for themselves or for a community institution mostly on public land;
3. Micro-farmers – individuals or groups of people involved in urban agriculture to generate an income on small pieces of unutilised (private or public) land; and
4. Small emerging farmers – individuals or groups of people who are or aspire to be full-time farmers.

While community groups can count on all types of assistance, home producers are supported only with small tools, basic production inputs and some extension services, but not with acquiring access to land or infrastructure as the Municipal Finance Management Act (MFMA) states that municipal capital may not be used to improve private assets (such as private land). (Visser, 2006)

The policy sets out to:

- Include urban agriculture in land use management and physical planning;
- Create linkage with other strategies;
- Establish urban agricultural consultative forums;
- Build strategic partnerships;
- Release municipal land for urban agricultural purposes;
- Provide subsidised water to vulnerable groups;
- Develop a specific strategy for livestock keeping in the City;
- Introduce a support programme for urban agriculture;
- Integrate Urban Agriculture into Commercial Agricultural Industry;
- Provide assistance for urban agricultural practitioners.

(City of Cape Town, 2007b)

Essentially however the policy was designed to align different departments **within** the municipality in order to develop a common approach to urban agriculture rather than a joint programme framework which simultaneously aligned the City with the key provincial and national government departments responsible for agriculture, land and water.

In the City's conception a "formal policy will lay the legal basis for collaboration between all municipal departments on the issue of urban agriculture and will ensure each department's undisputed commitment; and it will eliminate the need to rely on the goodwill or preferences of individuals".(Visser, 2006)

However the City's Urban Agriculture Coordinator acknowledged that "our point of departure was that urban agriculture should be a good thing without doing a lot of research on what is the status quo." (Interview with Stanley Visser, 2008)

Overall information on the nature and extent of agricultural activity in the City remains patchy. While the Co-ordinator has "pockets of information on livestock and …to a certain extent on garden groups but I don't have a total picture on what exactly is going on in the City.(Ibid)

Implementation challenges

A number of practical and institutional constraints limit the effective implementation of the policy. According to the City's Urban Agriculture Co-ordinator "With the Provincial department of Agriculture we are linking up with them on a local level but it is difficult. We talk the same language but when we hit the ground we just float apart again". (Ibid)

Limited capacity within the City

Currently the City of Cape Town has just less than the equivalent of one fulltime post working to promote and develop urban agriculture. However they recently received approval to appoint an urban agriculture assistant and a professional officer for urban agriculture. The post was advertised in March and people were interviewed in July. However by August 2008 no appointments had yet been made.

Institutional fragmentation

Until recently urban agriculture responsibilities in the City were scattered between different departments within the City and the Provincial administration but with very little co-ordination between them. At a recent strategic planning session it was proposed that the City needed 10 people to staff a mature unit promoting and supporting agriculture in the City of Cape Town.

There has been some discussion about the creation of a Special Purpose Vehicle tasked with agricultural promotion and support. One of the perceived advantages of such a unit is that it would not be bound to comply with the procurement processes of the city.

Competing land needs

"Overall urban agriculture is not regarded as a priority by planners or by the majority of people settling in the city. While settlement planning frequently allocates land for gardens this tends to be restricted to the conceptual phase but when you get there you find that there are just houses. The pressure to find land for settlement tends to trump other land uses. In cases where land was allocated for gardening this is usually taken up by adding additional rooms or backyard dwellings." (Ibid)

Regulation versus informality

The City has identified different categories of livestock owners in the townships and informal settlement areas. People with larger herds are often local business people with diverse livelihood sources who, the City argues, can absorb the transport costs associated with raising livestock on land outside the city. However the City has also identified many small scale livestock owners who cannot afford such costs.

"At the moment it does not cost anybody anything to raise livestock in the City. Most stockowners don't buy food or anything so now when you come to the commonage you have to pay a grazing fee. Or if you go to the community kraal which is based on the principle of zero grazing you will have to buy food so then it becomes less profitable. Accordable to the health regulations the informal meat trade is not allowed. Likewise you are not allowed to sell raw milk in the City".(Ibid)

Investment in fresh produce markets – a 'suction force?'

Despite a low base of information and inadequate support systems in place the City of Cape Town entered into a joint venture with the Western Cape Department of Agriculture and MBB Consulting Engineers to put in place a new R34 million Philippi Fresh Produce Market which officially opened for business in November 2006.

According to the Department of Agriculture "the market is supposed to create the "suction force" for the establishment of more than 2 500 emerging farmers and the development of more than 5 000 hectares of farmland over a five-year period in the Philippi and Cape Flats area" The MEC for Agriculture stated that " We cannot allow 'land to lie fallow'. We need to utilise the land and unleash this productive asset to feed our families and communities, create employment and contribute towards economic growth and development of local and rural economies. We need to involve our young people who are jobless to roll up their sleeves and go to the fields. We want to say to them agriculture is cool!". (Provincial Government of the Western Cape, 2006)

The Philippi market set targets to secure 75% of its supply from the emerging farming sector and empowered commercial farms by 2012. It anticipated that this would “unlock further Government funding into the resource poor farming sector of the Western Cape at a tempo of more than R50 million per annum and help fund satellite depots located next to larger concentrations of new farmers from where farm produce will be transported to the market for sorting, processing and marketing”. (City of Cape Town, 2006)

However to date the market has yet to provide the ‘suction force’ to stimulate the growth of a mass of emerging farmers. After six months of operation only half of the rental units were operational and the pack house for emergent farmers was awaiting a lease confirmation. The City of Cape Town reported that established commercial farmers in Cape Town and the Western Cape were the primary suppliers and that produce was further sourced from Epping Market. The Department of Agriculture was reportedly drafting a strategy to develop emerging farmers. A review of the first six months of operation by Price Waterhouse Coopers recommended that “vigorous marketing campaign” be undertaken to attract new customers and tenants.(City of Cape Town, 2007a)

MBB is currently in the process of developing a supply strategy with the Department of Agriculture to improve the linkages between small resource poor farmers and markets, using the Philippi Market as driver. (pers comm: Jan-Willem Boonzaier) This consists of a Project Manager situated at the Philippi Market, acting as link between the farmers and supermarkets and processors. The manager’s role is to coordinate the supply from emerging farmers to meet the demand from the markets in terms of volume, quality and range of produce. The manager will have access to value adding facilities at the market to pack produce according to specs from the supermarkets or processors.

According to MBB other role players in the strategy include a seed and input supply company to provide seed, compost, fertiliser and planting programmes for the correct cultivars to the farmers, and the extension officers of the Dept of Agriculture, who should visit the projects regularly to ensure that the planting programmes are followed. The farmers will be responsible to pre-sort their produce before it is sent to (or collected by) the Market. This strategy was reported to “still be in a developmental phase.” (Ibid)

According to MBB the Market is currently about 70 % occupied, and combines food processors, a bakery, fresh produce traders, a fresh produce wholesaler, a fresh produce pack house (focusing on procuring produce from small farmers), a banana ripening and fresh produce exporter, and a dairy outlet. Furthermore, the market is in the process of establishing fresh produce production on site for supplying the market, as well as a vermiculture composting unit to compost organic waste generated on-site into compost for small farmers.

MBB highlights that the major challenges remain transport for small producers and finding a way to coordinate supply from small producers, since individually the supply is still not consistent enough.

MBB argues that the Market is still a new venture which is in a building and marketing phase – people of the surrounding area rather buy their produce from where they bought it for the past decade then at the new market. The low number of customers coming to the market relates to low volumes kept by the traders, which increase the prices which results in less people buying from the market (a vicious circle) – The market has to secure a larger volume of customers to buy produce to increase the volume that can be kept on hand to improve the profitability of the tenants.

MBB reports that “small farmers that do not want to supply the Philippi Market but rather try to market their produce elsewhere (like Cape Town/Epping Market) despite them complaining that their produce is not sold at Epping (another vicious circle – the farmers probably do not want to supply the market because of the low number of people buying from the market, but more people would buy from the market if more produce were available at competitive prices)" (Ibid)

The Philippi model is based on private businesses renting space from the Philippi Market Operating Company, and trying to source some of their produce form emerging farmers. An important factor of the model is thus the drivers of these businesses – the nature of agriculture (and especially the resource poor sector) requires dynamic businesses willing to pursue the goal despite the challenges and the set-backs that are more than with the traditional commercial sector. MMB notes that sufficient time should also be allowed for these business to establish themselves – the time required to establish oneself in agriculture and agribusiness (and once again especially for the resource poor sector) should not be underestimated.

The history of Abalimi's interventions

The work undertaken by Abalimi has a long history which spans the pre and post 1994 eras.

Pre 1994

Abalimi started working 1982 from offices in the Catholic Church in Cape Town. It opened its first garden centre in Nyanga in the same year and developed a second centre in Khayelitsha in 1989. However Abalimi only really took off in the period post 1994 when access to its constituency became easier.

1995

In 1995 Abalimi employed 2 additional staff and established a field programme. Fieldworkers started to visit people to introduce Abalimi's services. Abalimi began to get requests from people for training mainly in home gardens.

1996

In 1996 Abalimi supported the formation of the Siyazama Community Allotment Garden Association (SCAGA) in Macassar, Khayelitsha. The garden was developed on 5,000 m^2 in a corridor under low-intensity power lines that were later decommissioned.

Abalimi estimated that SCAGA could provide 3-4 permanent, full-time formal jobs, but opted to promote a garden which would create 30 subsistence or livelihood augmentation "jobs", on a mixture of individual and communal plots.

At the same time Abalimi started a programme for the greening of schools. The Schools Environment and Development Programme (SEED) grew up under Abalimi's auspices before becoming independent in 1997.

1997

In this year Abalimi employed more staff (2 agricultural field workers) and expanded its institutional footprint from Khayelitsha to cover Philippi, Nyanga, Gugulethu and Crossroads.

2001

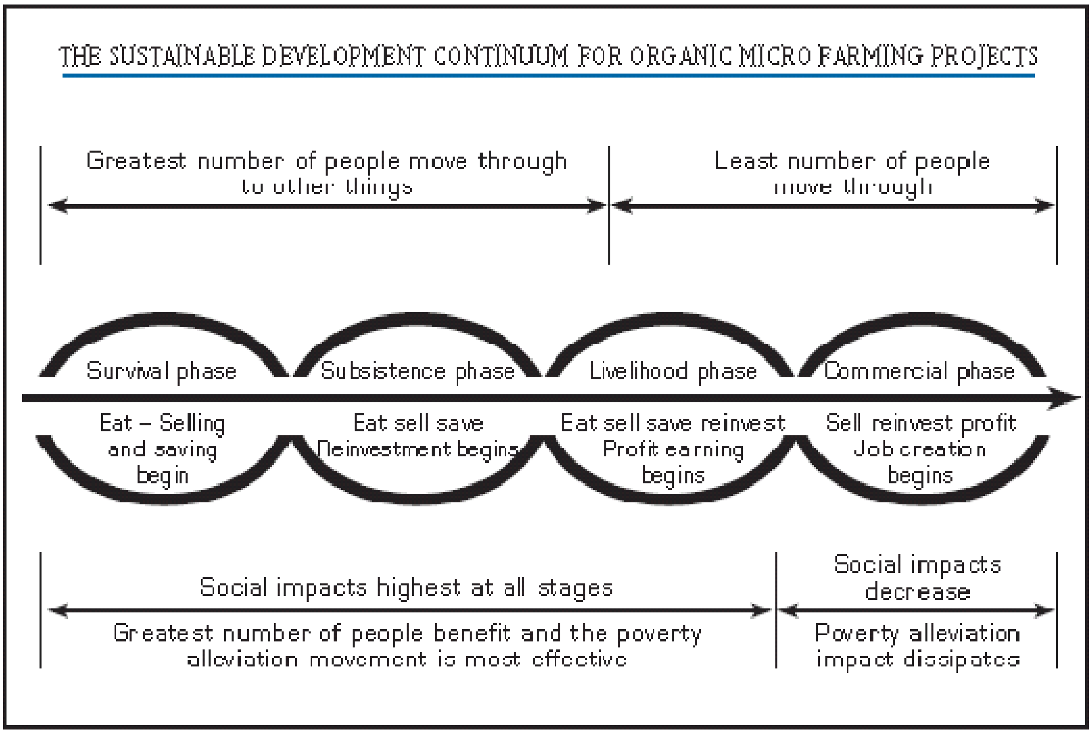
In 2001 Abalimi expanded further employing three field staff from amongst the membership of the groups they served.

2002

In 2002 Abalimi facilitated the launch of the Vukuzenzele Farmers Association – VUFA which brought together people from about 70 groups of small growers.

As Abalimi grew and developed it conceptualised a production continuum to locate and track the growth and development of smallholders from what it characterises as survivalist, subsistence, livelihood and commercial levels of productive activity. Production ranges from individual homestead gardens to groups who farm plots on vacant municipal land and in the grounds of schools and other institutions. Abalimi also has a focus on improving nutrition for people who are HIV positive (Rob Small, Kaba, & Mahusa-Mhlana, 2005)

Abalimi notes that agriculture remains an activity of last resort for those located at the survivalist and subsistence end of the continuum. At these levels many will abandon agriculture in favour of other economic opportunities should they arise. However as production becomes more consolidated and benefits are more tangible less people are likely to exit production.



(R Small, 2007)

Abalimi has chosen to promote organic production and Abalimi supported projects are encouraged to be 100 percent organic.

2007/8

In 2007 Abalimi launched the Harvest of Hope programme. Current Abalimi staffing includes contract staff (8) and permanent staff (7).

A range of support elements have been combined in this project:

- Abalimi Bezekhaya provides training to enable growers at different scales to produce organically grown vegetables.

- Growers learn about the business side of farming through AgriPlanner courses run by the South African Institute for Entrepreneurship.
- Vegetables are harvested fresh on order to customers who sign up to purchase a box of organic vegetables weekly. Vegetables are collected and packed at the Organic Pack shed established at the Business Place - a business service centre in Philippi.
- Support from the Western Cape Department of Agriculture mainly in the form of improved infrastructure.

Other support interventions identified include:

- Horizontal learning (farmer to farmer) exchange
- Savings schemes
- Micro-credit to groups with consistent savings records will be available in the near future to projects entering the Livelihood and Commercial levels of the Development Continuum.
- Periodic farmers markets, tunnel greenhouses, cold-storage rooms and value-adding packing sheds

(R Small, 2007)

Currently Abalimi supports 22 active vegetable growing groups at different scales. Most recent figures (August 2008) indicate that 146 small growers from 9 projects produce vegetables for the Harvest 0f Hope programme. However the bulk of the vegetables are currently sourced through three groups – Fezeka in Gugulethu, SCAGA and Eden in Khayelitsha which are the focus of this case study.

Assessment of the natural and physical resources

In all three cases the groups started with unimproved Cape Flats sands.

Picture from http://harvestofhope.co.za/?page_id=32

Abalimi Bezekhaya with the support of the City of Cape Town and the Provincial Department of Agriculture has placed a major emphasis on soil improvement investing in organic compost, manure and other organic fertilisers such as Rapid Raiser. Production methods also emphasise the importance of mulch and the planting of indigenous windbreaks

Physical infrastructure

Each garden has had substantial investment in physical infrastructure including:

- Perimeter fencing
- Borehole drilling and pump installation
- Electricity supply through the installation of prepaid meters[1]
- Water tanks
- Irrigation piping and microjets
- Small nursery enclosures constructed from creosoted poles and shadecloth
- Hand tools and wheel barrows
- Containers for implement storage and meeting space.

Production systems

5. The Harvest of Hope production system is derived from an Excel based planning and planting template that analyses weekly HOH box requirements including:

- Land area required by crop type;
- Estimated yields per area of different crops by weight and quantity;
- Production timelines and maturity dates of individual crops
- A succession planting plan
- An estimation of retail and wholesale prices by weight or volume for different crops

Abalimi fieldworkers who support individual gardens manage the seedling orders, the planting process and assess availability of different vegetables for weekly harvesting on Tuesdays.

Individuals in the group are responsible for watering, weeding and general husbandry of the HoH growing areas. As noted above in the SCAGA group these tasks has been individualised with individuals responsible for their own plots and receiving the value of produce sold from them.

Any surplus or substandard produce is either sold or consumed by the growers. Where HOH runs short of produce they also buy from individual plots.

Economic aspects

The Harvest of Hope Business model

Harvest of Hope is an organic vegetable box project which originated from a partnership between the South African Institute for Entrepreneurship, the Ackerman Pick ‘n Pay Foundation and Abalimi Bezekhaya. The project has focused on the development of an organic pack shed at the Philippi Business Place.

[1] In the case of Fezeka electricity is still provided free

Initially there was a focus on the training of growers to comply with organic certification standards. However the focus subsequently shifted to ensuring the throughput of sufficient volumes of vegetables from the producer groups through the pack house and to the market . A consultancy Just Think was contracted to develop the Harvest of Hope Programme concept which delivers a weekly box of vegetables to individual customers who collect their boxes from scheduled distribution points at four participating primary schools in the Cape Town area.

As part of the planning and implementation process Just Think has developed:

- The Excel template discussed above
- A crop planning hand tool

Initial crop targets were established for 110 boxes per week were established and eight producer groups were contracted to grow for HOH to specified targets (Just Think, 2008)

The overall object is to elevate HOH into a self sustaining business enterprise. This depends on the ability of HOH to be able to produce and sell 600 boxes weekly. Income is distributed across three cost centres:

1. Payment to growers – 50% the selling price of a vegetable box
2. Running costs – Abalimi expenses, Just Think consultancy fees and marketing
3. Profit

Projected production and income

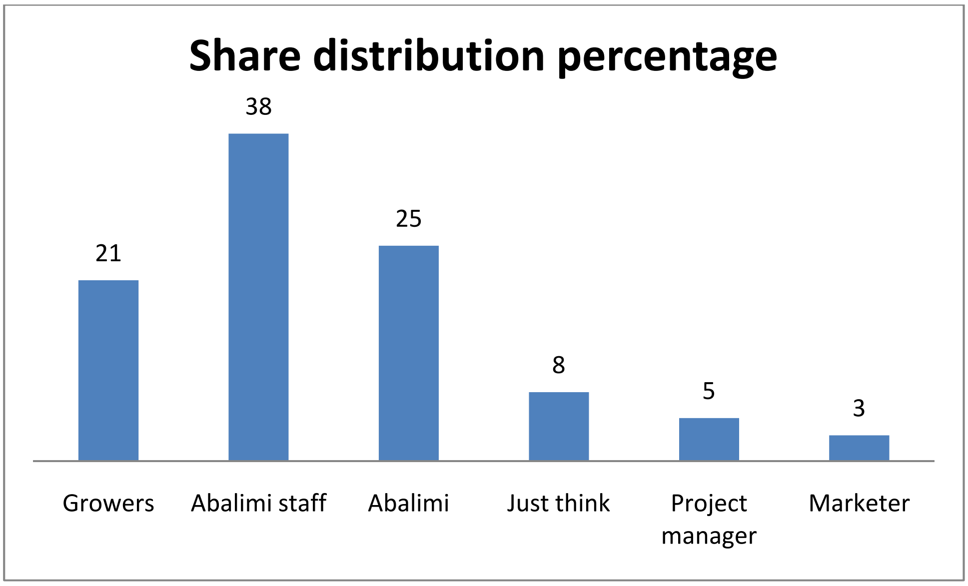
Period	Feb – April 2008	May – July 2008	Aug– Oct 2008	Nov – Jan 2009	Feb – April 2009
Boxes per week	120	240	360	480	600
Monthly income (R85 x #boxes sold x 4.33 weeks/month	44,166	88,332	132,498	176,664	222,830
Quarterly income	132498	264996	397494	529992	668490

Projected costs and profits

The initial allocation of running costs was calculated at 47% of revenue. As the number of boxes increase so will costs, but that these costs will fall as a percentage of overall revenue. The target is to reduce running costs from 47% to 28% or by 5% per quarter. From a start up profit of just 3% for the first quarter (R1325/month) it is envisaged that the profit margin on 600 boxes will be 22% (48583/month).

Establishing HOH as a for profit company

Just Think has proposed that HOH be established as a for profit company with shares distributed as indicated in the chart below. The business model sets out to provide incentives to Abalimi staff who become the largest shareholder with the most to make from the success of the scheme.



Actual performance

Currently Abalimi's target is for every individual to earn R600/month from the HOH project. They reported that they were "about half way there at present."

Based on the projections above it appears that to date the scheme has not managed to leverage the projected volumes required to make a profit. When Phuhlisani visited the pack house on Tuesday 22nd July there were orders for 84 boxes – 70% of the weekly total projected for Quarter 1 and 35% of the total projected for Quarter 2.

Sales 1st February – 30th April 2008

Project	People	HoH area	08-Feb	08-Mar	08-Apr	Total paid	Produce value	Boxes
Eden	4	640	2675.7	2633.64	1803.54	**7112.88**	14225.76	167.36
Fezeka	6		1763.4	1301.94	887.74	**3953.08**	7906.16	93.01
SCAGA	10	756	1613.35	503.5	572.31	**2689.16**	5378.32	63.27
						13755.12	**27510.24**	**323.65**

Group perceptions of utilisation of total productive output

The three groups used proportional piling to estimate how their total production output was disposed of.

Eden[2]

Lost due to theft	Lost to disease	Consumed	Sold independently	Sold through HoH
10%	10%	25%	20%	35%

Fezeka

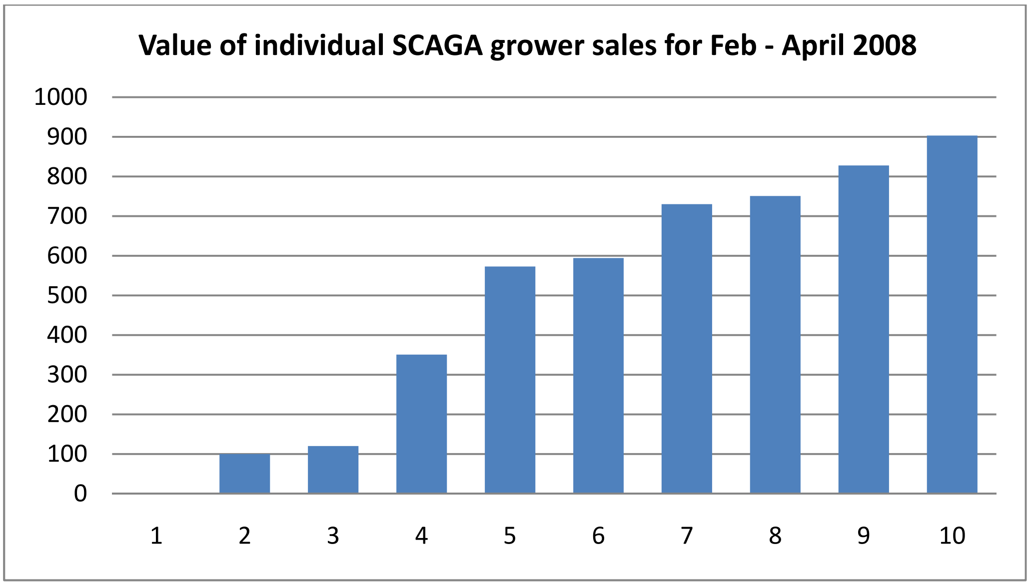
Lost due to theft	Lost to disease	Consumed	Sold independently	Sold through HoH
	10%	20%	20%	50%

SCAGA

Lost due to theft	Lost to disease[3]	Consumed	Sold independently	Sold through HoH
0	15%	20%	10%	55%

SCAGA individual grower sales

In addition to money paid to the SCAGA association individual growers in the SCAGA project were also paid out for produce sold from their plots. The chart below shows the value of the individual sales



Grower	Feb	March	April	Total

[2] The three men interviewed from the Eden Group found this exercise difficult. Each man reworked the relative proportions substantially. The final result appeared to be more of a compromise between them than a consensus about the output split

[3] It seems that crops defined as lost to disease are those which do not meet the HoH quality standards – many of these are salvaged and taken home to eat by members

Grower 1	0	0	0	**0**
Grower 2	100	0	0	**100**
Grower 3	0	0	119.88	**119.88**
Grower 4	0	0	350.58	**350.58**
Grower 5	0	145.2	427.69	**572.89**
Grower 6	171	291.2	132.2	**594.4**
Grower 7	0	233	497.32	**730.32**
Grower 8	56	288.2	406.8	**751**
Grower 9	0	0	827.7	**827.7**
Grower 10	0	315	588.24	**903.24**
	327	**1272.6**	**3350.41**	**4950.01**

Combined sales of the three groups

For the first three months of the Harvest of Hope programme the combined produce of the three groups amounted to 440 boxes of vegetables worth R37,410 from which they earned a total of R18,705

Input costs

Data on costs was provided by Abalimi for the period February to April 2008. However it is not possible to correlate inputs to sales with the data available.

Eden

During the same period Eden's input costs totalled 3362.35.

Eden input costs Feb- April 2008

Input	**Quantity**	**Total**
Lettuce	400	80
Radish seeds	2	22.1
Cabbage seedlings	200	40
Kohl Rabi seedlings	200	40
Radish seeds	1	11.05
Marigold seeds	1	11.05
Rapid raiser	80 kg	234
Cabbage seedlings	200	40
Onion seedlings	200	40
Beetroot seedlings	200	40
Lettuce seedlings	200	40
Kale seedlings	200	40
Rapid raiser	120 kg	351
Radish seeds	1	11.05
Lettuce seedlings	200	40
Parsley	200	40
Broccoli seedlings	200	52
Cauliflower seedlings	200	65

Kohl Rabi seedlings	800	160
Beetroot seedlings	200	40
Onion seedlings	500	125
Mulch	15 bales	562.5
Kale seedlings	400	80
Lettuce seedlings	400	80
Onion seedlings	400	80
Lettuce seedlings	200	40
Beetroot seedlings	200	40
Bean seeds	200g	20
Mulch	25 bales	937.5
		3362.25

Fezeka

In this period Fezeka's input costs totalled 6255.16. These costs include well point repairs

Fezeka input costs Feb- April 2008

Input	**Quantity**	**Total**
Basil seedlings	200	40
Beetroot seedlings	100	20
Bamboo sticks	180	540
Broccoli seedlings	200	51.96
Kale seedlings	200	40
Manure	10m3	2227
Rapid raiser	200 kg	585
Fix well point		1450
Onion seedlings	400	139.2
Broccoli seedlings	200	52
Beetroot seedlings	100	20
Carrot seed	20 pkts	50
Cabbage seedlings	200	40
Onion seedlings	200	40
Lettuce seedlings	200	40
Carrot seed	20 pkts	50
Bean seedlings	200	50
Spinach seedlings	200	40
Cabbage seedlings	200	40
Broccoli seedlings	200	52
Beetroot seedlings	200	40
Lettuce seedlings	200	40
Parsley seedlings	100	20
Rapid raiser	160 kg	468
Onion seedlings	600	120
		6255.16

SCAGA

During this period SCAGA's input costs were 6421 which also included wellpoint repairs

SCAGA input costs Feb- April 2008

Input	Quantity	Total
Spinach seedlings	200	40
Beetroot seedlings	400	80
Lettuce seedlings	400	80
Manure	10m3	2227
Potato seed	10 kg	130
Manure	1m3	360
Onion seedlings	400	80
Carrot seed	10g	25
Radish seed	1pkt	12.5
Rapid raiser	120kg	351
Fix well point		1850
Cauliflower seedlings	200	50
Kohl rabi seedlings	200	40
Brocoli seedlings	200	40
Beetroot seedlings	200	40
Carrot seed	40 teaspoons	100
Bean seed	200	36
Radish seed	4pkt	50
Turnip seed	3 pkt	7.5
Beetroot seedlings	100	20
Kale seedlings	100	20
Carrot seed	10pkt	25
Potato seed	1kg	13
Bean seed	100	18
Spinach seedlings	200	40
Lettuce seedlings	1000	200
Parsley seedlings	200	40
Onion seedlings	200	40
Carrot seeds	20pkts	50
Bean seed	200	36
Spinach seedlings	400	80
Beetroot seedlings	100	40
Broccoli seedlings	200	40
Spinach seedlings	200	40
Kohl rabi seedlings	200	40
Parsley seedlings	200	40
Onion seedlings	200	40

6421

Assessing the extent of the Abalimi subsidy

Currently growers pay for seedlings, seed and electricity while Abalimi or other parties including the Department of Agriculture, the Department of Social Services and the City of Cape Town cover the costs of organic fertiliser (Rapid raiser), manure, transport, fencing and irrigation infrastructure repairs, transport and marketing costs.

In answer to a question about how the direct costs of production were spread between the growers, Abalimi, The City of Cape Town and the Dept of Agriculture Abalimi responded as follows:

Direct costs	HOH Grower	Abalimi	City of CT/Social services	Dept Agric	Notes
Seed/seedlings	100				Seedling costs deducted before growers paid
Compost/manure		100			Groups don't pay
Mulch		100			Groups don't pay but we are realising that can't do this for ever
Pest and fungal controls					Use herbs with chilli, garlic sunlight liquid
Water/Electicity/	People buy on prepaid card – pay as you go or sometimes utilise illegal connections	Schools pays for this where garden is on DoE land. Other land we apply for prepaid metre			Depends. Groups pushed to get borehole
Transport		100			Struggling for transport – only one bakkie doing everything for the project. A significant expense, but only once a week. Fieldworkers get around by taxi
Post harvest processing and packaging		100			
Marketing		100			

Overall Abalimi estimates that the ongoing subsidy per farmer is to support farmers permanently and sustainably at survival and subsistence stage is between R1000-R3000 per farmer/gardener per annum, depending on the farmer's circumstances and context. This subsidy covers all costs including training, establishment, institutional development support and ongoing permanent follow-up, together with regular cheap and/or free key inputs.

Abalimi estimates that to enable growers to shift from subsistence to a livelihood or semi-commercial level requires a developmental subsidy of about " R1000/farmer (or farmer group)/month, including the pack-shed costs, transport, agricultural inputs and core fieldwork support to contracted farmers". However Abalimi observes that, "if we include all possible associated costs (eg- specialised focus training interventions to enhance applied skills) , however, then the figure could easily go up to about R8000/month/farmer or farmer group during the transition stage from Subsistence to Livelihood. (pers comm. Rob Small, 2008)

Livelihoods significance

Overall it would appear that the Abalimi and Harvest of Hope initiative have had positive impacts on the livelihoods of those participating. It is also clear that these impacts are also a reflection of the fairly substantial subsidy required to put in place an enabling environment for small scale agricultural production. The exact value of this subsidy could only be calculated by a more in depth study than was permitted by the time allocated to the research team

Social and institutional dimensions

Social

Clearly the projects make important social contributions. Women who have worked together for several years in Fezeka reported that:

We support each other if a member gets sick. We also support some people in the community who are sick with HIV by donating vegetables

Fezeka reported that they paid themselves R1500 each at Christmas time. However other benefits included a meal which they shared together daily in the garden which was cooked using their produce.

The groups with women members have also developed small savings schemes which members contribute to and can borrow from in proportion to their savings investments. The men only Eden group reported that members can request to borrow money from the group in the event of a death in the family or a similar problem at home. However there was some uncertainty about how to manage this process and ensure that there was not a run on the groups resources which would undermine their ability to continue.

While there are some obvious and some more hidden benefits it is also clear that the projects and associated organisation can also contribute to local conflicts. This was evidenced by the SCAGA group members decision to work and get paid individually as a response to perceived 'free riders' who were set to benefit disproportionately to their labour investment.

A profile of the groups

Fezeka

This group currently consists of 7 members – six women and one man who has recently joined. All of the members are of pensionable age. The group members have individual plots and a combine to cultivate plots from which the produce is marketed through the Harvest of Hope scheme run by Abalimi Bezekhaya.

1998	1999	2000	2001
Someone called Zelfa from Municipality helped them access land adjacent to the Community Court in Gugulethu	Many people joined initially but most soon left. The group had a problem with water to start with. Initially they were forced to obtain water from adjacent municipal offices in plastic containers	Group members were encouraged to start small projects such as making and selling vetkoek and sewing, in addition to the vegetable gardening	Group members were allowed to water their garden using a hose pipe using free water from the municipal offices. Group combines individual allotments and communal plot for sale
2002	2003	2004	2005
		The Provincial Department of Agriculture sunk a borehole and installed an electric pump. The garden was properly fenced and irrigation infrastructure installed	The group started to irrigate crops. They also received containers from the Department of Agriculture and a private sector company
2006	2007	2008	
Seed supplied by Agriculture. Garden wins the Female Farmer of the Year award from the Department of Agriculture	Harvest of Hope scheme commenced with planned production and harvesting from the group's communal plots		

SCAGA

This garden as a whole started in 1997. Abalimi reported that in 2005 the garden hosted its 5th group of 30 people. This implies that four groups had come and gone prior to this and that all the previous groups had given up. This reinforces the notion of agriculture being an activity of last resort which provides marginal benefits in relation to the input required.

The group reported that currently their membership was 8 people – all women, down by more than 2/3 from those which started at the outset.

"Many people came to start with high expectations of making money. When it became clear that they would not be paid a cent except from what they got from the soil many people left. Others also left in the period before the HOH project as the money from sales was not enough." (SCAGA group interview, 2008)

Respondents reported that members were encouraged to join by local SANCO members who advertised opportunities on the project with a loud hailer. There is some inconsistency in the dates and group sizes from different sources. The group reported that they had started in 2003 and taken over from a previous group which had given up, while Abalimi indicated that the current group started in 2005.

2002	2003	2004	2005
	Current SCAGA group takes over. Garden not in good shape	Group planted plots for home consumption and plots for sale. Some produce donated to HIV positive households to improve nutrition	Exodus of members
2006	2007	2008	

	Harvest of Hope programme initiated by Abalimi Bezekhaya	February commence with sales	Individuals paid out according to what they have produced and sold monthly

The group started with individual plots for home consumption and communal plots for the local market. However it appears that since the introduction of the HOH programme internal disputes amongst the group members concerning uneven labour investment in the group plots have resulted in individualisation of production. This appears to have contributed to some degree of earning differentiation amongst the membership which in part reflects their labour investment but also partly reflects the relative value of the different crops grown and harvested in each individual's plots. Given that the group is billed jointly for seedlings and that these are of different prices it seems also possible that growers of higher value crops may be receiving an indirect subsidy as the cost of seedlings is not directly reflected in their sales figures.

Eden

This is a group consisting of 7 men of whom some previously were illegally growing vegetables in a wetland area adjacent to the N2. They were encouraged to move to the SCAGA 2 site in July 2007. When they arrived much of the garden infrastructure had already been installed including water and an electric pump. Irrigation infrastructure was added in 2008.

The men gave their reasons for becoming involved as unemployment and hunger and because "we grew up planting at home." Men have their own plots but there was a marked difference in quality and investment between plots grown for home consumption and plots grown for the HOH market. The three members interviewed expressed a preference for growing for the market.

Individuals interviewed reported that they depended on social grants and sales from the vegetables. One informant whose household did not qualify for any social grants reported that he was solely dependent on sales of vegetables together with some informal selling of small items from a home spaza run by his wife.

Given that this group had only recently started the men stated that they were not in a position to assess whether production was a success.

Institutional dimensions

There are three institutional dimensions examined below:

- The extent to which the groups to which growers belong function effectively and are enabled to increase their control over their business.
- The extent to which growers are able to represent their broader interests through forming associations and engaging with the City of Cape Town, the Department of Agriculture and other institutional actors.
- The extent to which the different spheres of government, NGOs and private sector partners combine effectively to support small growers.

Growers in different projects had also set out to establish their own association with the support of Abalimi. However management of the association was not without its challenges as observed by Abalimi manager Christina Kaba:

The growers have their own organisation which they call Vukuzenzele Urban Farmers Association which has a Committee and an Executive Committee. I have seen bad things happen when people get into management. If they see those funds (from donors) they think they belong to them. We get funding for seed and seedlings and funding for manure. People want to change this and say we want a bakkie because our project is big. Money even within Vukuzenzele has caused problems. The groups are not all on the same level. Some are big and others are small but to them they say we need to share the money equally.

As noted in the introductory section there are a number of role players attempting to make a contribution to urban agriculture. However it is clear that the working relationships between them are far from optimal.

Participants in the three projects ranked the assistance they received from different role players quite differently. In some instances however it seemed clear that for the project participants institutional roles, functions and boundaries had become blurred.

Eden's perceptions of support

Abalimi	Agriculture	Social services	City of Cape Town	Other
45%	30%	10%	15%	

Fezeka's perceptions of support

Abalimi	Agriculture	Social services	City of Cape Town	Other
20%	35%	20%	25%	

SCAGA's perceptions of support

Abalimi	Agriculture	Social services	City of Cape Town	Other
50%	50%			

Abalimi's self assessment of its support services

Services and support	Yes	No	Comments
Group formation	Yes		
Farmer to farmer extension – horizontal learning	Yes		We have taken people on trips from Cape Town to Transkei and Maritzburg. We organise farmers days for the different groups to meet each other. We find that those groups supported by government often lack information. When we present what we do they always want to come to us. But we don't want them to come to us. We want them to get information
Clarifying production options and costs	Yes		
Provision of production credit	Yes		
Facilitation of group savings schemes	Yes		SCAGA started last year and saved R2/member each week. Now SCAGA members have increased the amount that they are saving and are banking R100/month in its own savings account

			which is separate from the project account
Production budgets and records	Yes		In house and to some extent with groups
Securing access to land	Yes		Assist with contracts with government as the land owner
Urban agriculture advocacy and integration into City of Cape Town IDP	Yes		Played a role in policy development forums, however currently play a limited role at this level
Fencing and water infrastructure	Yes (apply to Agric)		We help them apply to Dept of Agriculture and the City of Cape Town if we cant help them ourselves
Garden design and layout	Yes		
Planting succession planning and rotation	Yes		
Access to tools and equipment	Yes		
Soil analysis	Yes		Department of Agriculture does this. We have also examined this as part of our exploration of organic certification. In those gardens which are close to informal settlements we frequently test for soil contamination from human waste
Soil preparation	Yes		A big focus with investment in manure and organic compost to boost soil quality
Provision of compost and mulching material	Yes		
Seedling propagation/supply	Yes		Some gardens produce their own for certain crops and we also supply. HoH buy in seedlings every two weeks for each planting. When the vegetables are sold the cost of the seedlings are deducted. We have considered possibility of a separate enterprise to produce the seedlings but don't have the manpower to set this up at present. There are other projects like the Sustainability Institute who could become involved in this.
Pest and disease management	Yes		Only companion planting and natural remedies used – garlic and chilli, handpicking of snails and good soil quality and plant health to reduce likelihood of fungal infections
Quality assurance	Yes		We do not have a big problem with this. Overall we have good soil preparation which ensures good quality.
Organic certification	Incomplete/ abandoned		We were working on getting organic certification for 10 projects but this fell to 3 and then to 1. Part of the problem is that people could not see far enough into the future to know what they want to plant. Organic certification works best in the context of long term planning and reasonable certainty about what will be grown. What we think will work best for us will be to write our own organic standards. We work on a trust basis and we inspect every week. We can see when people are using chemicals and we do not buy from them. Example provided of a garden which had sprayed weedkiller and another which was using snail baits
Advice and support for production for consumption and exchange	Yes		
Advice and support for production for local markets Production for Harvest of Hope organic market	Yes		We are also working on local markets. We are examining the Harare market in Khayelitsha. (Interestingly no mention was made of the local Philippi Fresh Produce Market)
Group individual record keeping and	Yes		On a very simple basis

production accounting			
Conflict resolution	Yes		There are often problems with leadership conflicts or issues to do with money in the groups. When money is on the table there are often big problems. This is often about spending priorities – how much get reinvested and how much people take home. We get help from other organisations in the Business place who specialise in group support

Perceptions about the Department of Agriculture

Unfortunately the Department of Agriculture was not interviewed about its role. The groups perceived the Department of Agriculture as providing capital for pumps, equipment and some inputs but this is where their role appeared to end.

Despite Abalimi and the Department of Agriculture working out of the same building it appeared that working relations and communication between them was far from optimal.

I don't see them starting something. They just support what we do and supply what people ask them to give them. They are mainly providing things – fencing and equipment. They support projects but they support them financially. They don't try to make them more independent and then when they have finished with them Agriculture walks away and projects fold. They do not provide onsite follow up and support.

When HOH was starting to try and secure organic certification Agriculture provided growers with a whole consignment of non organic compost which was a problem. They asked us, "What is organic? Why are you trying to grow organic?" We tried to explain about the compost and they said we only get compost where it is cheaper.

They have got extension people but they don't touch the soil. They are not in touch and on the ground. They want to see urban agriculture but they don't know what they are looking for or how to make things happen. (Christina Kaba – Abalimi manager)

Perceptions about the City of Cape Town

None of the parties interviewed for this case study appeared to have a good understanding of the urban agriculture policy and the opportunities it might create. Within Abalimi all questions about the urban agriculture policy and what the City of Cape Town could be doing to stimulate urban agriculture were referred to Rob Small. Neither the pilot project in the Philippi area or the Philippi Fresh Produce market were mentioned in any interview.

Gender, class and human dimensions

The group profiles highlight the predominance of older women although the Eden group consists of men only. Overall the groups appear to be catering for people with few economic alternatives. From our assessment of the membership of the three groups it is clear that in the main people's formal education is often very low. This is likely to impact on members' abilities to manage the key planning, technical and financial components of the project which are critical for their short and long term success.

Abalimi has attempted to address the skills deficit through the design of an interactive enterprise simulation based training process called Agriplanner. This is designed to help growers "go beyond the practicalities of merely growing produce. ..growers learn how to get the most productive use out of their land as well as how much money their land could produce for them, if they use it well". The programme has been designed to engage with key questions such as:

- How much money can we make from our land?
- What can we plant? When can we plant it?
- How can we keep our land productive for the whole year?
- How much money do we need to get going?
- How much money can we make each month from our land?

The programme integrates a variety of planning systems, charts and tools that growers use to plan what they will grow and what returns they are likely to achieve.

We were not able to assess this programme in action or obtain any independent evaluations of it in the time available. However it was clear from our interactions with group members interviewed that numeracy levels were poor which was likely to present an obstacle to successful participation in the learning programme.

Overall the relative success of a HOH programme in producing sufficient and regular volumes of vegetables for the market appears to depend on the strong and directive management input by Abalimi. All the groups spoke about their dependence on Abalimi to provide the planting plan, provide the required seedlings, oversee the planting and harvesting processes and get produce to market.

There is a production plan where we plant very two weeks. We know what we are going to plant when. At the moment it is the fieldworker who making the decisions about what to plant when and where, as she has the information on the current growing conditions and plantings on the project she supports. The next step is to increase the involvement and capacity of growers so that they can move up the hierarchy into the livelihood and commercial zones.

Interview with Abalimi field staff, 2008

Clearly the development of local technical and managerial skills must become a key focus for future development. However this seems only likely to succeed if the skills and age profile of the groups is to change. This creates a conundrum as it is clear from the case study that by itself access to land and ability to grow vegetables are not in themselves sufficient to secure household livelihoods. Access to a reliable and expanding market and the ability to secure a reasonable share in the value chain appears to remain the critical success factor.

Environmental aspects

Clearly Abalimi's focus on organic production limits the likelihood of negative environmental impacts. In the case of the Eden group it can be argued that the project has had a beneficial environmental impact as it has encouraged people farming in a wetland area to relocate to land more suitable for agriculture.

It is not clear however what permissions have been sought to sink boreholes and the extent to which these may impact on ground water. It is also not clear to what extent the water quality of the groundwater is assessed. In informal settlement areas where there is inadequate sanitation Abalimi does take precautions to test soils fro contamination.

As Abalimi has noted they function on relations of trust with the different growers groups with respect to adherence to organic farming principles. This trust is not always well founded. On two occasions they have found growers using herbicides or pesticides, but they argue that close and ongoing contact with growing groups will usually ensure that pesticide use can be detected. This does however raise a potential concern with respect to the lack of certification or independent inspection to ensure standards of organic practice are met. However it is clear that the transaction costs associated with organic certification are much too onerous for small producers like the Abalimi groups to bear.

Future

The Just Think business plan envisaged the establishment of HOH as a for profit company as discussed above. However our interview with Abalimi fieldworkers indicated concerns that the introduction of HOH had resulted in some neglect of individual homestead production. Fieldworkers stated that they needed to renew their focus on household food security and were concerned that the HOH model resulted in a net outflow of food to specialised middle class markets.

Conclusion

The case study highlights different approaches to stimulate the development of smallholder agriculture:

- Measures designed to create an enabling environment which helps 'pull' emerging producers into production and the market from above
- Measures to directly engage with, grow and support small producers and push them into production and the market from below

The effectiveness of 'pulling'

The City of Cape Town and the Provincial Department of Agriculture have invested millions in the construction of the Philippi Fresh Produce Market. It seems that while there is a role for infrastructure investment in creating an enabling environment for small producers that on its own it is not sufficient to bring new smallholders into production and the market place.

The construction of the Fresh Produce Market does not appear to have been preceded by an in depth study of existing smallholder agricultural production in Cape Town and has proceeded on the basis of assumptions about would constitute an effective stimulus to this sector. Without other measures being put in place the Fresh Produce Market may end up as an expensive white elephant.

'Pushing' – the boundaries

The Fezeka, SCAGA and Eden cases show that many urban smallholders operate in a highly constrained operating environment which is characterised by low levels of human capital, inadequate access to land, equipment, finance and infrastructure for production, technical and institutional development support, market intelligence and enterprise management capability.

Abalimi Bezekhaya have attempted to put in place a comprehensive and subsidised production support system which systematically addresses these constraints. However there remain questions about its sustainability and the extent to which growers will become locked into relations of dependency on the support agency. While it seems undeniable that these support measures are essential if small growers are to developed and enabled to produce and access the market the question remains how to extend them at scale and in a way which will enable long term sustainability of both the services and the enterprises which are established.

The effectiveness of pushing depends on two things:

- The capacity and co-ordination of the agencies responsible for grassroots development support –
- clarity as to what role subsidy should play in the developing an emerging smallholder sector and the form in which they are targeted.

Support capacity

The case studies indicate the current limitations of available support capacity. This seems particularly acute with respect to government land identification and agricultural extension capacity to support small growers in metropolitan Cape Town. Interviews highlight the slow processes associated with acquiring land that can be used for commonage purposes. They also indicate an approach to extension where it seems that extensions officers 'do not touch the soil' and operate more as dispensers of infrastructure and equipment.

Support co-ordination

Although Abalimi and the Provincial Department of Agriculture operate out of the same building their functions and programmes do not appear to be aligned. Likewise the services offered by the City of Cape Town and the Provincial Department of Agriculture seem in some respects to overlap.

Reframing subsidy

Abalimi Bezekhaya and the Provincial Department of Agriculture provide support which substantially reduce the costs of growers which participate in the HOH scheme. But there remains a lack of clarity about what constitutes legitimate subsidy and support for smallholder production.

In the EU agricultural subsidies have been defined as *"a benefit provided to individuals or businesses as a result of government policy that raises their revenues or reduces their costs and thus affects production, consumption, trade, income, and the environment. The benefit generated by policy may take different forms such as an increase in output-price, a reduction in input-price, a tax rebate, an interest rate concession, or a direct budgetary transfer."(Mayrand, Dionne, Paquin, & Pageot-LeBel, 2003)*

According to a recent OECD review of agricultural policy reform in South Africa policy transfers to South African agricultural producers, as measured by the OECD Producer Support Estimate (PSE), equalled 5% of gross farm receipts on average in 2000–03. This is well below the average level of support for OECD countries which stands at 31% but is similar to levels of support provided in Brazil, China and Russia (Organisation for Economic Co-operation and Development, 2006)

Internationally subsidies to producers in developed countries have gone to the large farmers and have also contributed to an agriculture which is dependent on high inputs of fertiliser and chemicals and mechanised production with a high carbon footprint.

It should be noted that the above definitions and approaches are narrowly economistic in nature and ignore triple bottom line accounting precepts that assess social, environmental and economic dimensions and their interrelationships.

There are strong arguments for subsidies which encourage and support organic and/or low input agricultural production and which build social capital. In the WTO context such domestic support measures can be associated with the so called Green Box which includes support for environmental programmes, government research, extension, and infrastructure provision together with income safety-net programs.(La Vina, Fransen, Faeth, & Kurauchi, 2006) Overall these need to provide incentives for the development of a more sustainable and low input agriculture which has environmental benefits.

Rethinking certification

It is clear from the Abalimi experience that attempting to secure formal organic certification is too onerous for small producers. This requires a new approach which either utilises state support or an alternative framework with more appropriate standards and assessment measures.

It is clear that the development of an urban agriculture policy is an important first step in the stimulation of urban smallholder production. However, for the policy to have meaning and to be implementable there needs to be investment in implementation capacity. This must combine and balance measures to simultaneously align human and financial resources and that strategically ‘pull’ and ‘push’ to secure the emergence of new small holder producers engaged in agricultural activities which are socially, ecologically and economically sustainable.

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