



rural development & land reform

Department:
Rural Development and Land Reform
REPUBLIC OF SOUTH AFRICA

THREE YEARS REVIEW OF RECAPITALIZATION AND DEVELOPMENT PROGRAMME:

SEPTEMBER 2013

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1 EXECUTIVE SUMMARY

Recapitalization and Development focuses on human (capacity development), infra-structure development and operational inputs on properties in distress and newly acquired through the land reform redistribution, restitution and other programmes since 1994 as well as other agricultural properties in distress acquired without grant funding. The approach is to ensure that the enterprises are profitable and sustainable across the value chain in line with the Business Plan which stipulates comprehensive development requirements of targeted properties over 5 year recapitalization and development cycle.

Different projects are likely to require different development interventions and timeframes for how easily and quickly they may be developed. There would be some, especially those that involve large groups that would have complicated social issues and conflicts to resolve and this is likely to take longer to identify solutions and to obtain consensus on development solutions. These would include addressing the basic needs for security of tenure, housing and infrastructure for farm workers, farm dwellers and labour tenants as prescribed by the Extension of Security of Tenure Act and as per lease policy requirements to adhere to relevant labour legislation. These cases may require intense social facilitation and household profiling. There are others that may have a single owner or user of land and the key intervention required may only be infrastructure development that would require substantially less time.

With RAD interventions, the Province has done extremely well in the program, wherein a total number of 70 project were supported, 12 partnerships were established, 77 000 ha are put under production with different commodities. The total numbers of 1375 jobs were created. The total number of 5945 cattle has been produced and 9546 sheep under Red meat value chain. The total of 2074 ha was put under crop production. The province is producing just over 1.5 million chickens per annum. By the end of the March 2013, the total budget spent by the province on RADP was **R129 174 115.00**

2 INTRODUCTION

In 2009, the Department undertook an evaluation of the implementation of the Land Reform Programme since its inception. It identified that most land reform projects were not successful and thus in distress, or had failed, due to a lack of adequate and appropriate post-settlement support. Further to this, most land acquired through the various sub-programmes such as the Land and Agricultural Development Programme, were on the verge of being auctioned, or had been sold due to the collapse of the project(s), resulting in a reversal of the objectives of land reform.

It was against this background that in the same year 2009, the Department took the conscious decision to conceptualise and implement the Recapitalisation and Development Programme (RADP), as an all-encompassing and concerted effort to ensure productivity and food security. The department undertook several consultations with all stakeholders to align the implementation of the program with the policy to enforce compliance. The RADP evaluation was structured in four levels areas wherein two National and nine provincial Consultations were held by RADP team in the build-up to the National Ministers Consultation with all stakeholders.

Recapitalization and Development National team conducted national consultations with Strategic Partners and Mentors (09-05-12), Consultation with farmers across the country (Provincial Evaluations 16- May and 04 June 2012), and National Consultation with implementers (Both DRDLR officials & Provincial Department of Agriculture (Extension Services- 23 July 2012) The Final Recapitalization and Development Review was done by the Minister on (17 August 2012), which was followed by the technical task team workshop on the RADP policy development and Implementation on the 24-25 August 2012 chaired by Director General Department of Rural Development and Land Reform. The reviews of stakeholders in this forums influence how the program should be implemented which resulted in the newly signed RADP policy, approved 24 August 2013. Currently the program is also under review by Department of Monitoring and Evaluation from Presidency through the University of Pretoria.

The Comprehensive Rural Development Plan (CRDP), adopted in 2009, serves as the overarching policy and strategy for the Department of Rural Development and Land Reform. The CRDP is a three-pronged strategy which includes agrarian transformation, integrated and strategically planned rural development and land reform. The ultimate goal is social cohesion and inclusive development of rural landscape and economies.

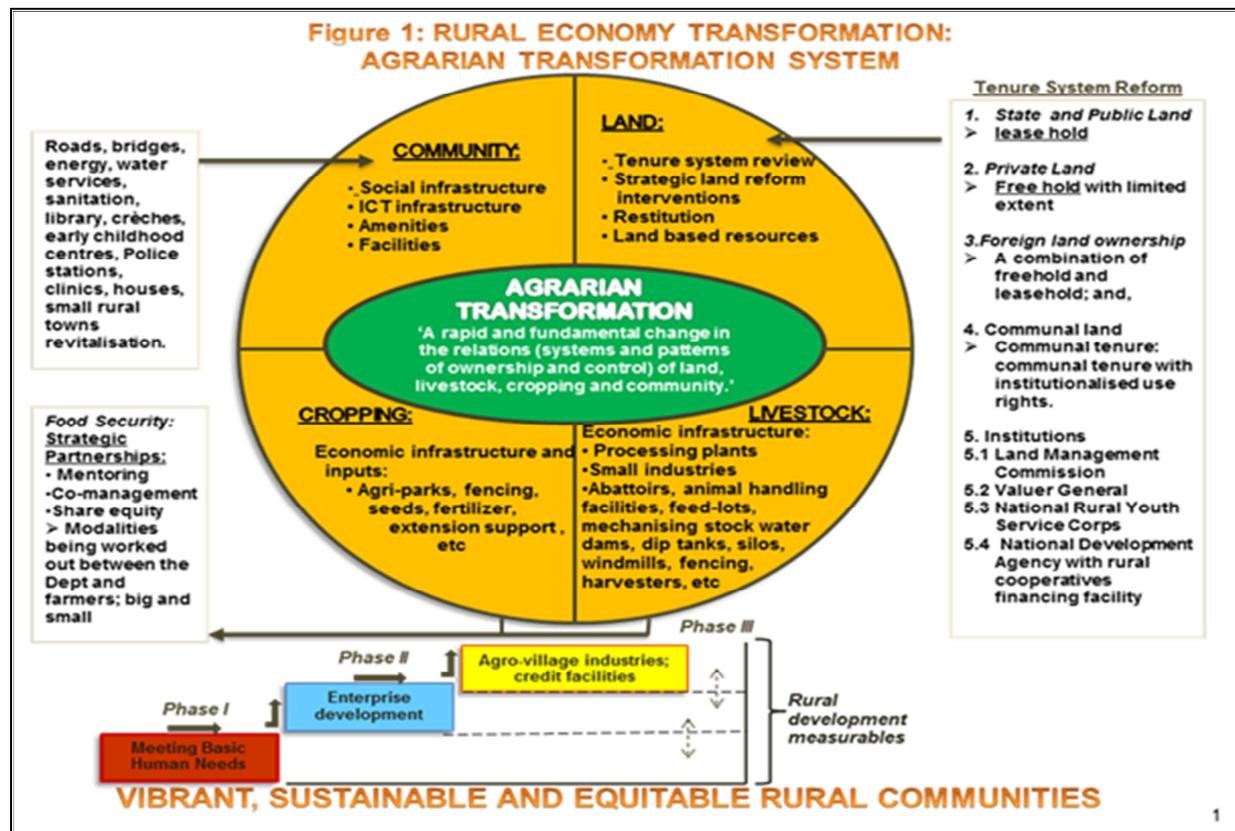
All work undertaken by the Department of Rural Development and Land Reform must thus serve to give effect to the CRDP i.e. the Recapitalisation and Development Programme will serve as an enabling mechanism to give effect to all the above phases of CRDP.

The CRDP outlines three phases or programmes to achieve outcome:

Phase 1: Meeting basic human needs

Phase 2: Enterprise Development

Phase 3: Light agro-industries maintained by rural markets and credit facilities



In recent years, the sustainability of Land Reform programmes has come under critical review both within and outside of government. In 2009, an evaluation of the Land Reform Programme since its inception noted that most land reform projects were not successful or in distress due to a lack of adequate and appropriate post-settlement support.

The Department of Rural Development and Land Reform (DRDLR) aims to address the situation as above in order to realize their vision of vibrant, equitable and sustainable rural communities through the implementation of the CRDP.

To effectively implement the phases as outlined above, it is needed to mobilise and organize rural people into functional groups to enable them to take charge of their own development. To aid this, an employment creation model has been developed through which selected community members can participate in a public works programme that requires employees to share half of their wages with their respective households. All work undertaken by the

Department of Rural Development and Land Reform thus serves to realize the intended outcomes of the CRDP through this 3-phase model. Aimed at providing EBF (Emerging Black Farmers) and other emerging Black entrepreneurs with the necessary know-how, instruments and conducive environment to participate in the mainstream economy, the RADP has been developed as an enabling mechanism to give effect to all the above phases.

RECAPITALIZATION AND DEVELOPMENT PROGRAM OBJECTIVES AND ALIGNMENT

It should be noted that the original RADP objectives which are:

1. To increase Production
2. To guarantee food Security
3. Graduate emerging farmers to commercial farmers
4. Create jobs opportunities within agricultural sector
5. To establish rural development monitors

were upgraded to the following and captured in the revised RADP policy.

- All land reform farms are 100% productive
- The class of black fledgling commercial farmers which was destroyed by the 1913 Natives Land Act is rekindled
- The rural-urban population flow is significantly reduced

The main reason for that was to upgrade them to the strategic level than the original objectives which were viewed at the operational level. The RADP is closely aligned with Chapter 6 of the New Development Plan (NDP) and will provide an enabling mechanism for a revised land reform model based on the following principles:

- Rapid transfer of agricultural land to Blacks without distorting the land market or business confidence;
- Sustainable production based on capacity building prior to transfer through incubators, mentorships and other accelerated forms of training;
- Development of sound institutional arrangements to monitor markets against corruption and speculation;
- Alignment of transfer targets with fiscal realities; and
- Enhanced opportunities for commercial farmers and organised industry to contribute through mentorship, training, commodity chain integration and preferential procurement.

The first cycle (2014 -2019 MTSF) of the implementation of the NDP for the rural sector will focus primarily on 7 imperatives that are a core foundation for an inclusive and integrated rural economy. These are as follows:

- Improved land administration and spatial planning for integrated development with a bias towards rural areas;
- Up-scaled rural development as a result of coordinated and integrated planning, resource allocation and implementation by all stakeholders;
- Sustainable land reform (agrarian transformation);
- Improved food security;
- Smallholder farmer development and support (technical, financial, infrastructure) for agrarian transformation;
- Increased access to quality basic infrastructure and services, particularly in education, healthcare and public transport in rural areas;

Growth of sustainable rural enterprises and industries characterised by strong rural-urban linkages, increased investment in agro-processing, trade development and access to markets and financial services resulting in rural job created.

3 PURPOSE OF THIS REPORT

The purpose of this report is to provide an account of the progress made by the Department of Rural Development but with specific emphasis on the progress made in the Free State Province since the introduction of the Recapitalization and Development Programme in 2009. Special attention will be placed on the farms placed under the Recapitalization and Development programme in line with specific outcomes embraced in the Recapitalization and Development Policy.

Three years post implementation review is to reflect on the following with regards to the RADP program:

- The impact of the RADP Program on the mandate of the government
- The alignment of the RADP to other national government priorities
- The impact of these policies on these policies on the farmers and government

- Challenges and recommendations as defined by different reports compiled
- Following the consultation and reviews done on the program
- The linkage of the RADP policy and state land lease and disposal policy
- The new position of the department on the RADP program
- Lessons learnt
- To highlight the way forward on the program

4 LAND REFORM MANDATE (PROGRAM 5)

The strategic objectives of land reform are:

- All land reform farms should be 100 % productive by the year 2015/16;
- To rekindle the class of black commercial farmers which was destroyed by the Natives Land Act of 1913 and
- That the rural-urban population flow is significantly reduced

National Land Reform perspective

Between 1994 and the end of March this year, 4860 farms have been transferred to black people and communities, through the Redistribution Programme only – more than 4 million hectares. Almost a quarter of a million people have benefitted through land reform, of this over 50 000 women, 32000 youth, and 674 persons with disability benefitted.

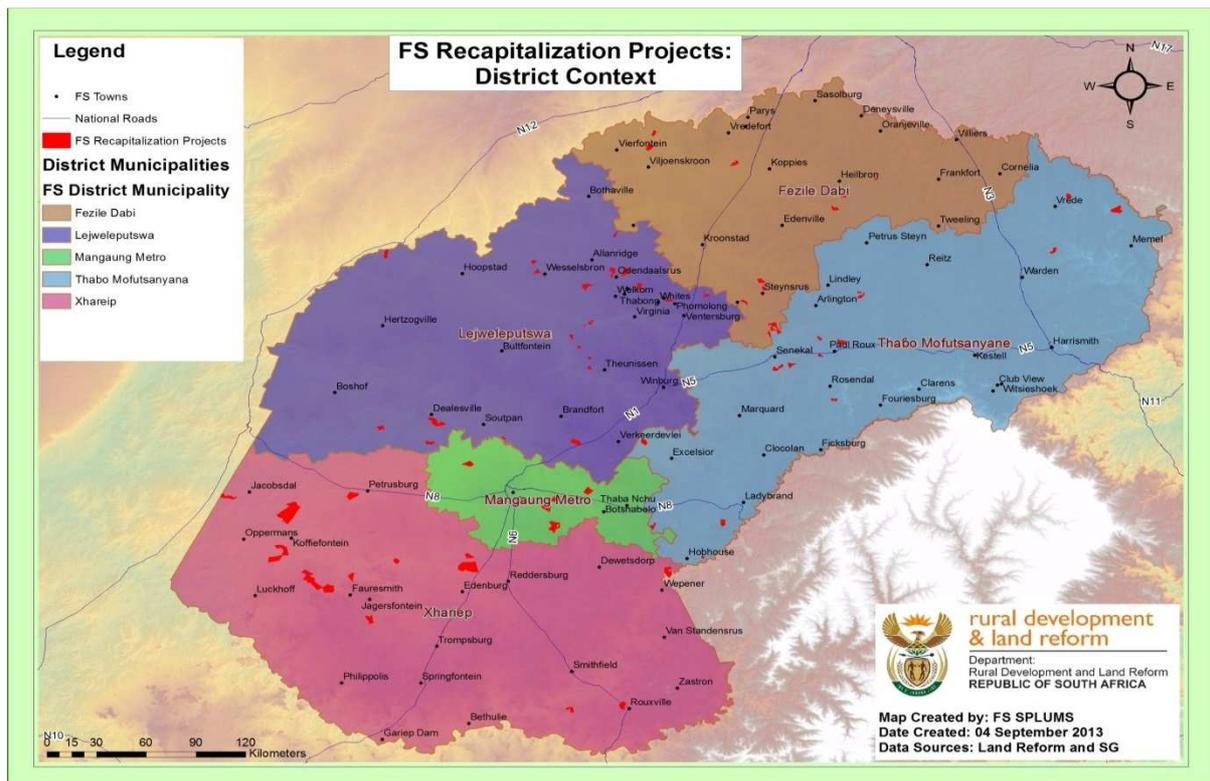
In terms of the development aspect of land reform, 1351 farms are been recapitalised to date. Over 7 400 jobs were created since inception of recapitalisation and development programme. The total investment by the State, since the inception of the RECAP program is R2.14 billion. These investment support emerging farmers with comprehensive support through infrastructure development, acquisition of mechanisation, entrepreneurial support, production inputs, markets access and integrating into the value chain over a five year period. All this interventions are made possible through partnerships with commercial farmers. As at December 2012 the net income from these recapped farms was a cumulative R126m.

Free State Contribution to the Mandate of Department

The Strategic Thrust of the Free State province is guided by the Spatial Development Framework, the District Competitive advantage, Free State Agric Sector Plan and the Provincial Growth and Development Programme. Consequently the following commodities were conceptualised with various stakeholders and clustered according to their competitive advantages:

1. Red Meat Production (Cattle and sheep farming)
2. Crops (Wheat and Maize farming)
3. Poultry (Broilers and layers)

RAD Project Distribution



RADP: THREE YEAR MID TERM PERFORMANCE REVIEW IN FS

A total number of 371 023.7043 hectares have been acquired through land reform programme and 77 000 hectares have been put under production. To date a total number of 70 project are supported, 12 strategic partnerships were established with commercial farmers. The total number of 5945 cattle and 9546 sheep has been produced under Red meat value chain. The total of 2074 ha was put under crop production. The total numbers of 1375 jobs were created. The province is producing just over 1.5 million chickens per annum. By the end of the March 2013, the total budget spent by the province on RADP was R129 Million.

5 PROBLEM STATEMENT AND CONTEXT

Post 1994 market liberalisation has prompted rapid agro-industrialisation of the agricultural sector. This has created both new opportunities and challenges for smallholder farmers in South Africa. The agro-industrialisation of the agriculture sector has ensured a stronger agricultural industry, with farmers and agribusiness being able to position themselves as players in a globally competitive environment. However, it has also increased the gap between the two kinds of agriculture.

Emerging farmers' exclusion from dynamic markets emanates from current economic and historical perspectives, they are neither economically efficient in their production systems for successful integration into the mainstream agribusiness nor were they politically empowered in the past to commercialise their production. There are high expectations on the potential of the Government in partnership with the private sector in enabling emerging farmers to integrate into main stream agribusiness.

The empowerment initiatives have generally been less smooth and less rapid than expected, thus little progress has been achieved in transforming smallholder agriculture in South Africa. This has been aggravated by the transformation of most value chains, for example through the transformation from local procurement to more centralised systems or contractual systems, which seriously hampers smaller farmers' capacity to participate in the modern supply chains. This is due to a number of factors, which include general inability by smallholder farmers to attain quality, safety, quantity and consistency levels in their supplies.

Another limiting factor is the high transaction costs associated with dealing with a large number of small farmers, including the lack of enforcement of contracts. Alternatively, for the buyers there is a relatively stable supplier base of commercial farmers who have relatively lower transaction costs as compared to smallholder farmers.

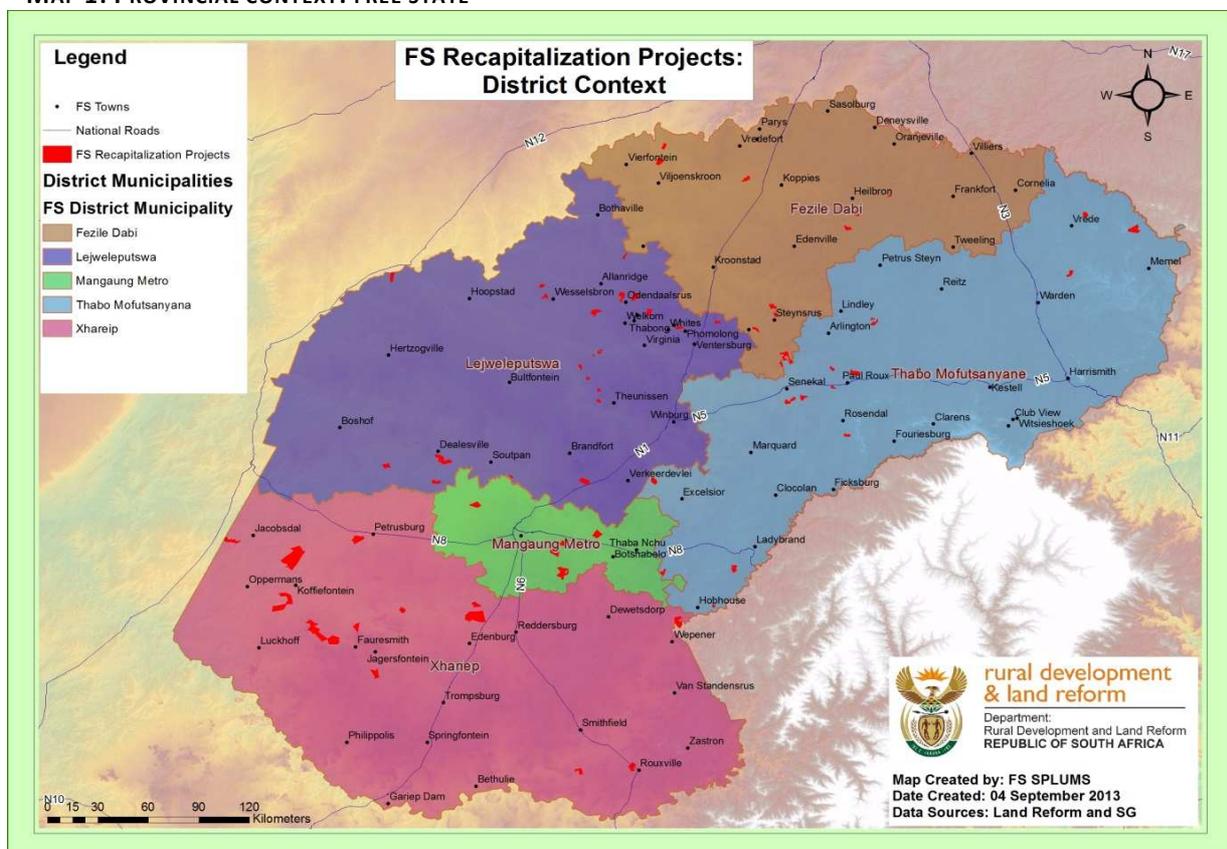
Most agricultural development projects are failing to succeed mainly due to bad initial project conceptualisation, mismanagement at project or farm level, incorrect targeting of recipients and lack of finance. Theoretically the blue prints for these policies are excellent but the major hurdle still lies in the implementation process.

It is against this background that the Recapitalization and Development Programme was born in order to curb and mainstream emerging farmers into the mainstream economy.

6 PROJECT AREA

7.1 Provincial Perspective

MAP 1: PROVINCIAL CONTEXT: FREE STATE



The Free State represents 10.6% of the total land area of South Africa (Census 2001). It is a province of wide horizons and blue skies, with farmland, mountains, goldfields and widely dispersed towns. It is peaceful, with a high quality of life, good infrastructure and a low crime rate (FSGDS, 2003). The province covers an area of 129 464 km², and had a population of 2.7million in 2001, representing a 2.8% growth from 1996. The Free State population was 6.03% of the national population in 2001 (Census 2001).

The Free State is situated in the centre of South Africa and is bordered by six other provinces, all excluding the Limpopo Province and Western Cape. Topography varies from plains, with pans as an important hydrological feature in the west to the mountainous east. Vegetation includes mainly grasslands with very few trees and Karoo vegetation in the south. Good soil and climate conditions allow for a thriving agricultural industry.

The Free State is a summer-rainfall region and is extremely cold during the winter months, especially towards the eastern mountainous regions where temperatures can drop as low as -9°C. The western and southern areas are semi-desert. Agricultural activities practiced in most parts of the Free State Province and the some of the most common farming practices include the following:

- Cattle and Game farming
- Sheep farming
- Wheat and Maize farming
- Poultry
- Irrigation induced farming in some parts and
- Value adding industries

Due to various climatic and geological conditions the Free State has a thriving agricultural sector and is the largest producer of grain crops in South Africa. It also contributes significantly to animal production in the country.

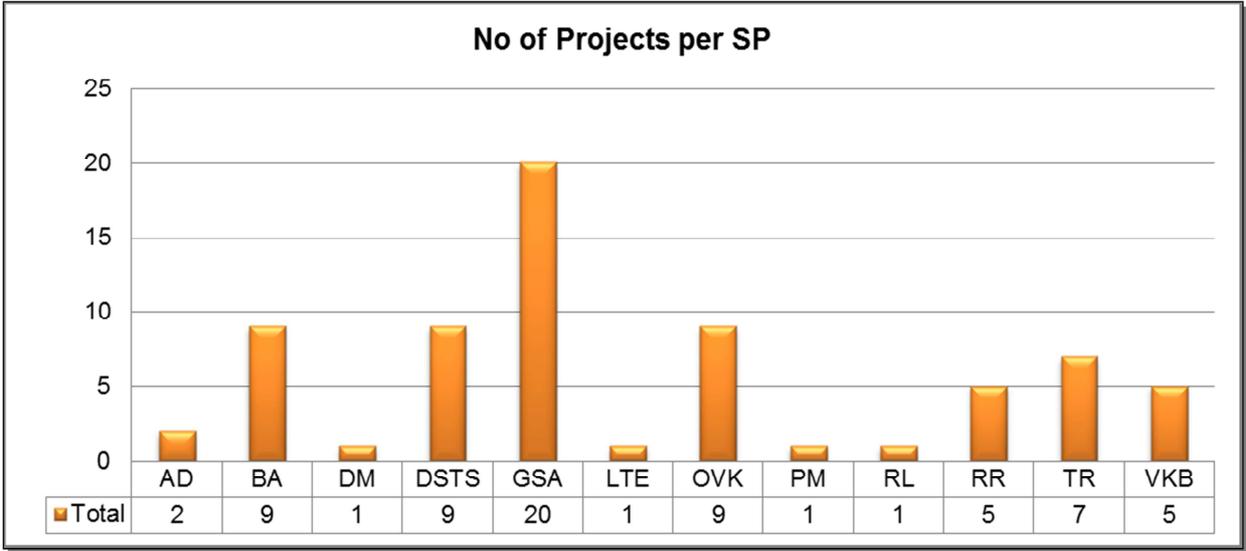


Figure 1. Number of projects under each partnership: RADP.

Since the inception of the RADP in the Free State Province, 12 partnerships have been entered into in order to develop farmers in the province to produce at commercial level and to participate in the mainstream economy within the Free State.

These partnership are Grain South Africa, Oos Vrystaat Koperasie (OVK), Vrystaat Koperasie Beperk (VKB), private companies such as Bloemfontein Abattoir (BA) and Dipalemo Strategic Trading Services (DSTS), LTE, Agridelights, Two Roads and Mentors such as Petso Mokgatle, Renier van der Linde, Werner Weideman, by and large.

It can be note that from the above, Grain SA accounts for 20 projects/farms while BA, Dipalemo and OVK account for 9 projects each under these partnerships. VKB on the other hand is responsible for 5 farms, Two Roads (TR) while the others under mentorship account for 1 projects each etc.

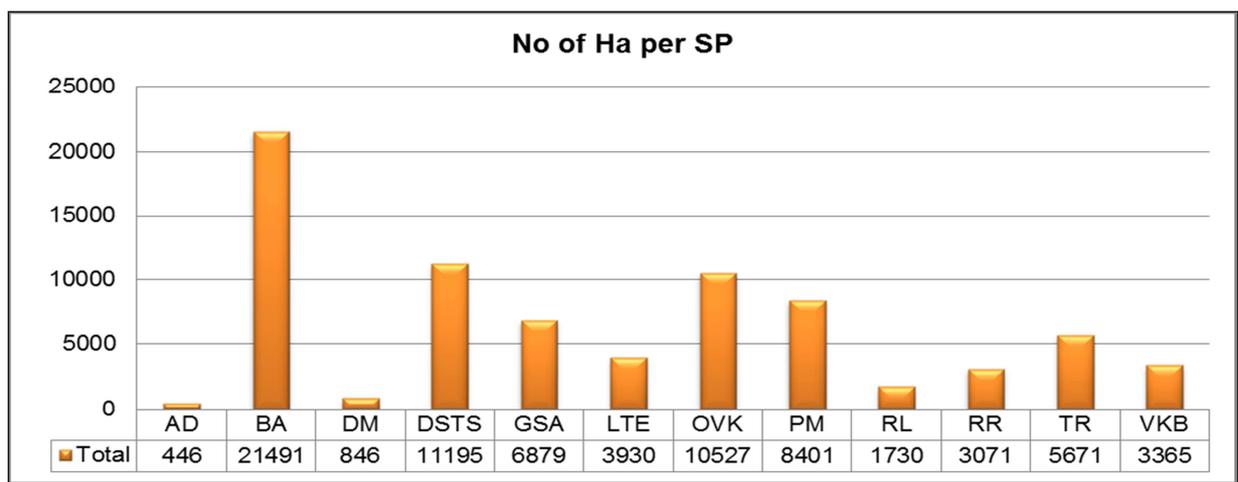


Figure 2 Total Hectares involved in all partnerships: RADP.

The total Hectorage involved in all partnerships under the RADP is over 77 000 ha. The red meat partnership with Bloemfontein Abattoir accounts for more than 25 000 ha while the partnership with Agridelights (AD) is the least with 446 ha. This is attributed by the fact that only 2 farms are involved here and are mainly broiler production.

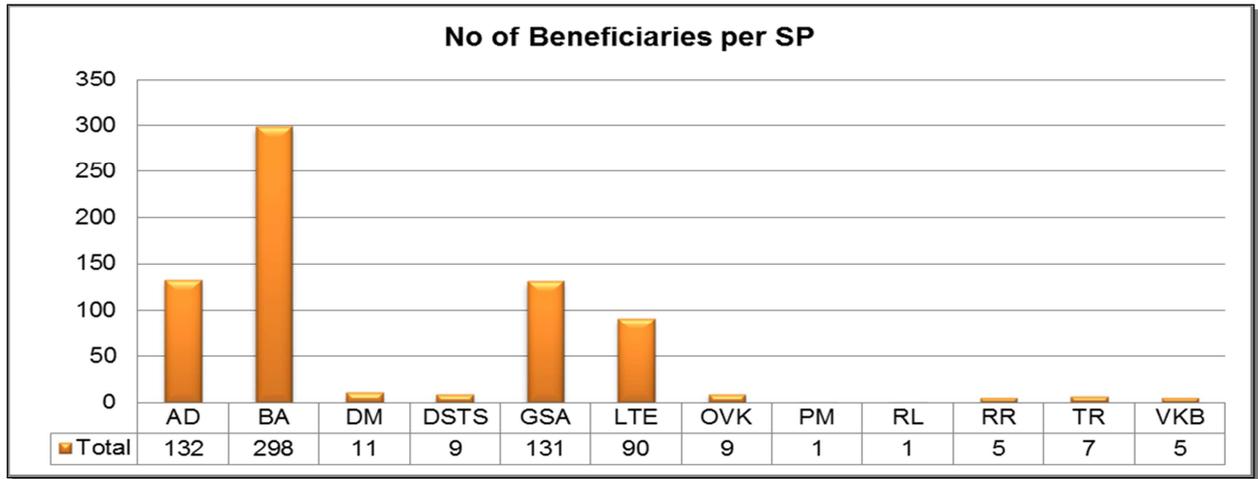


Figure 3 Number of beneficiaries.

Through the RADP, about 699 beneficiaries have been assisted. Bloemfontein Abattoir accounts for 298 beneficiaries in total while the partnership with Agri-delight and Grain SA accounts for 132 and 131 beneficiaries respectively.

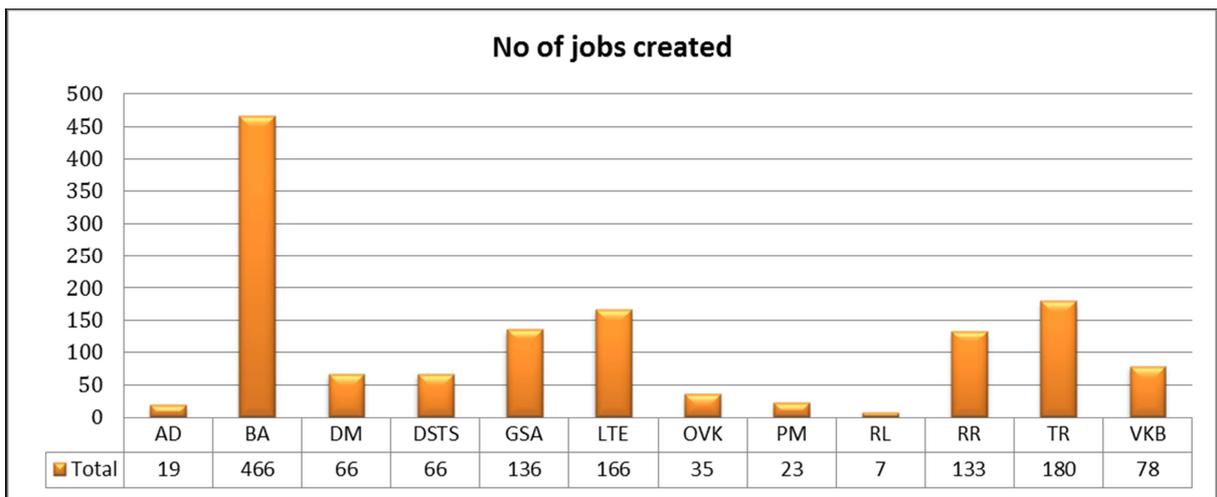


Figure 4. Jobs created per partnership: RADP

The RADP programme in the FS has been able to create over 1375 jobs since the start of the programme. Due to the scope and differences between all partnerships, the number of jobs created varies distinctly. Bloemfontein Abattoir created over 466 jobs while the partnership with Renier van der Linde created the least jobs. Important to note is that these jobs range between temporary, seasonal and permanent.

7 SUMMARY OF COMMODITIES AND PROGRESS MADE THUS FAR

The Strategic Trust of the Free State province is guided by the Spatial Development Framework, the District Competitive advantage, and the Free State Agric Sector Plan and the Provincial Growth and Development Programme by and large. As a result projects during the conceptualisation of the various partnerships, were clustered according to these competitive advantages. The main commodities that support and are aligned to the Departments Strategic Thrust are:

- Red Meat Production (Cattle and sheep farming)
- Crops (Wheat and Maize farming)
- Poultry (Broilers and layers)
- Agro processing and Value adding industries.

All the 12 Partnerships find expression to these priority areas and are aligned to the vision of the department in advancing farmer development and support.

8.1. RED MEAT VALUE CHAIN

Extent of Land: To date under this commodity, there are 43 farms involved of which the majority are of livestock orientation. The total extent of land involved is just over 40 000 hectares. The farms are spread within the 5 Districts within the Free State Province.

Production: Before the RADP, all the farms collectively were in possession of 2 735 cattle and 2 402 sheep. After the RADP intervention since 2009, the production levels increased to 5 985 cattle and to 9 546 sheep respectfully.

Commercialization: Many of these farms are stocked to carrying capacities of the farms under review. The weaner rate of these farms on average is between 80-90% while on the sheep many have exceeded 150% production rates. These farms supply many local feedlots and abattoirs within the respective regions.

In line with the Red Meat Value Chain, these farms will be linked to Bloemfontein Abattoir through a 30% equity partnership and off take/suppliers agreement.

Job creation: This commodity as a result of this intervention has seen the creation of 245 permanent jobs and 1103 temporary jobs.

8.2. CROP PRODUCTION

Extent of Land: To date under this commodity, there are 20 farms involved and are all crop producers . The total extent of land involved is just over 6 879 hectares. The farms are spread within the 3 Districts within the Free State Province namely, Thabo Mofutsanyane, Lejweleputswa and Mangaung.

Production: Before the RADP, only 957 ha could be planted. After the RADP intervention since 2009, production levels rose to 2074 ha of crop planted.

Commercialization: Many of these farms since the RADP managed to make a yield albeit not very high due to the drought that struck the Free State Province in some parts over the last two years. To date the total yield achieved is 1 651 tons of maize and wheat. The produce was sold through off-take agreements with local cooperatives.

Job creation: This commodity as a result of this intervention has seen the creation of 52 permanent jobs and 182 temporary jobs.

8.3 POULTRY

Extent of Land: Only 2 farms under this commodity are involved. The total extent of land involved is 4 377 hectares. The 3 farms are located within two Districts within the Free State Province namely Lejweleputswa and Fezile Dabi Districts. Only one of the 3 projects though is productive, the other 2 are still in the inception stage.

Production: Under this commodity, 220 000 broilers are produced per 6 week cycle. A total of just over 1.5 million broilers per annum are being produced under this commodity.

Commercialization: An off-take agreement with a local abattoir CC Chickens has been concluded. The farm involved contributes 20% of the total throughput of the abattoir in question.

Job creation: This commodity as a result of this intervention has seen the creation of 140 permanent jobs and 78 temporary jobs.

9. STRATEGIC PARTNERSHIP PERFORMANCE IN FREE STATE

9.1. BLOEMFONTEIN ABATTOIR/VUKANI

The Project involves 11 farms from the Free State Province which are located within the different local municipalities. The beneficiaries were all selected across the different land reform programmes namely, Restitution, LRAD and PLAS. The Department has through the Recapitalization and development Programme, appointed a Strategic Partner named Bloemfontein Abattoir to recapitalize and develop selected land reform farms thereby ensuring:

This is the first Strategic Partnership established in the Free State and it was mainly thought of as a pilot project. The partnership involves **21 491 hectares** of land scattered across four District Municipalities. The farms under the partnership were initially acquired through LRAD, Restitution & PLAS. To date, the partnership has been funded with a total amount of **R50 847 636.08** through the RADP. The money was used for Infrastructure Development, Mechanisation, Vehicles and Tractors as well as Operating Capital including livestock acquisition.

Prior to RADP, the combined total of livestock on the affected farms equalled **303** cattle & **925** sheep. Through the RADP intervention, the livestock numbers have increased to **1798** cattle and **2713** sheep. The total Income generated by the farmers to date amounts to **R3 271 828.66**.

Under this partnership alone, the Return on Investment (RoI) has been the creation of **764 jobs** translating to **684 temporary** & **88 permanent**. A total number of **12 Youth** and **12 Women** have benefited from this partnership.

9.2 DIPALEMO STRATEGIC PARTNERSHIP

The Dipalemo Strategic Partnership is an equity arrangement that commenced in February 2011. The partnership was mainly for the advancement of farmers in the livestock and grain commodities. For the livestock production, the intention was and remains that of linking producers to the initiated Red Meat Value Chain.

The partnership involves 9 farms covering 4 District Municipalities with a combined area of **11 195** hectares. The total investment by the Department to date has been an amount of **R30 325 845.00** with the Strategic Partner making an own contribution of over **R8 000 000.00**.

Prior to RADP, the combined total of livestock on the affected farms **219** cattle & **445** sheep. Through the RADP intervention, the livestock numbers have increased to **993** cattle and **3612** sheep. The total Income generated by the farmers to date amounts to **R3 178 046** as a result of the sales of livestock. No income was realised from the crop due to the losses incurred as a result of the drought that was experienced by many farmers in the Free State.

The total number of jobs created as a result of this investment has been **424 temporary jobs** and **115 permanent jobs**.

9.3 GRAINSA MENTORSHIP

A significant partnership under the RADP is that of Grain South Africa and the Department of Rural Development. This partnership commenced in 2011. The aim of the partnership is to mainstream land reform aided farmers in grain production.

The partnership involves 20 farms covering 4 District Municipalities namely Lejweleputswa, Thabo Mofutsanyane, Mangaung and Fezile Dabi with a combined area of **6 879** hectares. The total investment by the Department to date has been an amount of **R 51 801 047**.

Prior to RADP, the combined hectares that the framers could put under production was **957** hectares only. Through the RADP intervention, the managed to increase their hectorage to 2074.

The total Income generated by the farmers to date amounts to **R 9 565 635** as a result of the sales of crops produced. Only 4 farms have not generated any income due to the fact that they entered the programme late towards the financial year of 2012/13.

The farmers could have made much improvement but due to the drought experienced during the second crop, they made some losses.

The total number of jobs created as a result of this investment has been **52** permanent jobs and **182 temporary jobs**.

9.4 DABULA MANZI

Dabula Manzi is a Mentorship arrangement between a certain Mr Werner Weideman and his farm workers initiated in 2011 firstly through the acquisition of the farm Joubert's Park through PLAS as well as the recapitalization of the farm. The farm is located in the Lejweleputswa District Municipality and comprises **846 ha** in extent. The acquisition of the farm was primarily for the intention of developing **16 farm workers** and their. The former owner Mr Werner Weideman was appointed as a mentor for purposes of assisting the farmers with the on-going development of farm.

Since the acquisition of the farm, a total amount of **R7 587 606.01** has been invested through RADP. While the funds were primarily aimed at on-farm production, the resultants of the investment yielded even greater results. The partnership successfully planted two wheat crops of **185 ha** and two maize crops **100 ha**, since the RADP. The income was derived from Wheat: **R 7,098,173**; Potatoes: **R 1,121,642** and Cattle Sales were **R 21,129**. The total job created under this partnership is **66**.

9.5 OVK STRATEGIC PARTNERSHIP

The Oos Vrystaat Koperasie involves 9 farms under this partnership. The partnership is mainly for the advancement of farmers in the livestock and grain commodities. For the livestock production, the intention was and remains that of linking producers to the initiated Red Meat Value Chain.

The partnership involves 9 farms covering the Xahriep and Thabo Mofutsanaye District Municipalities with a combined area of **10 527** hectares. The total investment by the Department to date has been an amount of **R 14 782 999**.

Prior to RADP, the combined total of livestock on the affected farms **182** cattle & **250** sheep. Through the RADP intervention, the livestock numbers have increased to **424** cattle and **1 864**

sheep. The total Income generated by the farmers to date amounts to **R 4 765 500** as a result of the sales of livestock and crops.

The total number of jobs created as a result of this investment has been **35 permanent jobs** and **140 temporary**.

9.6 VKB STRATEGIC PARTNERSHIP

The Vrystaat Koperasie Beperk involves 5 farms under this partnership. The partnership is mainly for the advancement of farmers in the livestock and grain commodities. For the livestock production, the intention was and remains that of linking producers to the initiated Red Meat Value Chain.

The partnership involves 5 farms located within Thabo Mofutsanaye District Municipalities with a combined area of **3 365** hectares. The total investment by the Department to date has been an amount of **R 12 778 241.00**

Prior to RADP, the combined total of livestock on the affected farms **631** cattle. Through the RADP intervention, the livestock numbers have increased to **753** cattle. No income has been realised as yet because the partnership only started in 2012 and have not yet sold any weaners. The farms are still in the early production stage.

The total number of jobs created as a result of this investment has been **78**

9.7. AGRIDELIGHTS

Agridelights is involved with two projects in the Free State. One PLAS project and a SLAG project. The significance of this partnership involves the production of 220 000 slaughter chicks/broilers with an off-take agreement with CC Chickens abattoir in Kroonstad.

The farm is located with the Lejweleputswa District. The total Hectares involves is 428 Ha with the main commodity being broiler production. The total investment by the Department to date is an amount of **R 12 254 314** for both projects.

The total production by the farm Gelukspan is the production of over **2 000 000** broilers . The farm has increased its performance over the last year since acquisition with the mortality rate being significantly reduced.

No income has been realised for the Itekeng SLAG project which as they are still in the early production stages. For the farm Gelukspan, the turnover generated per cycle is just over **R3 200 000**.

The total number of jobs created as a result of this investment has been **54 Jobs** combined while Gelukspan creates **19** jobs.

9.8. LTE ENERGY Pty (Ltd)

LTE Energy Pry (Ltd) is involved with one project in the Free State Province. This partnership aims to establish 45 Pig farmers and 45 Chicken farmers and linked to a central farm with each chicken farm having a stock of 2,500 chickens and each pig farmer a stock of 275 pigs.

The farm is located with the Lejweleputswa District. The total Hectares involves is 3930 Ha with the main commodity being broiler and piggery production. The total investment by the Department to date is an amount of **R 25 719 904**.

No income has been realised for the LTE project as they are still in the early production stages.

The total number of jobs created as a result of this investment has been **166 Jobs** combined which constitute 121 permanent jobs and 45 temporary jobs.

9.9. TWO ROADS CONSULTING

Two Roads Consulting have seven farms under their partnership. The partnership is mainly for the advancement of farmers in the livestock and grain commodities.

The partnership involves 7 farms located within Lejweleputswa and Fezile Dabi District Municipalities with a combined area of 5 671, 1721 hectares. The total investment by the Department to date has been an amount of **R 17 441 200**.

Prior to RADP, the combined total of livestock on the affected farms was **377** cattle and **131** Sheep. Through the RADP intervention, the livestock numbers have increased to **393** cattle and **205** sheep and **250** ha crops where harvested. The crop farm generated an income of **R**

1 560 082.00 and no income has been realised from the livestock farmers as yet because the partnership only started in 2012 and have not yet sold any weaners. The farms are still in the early production stage.

The total number of jobs created as a result of this investment has been **23** permanent jobs and **183** temporary/seasonal workers.

9.10. RENOSTER RIVIER

Renoster Rivier have five farms under their partnership. The partnership is mainly for the advancement of farmers in the livestock commodity.

The partnership involves 5 farms located within Fezile Dabi District Municipalities with a combined area of **3071, 5159** hectares. The total investment by the Department to date has been an amount of **R 10 417 840**.

Prior to RADP, the combined total of livestock on the affected farms was **201** cattle and **60** Sheep. Through the RADP intervention, the livestock numbers have increased to **619** cattle and **72** sheep. Three of the farms generated an income of **R 186 182.31** and the other two had no income as one is a stud farmer and the other have not sold any weaners. The farms are still in the early production stage.

The total number of jobs created as a result of this investment has been **15** permanent jobs.

9.11. RENIER VAN DER LINDE/SIZALO BONSMARA

Sizalo Bonsmara consists of only one farm under the mentorship of Renier van der Linde. The mentorship is mainly for the advancement of the farmer in the livestock, grain and Bonsmara Stud commodities. The mentorship is located within the Thabo Mofutsanyane District Municipalities with area of **1730, 3334** hectares. The total investment by the Department to date has been an amount of **R 3 711 000**. Prior to RADP, there was no sheep on the farm. Through the RADP intervention, the livestock numbers have increased to **400** sheep and **111** ha crops were harvested with a harvest of **300 tons** of maize and **15 tons** of soya. This generated an income of **R 1 250 000.00**. The total number of jobs created as a result of this investment has been **9** permanent jobs.

9.12. PETSU MOKHATLA/OUDEFONTEIN

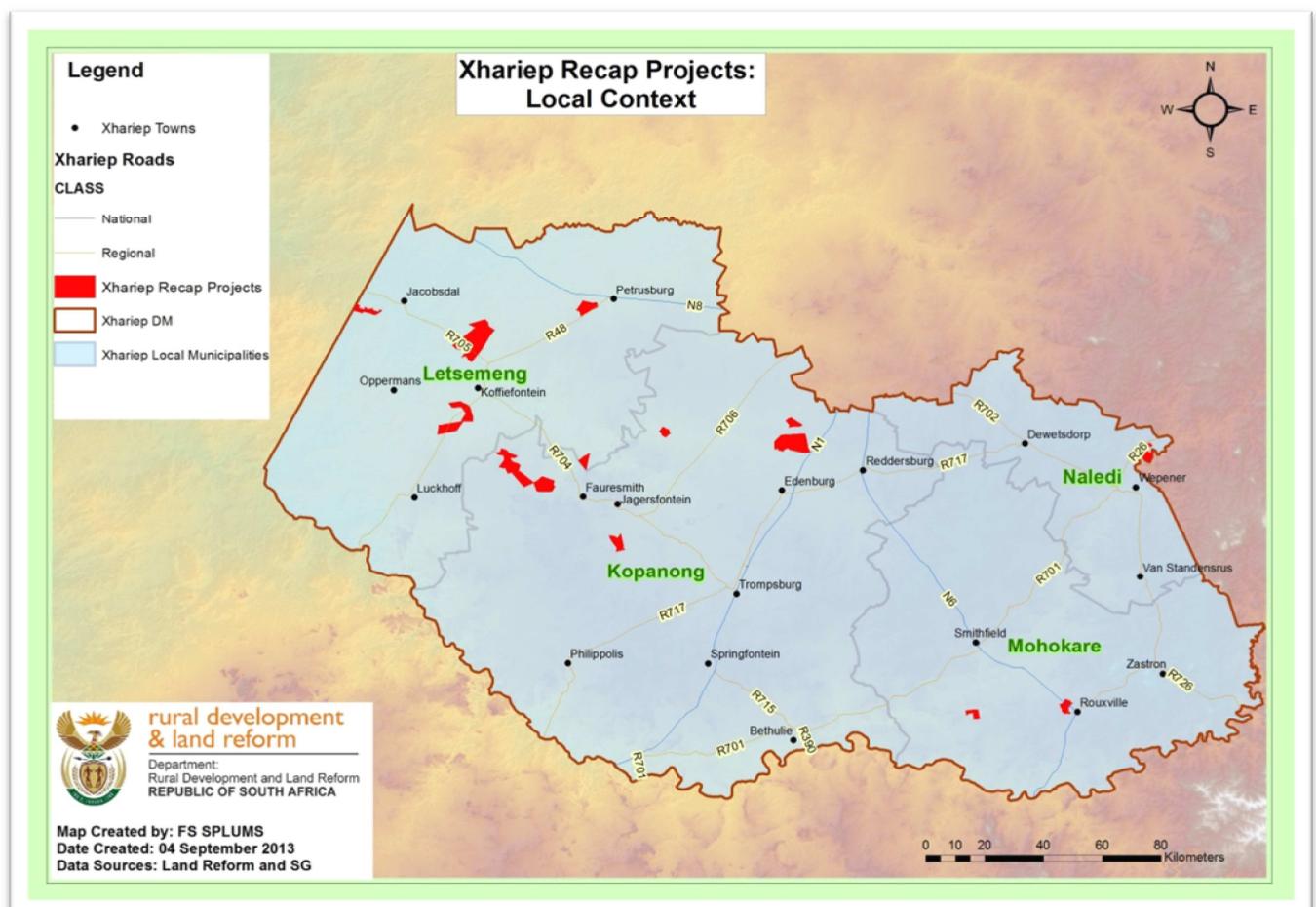
The farm Oudefontein under the mentorship of Petso Mokhatla was established mainly for the advancement of the farmer in the livestock and grain commodities.

The mentorship involves only the farm Oudefontein farms located within the Xhariep District Municipalities with a combined area of 8 212, 6255 hectares. The total investment by the Department to date has been an amount of **R 918 474.37**.

Prior to RADP, there were **36** sheep on the farm. Through the RADP intervention, the livestock numbers have increased to **350** sheep and **50** ha crops were planted. No income has been realised for the project as they are still in the early production stages. The total number of jobs created as a result of this investment has been **23** permanent jobs and **4** temporary/seasonal workers.

10. District Context Xhariep

MAP 2: DISTRICT CONTEXT: XHARIEP



Xhariep District Municipality forms the southern part of the Free State Province and is one of 4 district municipalities (apart from the metropolitan municipality) in the Free State. It covers the largest area and has the smallest population in the Free State, making it the least densely populated district in the province. Lejweleputswa District Municipalities forms the northern border of Xhariep with Tokologo Local Municipality and Mangaung Metropolitan Municipality bordering it to the north. Lesotho forms the eastern boundary whilst the Eastern Cape and Northern Cape borders it to the southern and western side of Xhariep. Important to note is that the Xhariep District is one of the 23 Districts prioritised by the state to accelerate development. The four Local Municipalities in the Xhariep District are, Naledi, Mohokare, Kopanong and Letsemeng.

10.1. XHARIEP DISTRICT: RADP PROJECTS

PROJECT	GRANT TYPE	DISTRICT	LOCAL AUTHORITY	HECTARES	NO OF BENEFICIARIES
Smokkeldraai	PLAS	Xhariep	Naledi	1834	1
Bethany	Restitution	Xhariep	Kopanong	5333	200
Valhope	PLAS	Xhariep	Kopanong	4414.7014	1
Brandewynskuil	PLAS	Xhariep	Kopanong	2422.2434	1
Ongegund	PLAS	Xhariep	Kopanong	1659.0000	1
Vlakwater	PLAS	Xhariep	Kopanong	1995.0000	1
Nieuwejaarskraal	PLAS	Xhariep	Kopanong	666.3818	1
Voorwaarts	PLAS	Xhariep	Mohokare	784.3121	1
Steenbokvlakte	PLAS	Xhariep	Kopanong	856.5320	1
Middelkraal & Pantfontein	PLAS	Xhariep	Letsemeng	4027.9660	1
Zandmartin's Drift	PLAS	Xhariep	Kopanong	856.5320	1
Riet River	PLAS	Xhariep	Letsemeng	1184.1962	1
Enon	PLAS	Xhariep	Mohokare	1068.5560	1
Oudefontein	PLAS	Xhariep	Letsemeng	8401.7210	1

There is a total of 14 farms under the Recapitalization Programme involved in the Xhariep District. These are involved in various enterprises ranging from Livestock (Large and small stock production and Grains. This is in line with the District Competitive advantage which makes it opportune for these enterprises. The farms involved are PLAS farms with a total thirteen (13) Lessees with the exception of Bethany which is a land Restitution case which involves about 200 claimant families.

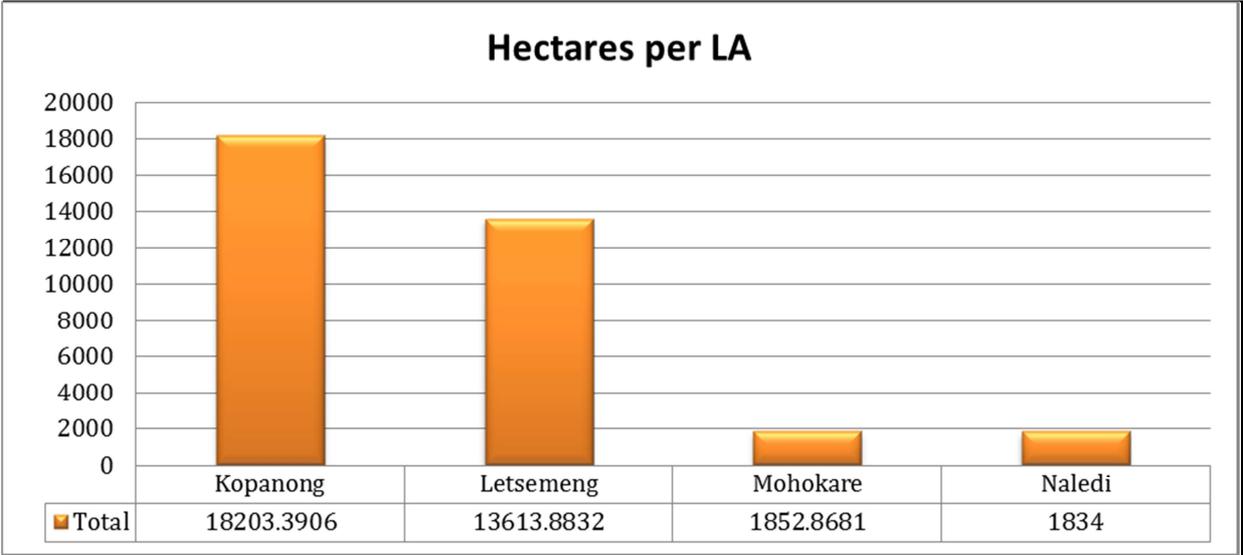


Figure 5. Hectares under RADP per Local Authority

Of the four local authorities in Xhariep, Kopanong Municipality have the highest hectares under RADP with a total of 18 203, 3906 hectares followed by Letsemeng Municipality with 13 613, 8832 ha and Mohokare and Naledi Municipalities with 1852, 8681 and 1834 hectares respectively.

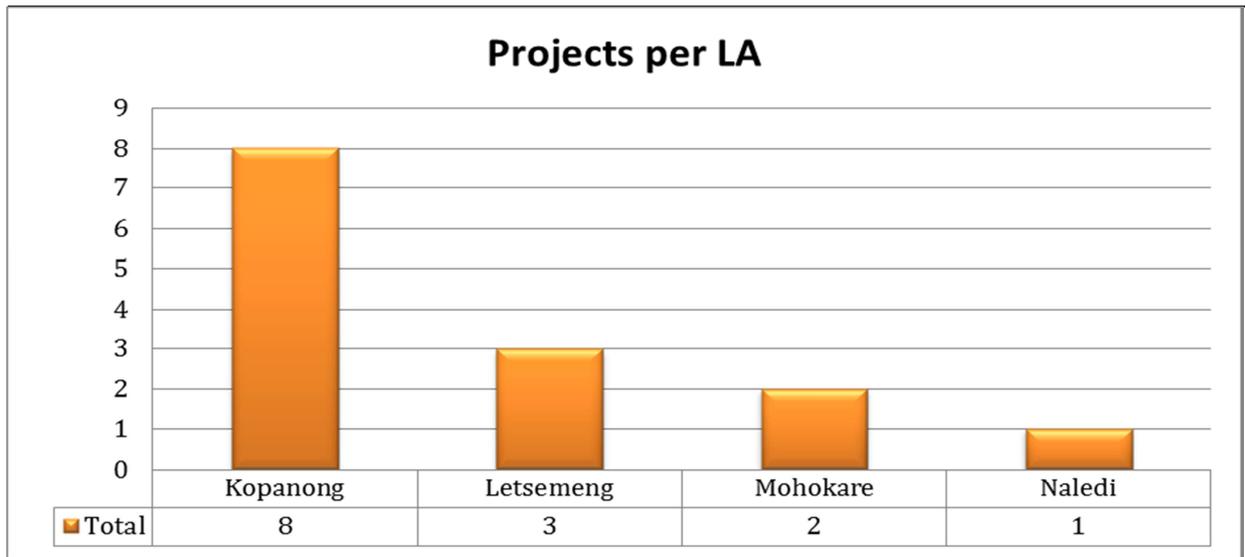


Figure 6. Projects per Local Authority

The Xhariep District boasts the most projects under the RADP. As can be noted, the majority of farms under the RADP in the Xhariep District are located within the Kopanong Local Municipality while the least are located within the Naledi Local Municipality.

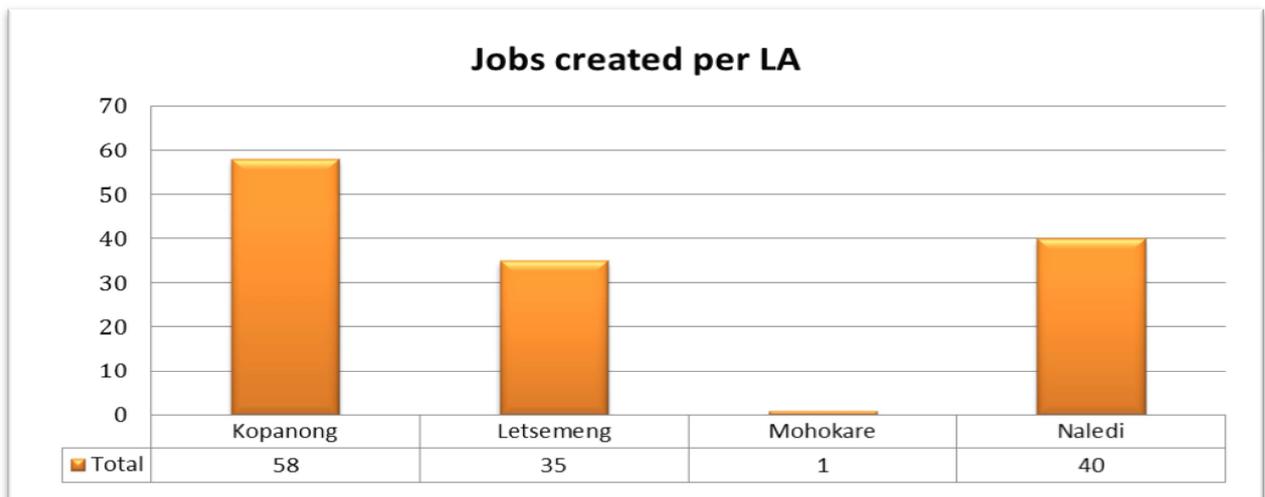
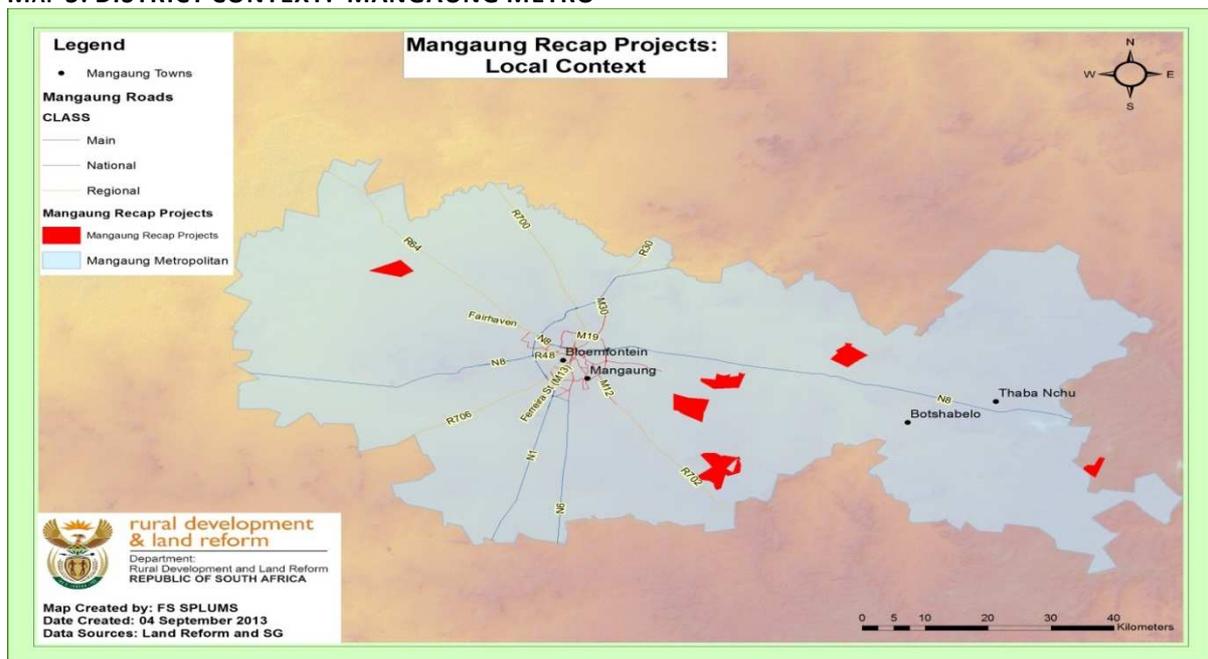


Figure 7. Jobs created per LA

In the District under evaluation, 58 Jobs were created in the Kopanong Local Municipal area as a result of the RADP intervention followed by 40 jobs in Naledi while the least were created in Mohokare.

11. MANGAUNG METRO

MAP 3: DISTRICT CONTEXT: MANGAUNG METRO



Mangaung Metropolitan Municipality shares its borders with Xhariep District, Lejweleputswa District, and Thabo Mofutsanyane District as well as internationally with Lesotho. This beautiful district is composed of rivers, lakes, mountains, nature reserves and a rich rural agricultural base. Development in the municipality is characterised by vast inequalities and ranges from good services in certain areas to very poorly serviced areas.

11.1. MANGAUNG: RADP PROJECTS

PROJECT	GRANT TYPE	DISTRICT	LOCAL AUTHORITY	HECTARES	NO OF BENEFICIARIES
Mieliespruit	PLAS	Mangaung	Mangaung	1226	1
Lower Malaika	PLAS	Mangaung	Mangaung	1277	1
Swaartkoppies	PLAS	Mangaung	Mangaung	1731	1
Cecilia	PLAS	Mangaung	Mangaung	2312	1
Eaton	PLAS	Mangaung	Mangaung	501.6123	1
Vergezocht	PLAS	Mangaung	Mangaung	1064.2024	1

There is a total of 6 farms under the Recapitalization Programme involved in the Mangaung Metropolitan area. These are involved in various enterprises ranging from Livestock (Large and small stock production and Grains. Livestock though is the most involved given the linkage to the Red Meat Value Chain Project which was initiated in the area under scrutiny. This is in line

with the District Competitive advantage which makes it opportune for these enterprises. The farms involved are all PLAS farms with a total of only (6) Lessees.

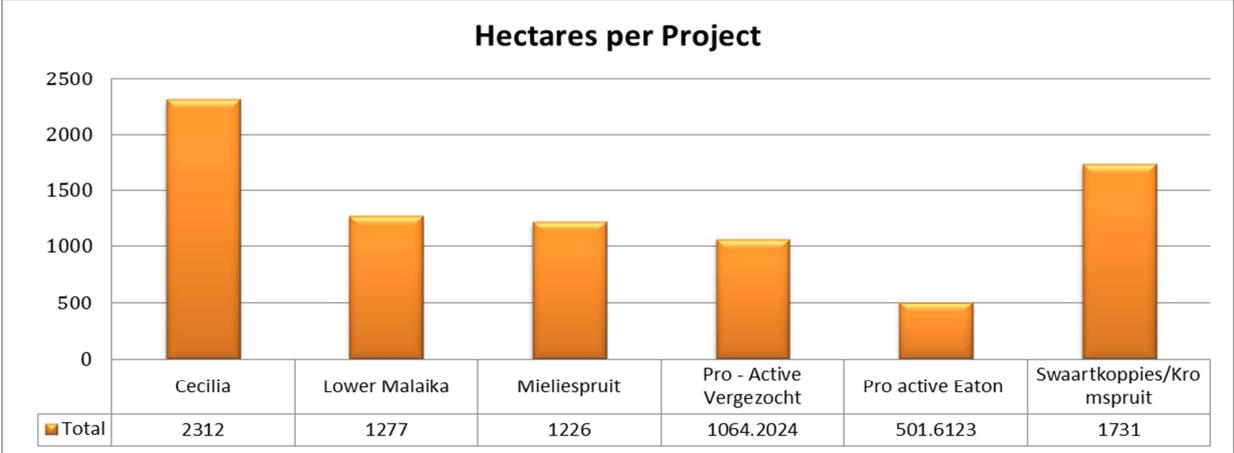


Figure 8. Hectares per project under RADP

The Mangaung Metro boasts 6 farms that are under the Recapitilization and Development Programme. These are Cecilia, Lower Malaika, Mieliespruit, Vergezocht, Eaton and Swartkoppies. The total hectares involved in the Mangaung Metro are 8 111.00. The farm with the most land under the RADP programme in Mangaung are Cecilia with 2 312 Ha, followed by Lower Malaika and the project with the least hectares is Eaton with 501 hectares.

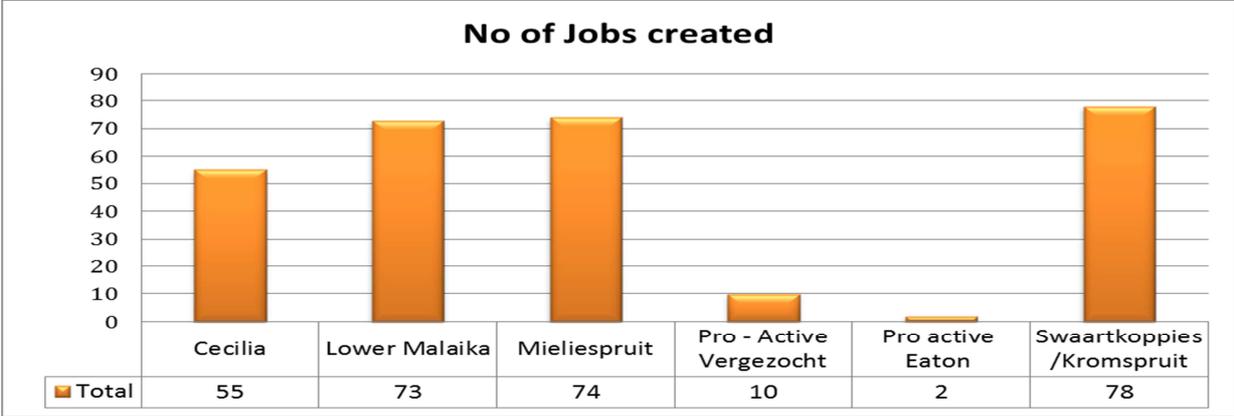
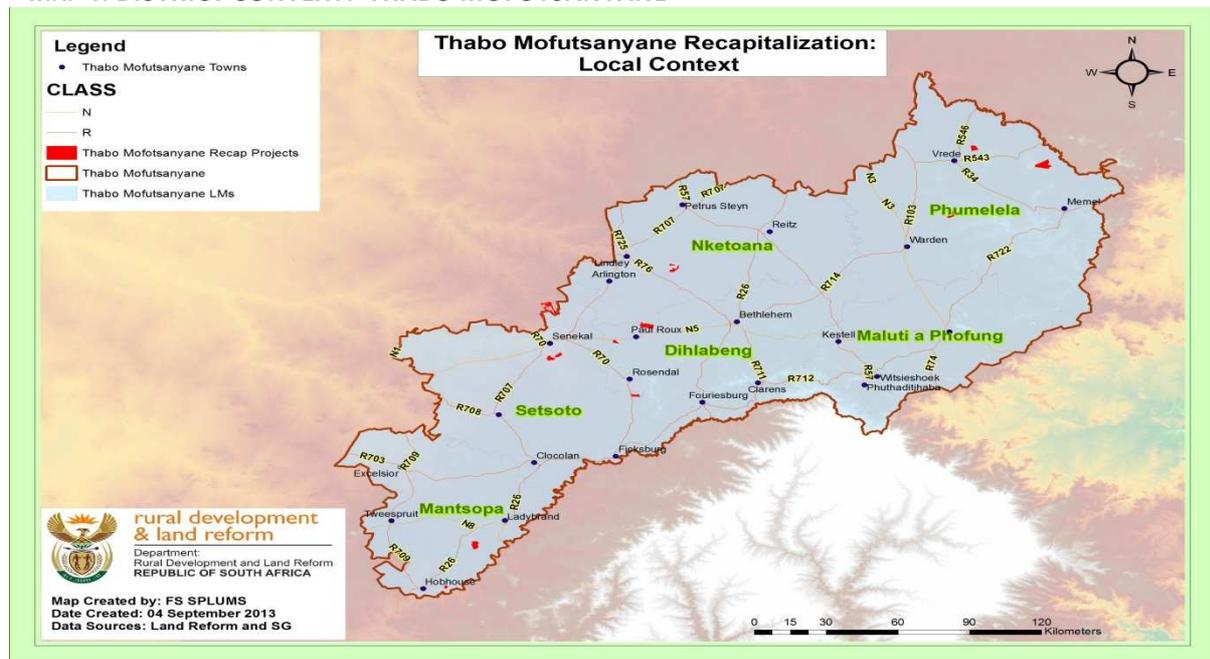


Figure 9. Jobs created per project under RADP.

In the Mangaung Metro, a total of 292 Jobs were created as a result of the RADP intervention followed. 6 projects are located within the Mangaung Metro. These are, **Mieliespruit, Lower Maliki, Kromspruit, Cecilia, Eaton and Vergezocht.** These are under 3 of the partnerships namely **Dipalemo Strategic Trading Services, Bloemfontein Abattoir and Grain South Africa.**

12. THABO MOFUTSANYANE DISTRICT

MAP 4: DISTRICT CONTEXT: THABO MOFUTSANYANE



Thabo Mofutsanyane District forms the north eastern part of the Free State Province and is one of five district municipalities in the Free State. With the exception of Xhariep district municipality, it is bordered by three other district municipalities of the province namely, Motheo (now part of Thabo Mofutsanyane) in the south, Lejweleputswa in the west and Fezile Dabi in the north. Other borders include Lesotho in the south east, Kwa-Zulu Natal in the East and Mpumalanga in the north east.

Thabo Mofutsanyane has been divided into six local municipal areas since 2011, with Setsoto forming the south western middle section, Dihlabeng the south middle section, Nketoana the north middle section and Maluti a Phofung the south eastern section and Phumelela the north eastern section then lately Mantsopa Local Municipality that was recently added in the South western part of the district due to the Municipal re demarcation process.

12.1. THABO MOFUTSANYANE: RADP PROJECTS

PROJECT	GRANT TYPE	DISTRICT	LOCAL AUTHORITY	HECTARES	NO OF BENEFICIARIES
Zoopjefontein	LRAD	Thabo Mofutsanyane	Setsoto	1965	31
Matasane Selekisho William	LRAD	Thabo Mofutsanyane	Setsoto	388.2745	2
Motsima and Nyambose Farming	LRAD	Thabo Mofutsanyane	Setsoto	75.4819	6
Taaso Family Trust	LRAD	Thabo Mofutsanyane	Setsoto	596.5746	12
Pro - Actvie Astoria	PLAS	Thabo Mofutsanyane	Setsoto	517.3364	1
Dipali Family Trust	LRAD	Thabo Mofutsanyane	Setsoto	256.9596	8
Pro -Active Gelukshoek	PLAS	Thabo Mofutsanyane	Mantsopa	184.1544	1
Pro-active Verzamelkop	PLAS	Thabo Mofutsanyane	Mantsopa	898.8362	1
Lourentia	PLAS	Thabo Mofutsanyane	Phumelela	598.8358	1
Bronkorsfontein	PLAS	Thabo Mofutsanyane	Nketoana	638.4665	1
Roodekrans	PLAS	Thabo Mofutsanyane	Setsoto	382.2289	1
Langverwacht	PLAS	Thabo Mofutsanyane	Tswelopele	649.9403	1
Spyoenkop	PLAS	Thabo Mofutsanyane	Dihlabeng	1095.8330	1
Gasvrij	PLAS	Thabo Mofutsanyane	Phumelela	1730.3334	1

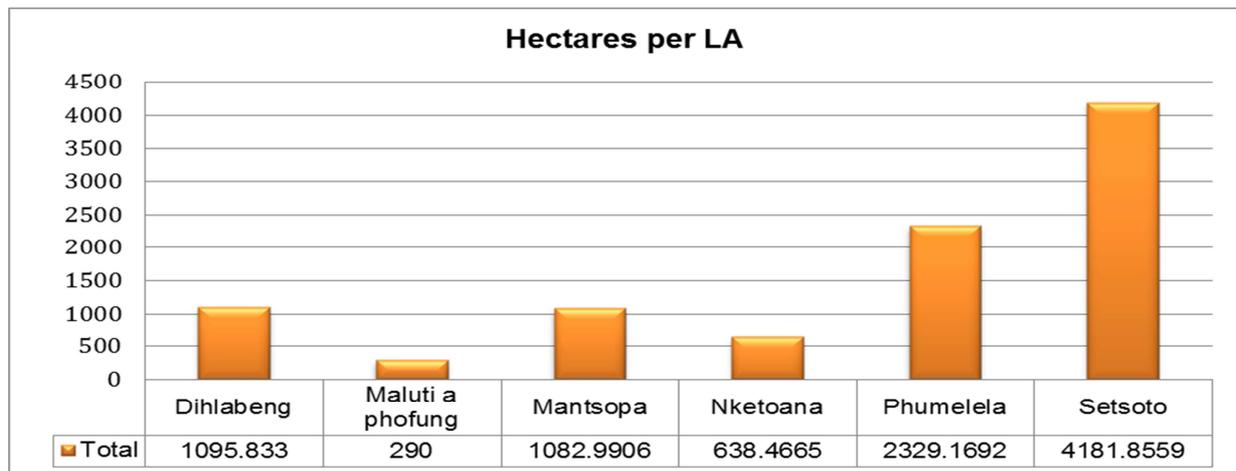


Figure 10. Hectares under RADP per local authority.

In Thabo Mofutsanyane a total of 10 268. 2555 hectares of land falls under RADP. Most of this RADP farms are located in Setsoto Municipality with a total of 4 181, 8559ha under RADP followed by Phumelela Municipality with 2 329, 1692ha, Mantsopa Municipality with 1 082, 9906ha, Dihlabeng Municipality with 1 095,833ha, Nketoana municipality with 638, 4665ha and Maluti-a-Phofung Municipality with the least at 290 hectares.

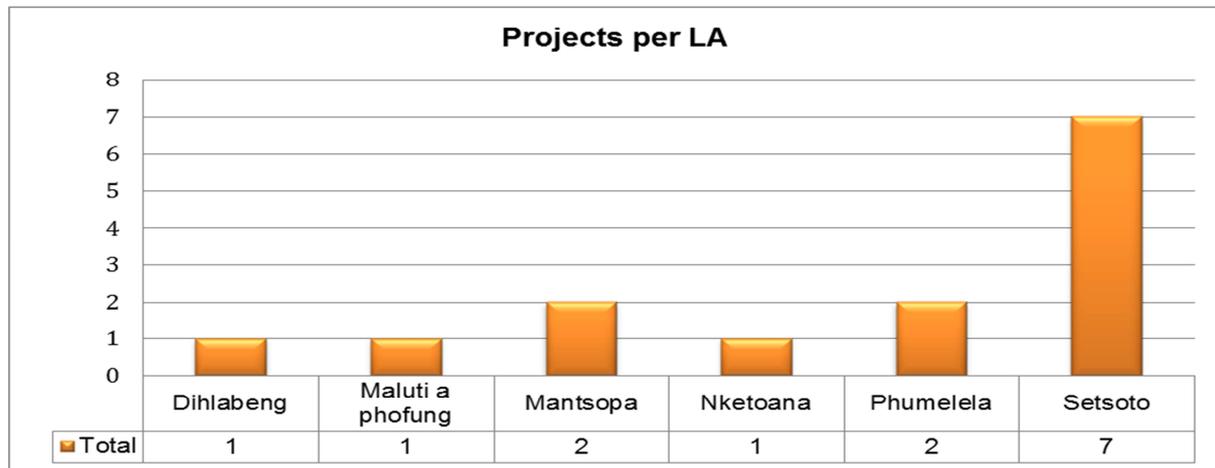


Figure 11. Projects under RADP per local authority.

Setsoto Municipality also have the most farm under RADP with a total of 7, followed by Phumelela and Mantsopa with Dihlabeng, Maluti-a-Phofung and Nketoana with one project each.

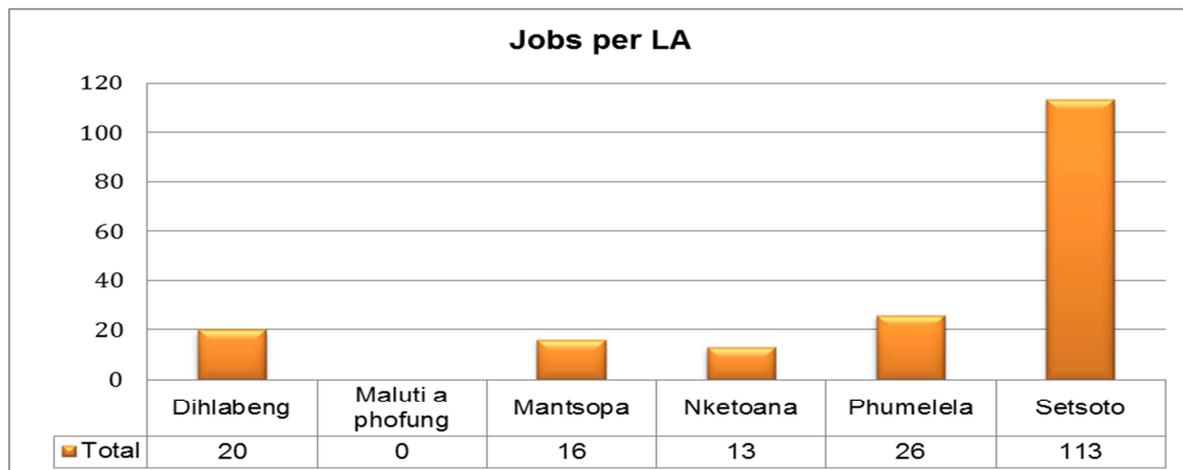


Figure 12. Jobs under RADP per local authority.

12. Jobs under RADP per local authority.

In Thabo Mufutsanyane Municipality a total of 188 jobs were created after RADP intervention with the most jobs in Setsoto Municipality, followed by Phumelela Municipality with 26, Dihlabeng Municipality with 20 and the remaining in Municipalities share 29.

PROJECT	GRANT TYPE	DISTRICT	LOCAL AUTHORITY	HECTARES	NO OF BENEFICIARIES
Kokoma Family Trust	LRAD	Lejweleputswa		279.9760	14
Maphira Trust	LRAD	Lejweleputswa	Masilonyana	337.1367	13
Monnane Trust	LRAD	Lejweleputswa	Masilonyana	202.8565	8
Ramoholi Family Trust	LRAD	Lejweleputswa	Masilonyana	214.1330	9
Ralekhetha	Stateland	Lejweleputswa	Masilonyana	78.0000	1
Mafabatho Farming CC (Mafabatho)	LRAD	Lejweleputswa	Nala	439.7592	10
Gelukspan	PLAS	Lejweleputswa	Nala	428	1
Schoonvlakte	PLAS	Lejweleputswa	Tokologo	679.2265	1
Tweefontein	PLAS	Lejweleputswa	Masilonyana	1111.8285	1
Gannapan	PLAS	Lejweleputswa	Tokologo	352.1218	1
Korrelkop	PLAS	Lejweleputswa	Tokologo	751.9224	1
Krompsruit	PLAS	Lejweleputswa	Tokologo	1040.9626	1
Kroomspruit	PLAS	Lejweleputswa	Tokologo	687.8409	1
Rosmead	PLAS	Lejweleputswa	Masilonyana	155.7355	1
Ramarumo Moalosi	LRAD	Lejweleputswa	Masilonyana	287.0716	1
Tebalo Makubo	LRAD	Lejweleputswa		290	1
HH Kutlwanong/Lukhanyiso	LRAD	Lejweleputswa	Matjhabeng	3930	90

There is a total of 27 farms under the Recapitalization Programme involved in the Lejweluputswa District. These are involved in various enterprises ranging from livestock and grain production. This is in line with the District Competitive advantage which makes it opportune for these enterprises. The farms involved are a mixture of PLAS, SLAG and LRAD farms with a total of 273 lessees.

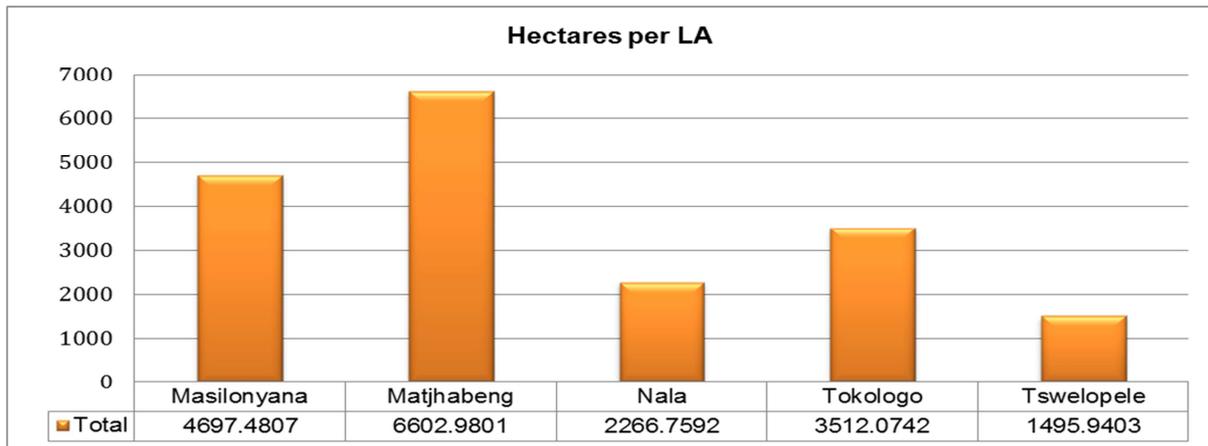


Figure 13. Hectares under RADP per local authority.

In Lejweleputswa District there's a total of 18 205, 2702ha of land under RADP. Matjhabeng Municipality have 6 602, 9801ha under RADP followed by Masilonyana Municipality with 4 697, 4807ha, Tokologo Municipality with 3 512, 0742 and Nala and Tswelopele Municipalities with 2 266, 7592 and 1 495, 9403 respectively.

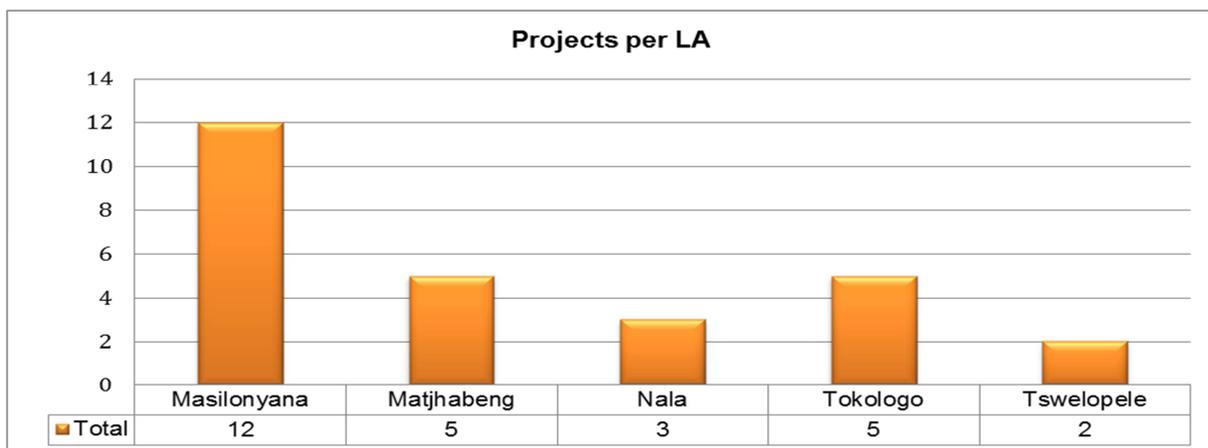


Figure 14. Projects under RADP per local authority.

Masilonyane Municipality also have the most farms under RADP with 12, followed by Matjhabeng and Tokologo Municipalities with 5 each, Nala municipality with 3 and Tswelopele Municipality have the least with only 2 projects.

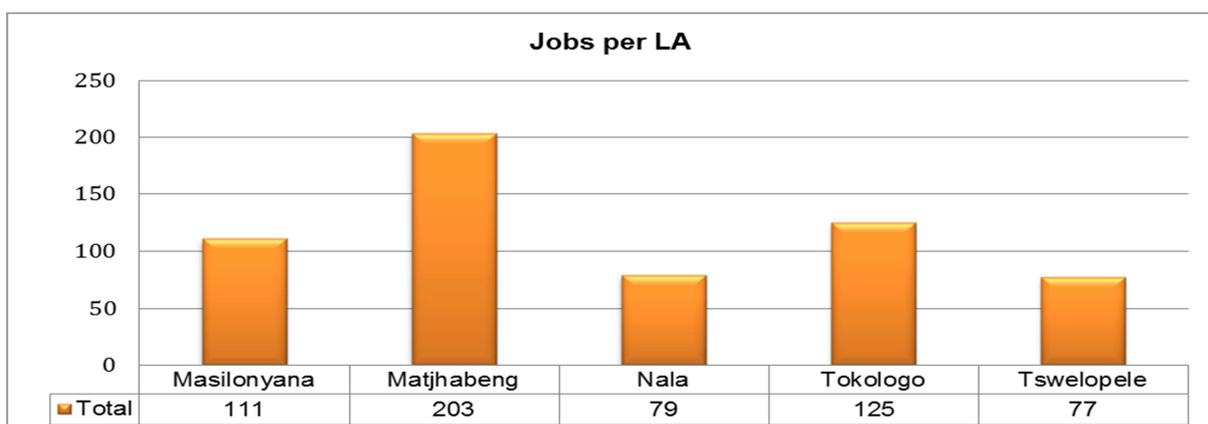


Figure 15. Jobs under RADP per local authority.

Olievenfontein	PLAS	Fezile Dabi	Moqhaka	700	1
Vergenoeg	PLAS	Fezile Dabi	Moqhaka	476.5159	1
Eleventh Street	PLAS	Fezile Dabi	Ngwathe	750	1

There is a total of 7 farms under the Recapitalization Programme involved in the Fezile Dabi District Municipality. These are involved in various enterprises ranging from livestock and grain production. This is in line with the District Competitive advantage which makes it opportune for these enterprises. The farms involved are all PLAS farms with a total of 16 lessees/Beneficiaries.

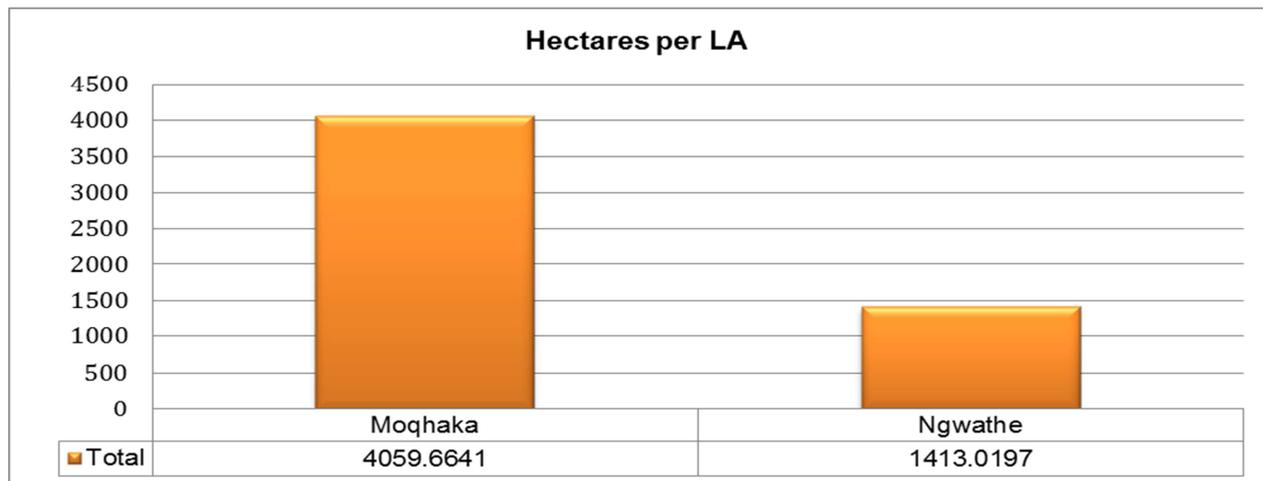


Figure 16. Hectares under RADP per local authority.

Of the four Local Municipalities in Fezile Dabi only two have RADP projects consisting of 5 628,6838ha. Moqhaka municipality have the most with 4 059, 6641ha and Ngwathe Municipality have 1 413, 0197ha

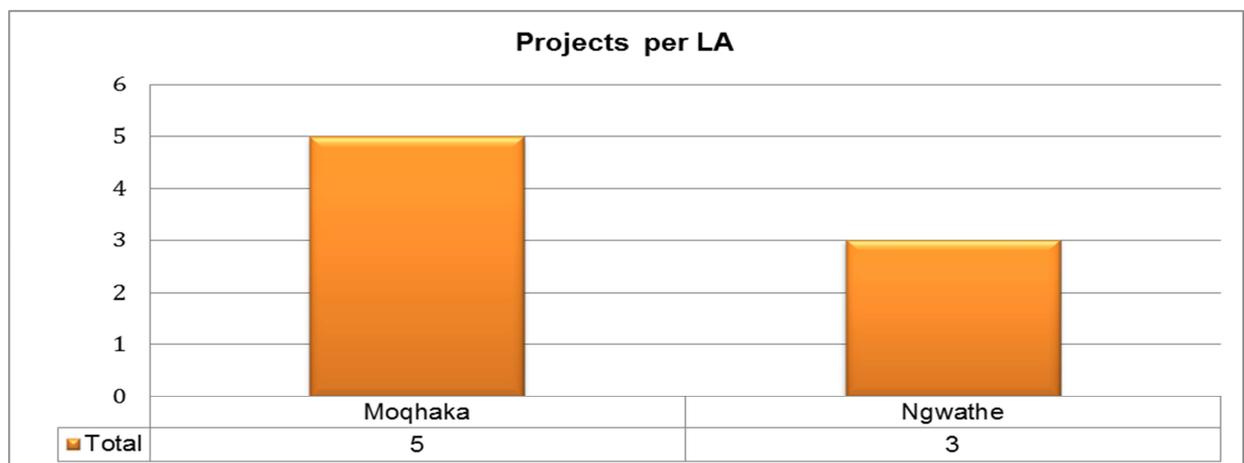


Figure 17. Projects under RADP per local authority.

Fezile Dabi District have 8 projects under RADP. Moqhaka Local Municipality have 5 and the rest are in Ngwathe Local Municipality with 3 RADP projects.

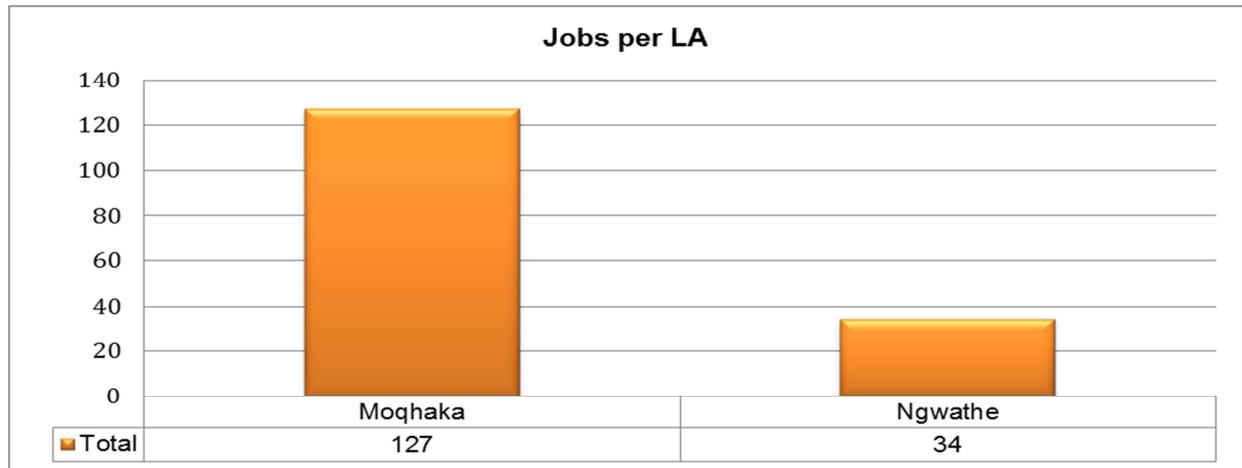


Figure 18. Jobs under RADP per local authority.

In the Fezile Dabi District Municipality a total of 161 jobs were created after RADP intervention with the most jobs in Moqhaka Local Municipality with 127 jobs, followed by Ngwathe Local Municipality with 34.

15. RADP PROJECTS PERFORMANCE UNDER DIFFERENT PARTNERSHIPS



15.1 BLOEMFONTEIN ABATTOIR

15.1.1. Bethany:

Bethany is a restitution case and is owned by the Bethany CPA (Communal Property Association). The farm is located within the Xhariep District and falls under the Kopanong local municipality. The total number of claimants involved is **200 Households**. The farm is **5333 Hectares** in extent.



Through the Recapitalisation programme and the Farmer Development initiative, the

CPA was assisted to maximise the production potential of the farm through various enterprises such as livestock and vegetation. The main farm enterprise is sheep farming with Dohne Merino being the dominant breed. Before the RADP the farmers owned only **648 SSU**. To date they have a total of **1159 SSU**. The total investment made on the farm in terms of RADP is **R9 700 000.00**

15.1.2. Kromspruit:

The farm Kromspruit farm is one of the farms under the Bloemfontein Abattoir Strategic Partnership. The lessee of the farm is Mr Isaac Lebusa who also benefits from the RADP. The farm is located within the Mangaung Metro which is the former Motheo District. Through the RADP intervention, the farmer was assisted to maximise the production potential of the farm through livestock production. The farm comprises **1731 ha** of grazing with the main enterprises being beef and sheep. Prior to the RADP intervention, the farmer was only in possession of **9 LSU**. To date, Mr Lebusa owns **510 LSU's**. The total investment made is **R 4 571 711.00**. The turnover of this farm thus far is **R1 315 000.00** since the RADP in 2010. The farms weaner rate is over 80%. Through the RADP intervention, the total number of **jobs** created amounts to **78**.



15.1.3. Mealiespruit:

The farm Mealiespruit is a PLAS farm and has been allocated to Mr William Tlhapuletsa as the lessee. The farm is located within the Mangaung Metro Municipality. Through the RADP, the farmer was assisted to maximise the production potential of the farm through livestock. The farm comprises **1040 ha of grazing** and **175 ha of arable land**. The total investment that the DRDLR made through RADP is **R2 267 397.00**. The main enterprise on the farm is beef while the predominant breed is Bonsmara Cattle. Before the RADP, the farmer had **124 LSU's** and after RADP he now boasts **362 LSU's**. The turnover on the farm currently is **R318 735.00**. Total **jobs** created are **74** which include both permanent and temporary positions.



15.1.4. Cecilia:

The farm Cecilia is a PLAS farm and was since allocated to Mr Zach Tsubane as the lessee. Through the RADP the farmer was assisted to maximise the production potential of the farm through livestock. The farm comprises of **2300 ha** grazing. The main enterprise is beef farming with Bonsmara cattle.



Prior to the RADP, the farmer had **79 LSU**. This increased to **284 LSU** as a result of the RADP intervention. The production levels are over 80% and the turnover of this farm is **R447 000.00**. The **jobs** created are **55**.

15.1.5. Lower Malaika:

The farm Lower Malaika is a PLAS farm and is allocated it to Mr John Ntulini as the Lessee. The farm is located within the Mangaung Metro. Through the RADP, the farmer was assisted to maximise the production potential of the farm through livestock. The farm comprises of **1278 ha** of grazing. The main enterprise is beef with Bonsmara cattle.



Before the RADP the farmer owned **244 LSU's** after RADP the farmer now owns **386 LSU's and 386 SSU's**. The farms turnover is **R251 000.00**. The total investment that the DRDLR made through RADP is **R3 946 000.00**. The farms production level is well over 80% production rate and **jobs** created are **73**.

15.1.6. Mokhachane CPA:

The Farms Rothenburg, Avignon, Hughenon and Brakport were acquired to address land restitution imperatives in terms of Act 22 of 92 for the claimant family Mokhachane. The farm is located within the Lejweleputswa District and falls under the Nala local municipality. Through the RADP programme the farm was



assisted to maximise the production potential of the farm through livestock. The farms are **1399 Ha** in extent. The farm comprised of **800 ha grazing** and **600 ha of arable land**. The main farm activities are beef, sheep and crop farming. Bonsmara cattle and Mutton Merino are the main breeds. Before the RADP, the farm had **0 LSU's** and after the RADP, the farm boasts **148 SSU's and 153 LSU's**. The total investment by the DRDLR is **R3 052 000.00** and to date the total turnover is **R251 643.00**. The total **jobs** created are **50**.

15.1.7. Valhope:

Valhope farm is PLAS farm and has been allocated to Mr Zaf frulah Jamaludeen as the lessee. The farm is located within the Xhariep District and falls under the Kopanong local municipality. Through RADP programme, the farmer was assisted to maximise the production through livestock. The farm is comprised of **4392 ha** grazing. The main



activity is beef and sheep farming with Bonsmara and Nguni cattle as well as Dorper and Merino sheep. Before the RADP, the farmer owned **400 SSU and 140 LSU**. After RADP, the farmer now owns **554 LSU** and **1525 SSU's**. The total investment made thus far is **R5 617 000.00**. The farms turnover is **R777 572.00**. The total **jobs** created are **66** thus far.

15.1.8. Smokkeldraai:

The farm Smokkeldraai is a PLAS farm and is allocated to Mr John Muller as the lessee. The farm is located within the Xhariep District and falls under the Naledi local municipality. Through the RADP programme, the farmer was assisted to maximise the production potential of the farm



through various enterprises such as livestock. The farm is comprises **208 ha** under irrigation, **150 ha arable** and **1475 ha of grazing**. The main activity is livestock and crop. Before RADP, the farmer owned **100 LSU and 43 SSU**. After RADP, The farmer maintained his 100 LSU, 40 SSU with the production of **100 tons of wheat** and **30 tons of maize**. To date the total investment made is **R7 408 000.00**. The **jobs** created thus far are **40**.

Challenges:

- The beneficiary's lack of transparency as well as the lack of effectively executing his duties and responsibilities compounded the current situation.
- The beneficiary's total lack of and disregard and not adhering to the approved business plan is the source of non-compliance as the basis of all funds approved is the business plan.
- This led to the break in relationship as a result the Strategic Partner withdrew from supporting the farmer but only administered the funds.
- The beneficiary traded with some of the production and failed to declare the income in order to reconcile it with the whole plan. This had a serious bearing on future plans of the farm going forward. Production discipline and regard for business rules was lacking.

15.1.9. Zoopjesfontein:

Zoopjesfontein farm is an LRAD farm and is owned by Mokolobane Farming PTY Ltd. The farm is part owned by the workers and the Sekhoto Family. The total number of beneficiaries is 31. The farm is located within the Thabo Mofutsanyana District and falls



under the Setsoto Local Municipality. Through the RADP, the farmer was assisted to maximise the production potential of the farm under the various enterprises namely, beef, sheep, crops, dairy and orchards. The farm is comprised of **1304 ha grazing and 660 ha of arable land**. The total investment on the farm is **R14 900 000.00**. The farm runs several lines such as beef, sheep, dairy, crop and apple orchards. The combined turnover of the farm thus far is **R3 727 000.00**. The **jobs** created since the RADP is **66**. The farm currently experiences financial losses given its structure and personal gearing by the farmer. This has had a very negative impact on the income of the farm. The farm has stabilised but continues to operate under financial strain.

Challenges:

- The beneficiary's lack of transparency as well as the lack of effectively executing his duties and responsibilities compounded the current situation.
- The beneficiary's total lack of and disregard and not adhering to the approved business plan is the source of non-compliance as the basis of all funds approved is the business plan.
- This led to the break in relationship as a result the Strategic Partner withdrew from supporting the farmer but only administered the funds.
- The farm's structure continues to stress other operational areas as such requires high inputs in particular because a loan from ABSA that was taken after RADP as such strains the income.
- Not only did the farmer not comply but also encumbered the farm with other creditors and made agreements with private parties without the SP's knowledge. Summons and claims followed and the SP felt that that this would lead to his reputation being tainted and made a call to withdraw. Production discipline and regard for business rules was lacking.

15.2. GRAINSA

15.2.1. Tsokolibane:

The farm Merino is located in Lejweleputswa District. The local municipality is Matjhabeng. The farm was bought through LRAD and it measures 1056.9482ha. The property has a title deed in the name of Mr Job Tsokolibane who is currently under the Strategic Partnership with Grain SA. The partnership's primary goal is to advance black emerging farmers in grain production. Through RADP the total investment made is R4 417 976 and 10 jobs were created. The income generated amounts to R396 000.00.



15.2.2. Dipali:

The farm Concordia No. 39 is located within the Thabo Mofutsanyane District. The local municipality is Setsoto. The farm was bought through LRAD and it measures 256.9596ha. The property is owned by the Dipali Family Trust whom are currently under the Strategic Partnership with GrainSA. The partnerships primary goal is to advance black emerging farmers in grain production. To date, the total investment through RADP funds is R1 994 861.00 and 1 job was created. Through RADP intervention, an income generated amounts to R708 504. 00.

15.2.3. Kokoma:

Wolverdrukk farm is located within Lejweleputswa District. The local municipality is Nala. The farm was bought through LRAD programme and it measures 279.9760ha. The property has a title deed in the name of Kokoma family trust (11 beneficiaries) who is currently under the Strategic



Partnership with GrainSA. The partnerships primary goal is to advance black emerging in Grain production. To date, the total investment through RADP funds is R2 811 035.00 and 5 jobs were created. Through RADP intervention, an income generated amounts to R1 062 995.00.

15.2.4. Mafabatho:

The farm Jacobsdal is located in the Lejweleputswa District. The local municipality is Nala. The farm was bought through LRAD programme and it measures 439.7592ha. The property has a title deed in the name of Mafabatho farming CC (10 beneficiaries) who are currently



under the Strategic Partnership with Grain SA. The partnerships primary goal is to advance black emerging farmers into the Grain production. To date the total investment through RADP funds is R3 394 852.00 and 10 jobs were created. Through RADP intervention, an income generated amounts to R300 000.00.

15.2.5. Maphira:

The farm Vadersgift is located in the Lejweleputswa District. The local municipality is Masilonyana. The farm was bought through LRAD programme and measures 337.1367ha. The property has a title deed in the name of Maphira trust (13 beneficiaries) who is currently under the Strategic Partnership with GrainSA. The



partnerships primary goal is to advance black emerging farmers into the Grain production. To date, the total investment through RADP funds is R1 774 685.00 and 10 jobs were created. Through RADP intervention, an income generated amounts to R611 990.00.

15.2.6. Matasane:

The farm Verblijding is located in Thabo Mofutsanyane District. The local municipality is Setsoto. The farm was bought through LRAD programme and measures 388.2745ha. The property has a title deed in the name of Mata sane Trust (2 beneficiaries) which is currently under the Strategic Partnership with Grain SA. The



partnerships primary goal is to advance black emerging farmers into the Grain production. To date, the total investment through RADP funds is R2 826 052.00 and 8 jobs were created. Through RADP intervention, an income generated amounts to R1 448 800.00.

15.2.7. Modukanele:

The farm Bryan is located in the Lejweleputswa District. The local municipality is Masilonyana. The farm was purchased through LRAD programme and measures 170.1270ha. The property has a title deed in the name of



Modukanele Trust (12 beneficiaries) which is currently under the Strategic Partnership with Grain SA. The partnerships primary goal is to advance black emerging farmers into the Grain production. To date, the total investment through RADP funds is R2 272 779.00 and 7 jobs were created. Through RADP intervention, an income generated amounts to R149 600.00.

15.2.8. Monnane:

The farm Hoogeveld is located in the Lejweleputswa District. The local municipality is Masilonyana. The farm was purchased through LRAD programme and it measures 202.8585ha. The property has a title deed in the name of Monnane Trust (8 beneficiaries) which is currently under the Strategic Partnership with Grain SA. The partnerships primary goal is to advance black emerging farmers into the Grain production. To date, the total investment through RADP funds is R1 664 132.00 and 14 jobs were created. Through RADP intervention, an income generated amounts to R343 344.00.

15.2.9. Vergezocht:

The farm Vergezocht is located in the Mangaung District Municipal area. The local municipality is Mangaung. The farm was purchased through PLAS programme and measures 1064.2024ha. The property is leased to Me. Lentoro who is currently under the



Strategic Partnership with Grain SA. The partnerships primary goal is to advance black emerging farmers into the Grain production. To date, the total investment through RADP funds is R7 915 988.00 and 10 jobs were created. Through RADP intervention, an income generated amounts to R1 070 000.00.

Challenges

- The beneficiary's lack of transparency as well as the lack of effectively executing his duties and responsibilities compounded the current situation.
- The beneficiary's total lack of and disregard and not adhering to the approved business plan is the source of non-compliance as the basis of all funds approved is the business plan.
- This led to the break in relationship as a result the Strategic Partner withdrew from supporting the farmer but only administered the funds.
- The beneficiary continued to transact with other parties without the knowledge of the Mentor. A lot of losses were incurred. Profits were channelled in other private business interests such as contracts from the Department of Agriculture.
- Produce was held back and not sold and this had a serious bearing on the farm operations. Production discipline and regard for business rules was lacking.

15.2.10. Mthimkulu:

The farm Astoria is located in the Thabo District. The local municipality is Setsoto. The farm was purchased through PLAS programme and measures 517.3364ha. The property is leased to Mr Mthimkhulu who is currently under the Strategic Partnership with Grain SA. The



The partnership's primary goal is to advance black emerging farmers into the Grain production. To date, the total investment through RADP funds is R2 437 121 00 and 12 jobs were created. Through RADP intervention, an income generated amounts to R693 200.00.

15.2.11. Ralekhetha:



The farm Sandvet is located in the Lejweleputswa area. The local municipality is Masilonyana. The farm is a State land farm and measures 78.00ha. The property is leased to Mr Ralekhetla who is currently under the Strategic Partnership with GrainSA. The partnerships primary goal is to advance black emerging farmers into the Grain production. To date, the total investment through RADP funds is R1 489 330.00 and 6 job were created. Through RADP intervention, an income generated amounts to R382 000.00.

15.2.12. Ramoholi:

Ramaholi Family Trust is located in Lejweleputswa district. The local municipality is Masilonyana . The farm was bought through LRAD programme and it measures 214.1330. The property belongs to the Ramoholi Trust which is currently under the



Strategic Partnership with Grain SA. The partnerships primary goal is to advance black emerging framers into the Grain production. To date, the total investment through RADP funds is R1 628 835.00 and 13 jobs were created. Through RADP intervention, the income generated amounts to R377 301.00

15.2.13. Setshego:

Setshego Family Trust is located in Lejweleputswa district. The local municipality is Masilonyana. The farm was bought through LRAD programme and is 285.2252 Hectares in extent. The property is currently under Setshego Family Trust which is currently under the Strategic Partnership with



Grain SA. The partnerships primary goal is to advance black emerging framers into the Grain production. To date, the total investment through RADP funds is R1 380 384.00 and 12 jobs were created. Through RADP intervention, an income generated amounts to R414 000.00.

15.2.14. Taaso:

The farm Concordia is situated in the Setsoto Local Municipality in the Lejweleputswa District of the Free State Province. The farm is a LRAD and is 597 Hectares in extent. The property is currently



held under Taaso Family Trust (12 beneficiaries) to Mr Jafta Taaso who is currently under the Strategic Partnership with Grain SA. The partnerships primary goal is to advance black emerging framers into the Grain production. To date, the total investment through RADP funds is R2 233 738.00 and 2 jobs were created. Through RADP intervention, an income generated amounts to R278 220.00.

15.2.15. Thakamagoa:

Thakamagoa Project is located in the Lejweleputswa district. The local municipality is Matjhabeng. The farm was purchased through LRAD programme and it measures 427.5352 hectares in extent. The property is currently under the title deed of Thakamakgoa which is currently under the Strategic Partnership with



Grain SA. The partnerships primary goal is to advance black emerging framers into the Grain production. To date, the total investment through RADP funds is R2 619 521.00 and 7 jobs were created. Through RADP intervention, an income generated amounts to R540 000.00.

15.2.16. Motsima:

The farm Lorlei is located in the Lejweleputswa District. The local municipality is Masilonyana. The farm was purchased through LRAD programme and measures 75.4819ha. The property has a title deed in the name of Motsima and Nyambose farming (6 beneficiaries) which is currently under the Strategic Partnership with Grain SA.



The partnerships primary goal is to advance black emerging farmers into the Grain production. To date, the total investment through RADP funds is R2 740 761.00 and 9 jobs were created. Through RADP intervention, an income generated amounts to R789 681.00.

15.3. RENOSTERRIVIER

15.3.1. .Benoni:

The farm Benoni is located in Fezile Dabi. The local municipality is Moqhaka. The farm is a PLAS project



and is 500 ha in extent. The property is leased to Mr Sello Patrick Gama under Renosterrivier Partnership. The partnerships primary goal is to advance black emerging farmers into commercial farmers. To date the total investment through RADP funds is R1 855 960.00. Through RADP funds, 19 jobs were created and the farm is in production stage.

15.3.2. Tot Hier Toe:

Farm Tot Hier Toe is located in Fezile Dabi. The local municipality is Ngwathe. The farm was acquired through PLAS and is 645 ha in extent. The property is leased to Mr Solomon Mosoeu under the Renosterrivier Partnership. The partnerships primary goal is to advance black emerging farmers into commercial farmers. To date the total investment through RADP funds is R2 129 620.00. Through the RADP intervention, 23 jobs were created. The farm is in production stage.



15.3.3. Olievenfontein:

Olievenfontein farm is located in Fezile Dabi. The local municipality is Moqhaka. The farm was acquired through PLAS and is 700ha in extent. The property is leased to Mr. Samuel Bae Bae Sekekete and is the under Renosterrivier Strategic Partnership. The partnerships primary goal is to advance black emerging farmers into commercial farmers. To date the total investment through RADP funds is R2 518 540.00. Through RADP funds, 42 jobs were created. The project is in production stage.



15.3.4. Vergenoeg:

Vergenoeg farm is located in Fezile Dabi district. The local municipality is Moqhaka. The farm is PLAS project and measures 465.5159 ha in extent. The property is leased to Mr Patrick Gama Phahla who is under Renosterrivier Partnership. The partnerships primary goal is to advance black emerging farmers into commercial farmers. To date the total



investment through RADP funds is R1 464 900.00. Through RADP funds, 38 jobs were created. The farm is still in production stage.

15.3.5. Eleventh Street:

Eleventh Street farm is located in Fezile Dabi district. The local municipality is Ngwathe. The farm was acquired through PLAS and is 750ha in extent. The property is leased to Mr. Velaphi Ratshefola and placed under the Renosterrivier Strategic Partnership.



The partnerships primary goal is to advance black emerging farmers into commercial farmers. To date the total investment through RADP funds is R2 448 820.00. Through RADP funds, 11 jobs were created. Currently the farm is in production stage.

15.3.6. Dabula Manzi

Joubert's Park farm is a PLAS farm is located in the Lejweleputswa District Municipality and falls under Tswelopele Local Municipality. The farm was acquired for 16 farm workers trading under the name Dabula Manzi. The former owner Mr Werner Weideman became the nominated mentor. The farm comprises of 846 ha in extent, 207 ha Wheat and 23 ha Potatoes were planted. Through RADP, the Department invested R 7 587 606.01 and the income generated from the production resulted in a profit of R1 300 000.00 for the lessees. To date 66 jobs were created.



15.4. OVK

15.4.1. Gelukshoek:

The farm Gelukshoek is located in Thabo Mofutsanyane District and the Mantsopa local municipality. The farm is a PLAS project and comprises **184.1544 ha** in extent. The property is leased to Mr. Masalesa under the OVK Strategic



Partnership. The partnerships primary goal is to advance black emerging farmers into commercial farmers. Prior to RADP, the farmer had 50 cattle. To date the total investment through RADP funds is **R1 173 345.00**. To date **11 jobs** were created. Currently the farm is on production stage.

15.4.2. Verzamelkop:

The farm Verzamelkop is located in Thabo Mofutsanyane District. The local municipality is Mantsopa. The farm was acquired through PLAS and comprises **898.8362 ha** in extent. The property is leased to Mr Deon Van Der Ross under the OVK Strategic Partnership. The partnerships primary goal



is to advance black emerging farmers into commercial farmers. Prior to RADP, he farmer had 130 sheep and through the RADP intervention, this has increased to 230 sheep. To date the total investment through RADP funds is **R1 685 490.00**. To date **5 jobs** were created. The income generated on the farm is R120 000.00.

15.4.3. Nieuwejaarskraal:

The farm Nieuwejaarskraal is located in the Xhariep District. The local municipality is Kopanong. The farm was acquired through PLAS and is **666.3818 ha** in extent. The property is leased to Mr. P. Lemmetjies under the OVK Strategic Partnership. The



partnerships primary goal is to advance black emerging farmers into commercial farmers. To date the total investment through RADP funds is **R1 677 795.00**. and one permanent job was created. The income generated amounts to R25 000.00

15.4.4. Voorwaarts:

The farm Voorwaarts is located in the Xhariep District and the Mohokare local municipality. The farm was acquired through PLAS and is **784.3121 ha** in extent. The property is leased to Mr B. Jaffa under the OVK Strategic Partnership. The partnerships primary goal is



to advance black emerging farmers into commercial farmers. To date the total investment

through RADP funds is **R1 020 699.00** and **1 job** was created. The income generated amounts to R120 000.00.

15.4.5. Steenbokvlakte:

The farm Steenbokvlakte is located within the Xhariep District and the Kopanong Local Municipality. The farm was acquired through PLAS and is **856.5320 ha** in extent. The property is leased to Mr F. Sexaxa under the OVK Strategic Partnership. The partnerships primary goal is to advance black emerging farmers into commercial farmers. The farmer had 70 cattle. To date the total investment through RADP funds is **R1 315 159.00** and **1 permanent** job was created. The farm is currently on production stage.



15.4.6. Middelkraal:

Middelkraal is located in Xhariep. The local municipality is Kopanong. The farm is PLAS project, the portion that is currently under Recap is Middelkraal measuring **950 ha** and the property is leased to Mr Abel March under the Strategic Partnership OVK. The



partnerships primary goal is to advance black emerging farmers into commercial farmers. Prior to RADP, the farmer had only **36 cattle and 60 sheep**. To date, he boasts **402 sheep**. The total investment through RADP funds is R968 373.00 and 2 jobs were created.

15.4.7. Zandmartin's Drift:

The farm Zandmartin's Drift is located within the Xhariep District and the Letsemeng Local Municipality. The farm was acquired through PLAS and is **856.5320 ha** in extent. The property is leased to Mr. T. Modise under the OVK Strategic Partnership. The



partnerships primary goal is to advance black emerging farmers into commercial farmers. Prior to RADP, the farmer had **50 sheep and 48 cattle**. Through RADP, the farm increased its

livestock to **153 cattle and 525 sheep**. To date the total investment through RADP funds is **R1 958 121.00**. Four jobs were created through the RADP intervention. Livestock purchased through. The farm is in production stage.

15.4.8. Riet River Settlement:

The farm Riet River Settlement is located within the Xhariep District and the Letsemeng Local Municipality. The farm was acquired through PLAS and is **1184.1962 ha** in extent. The property is leased to Mr Keith Middleton under the OVK Strategic Partnership. The partnerships primary goal is to advance black



emerging farmers into commercial farmer. The farm is mostly crop production under irrigation system. To date the total investment through RADP amounts to **R3 829 425.00**. As a result of RADP, 10 jobs were created through and a net income of **R1 300 000.00** generated.

15.4.9. Enon:

The farm Enon is located within the Xhariep District and the Mohokare Local Municipality. The farm was acquired through PLAS and is **1068.5560 ha** in extent. The property is leased to Mr S. Setlaba under the OVK Strategic Partnership. The partnerships primary goal is to advance black emerging



farmers into the Red Meat Value Chain through full participation from production, conversion and consumption through market linkages. Prior to RADP, the farmer had 13 cattle and to date, this has increased to 79. The total investment made through RADP is **R1 154 592.00**. One permanent job has been created.

15.5. AGRIDELIGHTS

15.5.1. Gelukspan:

The farm Gelukspan is a PLAS farm located in the Lejweleputswa District in the Nala Local Muinicipality. The farm is **428 ha** in extent and is leased to Mr Kagiso Mahila under the Agridelights mentorship. The farm boasts **8 chicken coops of 26 000 hens**



each which translate to **220 000 birds per cycle**. Through RADP, the farm was supported with a total once-off investment of **R6 500 000.00**. The farmer supplies CC Chickens Abattoir under an off-take agreement and contributes 20% of the throughput rate of the subjected abattoir. In total the farm produces over **1 540 000 broilers per cycle**. The farm employs **22 permanent staff and 10 seasonal workers**, the majority of which are youth. Since RADP the **turn-over** of the farm per cycle is in the region of **R3 800 000.00** depending on the mortality rate.

15.5.2. Itekeng

The properties Plot No.99, 100,103 & 104 of Veekraal Small Holdings were acquired under the SLAG programme for **131 beneficiaries**. The beneficiaries are all members of the Itekeng CPA. The farms are located in the Fezile Dabi District Municipality under the Ngwathe local municipality. The farm is **18.0197 Ha** in extent. The enterprise on the farm is broiler production. Before RADP, the on-farm production had ceased due to a lack of production finance. To date, the farm has received RADP of **R4 994 430.00**. This has gone towards the **refurbishment of 8 broiler houses** as well as production inputs. Currently the farm is not productive as the infrastructure development is underway. To date a total of **15 jobs** have been created



15.6. DIPALEMO

15.6.1. Brandewynskuil:

The farm Branderwynskuil is situated in the Kopanong Local Municipality in the Xhariep District. The farm was purchased through the PLAS program. The farm is allocated to Mrs Popi Jan as the lessee. The farm consists of **2422 ha**. The farm is under the Strategic Partnership of



Dipalemo Strategic Services. Before the RADP intervention Me. Popi Jan owned less than 100 sheep, to date Me Jan boasts more than **1000 Dorper Sheep**. The total investment made to date amount to **R 6 293 182.00** and **8 jobs** were created. To date the farm has generates an income of over **R80 000.00**. Me. Popi Jan was also nominated Female Farmer of the Year 2012.

15.6.2. Uitkyk:

The farm Uitkyk is situated in the Matjhabeng Local Municipality of the Letweleputswa District. The farm was purchased through the PLAS program. The farm is allocated to Mr. Idris Nakhoda as a lessee and comprises **859 ha** land. The farm is under the Strategic Partnership of Dipalemo Strategic Services. Prior to RADP, Mr. Nakhoda had 11 cattle and now **51 superior quality Bonsmara cattle**. Since RADP the department has invested **R2 858 288.00** and **10 jobs** were created. To date the farm has generated an income of **R1 520 200.00**.



15.6.3. Eaton:

The farm Eaton is situated in the Mantsopa Local Municipality of the Thabo Mofutsanyana District. The farm was purchased through the PLAS program and was allocated to Mr Thabo Mabaleng as the lessee. The farm comprises of **300 ha** of land. The farm is under the Strategic Partnership of Dipalemo Strategic Services. Prior to RADP, the lessee had 115 Dohne sheep and to date this has increased to 774. Since RADP, the department has invested **R 1 886 441.00** and created **12 jobs**. To date the farm has generated an income of **R 35 000.00**.



15.6.4. Fonteinloop:

The farm Fonteinloop is situated in the Masilonyana Local Municipality of the Lejweleputswa District. The farm was purchased through the PLAS program and was allocated to Mr David Thlabanelo as the lessee. The farm is comprised of **817 ha**. The farm is under the Strategic Partnership of Dipalemo Strategic Services. Before RADP the lessee had **66 cattle and 30 sheep**. To date the livestock has



increased to **220 cattle and 43 sheep**. Since RADP the department has invested **R 2 578 198.00** and **4 jobs were created**. To date the farm has generated an income of **R 1 059 520**

15.6.5. De Rust:

The farm De Rust is situated in the Moqhaka Local Municipality of the Fezile Dabi District. The farm was purchased through the PLAS program and was allocated to Mr Holomo Lebona as lessee. The farm consists of **1335 ha** in extent. The farm is under the



Strategic Partnership of Dipalemo Strategic Services. The lessee had **34 sheep and 5 cattle** of his own. To date this has increased to **366 sheep and 130 cattle**. Since RADP, the department has invested **R 3 083 413.00** and **7 jobs** were created. To date the farm has generated an income of R 365 129.58.

15.6.6. Ongegund:

The farm Ongegund is situated in the Kopanong Local Municipality of the Xhariep District. The farm was purchased through the PLAS program and was allocated to Mr Thabo Monyane as lessee. The farm consists of **1659 ha** in extent. The farm is under the Strategic Partnership of Dipalemo Strategic Services.



Prior to RADP, the farmer had not cattle while his sheep flock amounted to 71. Through the RADP, the farm stock increased to **52 cattle and 726 sheep**. Since RADP, the department has invested **R3 380 463.00** and **6 jobs** were created. To date the farm has generated an income of R28 012.31.

15.6.7. Japie:

The farm Japie is located in the Matjhabeng Local Municipality of the Lejweleputswa District. The farm was purchased through the PLAS program and was allocated to Mr Johannes Ralesekele as the lessee. The farm consists of **1328 ha** in extent. The farm is under the Strategic Partnership of Dipalemo



Strategic Services. Prior to RADP, the farmer had **20 sheep** and this has increased to **262** through the RADP intervention. Since RADP, the department has invested **R31 463 753.00** and **10 jobs** were created. To date the farm has generated an income of R 28 959.19.

15.6.8. Vlakwater:

The farm Vlakwater is situated in the Kopanong Local Municipality of the Xhariep District. The farm was purchased through the PLAS program and was allocated to Mr Elias Malefane as the lessee. The farm consists of **1995 ha** in extent. The farm is under the Strategic Partnership of Dipalemo Strategic Services. Prior to RADP, the lessee had 64 mixed-breed cattle and 52 sheep and through RADP, this has increased to 397. Since RADP, the department has invested **R5 419 481.00** and **8 jobs** were created.



15.6.9. Palmietfontein:

The farm Palmietfontein is situated in the Masilonyane Local Municipality of the Lejweleputswa District. The farm was purchased through the PLAS program and was allocated to Mr Moosa Hajat as lessee. The farm consists of **1275 ha** in extent. The farm is under the Strategic Partnership of Dipalemo Strategic Services. The lessee had **45 cattle, 10 sheep and 50 goats** of his own before RADP. Through the RADP the farm now boasts 110 cattle and 96 sheep. Since RADP, the department has invested **R3 362 626.00** and **11 jobs** were created. To date the farm has generated an income of R 56 436.50



15.7. LTE

15.7.1. Lukhanyiso

The farms Dreyers No. 445, Remaining extent of farm Langkuil No. 66 and Remaining Extent of the farm Kameeldoorns No. 402 are located in the Lejweleputswa District under the Matjabeng local Municipality. The farms are **3930 Ha** in



extent. The project is a **SLAG** project which involves **90 households**. The farm is registered under the name Kutlwanong farmers Trust. The farm is under the strategic partnership with LTE Agriculture. The development model will involve **45 pig units and 45 broiler units** which will be farmed individually but trade communally under an excellence model which is the vehicle for training, marketing and management. Before RADP, the beneficiaries were destitute and unemployed. After RADP, one of the 90 household representatives have been employed. The project is still in the development stage. The total investment made thus far is over **R25 000 000.00**. No income has been generated as production has not started. The stakeholders involved in the project are RID, REID, Matjabeng municipality and Agriculture. The total jobs created thus far are **360 permanent jobs** and **250 jobs created through infrastructure development**.

15.8. SIZALO BONSMARA

15.8.1. Gastvrij:

The farm Gastvrij No. 795 and Portion 4 of the farm Gasvrij No. 795 are PLAS farms; the farms are located in the Thabo Mofutsanyane under the Phumelela municipality. The farm is **1730 Ha**.



The main enterprise is beef. Before RADP, the farmer had 650 beef cattle and no sheep. Through RADP the farm managed to establish a **sheep** enterprise of a flock of **400**. An additional **200Ha of maize and 20 Ha soya** beans were also planted. The total invest made is R3 711 000. The total jobs created are 8.

15.9. TWO ROADS

15.9.1. Schoonvlakte:

The farm Schoonvlakte is located in Lejweleputswa District, Tokologo local municipality. The farm was acquired under PLAS and is **679 ha** in extent. The



property is leased to Mr Speelman Madoza Gama under the Two Roads Strategic Partnership. The partnerships primary goal is to advance black emerging farmers into commercial farmers. To date the total investment through RADP funds is **R1 963 000.00**. Through RADP funds, **27 jobs** were created and the farm is not yet in production due to major on-farm infrastructure upgrading. The farm will begin to produce during the second phase which is underway.

15.9.2. Tweefontein:

Farm Tweefontein is located is located in Lejweleputswa District, Masilonyane local municipality. The farm was acquired under PLAS and is **1111 ha** in extent. The property is leased to Mr Phenyo Marumo under the Two Roads Strategic Partnership. The partnerships primary goal is to advance black emerging farmers into commercial farmers. To date the total investment through RADP funds is **R3 124 000.00**. Through the funds, **34 jobs** were created and the farm is not yet in production due to major on-farm infrastructure upgrading. The farm will begin to produce during the second phase which is underway.



15.9.3. Gannapan:

The farm Gannapan is located in Lejweleputswa District, Tokologo local municipality. The farm was acquired under PLAS and is **352 ha** in extent. The property is leased to Mr Sello Isaac Mokhachane under Two Roads Strategic Partnership. The partnerships primary goal is to advance black emerging farmers into commercial farmers. To date the total investment through RADP funds is **R2 134 000.00**. Through RADP funds, **27 jobs** were created and the farm is not yet in production due to major on-farm infrastructure upgrading. The farm will begin to produce during the second phase which is underway.



15.9.4. Korrelkop:

The farm Korrelkop is located in Lejweleputswa District, Tokologo local municipality. The farm was acquired under PLAS and is **751 ha** in extent. The property is leased to Mr Lehlohonolo Jan Vis who is under Two Roads Strategic Partnership. The partnerships primary goal is to advance black



emerging farmers into commercial farmers. To date the total investment through RADP funds is **R2 015 200.00**. Through RADP funds, **27 jobs** were created and the farm is not yet in production due to major on-farm infrastructure upgrading. The farm will begin to produce during the second phase which is underway.

15.9.5. Kromspruit:

The farm Kromspruit is located in Lejweleputswa District, Tokologo local municipality. The farm was acquired under PLAS and is **1040 ha** in extent. The property is leased to Mr Mandla Job under Two



Roads Strategic Partnership. The partnerships primary goal is to advance black emerging farmers into commercial farmers. To date the total investment through RADP funds is **R2 202 500.00**. Through RADP funds, **17 jobs** were created and the farm is not yet in production due to major on-farm infrastructure upgrading. The farm will begin to produce during the second phase which is underway.

15.9.6. Kroomspruit:

The farm Kroomspruit is located in Lejweleputswa District, Tokologo local municipality. The farm was acquired under PLAS and is **687 ha** in extent. The property is leased to Mr Jan Martin van der Westhuizen under Two Roads Strategic Partnership. The partnerships primary goal is to



advance black emerging farmers into commercial farmers. To date the total investment through RADP funds is **R2 002 000.00.00**. Through RADP funds, **27 jobs** were created and the farm is not yet in production due to major on-farm infrastructure upgrading. The farm will begin to produce during the second phase which is underway.

15.9.7. Zandfontein:

The farm Zandfontein is located is located in Lejweleputswa District, Moqhaka local municipality. The farm was acquired under PLAS and is **1047 ha**



in extent. The property is leased to Mr Jack Thabang Kolatsoeu under the Two Roads Strategic Partnership. The partnerships primary goal is to advance black emerging farmers into commercial farmers. To date the total investment through RADP funds is **R4 000 000.00**. Through the funds, **21 jobs** were created. The farm is in production stage, the farmer is currently harvesting winter crops and preparing to plant winter crop. Profits have not yet been determined.

15.10. VKB

15.10.1. Lourentia:

The farm Lourentia is located within the Phumelela Local Municipality in the Thabo Mofutsanyana District of the Free State Province. The farm was acquired through the PLAS program. The farm measure over **598 ha** and is held under lease by Mr Bias Tsoetsi. The farm is currently under the VKB Strategic Partnership. Since RADP the department has invested **R2 685 943.00** and **19 jobs** were created. The farm is now in production stage.



15.10.2. Bronkhorstfontein:

The farm Bronkhorstfontein is located within the Nketoana Local Municipality in the Thabo Mofutsanyana District of the Free State Province. The farm was acquired through the PLAS program. The farm measure over **638 ha** and is held under lease by Mr Velaphi Makate. The farm is currently under the VKB Strategic Partnership. Prior to the Recapitalization and Development Programme, the farm was dormant with no production taking place. Since the RADP the department has invested **R2 719 482.00** and **13 jobs** were created. The farm is still in production stage.



15.10.3. Roodekrans:

The farm Roodekrans is located within the Setsoto Local Municipality in the Thabo Mofutsanyana District of the Free State Province. The farm was acquired



through the PLAS program. The farm measure over **382 ha** and is held under lease by Mr David Matobako. The farm is currently under the VKB Strategic Partnership. Prior to the Recapitalization and Development Programme, the farm was operating at 30% production rate. Since the RADP the department has invested **R 3 421 447.00** and **15 jobs** were created. The farm is still in production stage.

15.10.4. Langverwacht:

The farm Langverwacht is located within the Tswelopele Local Municipality in the Thabo Mofutsanyana District of the Free State Province. The farm was acquired through the PLAS program.



The farm measure over **649 ha** and is held under lease by Mr Joshua Mokoena. The farm is currently under the VKB Strategic Partnership. Prior to the Recapitalization and Development Programme, the farm Langverwacht was used for grazing of a mixed herd of cattle. Since RADP the department has invested **R2 760 536.00** and **11 jobs** were created. The farm is still in production stage.

15.10.5. Spyoenkop:

The farm Spyoenkop is located within the Dihlabeng Local Municipality in the Thabo Mofutsanyana District of the Free State Province. The farm was acquired through the PLAS program. The farm measures **1095**



ha and is held under lease by the Dishweshwe Tsa Dikorong Cooperative. The farm is currently under the VKB Strategic Partnership. Prior to the Recapitalization and Development Programme, the farm Spyoenkop was merely used for grazing for livestock belonging to beneficiaries. The intervention of the Recapitalization and development Programme resulted in an increase of cattle from **132** to a total of **192**. Since RADP the department has invested **R 1 190 833.00** and **20 jobs** were created. The farm is still in production stage.

15.11. PETSOK MOKGATLA

15.11.1. Oudefontein:

The farm Oudefontein is located within the Letsemeng Local Municipality in the Xhariep District of the Free State Province. The farm was acquired



through the PLAS program. The farm measures **8 401,7210 ha** and is held under lease by Mr. Lefa Thlapuletsa. The farm is currently under Petso Mokgatla as the mentor. The intervention of the Recapitalization and development Programme resulted in a crop of **50 ha** of maize being planted and **200** sheep where purchased. Since RADP the department has invested **R 918 474.00** and **23 jobs** were created. The farm is still in production stage.

Challenges

- The beneficiary's lack of transparency as well as the lack of effectively executing his duties and responsibilities compounded the current situation.
- The beneficiary's total lack of and disregard and not adhering to the approved business plan is the source of non-compliance as the basis of all funds approved is the business plan.
- Based on the observations made thus far, it is clear that the farmer presides over farm operations and the role of the Mentor is almost non-existent.
- The RADP approval was meant for the planting of Maize as the farm was acquired with production stock i.e 400 cattle, however an amount of **R280 440.00** was used for the purchase of Merino sheep which constituted a deviation from the Business plan. There was also a major loss due to the application of Roundup on a maize crop which did not require this application. This resulted in a dispute between the mentor, the beneficiary and a third party who advised on the application of Roundup. The loss of maize is a major financial loss and a setback for the farm. Production discipline and regard for business rules was lacking.

16. LESSONS LEARNED

During the implementation of the program key deliverables were identified, which are: Policy Issues, Implementation, Compliance Issues and perception by farmers.

The following are lessons learned

16.1 Policy Issues

The RAD policy was approved in 24 March 2011 and it was workshopped and implemented across the country by different stakeholders (Farmers, Strategic Partners and Officials). This policy identified key deliverables or requirements, which are Interventions (Recapitalization and Development) Two interventions which are Strategic Partnership and Mentors.

The policy put more emphasis on the risk sharing model between the Strategic Partners, Beneficiaries and the Department. This posed a serious challenge on the recruitment of the Strategic Partners since only few Strategic partners invested and shared risks with the beneficiaries and other opted to be remunerated for their participation which then forced the Department to introduce 10% costs recovery to influence the participation on the program.

16.2 Implementation

Most partners lost their focus on the development and concentrated on money making whereby the developed Business Plans were overestimated and this caused serious friction between the department, beneficiaries and mentors because of delay in the approval of such Business Plans. The delay also affected the implementation of the projects on the ground. Hence the current approved policy highlight four strategic intervention which are Mentorship, Co-management, Contract farming and Share Equity arrangement. Three of these interventions are investment models(Co-management, Contract farming and Share Equity arrangement) and this discontinued 10% cost recovery

The Funding Model was also wrongly interpreted by stakeholders who led to the farmers to lose focus on the prioritization of farming activities and poor financial plans. Most farmers expected 100% in the first year, 80% the second year respectively and some of them ended up not reinvesting their profit into the businesses. This model has been changed and interpreted for better understanding and implementation.

16.3 Compliance Issues

Business plans were mainly prepared by the strategic partners. The level of consultation was limited to the farmer being asked about his/her farming needs. In some instances, strategic partners just developed proposals for the farmers without involving them. Some farmers couldn't tell how much they had been awarded or what they had requested in the proposal as they had not been part of the process. Most farmers and Beneficiaries deviated from their original Business Plans which reflect poor planning.

The Joint Account did not yield good financial management and accounting results and it caused tension between stakeholders, hence the department will be using voucher system through the accredited financial institution to manage allocated resources and better accountability for the farmers.

16.4 Perception by farmers

During implement of the program it has been apparent that some farmers still view RADP support as social government support rather than business enhancement opportunity. These has been reflected by lack of prioritization of the farming activates to influence good profit margins by putting more investment on production. Those farmers failed to make significant reinvestment of the business after getting good profit margins which were used to advance their personal life style expanding their production. After using such profit they turn back to the Department to request more money. These farmers diverted their profit from joint account to personal account to avoid traceability. The new approach forced all farmers to register entities which will have auditor and bookkeepers and the department will have access to such financial statements.

16.5 CONCLUSION

In conclusion, the above analysis, finding and recommendations provide a comprehensive views/opinion by Stakeholders/partners of the RADP which necessitates the correct implementation of the new approved policy to achieve maximum return of investment the Department of Rural Development and LAND Reform has made on farming sector in South Africa. There is a need to joint hands as stakeholders to assist emerging farmers in the country and we also require commitment and passions from these farmers to ensure that we achieve “Agrarian Transformation” to ensure that we achieve “Vibrant, Equitable and Sustainable Rural Communities” through Comprehensive Rural Development Strategy which outlines three phases or programmes to achieve outcome as highlighted in this document.