

AGRI-PARK DISTRICT: uMgungundlovu

PROVINCE: KwaZulu-Natal

REPORTING DATE: 15 April 2016

KEY COMMODITIES

- Maize
- Beef
- Vegetables

AGRI-PARK COMPONENTS

- Agri-hub - uMngeni, next to Howick (including beef abattoir, meat processing, vegetable pack-house, animal feed production, grain silo and warehouse and retail)
- FPSUs:
 - Vegetable depot and service (X3) – Richmond, Mkhambathini and uMshwathi
 - Vegetable service – Msunduzi
 - Feedlot and service (cattle) – Mpofana
 - Grain silo and service (Maize)

STATUS

- 75% complete:
 - Market and technical study complete
 - Financial analysis and completion of feasibility report / business plan still underway

KEY CATALYTIC PROJECTS

- Communal Estate (CE) establishment – a group of emerging farmers registered as a legal entity with the aim to farm commercially on 800 ha earmarked for maize production.
- Impendle milling project – a maize milling facility has been acquired
- Mpofana irrigation project – targeting 3 000 ha of irrigation land
- Middlerus beef project - 8 000 ha of ranching, encompassing approximately 30 traditional beef farmers
- Swaymani washer – supply of water and crop inputs to farmers
- Applesbosch - fencing of farms and supply of crop inputs

AGRO-PROCESSING BUSINESS OPPORTUNITIES

- The following agro-processing opportunities were identified as immediate opportunities:
- White maize – milled maize products (rice, meal, samp and grits)
 - Yellow maize – animal feed production
 - Red meat abattoir – cattle slaughtering
 - Meat processing facility – production of mince, biltong, beef cuts, burgers and sausages.
 - Vegetable pack house – packing of fresh and frozen vegetables

KEY ROLE-PLAYERS

Public Sector	Industry	Other
<ul style="list-style-type: none"> • uMDM* • Msunduzi LM* • uMngeni LM* • uMshwathi LM* • Mooi Mpofana LM • Richmond LM* • Impendle LM • uMkhambathini LM* • DAFF & KZN DARD* • SEFA & SEDA* • IDC • the dti • ADA 	<ul style="list-style-type: none"> • Emerging farmers* • Commercial Farmers* • Substance Farmers* • Farmers Associations* • Tiger Brands • EPOL • AFGRI • NWK • Fresh Produce Markets • KwaZulu-Natal Agricultural Union (KWANALU) 	Wholesalers and retail / Distributors: <ul style="list-style-type: none"> • Pick n Pay • Woolworths • Spar • Checkers

INFRASTRUCTURE REQUIREMENTS

- **Agri-hub (immediate opportunities)**
 - Beef Abattoir facility (21 600 m²)
 - Meat processing facility (300 m²)
 - Vegetable pack house facility (100 m²)
 - Animal feed production facility (380 m²)
 - Grain silo (1 000 ton capacity)
 - Warehouse and retail facility for all opportunities (350 m²)
 - The existing, unutilised maize mill in Impendle could be linked to the AP, i.e. new infrastructure is not needed
- **FPSUs (Immediate opportunities)**
 - Vegetable depot and service X3 (350 m² each)
 - Vegetable service (100 m²)
 - Cattle feedlot and service (100 m² building)
 - Maize silo and service (100 ton silo and 1 000 m² building)

NEXT STEPS

Completion and presentation of the business plan to the client

POSSIBLE ECONOMIC BENEFITS

It is estimated that the AP will generate approximately R4.5 million revenue per annum and create about 23 (minimum 11 at the AH and 12 at FPSUs). Revenue and jobs from businesses, operating at full capacity, is approximated as follows:

Business	Revenue	Jobs
Beef abattoir	R 62.0 million	18
Meat processing	R 30.2 million	22
Vegetable pack house	R 31.0 million	35
Animal feed	R 11.2 million	31
Maize milling	R 11.5 million	34
Cattle feedlot	R 73.9 million	17
Grain silo	R 23.6 million	2
TOTAL	R 219.8 million	159

Other possible spin-offs are subsistence farmers graduating to proper emerging farmers, and the creation of other SMMEs in other sectors as the local economy grows.