

**Mendel University in Brno**

**Faculty of Regional Development and International Studies**

**Support of small-scale farmers in Eastern Cape  
Province through establishment of research and  
educational centre**

Bachelor thesis

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**Brno 2015**

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## **Abstract**

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The aim of this thesis is to examine the role and position of smallholder farms within the current agribusiness with special focus on issue of developing countries. After the analysis and subsequent assessment of given topic, the thesis brings one of possible solutions of this current more than difficult situation in the form of model development project, based on establishment of research and educational centre for agricultural training of small-scale producers on the land of University of Fort Hare in Eastern Cape Province, Republic of South Africa. The result of the thesis is a confirmation of seriousness of solved problematics and the necessity of fast and effective solution, model project therefore seems feasible and relevant to given situation.

**Keywords:** agribusiness, developing countries, education of farmers, small-scale farms, South Africa,

## **Abstrakt**

Surá, A. *Podpora malých rodinných farem v provincii Východního Kapska založením výzkumného a vzdělávacího centra*. Bakalářská práce. Brno, 2015.

Cílem této práce je přezkoumat roli a pozici malých farem v prostředí současného agrobyznysu se speciálním zaměřením na problematiku rozvojových zemí. Po analýze daného tématu práce přichází s jedním z řešení této současné, více než složité situace, a to ve formě modelového rozvojového projektu, který je postaven na založení výzkumného a vzdělávacího centra určeného ke vzdělávání drobných producentů na půdě vysokoškolského institutu Fort Hare v provincii Východního Kapska v Jihoafrické republice. Výsledkem práce je potvrzení závažnosti dané problematiky a nezbytnosti aplikace rychlého a účinného řešení, modelový projekt se tedy jeví jako proveditelný a relevantní dané situaci.

**Klíčová slova:** agrobyznys, Jihoafrická republika, malé farmy, rozvojové země, vzdělávání farmářů

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# 1 INTRODUCTION

Alarming expert articles of various worldwide known development agencies, independent non-governmental organizations and other institutions can be nowadays daily found in media. They inform wide public about constant poverty within the developing world connected with serious famines threatening long-termly certain regions, and they also warn of deterioration of the situation. At the same time they offer various solutions for its improvement, which have not only the potential to overcome this threats, but also to bring stable and sustainable economic growth and development.

An essential aspect of these problems and challenges is agriculture, as already mentioned poverty together with various natural disasters and their consequences mainly affect inhabitants of rural areas, and thus mostly people dependent on agricultural activities. On the other side, mankind in general is fully dependent on agricultural production to ensure food security in each country.

Even though the current trend is quite decreasing, vast majority of agricultural holdings is owned and managed by smallholders. Advantages and disadvantages of small-scale farming can be very diverse, taking into account particular regions of the world.

Simplified, however, circumstances prevailing in today's agribusiness are for smallholders getting worse and worse with drawing attention to third world. Developing countries are often affected by unstable and critic historical development, and next to often uncontrollable natural conditions also face to rapacious environment of international markets and global economy. At the same time, it is precisely challenge of those farmers to raise the standard of living starting naturally with food sovereignty and develop their regions by strong and stable production of quality commodities and other agricultural goods. However, because these farmers belong between the poorest people on the planet missing many factors as mainly knowledge or financial means, they are not able to fulfil this target without external aid.

There are several ways how to support smallholder farming in developing countries, but probably all of them include the aspect of capacity building, because it was long ago proved that mere financial aid is not enough to solve given problems. Among these ways

may be mentioned overall improvement of educational system, different governmental intentions or interest of higher education institutions and external development and agricultural organizations.

The latest mentioned option is fundamentally the main topic of the practical part of the thesis, where, after theoretical review with detailed examination of current role and position of small-scale farmers, the model project describes complete proposal of establishment of research and educational centre on behalf of the university in South Africa in collaboration with several external partners. This let say educational farm is supposed to serve to practical training of firstly representatives of local agricultural communities. Facilities will also contain equipment for complementary theoretical instruction, so the participants of individual modules will obtain appropriate education necessary to increasing their production efficiency and therefore standard of living.

## **2 AIM AND METHODOLOGY**

### **2.1 Aim of the thesis**

The aim of this thesis is to examine the possible role of research and educational centres as a supportive tool for capacity building of small-scale farmers in developing countries, and, in relation to improvement of the position of chosen target group of smallholders on markets of inputs and outputs and therefore also their economic situation and overall standard of living, to propose a concrete model project applied on the specific environment of South Africa.

In order to achieve fulfilment of the main aim, it was necessary to also set down several specific objectives, whose overview is following:

- Analyse the current state of agribusiness, its rapidly changing environment and from this following overall conditions for agricultural holdings.
- Define the concept of small farm, outline the role and position of such agricultural units within agribusiness, including frequent limitations and potential opportunities.
- Consequently move the attention on general problematics of developing countries with later focus on agriculture, and for completion of the theoretical background research to interconnect all above named sections in characteristic of current role and position of small-scale farmers in developing countries.
- Examine very unique both general and specific conditions in Republic of South Africa, especially for given target group of small producers, and based on the results apply the model project, which might be one of the effective solutions for facilitation of access of smallholders to the markets through capacity building.
- Evaluate discovered findings of the thesis and formulate them into conclusions.



## **2.2 Methodology**

This bachelor thesis uses descriptive data triangulation, i.e. combination of various methodologies to ensure higher validity of presented findings. Research was performed both on primary and secondary level.

Primary data collection was conducted with the assistance of professionals, teachers and students of agricultural and development studies in the destination designated for the model project, therefore in Eastern Cape Province, South Africa. Already before departure was, however, necessary to analyse current state of agriculture and other closely connected aspects influencing daily situation in given locality to obtain supporting materials for further research. But to realize the real options and threats of implementing development project in South Africa, it was also needed detailed comparison of general state of global agribusiness and the position of agricultural holdings, namely the small-scale ones, within it, and lately even more segmented position of smallholders in developing countries. This secondary data collection was completed with use of several specialized literary and online resources.

The primary research consisted from two significant units. As the main aim of the model project is to support small-scale farmers through establishment of research and educational centre, it was crucial to define, if so why and how such a centre should be beneficial for local communities, as well as to evaluate the capacity of partner institution to build such facility and under which conditions. Both part were done with huge contribution of local specialists in given problematics.

Academic staff responsible for certain units within the Agripark (large complex of facility intended for training of students of University of Fort Hare in Alice campus, Amathole district), who at the same time became the crucial expert for the whole research, ensured to undertake comprehensive examination of the former research farm "Honeydale", which was proved despite a certain degree of decrepitude as ideal base for solved project proposal. The results of this examination are available for inspection in the appendices of this document.

Equally important it was to determine whether the target group has adequate interest in the project and its offer for them. This was achieved through a questionnaire survey

sectioned into three sections, where interviewed individuals came from the ranks of professional teachers of several departments of UFH, their students oriented well in given situation on local level, and most importantly of local rural communities and their representatives themselves. Detailed assessment of the questionnaire is also included among the attachments of the thesis.

All findings from both primary and secondary research were then thoroughly discussed with experts from South Africa as well as from Czech Republic.

During designing of model project were used methods as logical framework matrix or activities schedule for the whole project period expressed graphically, even an outline of the proposed budget is not missing among appendices.

## **3 THEORETICAL BACKGROUND**

### **3.1 The current environment of agricultural holdings**

For better understanding the current situation of small agricultural enterprises it must be firstly briefly defined the development of the agrarian sector in recent years, together with the phenomenon of agribusiness.

The environment of agricultural enterprises is indeed currently characterized by significant dynamics and plenty of changes that transform the whole agricultural sectors of many countries, and thus contribute to changes in the size structure of this kind of enterprises, which represent important aspect of the thesis.

The complete range of these changes and their relevance is the content of many discussions and scientific publications, this work is therefore attempting to summarize them and thus make a step closer to define the current general environment of agricultural holdings.

#### **3.1.1 Agribusiness - definition, development and current state**

First of all the term of agribusiness is according to the classical point of view defined as:

*"...summary of all activities concerning processing and distribution of products made on the farm, i.e. production activity on a farm and further storage, processing, transport and sale of any agricultural commodities and products made out of it."* (Davis, Goldberg, 1957 in Bečvářová, 2005)

According to the same authors the whole unit of agribusiness can be for ease of understanding divided into several branches, as primary agricultural production, processing of food and other goods, feeding industry, suppliers of necessary inputs and accessories (e.g. chemistry or energetics) and final articles of the chain, i.e. catering facilities and grocery stores.

The deepest roots of agribusiness could be seen in the period of industrial revolution, which immensely accelerated the evolution of society and opened door to more sophisticated ways of production and subsequent entrepreneurship activities due

to wider and wider mechanization profusely used also in agriculture. Period after WWII is also significant, because the focus of many national policies lay precisely on agriculture with an aim to get rid of lack of food, which naturally moved the development of this sector forward. (Bečvářová, 2013)

However, the evolution cannot be stopped, and thus even the agribusiness undergoes constant changes, while at the same time it is agribusiness itself, which constantly modify its surrounding, including mainly business environment of agricultural holdings and its structure.

Which are therefore the main crucial factors influencing agribusiness and causing restructuring of current agricultural environment? On a first place might be mentioned continuous and rapid progress in the field of technologies, namely biotechnologies, ICT technologies and communications.

Another factor represents newly requested need for specific kind of knowledge and skills, where the focus partly to significantly moved from quality farming techniques to the sphere of management, market orientation and awareness on demand.

The current form of the agrarian sector in many countries undoubtedly also formed the historical and political development, especially in the last nearly three decades. This period is important because of remarkable changes associated with alteration of old political regimes with new (mostly democratic) ones. The new governance of the countries is then very often associated with the correction of property rights, including land reforms. It must be said that different states reacted to these changes very differently, and it always included some specific losses as well as improvements. In some cases this meant a return to family farming, in others rather consolidation than fragmentation, while there were a lot of examples somewhere between.

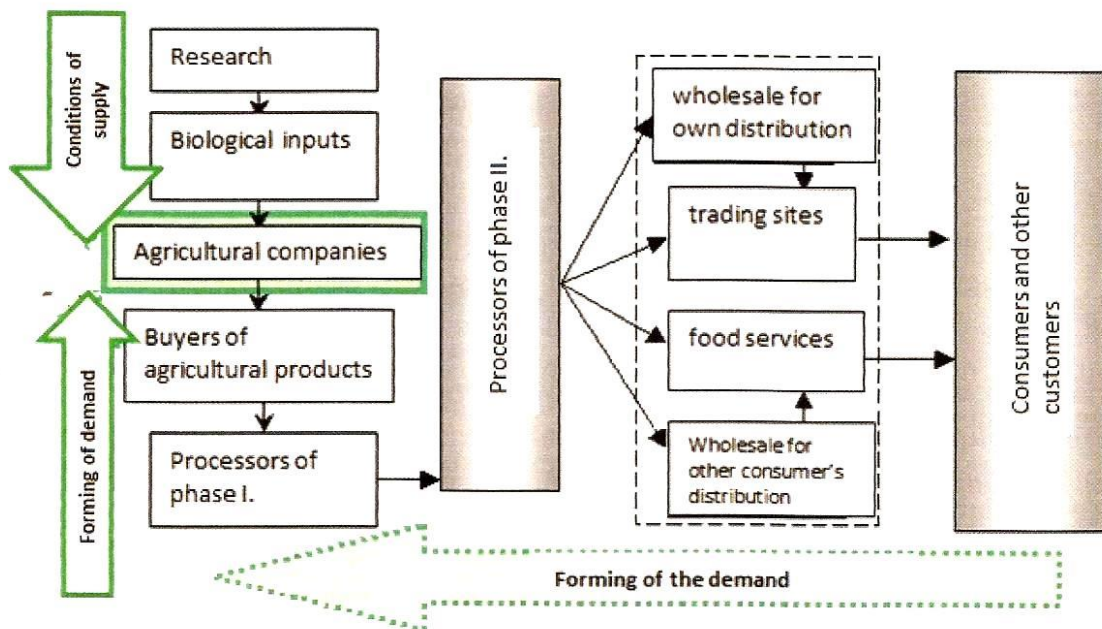
Last but not least can be mentioned such aspects influencing the structure of current agricultural environment, as institutional framework, accessibility of production factors and to markets of inputs and outputs, or advantage of transaction costs of large firms and many others. However, as was already stated in the beginning of this chapter, the concept of restructuring of agriculture is very difficult and complex phenomenon, however this thesis represents it only briefly, because it is crucial for understanding

the current situation of small agricultural enterprises, where will be this topic touched again.

All this development of the agricultural environment with its alterations brought new modified image of agribusiness, which is recognizable approximately last fifteen years. This image was described by Sonk and Hudson as a mutually cooperating chain of producers, suppliers, processors, intermediaries, sellers and researchers with the same aim - generating the profits. (Sonk and Hudson, 1999 in Bečvářová, 2013)

For better understanding is the graphical expression of current agribusiness illustrated below:

**Figure 1:** Current agribusiness, base structure and critical links



Source: Bečvářová, 2013

To emphasize the essential importance of agribusiness for agricultural holdings, as well as for global economies, some statistical results of Goldberg (1998) can be mentioned. In current agribusiness is involved 50 % of world assets, as well as the agricultural products represent 50% of world consumption. These are treated by 50% of employable population of the world. (Goldberg, 1998 in Bečvářová, 2013)

### **3.1.2 The transformation of agriculture in agribusiness**

After general introduction into the topic of agribusiness it is easier to realize that classical agriculture, when commodity grown by the farmer was also a final product on the market has considerably changed. Now is a commodity rather taken as a raw material and its production is part of a complex food production. Due to the growing demand for final foodstuffs increased the amount of necessary articles of commodity chain, which are ensuring further processing and distribution. Essential is also not only interest in regional food anymore, but mainly the products from all around the world (although that is slightly returning due to modern trends of emphasizing respect for the environment and support of local producers), which brings the need for complicated and sophisticated logistic. This current state is also indisputably influenced by trend of retail chains.

Production factors are no longer determining factor of production, as it used to be for decades, nowadays it is a requirement of the final customer. In other words, the classic agriculture is becoming a complex and intricate system called agribusiness. Traditional agriculture, which used to be considered as a typical example of perfect competition, now presents various elements of imperfect competition.

In such conditions, is even declining the importance of quality of the soil, which used to be previously considered as essential competitive advantage of the company. More important becomes the highest possible degree of awareness about the mechanisms and movements in the market and the ability to use this knowledge and to this directly related firm strategies.

An agricultural producer is, therefore, not the one who decides on the development of the food market and supervise it, but rather this role play trailing articles of commodity verticals. A primary producer must fight for his place in the commodity chain in conditions of an increasingly competitive global market. At the same time he/she also must establish and maintain the necessary partnerships and business relations, so that the feedstock could best capitalize on and be sent through processing industry closer to the final consumer. Relationships are thus also extremely important for successful running of the enterprise in such dynamic environment of agribusiness, taking into

account the fact that successful functioning is very difficult to reach without strong and reliable relations with suppliers and customers.

Put simply, the mere farming without thinking of any outputs can be basically translated as a separation from the final product and its consumers, and vice versa. (Bečvářová, 2013)

This process of establishing partnership can be called vertical integration. Integration, however, simultaneously underway at the horizontal level in order to control some sections of the system and thus achieve a competitive advantage. Some sectors are then in a world characterized by the control of a few global companies over the entire commodity chain. Naturally this always depends on the specific conditions and the potential benefits arising from concrete type of integration. Therefore, it is also obvious that large companies and associations of companies nowadays dominate the market in many countries around the world.

The aforementioned trends significantly debilitating farmers, and thus also seriously contributes to the structural change of agriculture. Similarly as in case of acquisition of new technologies, not all agricultural holdings are able to compete with this challenge, and even in those which can, this is reflected in changes in the behaviour, mainly in defining the size of the enterprise. Especially for primary producers can be sometimes extremely difficult, sometimes even impossible, to integrate into those vertical and horizontal coordinates. Inalienable is then also the impact of state regulatory interventions and policies as well as the phenomenon of globalization.

How can be proved on examples of many developed and developing countries, as a result of such described market conditions, processors tend to work closely especially with large farms, which excludes smallholder farms from commodity chains and obstructs the enter into these chains. The main reasons are higher cost coming from negotiating the partnerships with a large number of small businesses, financial constraints of small businesses in need of additional investments and quite frequent need of assistance from the side of purchaser partner.

In some cases, however, the image of agricultural market may look differently, whether because of the necessary involvement of small farms due to the predominance of such

producers in the region, or because of giving priority to friendly attitude and willingness to cooperate, develop and learn.

Whether these conditions for small farms are friendly or not, the fact remains that hybrid forms of control structures have become in case of agri-food industry typical. Control and coordination can be both centralized and decentralized, also management styles vary from case to case. Likewise the reasons may be different, e.g. consumer preferences, historical development or different agricultural policies and regulatory systems of each country.

Although it may seem that this transformation of the agrarian sector has a predominance of drawbacks, especially then for primary producers, the new concept also brings several advantages, such as friendly behaviour towards the environment, protection and rational utilization of natural resources, recovery of waste etc. (Zdráhal, 2013; Bečvářová, 2005)

## **3.2 Role and position of small-scale farmers in current agribusiness**

This chapter moves the focus closer to the main issue of the thesis - small-scale farming. First of all is necessary to briefly characterize basic economic facts about sizes of the enterprises, later introduce the issue of family farms and at last examine the limitations as well as opportunities of such agricultural units, then repeat the process in case of specific environment of developing countries.

### **3.2.1 What is a small farm?**

#### **3.2.1.1 Defining the size of enterprise**

The enterprise is any entity, regardless of its legal form, engaged in an economic activity, thus uses production factors (labour, land, capital) to produce outputs (goods and services) for the purpose of generating profit. This basic definition is, however, nowadays getting more and more complicated by dynamically changing environment, which is affected by several factors including technological progress, political development of particular regions or simply by trends on markets.



The plethora of various enterprises can be generally divided according to several aspects, such as according to legal form of given country, scope of activity (local, regional, national, international), outputs (goods, services), goals and objectives with following strategies etc.

We can classify an enterprise according to qualitative and quantitative aspects, while qualitative method examines criteria as share of the market, independence on another enterprise or managerial structure. (CzechInvest, ©1994–2015; Europa.eu, ©2007)

To introduce generally used quantitative classification, table compiled according to the criteria of the European Union is following:

**Table 1:** Quantitative classification of enterprises according to size

<b>Enterprise</b>	<b>Number of employees</b>	<b>Turnover</b>	<b>Balance sheet total</b>
Micro	< 10	≤ € 2 m	≤ € 2 m
Small	< 50	≤ € 10 m	≤ € 10 m
Medium-sized	< 250	≤ € 50 m	≤ € 43 m
Large	> 250	≥ € 50 m	≥ € 43 m

*Source: ec.europa.eu, ©2014*

Even this, however, is not sufficient size explanation in case of agricultural holdings, where also other factors determines the size of farm. Between those should be mentioned share on agricultural production in total calculated from number of owned livestock or plants, area of managed land, level of usage of technologies, the amount of profit, specialization and many others. Very often is thus quite complicated to set up clear borders and determine whether the farm is still small-scale, medium or large. (Zdráhal, 2013)

Next subchapter approaches to the issue of family farms including additional information on the sizing of these agricultural units.

### **3.2.1.2 Small-scale framing - the issue of family farms**

General definition presents small farm as an agricultural unit operating on less than two hectares of land (average size of farms in Africa and Asia is 1.6 hectares), where

the farmer is the owner and the worker at the same time and has the right to decide, and that is why these farms are usually managed by all or most of the members of the family, who provide and use all production factors. This trend is also called peasant farming, which is slightly different from family farm business, where the owners additionally use hired labourers and they are also more profit oriented. Obvious difference is in understanding of managed and owned unit, because mostly for these producers means peasant farming literally the way of life. It is either not unique if the farm is inherited from generation to another one for decades.

If we imagine the map of our world, smallholder farms can be found anywhere. The density is, however, increasing significantly on the global south, therefore in developing countries, where this kind of farming is much more common than in case of high-income and upper-middle-income countries.

Family farming has always represented for mankind natural arrangement, and nowadays it has immensely dominant character within whole agriculture of many nations and even of many world (rural) regions. According to FAO (Food and Agriculture Organization of United Nations) the approximate number of such managed small-scale farms around the world is over 500 million out of 570 in total, which means nearly 90% of the world number of agricultural holdings. All these individuals are producing 80% of world's food. (Lowder S. K., ©2014)

This, however does not mean, that the form of family farming haven't changed during the time. These are then characteristic mainly for several last decades, as was already mentioned in previous chapters, because the changes of the whole sector cannot avoid any parts of the system and hence not even small-scale farmers. On the contrary, these producers are often the most affected by these amendments, the list of which follows.

Most distinctive fact is the changing character of family farms - from food sovereignty are the farmers moving slower or faster toward family management of independent entrepreneurial unit.

From a sociological point of view it is necessary to take into account the changing needs of individual family members. This is mostly clear on the changing role of women, whose ambition and motivation often lead them to a build a career rather than

to the traditional position of a housewife. Also descendants of farmers are increasingly leaving the family farms for a job in different than agricultural branches. Another version of such cohabitation is so called part-time farming, when included family members combine agricultural production as a profession with keeping the household.

What is also currently happening more often is that family farms are diminishing or even disappearing, while many other are growing at the same time, mainly because of the advantage of today's technologies, which enables to save time and financial means due to automation. This, however, also brings fact, that rapidly growing and successful farms become even large, and thus they don't support small-scale farming anymore. To be able to use technologies can be, however, often very remote to current possibilities of small-scale farmers. (Zdráhal, 2013)

These factors mentioned above are more or less natural and has its positive as well as negative aspects. From now, however, we can more easily distinguish harming or advantaging character of those factors, so both will be described in separated subchapters to clarify the differences more obviously, if possible.

### **3.2.1.3 Position of small family farms in current agribusiness – limitations and opportunities**

Some of the factors, which influence whether good or bad position of smallholders within the environment of agribusiness were already described in first chapter as well as in last subchapter, as they generally influence all agricultural units and cause restructuring of the sector. At the same time it is sometimes very difficult to classify them into one specific drawer, which is also the reason why some of them will be slightly repeated, as they are indeed crucial for our target group.

## **Limitations**

Let's start with the limitations, even though the border between limit and opportunity can be in some cases very thin, tricky and various depending on many aspects given in certain regions.

The most crucial problem, which many small-scale producers have to face long-termly, is limited access to markets of inputs and outputs. One of the main causes is for example the phenomenon of transaction costs and economies of scale, which favours large firms. Also the lack of financial means for various expected and unexpected situations and common lack of professional managerial skills brings the need for additional assistance and thus another disadvantage compared to large enterprises. Also missing or very poor infrastructure deepens this inability to join the vertical. Consequence of this is pressure on farmer to cooperate with purchasing organizations, and thus with additional article in the commodity chain, whose prices can be even fold lower than in a market. (Zdráhal, 2013)

As the financial issue was mentioned, this is probably the most common limitation of small-scale farmers, which hinder any kind of progress. The problem is not only in lack of capital, but also in limited chances to obtain external funding.

After potential managing the fair access to the markets of inputs and outputs, another problem comes up representing the limitations for growth. Any kind of progress can be in many specific regions and for thousands of farmers very difficult or even impossible, because of uniqueness of agricultural production. We cannot forget the factor of seasonality, mainly in case of cultivation of crops. Another limits for growth represent given land as a production factor or the fact of diversity of agricultural processes even during one season. Not each producer thus have a chance to choose to grow and reach the advantages of largeness.

When thinking of factors influencing small-scale farmers together with all agrarian sector not only in case of developing countries, also the lack of capital and management and scarcity of production factors should be mentioned, because those brings the issue of multinational corporations with their demand for space, scarce resources and cheap workforce. Those concerns also create dependency on them because of depleting natural

resources, what forces farmers to leave traditional forms of farming while also using genetically modified seeds etc. Even though it should be exactly opposite, sometimes also governmental economic interventions and particular regulations can be for small farmers more harming than beneficial, as they can for example favour large firms etc. Because of absent power of these primary producers, they are those ones most threatened by resource depletion and because of space limitations also by climate change. (FAO, 2014)

Consequences of described trends are critical in many countries, mainly in certain regions of developing world. They are often putting small-scale farmers deep under the poverty line, as an example could serve the fact, that 75% of world population affected by hunger is represented by rural communities.

Also personal assumptions and preferences of individuals should be taken into account. The opportunities as well as the amount of income tend to be better and more lucrative in non-agricultural sectors. These are the main reasons, why so many citizens active in agriculture leave this sector while searching for chances in another branch. This applies to farmers with insufficient knowledge of management becoming mostly cheap workforce in industrial sector, as well as to well-educated individuals, who are often able to find job positions with better financial evaluation outside their farms. Another consequence is raising rate of part-time farming, when the farmers are next to the managing their farms also partially employed in another firm. (Zdráhal, 2013)

### **Opportunities**

Even though the list of limitations seems to be scaring, there are still certain opportunities for small-scale family farmers, which could pretty compensate the negatives before making final conclusions about the sense of this way of farming.

Being "small-scale farmer" doesn't have to contain only disadvantages, sometimes, especially in some particular regions with very specific surrounding conditions turns the issue of size into advantage for family farmers. In case of seasonality, small-scale farmers showed up being more flexible and resistant to various fluctuations. Also the fact, that these farms are owned and managed by family members, brings the power

of higher personal as well as collective motivation to fight with adverse current conditions with an aim to gain as highest economical results as possible. Connected to this can be also mentioned the savings from smaller or no cost of supervision of workers.

More and more often appears the trend, where the processors prefer to cooperate precisely with family farms, and this for several reasons. Amongst them should be mentioned for example the higher quality of the agricultural products or preference of accommodating and positive attitude of those farmers and their willingness to learn and gain new skills and knowledge instead of professional, but cold and too much requesting approach of large farms. Last but not least there are even regions around the world, where the compilation of agricultural units is formed only by small-scale farmers, so the processors and other agents on vertical do not even have any other option than to collaborate with them.

Important and beneficial is the synergy of family farmers and local communities, because they usually sell their goods directly to final consumers from surroundings, which avoid rising in price by a margin, so the deserved higher profits are coming back to primary producers. These earnings are continuously mostly spent again within local level, which means that family farming generally support local economy.

Small-scale family farming with all its disadvantages and limitations, however, brings also several benefits not only for surrounding communities, but also for mankind worldwide, which raise its importance and interest in eyes of public. They have strong potential to overcome the famines, to feed the starving populations of third world, but also to significantly contribute into world agricultural production. At the same time they are in fact occupying over 75% of world's agricultural resources, what put them into position of agents crucial for sustainability and ecology. The society starts to realize those facts and therefore rise the support coming to small-scale farmers.

These were some of the facts explaining the role and position of small-scale farmers in current environment of agribusiness, its challenges, threats or positive aspects. Basic summary and subsequent conclusion are, however, following after next chapter dealing

with the situation of family farmers in conditions of developing countries. (Zdráhal, 2013; FAO, 2014)

### **3.2.2 Role of small-scale farmers in developing countries**

Previous chapter is devoted to general description of role and position of small-scale producers in environment of current agribusiness. However, as the thesis is more narrowly oriented to the position of farmers from developing countries and namely from South Africa in sake of practical part of the work, it is absolutely necessary to introduce also the situation concerning these regions, because those are characterized by several specific facts, which can be often crucial and explaining current and long-term affairs.

#### **3.2.2.1 Basic facts about developing countries**

Developing countries are also called the third world or global south. Sometimes is also used another division into categories as less developed country, least developed country or newly industrialized countries for those with more advanced economic development. All these terms are, however, quite questionable and basically there is no universally accepted definition. One of the most common is though the definition of World Bank:

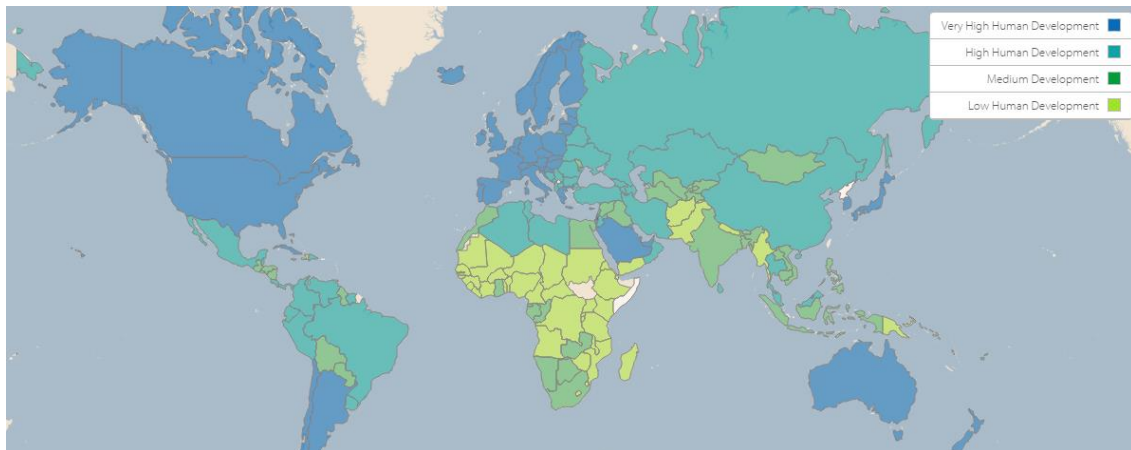
*Developing countries are defined according to their Gross National Income (GNI) per capita per year. Countries with a GNI of US\$ 11,905 and less are defined as developing.* (World Bank, ©2015)

Nevertheless GNI is far not the only indicator of the level of development in given country. Even though individual countries in different continents faces various challenges acting differently, there are also many similarities all around the world, according to which is possible to slightly generalize and determine another indicators, as for example currently most popular Human Development Index, which combine economic aspects of development with social ones. Between aspects distinguishing the level of development also belong standard of living, level of health and life expectancy, high inequalities within the society, level of industry together with closely linked pollution, rapid population growth, gender equality, level of education connected

with brain drain etc. Economic growth of these countries is usually faster than in case of developed countries. (BBC, ©2014)

Distribution of developing countries across the continents is evident from the following map:

**Figure 2:** Countries composition according to Human Development Index



Source: UNDP, ©2014

The most frequent barriers in the development of these countries are human resources (e.g. unqualified workers, young or unhealthy population), insufficient natural resources and their exploitation, rapid population growth, ineffective financial system, certain cultural barriers etc. On contrary, some steps improving growth of developing countries take form of support of better health and education systems, entrepreneurship, investments, infrastructure of given regions, introducing new technologies and least but definitely not last support of efficient and sustainable agriculture. (Hayami, 2005; Gillespie, 2002)

### 3.2.2.2 Significance of agriculture for developing countries

The statement from the last sentence is given by the fact, that the agricultural production is literally crucial for economic growth of most of the developing countries, because it substitutes the incomes coming otherwise from industry, as well as for food security.



However, recent history of second half of 20th century have not been always beneficial for the agriculture in the third world. During that period many agricultural research institutes in cooperation with the World Bank actively promoted new industrial methods generally called Green Revolution. This global process meant huge worldwide progress in agriculture and helped to manage sudden rapid rise of population due to usage of modern technologies, modified plants, chemical pesticides and fertilizers etc. At the same time, it brought variety of serious ecological and other problems, whose solutions, if there are any, are mostly very complicated and long-term. Despite better and more stable harvests, rural development or slight poverty reduction, the ecological consequences are following: soil erosion, desertification, chemical contamination, depletion of groundwater sources and many others. Simply stated, many of these revolutionary methods destroyed the quality of soil, while some of the damages will remain for decades, not to mention the social impact, but those will be outlined in next subchapter. (IFPRI, ©2002)

Another shocks for governments of developing countries were also several serious crisis, which put many nations into indebtedness. In an effort to pay off their debts, many policies switched from domestic agricultural production to export. Demand from abroad still tend to be more voluminous, so many producers were for example forced to grow monoculture crops instead of traditional poly cultures. The demand for agricultural product is, however, increasing in general. The population is raising especially in developing world, but also incomes of the citizens are nowadays increasing, despite all the difficulties, as well as the middle class is growing faster and faster.

Strong dependency on exports to overseas markets stayed until today, because the local markets are often incapable to handle the offer due to inefficient management and lack of knowledge. At the same time the export activities accelerate growth usually more than activities within the local markets, even though they are both enormously important. This dependence is although bilateral, after all 40% of world agricultural export comes from developing countries, and a portfolio of these products is really wide, while many items are necessary to import into developed countries, which are often oriented on industry. (Moore, ©2015)

It is worth noting that vulnerable agriculture in developing countries is unfortunately also often threatened by natural disasters as floods, droughts and others – according to FAO 22% of these damages in developing countries is committed in agricultural sector. Mostly small-scale farmers are affected by these disasters, but most of the time they don't have any financial means to recover the losses and even any insurance. What doesn't improve the situation is the fact, that only 4.5% of humanitarian aid is intended for agriculture. Taking into account the fact, that 2.5 billion people from rural areas are fully dependent on agriculture, this finding is really alarming. (Chonghaile, ©2015)

Next to difficult historical background and natural disasters, which can be hardly controlled, agriculture in the third world is even more disadvantaged, and therefore by gaps in education and research, weak infrastructure, difficult access to technologies and innovative methods etc.

Current state of agriculture in individual countries is further influenced by policies handling many issues as for example redistribution of the land, inputs and outputs and its prices, marketing, technological innovations or irrigation. Those governments with right policy setting are then naturally thriving better. (Ellis, 1992)

To summarize the significance of the agriculture of developing countries, first places take decreasing of poverty and ensuring food sovereignty, then creation of jobs and thus decreasing of unemployment and increasing incomes. From economical point of view, it strongly increases national GDP, which causes development and growth. Agricultural outcomes of third world are also crucial for overseas markets, which puts its importance on worldwide level.

As is obvious from previous findings, agrarian sector of developing countries has immense importance not only for inhabitants of these regions themselves, as was proved that poor people are gaining four times higher income from GDP coming from agricultural activities than from GDP of other sectors, but also globally. (Asenso-Okyere, K. et al., 2008) Developed world led mainly by policymakers, investors and donors realize it and put higher effort to support agriculture of these countries more than before, but because of already mentioned serious reasons it means huge challenge, which will definitely take years.

### **3.2.2.3 Small-scale farmers in developing countries**

The most specific examination of the theoretical review is exactly the content of this subchapter. After introduction into current agribusiness and the issue of small-scale family farming the thesis turned attention to specific aspects in developing countries. Finally all these topics can be connected together with an aim to focus on current role and position of smallholder producers in chosen region of developing world.

What represents the main difference between family farmers from developed countries and third world? Society of first mentioned group understands this phenomenon as something romantic, what preserves old traditional heritage for generations, or on the contrary a relatively new trend responding to the demand for more and more popular rural tourism or organic quality products from local producers. By contrast in cases of farmers from developing countries is this way of life often the only chance for a livelihood and even for a survival.

Taking into account the importance of agriculture in developing countries described in previous subchapter, it is necessary to state, that 75 - 90 % of these agricultural activities are created by small-scale agricultural holdings. Being one of this part of society means employment and income. At the same time, those small-scale producers are one of the poorest people on the planet suffering too often by hunger, as nearly 75% of such threatened population is inhabiting rural areas.

On the beginning of the last subchapter were listed ecological impacts of otherwise more than positive Green Revolution for agriculture in developing countries in general. Also specific consequences on small-scale family farms were mentioned and promised for later enumeration. Coming back to statement, that overseas markets pushed thousands of farmers to switch the production from poly cultural to monocultures, this has meant a mass production of single crops in whole regions, which brought high competition and subsequent narrowing of primary producer's profit margin thus incomes significantly. Monocultures together with long-term using of chemical substances then creates never ending dependence on these products, because the field is more vulnerable to pests due to missing diversity (which was proved as an aspect of higher pests resistance) and often tricky essence of "protective" chemicals. With the passing years the state of soil and plants on the farms is often getting worse and worse, whereas such disadvantaged

producers do not have financial means and power to leave this vicious circle, thereby they are losing the chance to match the standards of large commercial farms. Last comment to the issue of using health damaging chemical fertilizers and pesticides is fact that these agents poison up to 25 million people every year, mostly then obviously within inhabitants of developing countries. (Kwa, ©2001)

Apparently the movement to industrial agriculture in combination with export machinations harmed smallholder farms more than benefited them. On huge overseas markets they couldn't defend themselves against market powers, which squeezed their revenues meaningfully and long-termly. This can be demonstrated on examples of average final prices of the primary producers for their commodities. In most of the cases throughout the developing world it is less than 10% of retail price, in some critical cases it can be even less than 1% (e.g. El Salvadoran farmers exporting melons to US for 0.6% of retail price). (Kwa, ©[s.a.]) Only little share of final price even stay within the production country, which could accelerate the growth, it is mostly approximately only 25%. The rest is divided between abroad processors, transporting and advertising agents, wholesalers and retailers.

Despite the protective and supportive movements of agrarian politics of many countries towards more fair conditions for family farming including next to new restrictions and regulations also various types of subsidies, the trend caused by this global environment is decline of small farms as well as the size reduction of these units, as many smallholders try to generate additional income from off-farm activities.

The result of this observation is not good at all, because mankind crucially needs small-scale farmers to fulfil its ambitions in the matter of food sovereignty and reduction and overcoming poverty, which is (according to the International Fund for Agricultural Development - IFAD) concerning every seven inhabitants out of ten, as all these are occupying rural areas. (FAO, 2002)

What can prevent the loss of small farms and also to help these affected farmers? Definitely movement towards using of environmentally friendly and sustainable methods, which is impossible without external aid, as it requests quite high initial investment. Another step is the effort of transformation of family farms into smallholder business

units. To this aim can be helpful establishment of agricultural cooperatives, which are generally more powerful and resistant to pressure from the side of sales organizations and processors than single units. Equally important is then proper protection from the side of local authorities and governmental policies, which should aim to ensure primarily better access and position on input and output markets, both overseas and domestic, while the second named should lead to better organization, they should also allocate more funds to provide subsidies while reaching better access to quality land as well as to better level of required education.

With the overall improvement of the current situation, the small-scale farmers in developing countries have a huge potential to make a positive step (by overcoming the food insecurity and poverty) towards better worldwide welfare, which is the basic reason, why small-scale farming will always keep its importance in the near and distant future. (FAO, 2014)

### **3.2.3 Partial conclusion**

Objective of this last subchapter is to summarize examined findings and make a general conclusion, whether the small-scale farming has or has not perspective worthy to another research or implementation of developing projects, from which one model is following in practical part of the thesis.

The investigation revealed many factors that disadvantage the position of smallholder farms within the environment of current agriculture in general, and even more crucially in case of these producers from developing countries. Between those might be mentioned occupation of input and output markets predominantly by large farms, processors and another institutions, which significantly limits the access and fair conditions for small-scale farmers. This is narrowly interconnected with lack of financial resources, knowledge and managerial abilities, access to information, insufficient governmental support. Consequences can be the decline of family farms in certain regions in a better case, in worse one, where inhabitants of poor rural areas do not have any other option than to procure livelihood by agriculture, it results in extended poverty or even in critical famines.

Undisputed are, however, also many advantages and opportunities of small-scale farming, as for example advantage of better adaptation and preparedness for seasonal fluctuations. Savings are flowing compared to large farms from higher motivation and therefore smaller need for controlling and supervising the workers. Motivated, welcoming and positive attitude also start to be important for processors and other organizations selecting the trade partners according to their individual preferences.

Benefits coming from small-scale farming are very important both on local and global level, because of the contributions to local food demand and security and to world markets by exporting immense amount of commodities and agricultural products. Small-scale family farming is considered as one of the key factors to alleviate chronic hunger and poverty in the world and for the suppression of climate changes, since it increases self-sufficiency.

Options how to improve the situation of small-scale farmers, especially in developing countries, are various. However, not often is to use them up to farmers themselves, maybe just with exception of establishment of cooperative of agricultural units, otherwise are this movements dependent on institutional framework and setting of agricultural policies, on external donors and investors, and on support of non-governmental organizations providing international promotion and endowment funds.

Mentioned forms of aid flowing into agrarian sector of developing world becomes more and more frequently and strongly. A suitable example may be International Year of Family Farming held and organized in 2014 by the Food and Agriculture Organization of the United Nations in cooperation with line of agricultural organizations, farmers cooperatives, national governments, international development agencies, research centres and other relevant agents with an aim to promote issue of family farming and to attract the attention of the wide public as well as of branch specialists.

Final conclusion therefore could be admission of fact, that smallholder farming is although strongly disadvantaged and faces various enormous challenges, but at the same time has also huge potential for the future of whole planet, which makes it indispensable, and thus perspective for local rural populations as well as for external institutions, organizations and business units.

## 4 STATE OF AGRICULTURE IN SOUTH AFRICA IN CONTEXT OF HISTORICAL EVOLUTION

On following pages is the thesis moving towards its target destination, where practical part - the model development project is nestled. Because the Republic of South Africa is a country with immensely precarious current situation in all spheres of existence of the country caused by unique historical evolution, it is necessary to briefly introduce general realities concerning the examined areas crucial for this thesis.

### 4.1 Basic characteristics of South Africa

**Table 2:** Republic of South Africa - basic information

<b>Official name of the country:</b>	Republic of South Africa
<b>Area:</b>	1 219 090 km <sup>2</sup>
<b>Capital:</b>	Executive: Pretoria Judicial: Bloemfontein Legislative: Cape Town Largest city: Johannesburg
<b>Provinces:</b>	Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape, North-West, Western Cape
<b>Population:</b>	51 770 560 (Census 2011)
<b>Ethnic groups:</b>	79.2% Black African, 8.9% Coloured, 8.9% White, 2.5% Indian or Asian, 0.5% other (The Census 2011)
<b>Official languages:</b>	Afrikaans, English, Southern Ndebele, Northern Sotho, Southern Sotho, Swazi, Tsonga, Tswana, Venda, Xhosa, Zulu
<b>Religions:</b>	Protestant 36.6% (Zionist Christian 11.1%, Pentecostal/Charismatic 8.2%, Methodist 6.8%, Dutch Reformed 6.7%, Anglican 3.8%), Catholic 7.1%, Muslim 1.5%, other Christian 36%, other 2.3%, unspecified 1.4%, none 15.1% (The Census 2011)

*Source: Statistics South Africa*

In initial table describing key facts of the country is hard to overlook that South Africa is a huge pot of people coming from various cultures with different customs and traditions,

but still living as one nation. In nine provinces is the population almost reaching 52 millions of people using eleven official languages and professing many various categories of Christianity as well as another world religions. Major ethnic group consist of Black Africans, followed by Coloured, White, Indian and Asian minorities.

Large country extending at 1,219,090 square km and flanked on the west by Atlantic Ocean and on the east by Indian Ocean combines on its territory climatically very divergent areas including Highveld plateau, Kalahari Desert or Dragon alpine mountains. Not negligible are, however, also subtropical and moderate climate areas or coastal lowlands. Average annual rainfall of about 450mm makes the country quite dry, even though the distribution of precipitation is very uneven. Next to immense reserves of mineral resources is South Africa also rich for fauna and flora. Those started to be endangered, which led to establishment of several national parks with quality care.

Republic of South Africa is one of the most developed African countries in the long term run, what is indisputably caused by historical affairs of the 20th century introduced below. GDP of \$595.7 billion estimated in 2013 is 25th largest in the world with real growth of 3.2%. Nearly 66% of the composition of GDP is generated from services, 31.6% from industry and only 2.5% from agriculture. Amongst key industries belongs mining mainly of platinum, chromium, gold and other minerals, automobile assembly, machinery, iron and steel, chemicals, fertilisers, textiles etc. Agricultural production is mainly targeted to stock raising and growing of commodities as maize, cotton, cereals and others. Export reaching \$91.05 billion is directed mainly to China, USA, Japan, Germany, India, and to a lesser extent also to southern African countries. Balance of trade is relatively balanced. With the largest thermal power stations in the world South Africa ensures almost 2/3 production of electricity for the whole Africa. Inflation rate is 5.8%.

Problem arises, however, in the case of unemployment, which is at nearly 25% of the workforce. 31.3% of the population then live below the poverty line, which means that those people live for only less than \$1.25 a day. Together with huge inequality across the country this makes the situation one of the worst in the world. (SouthAfrica.info, ©2012)



Also rate of crime is staggering. Country has long maintained highest rate in the world in the number of robberies and rapes and second in the number of murders per capita. Significance is also the number of infected by HIV/AIDS, which exceeds 5 million people.

Between positive facts is possible to mention improving state of education. The number of illiterates dropped over last ten years to 19.1%. The rate of population with higher education experiences constant growth while nowadays is around 12%. More than 900.000 students attend courses at 23 public universities, 25 special institutes and by 115 private providers of higher education. After all, the 20% of total state expenditure flows to education, which makes from South Africa one of the countries with worldwide highest public investment into this sector. (Bauer, 2005; University, ©[s.a.]

From narrow overview above is clear, that even though the South Africa is a country with quite good current situation in comparison with many other developing countries, it still faces to big amount of serious challenges, which solutions requires long term governmental as well as societal thorough and positive approach.

## **4.2 Historical overview of South Africa**

Traces of settlement of modern humans in South Africa dates back to the more than 100.000 years ago. From 2000 years ago until the 17th century was the land inhabited substantially exclusively by the Hottentots the pastoralists in coastal areas, Bantu-speaking the agro pastoralists on the east and around the plateau, and Bushmen the hunters across the whole territory.

Even though the "discoverers" of South Africa were Portuguese, the first European settlements were established in second half of 17th century by Dutch. Around 1820 started also British colonization, which pushed Dutch more to the inland. Local black population was oppressed, slaving and massacred. These conflicts between indigenous peoples and Europeans were since 1880 superseded by the Boer Wars, which resulted into final domination of British and unification of all the provinces into Union of South

Africa in 1910. The existence of this union ended in gaining independence and the establishment of the Republic of South Africa in 1961. (Feuchter et al., ©2015)

#### **4.2.1.1 The Apartheid era**

Chronically known term of apartheid comes from Afrikaans and means separation, and specifically in the case of the former South Africa white minority domination over the black and coloured majority population. Even though the hints of racial segregation were apparent already in 1913, when the controversial Land Act came into force, the apartheid itself became the official state policy since 1948.

Apartheid quickly became the ubiquitous law bringing various racist based bans and restrictions, which lead to total separation of White domination from the vast rest of the population. As an example can be mentioned banned marriages and sexual relations between black and coloured. Also public places as cinemas, beaches, parks, hospitals, schools etc., as well as the means of transportation became prohibited for coloured or separated.

Since 1959 was introduced system called "separate development". This meant primarily partition of the country, when more than 80% of the land was managed by white minority. On remaining approximately 13% of country's land were established so called Bantustans - in total ten homelands for black South Africans. Over 3.5 million of black citizens were forced to move to one of the homelands, which were according to the government "independent", but in fact only deprived these affected people of national rights and prevented unifications of black population into nationalist organizations. Large areas formerly owned by black Africans were confiscated and cheaply sold by state to white farmers.

During the whole period of apartheid regime were for black population and later for entire country very important activities of resistance, which took various forms, e.g. nonviolent protests, strikes or demonstrations. At the forefront of this resistance was African National Congress (ANC) with such leaders as Nelson Mandela, Thabo Mbeki and Walter Sisulu.

This numerous opposition to apartheid together with stronger and stronger long-term pressure from abroad, expressed as several international bans, sanctions and embargoes on the trade from the side of many countries supported by United Nations, lead to various reforms and release of the regime in 80's. The government also started to cooperate with ANC leaders on new constitution and visions of future shape of the state. Finally in 1994 after the first democratic elections was elected Nelson Mandela with his new ANC-led government and the era of apartheid definitely had finished.

Since the 1994 thus South Africa tries to write new history of the country based on democratic approaches, which is however accompanied by crucial challenges that are still not after two decades managed at all. As was mentioned in previous subchapter, South Africa is among the countries with highest criminality in the world, which is more than often targeted on rests of white population weakened by permanent emigration abroad, which during last twenty years exceeded two millions of inhabitants. The outflow of skilled workers naturally harms economic improvement.

Although the racism was in South Africa convicted and its prevention enshrined in the Constitution, the hints of apartheid are across the regions and ethnic groups still tangible. Also inconsiderable is so called positive discrimination - advantaging of black population. The trend of recent years is strengthening of black middle-class, between which and poor strata of the population rises higher and higher level of inequality.

Impacts of "separate development" forcing black Africans to live on crowded territory of homelands will be described in following chapters, because they need more delicate approach, as they are crucial for the topic of the thesis as well as for practical part - draft proposal of the developing project situated in given region. (SAHO, ©[s.a.]; History, ©2015)

### **4.3 The land reform process and its implications for agriculture**

As was several times obvious from previous text, history of the nation full of twists and dark periods brought very difficult starting position for new government of independent

country in 1994. Common tactic for decreasing inequality from the side of new leaders from African National Congress (ANC) was to reorganize land through sophisticated governmental program, namely to redistribute 30% of previously by white settlers owned and for commercial reasons cultivated land between 600 thousands of smallholders.

The land reform process was dealing with three interconnected issues – land tenure reform, restitution and land redistribution. Whole action started with strained restitution, when the state was acquiring the land from unwilling individuals while providing financial compensation. Totally inefficient tactic was, however, after four years of trials replaced by redistribution of the agricultural land, which in quite better way protected the land tenure. This still continuing phase is often connected to term “willing seller/willing buyer”, which explains the process of redistribution. Another aspect was the option of various loans and grants for smallholders to be able to acquire the land. Described model was already successfully introduced in various countries, but in South Africa it have not changed many things essentially, despite several modifications over the years, as for example slight decentralization of the program. (Lahiff, ©2001)

The ambitions and initial enthusiasm of ANC together with their electorates were immense, but the time showed, that reconstruction of huge country marked by a strict regime is not so easy. Results have not been very positive – after first five years, which was actually the length of period planned initially for land redistribution, the amount of redistributed land was not even 1%. Another milestone for finishing the operation was designed for 2014, but the amount raised only negligibly. Newest ambitions of reaching the objective of 30% are clamped to 2025, while the current score of total redistributed agricultural land is less than 7%. (Lahiff, ©1995–2015)

Why the land reform has been so unsuccessful during last two decades? According to many specialist the first amongst the weaknesses of the program has been the “willing seller/willing buyer” method, which does not give any single incentive to speed up the process. Another one, but with much more serious consequences, has been insufficient interconnection between land reform and agrarian reform, which practically means, that once the smallholder reach appropriate financial capital coming mostly from grants and loans to be able to acquire the land, there is no related support

for starting the business or even keep the farm in productive state, as the black population is due to historical evolution missing next to finances also experience and desired skills. After exceeding the limitations for smallholders to enter the national agribusiness, common scenario is therefore unfortunately redistribution of successful large-scale farms to unexperienced newcomers with a result of decline in productivity and quality and often even of unwanted total bankruptcy and neglect. Some critics also mention lack of interest and effort from the side of government expressed by rigid and bureaucratic procedures.

Interesting is then the theory of doubled agriculture, which has roots deep in history, when white men started to modify South African agriculture already in the period of colonialism and they continued fluently also during Apartheid. Mass production of commodities replaced majority traditional poly cultural cultivation. Simultaneously significant reserves of gold and precious minerals were found and the white domination started to entice black population at (not very well) paid job in this industry, thereby further cut off ties of Africans to agriculture. However, the biggest milestone in this process came in 1913 with Natives Land Act, which forbade black inhabitants to buy and own land with a few minor exceptions. This led to land distribution, where over 90% of the land was owned by white settlers, while Africans were pressed to share very limited space of already mentioned Bantustans. It is evident, that large-scale farms of white farmers were fully supported by rich subsidies from the government, whilst the land of Africans was mostly neglected because of chronic lack of capital.

This historical progress together with today's obvious consequences leads various experts to assume, that South Africa is a state with dual economy – one part is represented by developed system of large-scale production based on experience and long-term connections abroad, while second one is distinguished by self-employment on small units of overloaded land, which provides only very low income and economic result, while this may often lead even to hunger.

At the same time the fact remains, that the land is crucial agent for significant part of South African population, as it brings income, employment in agriculture, tourism, mining or another kinds of industry, and for this society important self-esteem and feeling of inclusion. Recent trends show higher comeback of urban citizens to rural areas

of former homelands with an aim to generate profit from agricultural activities, even though the limitations of historically overcrowded and overloaded land are considerable.

The continuation and finalization of land reform in faster and more efficient way is for South Africa crucial, not only because of general statement, that it has a big potential to resolve the problem of high unemployment and poverty rates. To own the land is in fact very important for South African society as a proof of identity and dignity. For decades oppressed black population feels the right for the land and slow pace of the redistribution multiplies common frustration from resisting inequality within the society.

Process of redistribution of the land remains the responsibility of government, but much better, proper and effective communication between political parties and farmers, cooperatives, landless, supporting organizations and another agents including market ones is essential for desired reaching of the common goal. This communication style would bring better logistic and administration, e.g. better chose of potential sellers and beneficiaries from poor inhabitants, and accelerate progress.

However, representatives of the government naturally fully realize the current situation and they try to improve the process of land distribution continuously, as can be showed e.g. on example of planned regulation of ban on the purchase of land to foreigners or several tools as Comprehensive Agricultural Support Programme (CASP). Program runs since 2003 and is targeted to support various groups of beneficiaries from previously or currently disadvantaged areas, including small scale farmers. In addition to substantial financial support also offers assistance in training modules, important information, management in technologies, business and marketing, and others. There are several expected outcomes connected with education, food sovereignty and security, higher chances on job market, sustainability, ecology etc., but all individually or together should lead to improvement of situation in rural areas and in agriculture as a whole. (Hall, 2007; Feuchter, ©2015)

#### **4.4 Current role and position of South African small-scale producers**

Previous description of Republic of South Africa many times implies precarious and difficult situation influencing all aspects of life of very diverse society as well as economy, industries and also highly significantly the state of agriculture, which is all mostly given by long-term former political regime, as it brought huge inequality between its citizens as well as between whole regions. Agrarian sector of South Africa is led quite chaotically even while using several contradictory laws and regulations, so to describe its overall situation is indeed difficult. Thus it is not any wonder that the local small-scale farmers are also under pressure of not very functional and well-organized system, which makes their position disadvantageous in front of larger competition.

Composition of agricultural holdings across South Africa is not very diverse, especially in comparison with another countries. Generally there are two types of farms – large-scale commercial farms still benefiting from subsidization and another support in past and small-scale farms mostly situated in former homelands and therefore neglected with very weak position. First named, even though they are occupying much smaller areas, practically create state economy and as well as receive significant percentage of income. Latter ones contribute to economy so far very scantily while also receive adequately low revenues.

Interesting characteristic of South African land tenure in case of small-scale producers has form of often group ownership within rural communities. This is caused by lack of financial means for acquirement of land within the land redistribution program. This trend prevails until these days, although there are several tools to support individual ownership, e.g. various grants and loans for poor and landless. Less frequently is the owner of the land municipality, which most commonly provides it to poor citizens for grazing or basic cultivation for own consumption. Needed to be mentioned is also traditional land ownership, which means that all certain land belongs to the chief, and farmers undertake to maintain it in productive state.

But as the agriculture of the country has many facets, also even the term of small-scale farming is not so obvious and clear and in comparison with general definitions can be

quite different. As an example can serve political definition of the Department of Agriculture, Forestry and Fisheries:

*“A small farmer is one whose scale of operation is too small to attract the provision of the services he/she needs to be able to significantly increase his/her productivity.”*  
(Kirsten, ©1998)

This sentence explain the governmental understanding of smallholders as farmers producing only for their own consumption, who need external aid to be able to become part of such system as dynamically evolving agrarian sector and actively contribute to national economic income and growth.

Overall scepticism towards small-scale farming creates a lot of prejudices and stereotypes, which are unfortunately too often based on true. Small-scale farm basically means in South Africa synonym of inefficient or unproductive. Main reason is that, that majority of these farms is situated on the territory of former Bantustans, which were for decades overcrowded and overloaded, so the quality of the soil cannot compete with nourished and cherished land of large farms, often also cared with help of irrigation and other technologies. From history prevails the situation, when smallholders in poor areas cannot dispose with almost any or any financial resources and with those connected technologies in contrast to large agricultural holdings, which were during the apartheid amply supported by various governmental programs and subsidies.

Equally important is then the fact that mostly African small-scale farmers have never had easy access to appropriate education, so many of them use very basic techniques handed down from generation to generation. This kind of education is understood as the practical knowledge necessary for efficient agricultural production, and also knowledge of the markets or business.

Without sufficient financial and material capital as well as without proper knowledge and experience is therefore very difficult and complicated, often even impossible, to enter into the agribusiness or even compete with a long-established large-scale farms with strong background, experience and position on the market. However, chances are increasing with any external support, which is currently also the biggest challenge of the government – to help the smallholders to overcome all the barriers and gain fair



position within the environment of agricultural sector. This scenario, however, is not benefiting only this target group, but also whole rural communities, local economy and finally national economy and growth as well. (Hall, 2007)

Thousands of examples of development aid provided through various governmental as well as non-governmental programs, projects and other tools proved that mere financial assistance is far from sufficient and sustainable. One of the most valuable way, especially in this case of small-scale farmers, is indisputably capacity building through provision of quality and appropriate level of education, which can open the door to many other opportunities and move smallholders into better position within the agribusiness.

## 5 MODEL PROJECT - ESTABLISHMENT OF RESEARCH AND EDUCATIONAL CENTRE

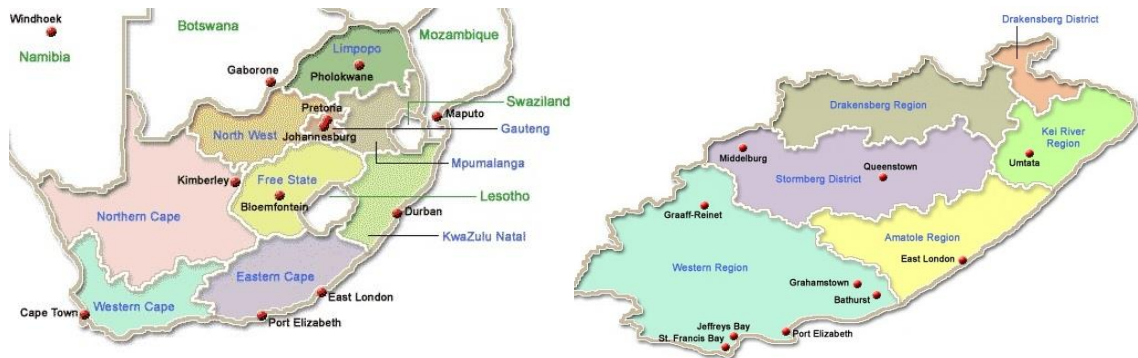
### 5.1 Description of region designated for the implementation of the project

#### The Eastern Cape Province

The Eastern Cape Province is situated in the south-eastern part of Republic of South Africa. The capital of the province is Bisho, largest cities are however East London and Port Elizabeth. Total area is 168,966 km<sup>2</sup>, which makes it the second largest region in South Africa. The province is further divided into 7 districts called Nelson Mandela Bay, Cacadu, Amatole, Chris Hani, Joe Gqabi, OR Tambo, Alfred Nzo.

**Figure 3:** Provinces of Republic of South Africa

**Figure 4:** Districts of Eastern Cape Province



Source: [www.dining-out.co.za](http://www.dining-out.co.za)

The population of the Eastern Cape is 6,620,100, where 86,3 % are black Africans, 8,3 % coloured, 4,7 % white and 0,4 % Indian or Asian. The density is 39 people/km<sup>2</sup>. The most used language is Xhosa, then in a much smaller extent Afrikaans, English and Sotho.

Borders of the province have been officially changed in 1994 to include former homelands Transkei and Ciskei. Historical events and form of state management before

1994 have undoubtedly affected the standard of living in the area until these days, since today Eastern Cape Province was and still is one of the most neglected regions in South Africa. When we consider the total income, we find that the Eastern Cape is the fourth richest region in South Africa. However, in per capita income terms, the province occupies the seventh place from nine. Unemployment and poverty are serious long-term problems of the area, after all the amount of people living under the line of poverty there is 68.7 % - the highest in the whole country. Almost two thirds of the population (65.1 %) live in rural areas, which are strongly influenced by the uneven distribution of income, which, however, occurs on various levels within the whole country. (DAFF, ©2012)

Landscape as well as the climatic conditions are extremely variable. It allows to cultivate such a different commodities as tea, coffee, olives, pineapples, chicory, cereals, maize etc. Also the breeding of various livestock is significant. Last but not least it can be also mentioned timber plantations, fishing industry or generally growing eco-tourism.

However, neither another types of industry in the province are not far behind. On the contrary, modern infrastructure comprising three harbours and three airports, the automotive industry consisting of General Motors, Volkswagen and DaimlerChrysler in East London and Port Elizabeth have significant and growing importance for economic growth and development of whole South Africa. (ECDC, ©2004 - 2015 )

The implementation of model project is designed according to conditions of the **Amatole District Municipality**, from which will be chosen the first groups of suitable participants. It is located on the coast of the Indian Ocean and from the inland is protected by Amatole Mountains. It also boasts with its three cities - East London, Bhisho and King William's Town. In these cities is concentrated majority of the industry throughout the province. Population exceeds 1,664,000, of which over 90% are Black Africans speaking the Xhosa language.

There are two main reasons why was chosen Amatole District and its local farmers as a final destination and target group. From a practical point of view is important the distance of future participants from the place of implementation of training courses

and their transport. The position is then firmly given by the close cooperation with the University of Fort Hare and by fact, that the educational centre is supposed to be built on already existing former research farm “Honeydale”. Second reason can be linked to unemployment rate, which is for Amatole together with Nelson Mandela Bay Municipality the highest in whole province. Another advantage of the district is good level of infrastructure, which will facilitate organizational operations. (ECSECC, ©2012)

Agriculture in the district is based on vegetable cultivation, cattle and dairy production. These three branches thus present principal contents of the courses.

### **University of Fort Hare (UFH)**

Some basic information about the university need to be described in this chapter, because this institution with its teaching experience and facility is absolutely essential for the very existence of the project.

The university was founded in 1916 and have had always an important position in case of higher education, while among the graduates can find names such as Nelson Mandela, Oliver Tambo, Julius Nyerere, Govan Mbeki, Kenneth Kaunda and many others. Over the period of apartheid, the university became the scene of many protests and the movements for independence, it maintained its excellence and its alumni stood by the birth of many newly independent African Countries.

Nowadays UFH educates nearly 15,000 students on five faculties within three campuses in Alice, East London and Bhisho, while amongst these students are many foreigners not only from African countries. The University prides itself on the quality and professional approach to research and education. (<http://ufh.ac.za/>, ©2015)

For model project is crucial campus in Alice town with its Agripark. The location of the campus is ideal for organizational purposes, it is situated in the heart of poor rural area, where live many adepts to benefit from the project activities. However this action would not be the first one in this direction at all, because one of the university objectives is to improve living conditions of local communities, especially by creation of sustainable

jobs, and in this branch they are operating through various programmes and projects both current and past.

The closest cooperation of the project team proceeds with **Faculty of Science and Agriculture**, namely with Department of Livestock and Pasture Science, whose staff are the most interested in the restoration of former research school farm Honeydale. This faculty also maintains a large university agribusiness village called Agripark in which area the Honeydale farm is located.

**Agripark** was established in 2000 in Nkokobe Municipality with the main aim to support agricultural development in rural areas around Alice town. Nowadays the Agripark employs around 50 people, but this number, however, will increase with the implementation of the project. Examples of the activities of individual sections are seedlings nursery, animal traction, honey bee keeping, fish farming, vegetable production and processing, the Nguni Project and others, but also various researches, e.g. controlled cultivation of Aloe Ferox plant. Our project will extend the current offer both to students of the university and to outside beneficiaries from the side of Agripark, namely by cattle, dairy and vegetable production. (Aspire, ©2010)

## **5.2 Analysis of the problem and objectives**

In this chapter conducted primary and secondary researches and their results are described, as well as the consequent overall and specific objectives. On the end of the first unit also very brief description of the Honeydale school research farm is following, because despite the fact, that the revitalization of the site is fully in hands of responsible representatives of UFH, it is still the facility of implementation of the whole model project.

Let's start with secondary research, which was made before the departure to the place of realization. There was then drawn up primary research which was about to confirm the results of the first investigation and also to focus in detail on the essentials of the project.

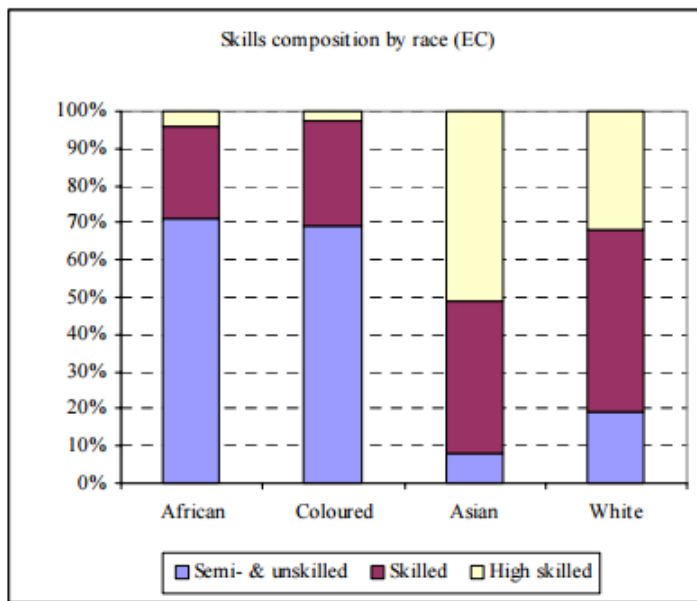
### **Description of initial state according to results of secondary research**

Before the actual draft of the project was essential to ascertain that the chosen locality and the topic of the project are appropriate with taking into account real current situation. As was said in the introduction of the region, the most serious problems here are linked to unemployment, uneven distribution of income and poverty. Here follow some statistical data about these mentioned phenomena.

Inalienable is also the influence of the share of rural areas dependent on agricultural production in the province, and even more in Amatole district, which is visible in subsequent figures and descriptions. The percentage of total land area in Eastern Cape which is used to agriculture is 86.8%. With 407.000 of farming operations is the province on the first place within the whole South Africa, far ahead of other provinces. (Lehohla, ©2002) 617.133 of agricultural households in Eastern Cape, which means 42.8% of total households, could be further divided into two types: household with own production for own consumption and employees in agriculture. Some income receives only 8.9% from all these households. Furthermore is important to note that the vast majority of these households are formed by Africans, and only a small percentage is fleshed by Coloured, White and Asian households. Very important is also the fact of traditional land ownership, which means that all certain land belongs to the chief, and farmers undertake to maintain it in productive state.

In 2010 there were during the research found 1.8 million economically active inhabitants within the province, which represents only 27% of the population. Level of skills of these workers is shown in following graph according to race. This dismal result is again connected with the historical development of the region – previous homeland of Ciskei and Transkei, the impacts of which persist to these days.

**Figure 5:** Skills composition of economically active population



Source: IES/LFS 2000 in PROVIDE Project Background Paper 2005:1(2)

**Unemployment and low level of education**, according to surveys in recent years has succeeded in reducing, but before the state gets to an acceptable level, it will require a lot of time and effort.

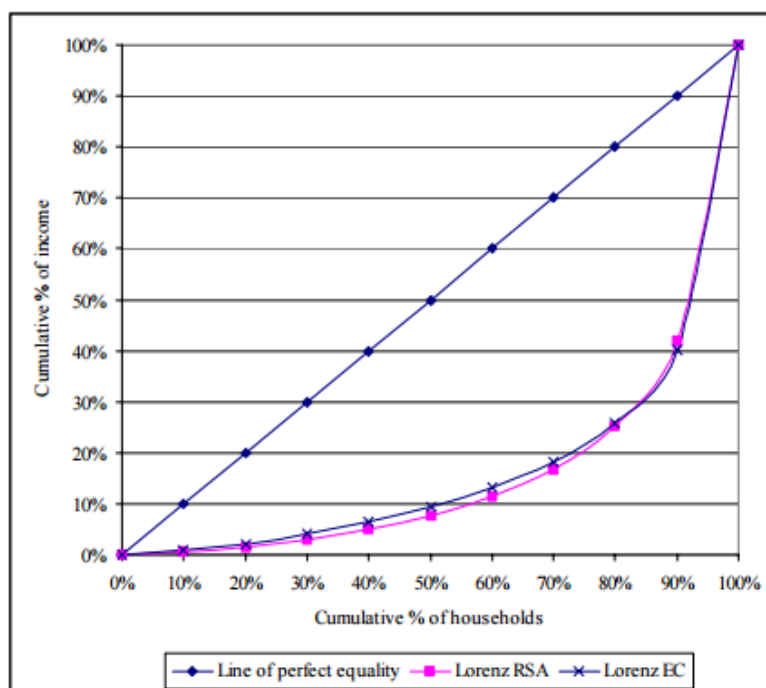
Unevenly distributed **income** among households clearly displays the figure 3. The sums are shown in South African Rand (ZAR), while the current exchange rate is 13.49 ZAR = 1 EUR. After the table the graph of the Lorenz curves for the Eastern Cape and South Africa follows.

**Table 3:** Average household incomes in the Eastern Cape

	Agricultural households					Non-agricultural households				
	African	Coloured	Asian	White	Total	African	Coloured	Asian	White	Total
Cacadu	12,674	11,304		96,735	21,077	22,795	22,892		78,836	33,199
Chris Hani	16,376	15,414		182,022	23,682	18,425	37,576	204,506	140,530	26,431
Ukhahlamba	12,466			285,066	36,428	19,818	17,117		115,993	23,857
Alfred Nzo	16,296				16,296	13,139				13,139
OR Tambo	11,465				11,465	19,313	67,667		139,000	19,531
Amatole	15,258			116,580	16,186	24,058	53,558	270,114	242,017	31,695
Nelson Mandela	13,173	18,542		86,892	20,399	25,495	47,790	110,432	159,661	64,066
Provincial average	13,690	12,749		145,806	17,729	21,070	41,197	148,376	154,883	32,204
National average	15,014	24,250	132,816	282,151	26,612	29,777	57,284	88,642	166,100	49,990

Source: PROVIDE Project Background Paper 2005:1(2)

**Figure 6:** Lorenz curves for the Eastern Cape and South Africa



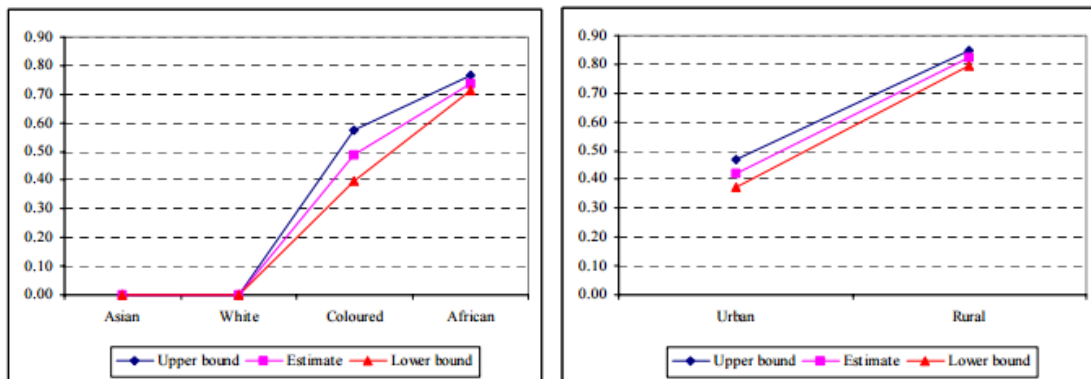
Source: IES/LFS 2000 in PROVIDE Project Background Paper 2005:1(2)

Finally the amount of people living under the **poverty** line for Eastern Cape is 68.7%. This number is the highest in whole South Africa. The proportion of households living below the poverty line is again significantly different, if we consider racial composition or location of them, as is visible in the graphs below.



**Figure 8:** Poverty rates according to ethnical groups

**Figure 7:** Poverty rates according to type of inhabitation



Source: IES/LFS 2000 in PROVIDE Project Background Paper 2005:1(2)

However, all these facts, that show black agricultural households living in rural areas as the most neglected, have led to establishment of various governmental programs which constantly reduce these negative phenomena. (Project, ©2005)

Also 12 development goals were set out for the Eastern Cape to be fulfilled until 2014. These include issues relating to the project, as decreasing of unemployment rate to one half, 60 - 80% reduction of amount of households living in poverty, 50% improvement of literacy rate, food self-sufficiency or economic growth, but also issues of sufficient education for all children, clear water, mortality rate etc. (ECSECC, ©2012)

### **Description of initial state according to specific survey designed for concrete target groups**

During the initial visit of the campus in Alice the questionnaire survey was completed with the aim to recognise and describe the current situation both on the field of the university and chosen rural communities nearby. In this section the fundamental results are briefly outlined, while the entire resulting report is available in appendices.

The survey was divided into three parts namely to questionnaires for farmers, students of faculty of science and agriculture and also for academic staff, who are ideal adepts to participate in a project as experts by ensuring various operating parts of the courses.

The part of the survey intended to farmers took place in three local communities and identified the current conditions of the families, in most cases dependent on agricultural activities. These kinds of questions confirmed our knowledge obtained from various statistics detected during secondary research. The level of education in this area is very low to none. Some basic knowledge is passed down from generation to generation. Although the interest of local youngsters in higher education have increased, only a little percentage of them come back to native villages to apply their education and thus benefit the entire community. Agricultural production then consists of a breed of all domestic animals and growing of root and leafy vegetables. Interest in the Honeydale project here was considerable.

The section intended for students from Department of livestock and pasture science of Faculty of science and agriculture was included into the survey, because the topic of insufficient practical training of the students is nowadays frequently discussed within the faculty. This problem needs to be solved, and Honeydale educational and research centre is perfect solution for variety of reasons, which is, however, fully up to the management of UFH. The results from this part of the survey are thus irrelevant for implementation of the model project and are not further described.

Last section of the survey deals with professional opinions of the chosen academic staff and with their willingness to cooperate with project team on implementation of the project. The questionnaires founded positively addressed experts of all major subfields needed for successful running of the educational centre with an aim to provide specialized theoretical and practical training. These interviewed lecturers were well informed about the overall situation as well as about the current state of the Honeydale farm, so they were able to really credibly assess the primary purpose of the project and also contribute by their other recommendations.

The principal finding of the primary research thus results in statement that the situation in surroundings is really serious and the improvement is necessary as soon as possible. Also the question of interest in this kind of solution in the form of Honeydale project was responded positively from all three addressed groups.

Upon closer sketching of the courses revealed that preferred form of the course is shorter term and more intensive, and that the vast majority of potential participants are interested in all parts of the course including agricultural skills as well as basic business knowledge.

### **Description of initial state of former school research farm Honeydale**

Originally commercial dairy farm was acquired by UFH in the seventies of the last century. Until 1994 was this farm daily used as a research centre, which simultaneously provided full service in training and community service. With a dramatic change of the government in 1994 connected with the end of previous apartheid regime, Honeydale, however, lost all its significant subsidies and have started to be inevitably neglected due to insufficient financial means needed for running of the unit.

However, even after almost twenty years without life, the facility is still in very good state, entire farm is connected to electricity and drinking water, foundations of buildings are solid and lot of professional equipment for a variety of agricultural activities is still functional. A comprehensive survey of the entire farm for finding these states was conducted from the side of UFH, which is also responsible for all revitalisation activities.

One of the annexes of the thesis contains wider information about individual units including also photographic illustrations. These still functioning units have the potential to serve very well for diary, beef cattle, basic veterinary station, cultivation of vegetables, hosting participants and other visits in for this specially designed residences, teaching theory in proper classes, administration, logistic and other managerial activities in offices facility, and breeding also other livestock, which is not relevant for the project, as for example pigs, poultry or honey bees. Honeydale farm is surrounded by extensive grasslands and currently mostly uncultivated fields.

### **Overall objectives**

The overall objective is to increase the level of vocational knowledge of local small scale farmers in the field of agriculture and agribusiness.

Model project is designed in such manners, that after the participation in the course these smallholders will be able to manage their production in extent ensuring not covering only their own consumption, but it also provides them guiding through various kinds of sales and business activities and thus the access to better incomes. Ideally this model supposes to lead to improvement of standard of living of local rural communities.

Another general objective, which arises from the planned activities, is also to increase supply of agricultural commodities and products, and thus amount of fresh and trustworthy food for the region, which will not be offered only by former participants of the courses, but also by the Honeydale farm itself, which will obviously through its work in the field of practical education also produce considerable quantity of the agricultural goods.

### **Specific objectives**

#### *Improve quality, productivity and competitiveness of rural areas in Amatole District*

The first and crucial specific objective of the project is to establish research and educational centre concerning on agriculture and agribusiness, with very close cooperation with University of Fort Hare and its campus in Alice, under which direction is already mentioned Agripark, where the Honeydale farm is situated. The main task of the UFH is the revitalization of the farm, while the main task of model project itself are soft operations, as creation of the courses, promotion, communication with chosen communities etc.

The facilitation will enable to give to participants both practical and theoretical skills according to their chosen specialization. Pilot courses will focus on dairy, beef cattle and vegetable cultivation, because for these branches there are the best conditions due to existing facilities on Honeydale farm and this is also the most frequent focus of farmers in the given area. However for future developing of the research and educational centre there is also strong background and recommendation for piggery, poultry, crop production, sheep breeding and honey beekeeping.

According to the primary research, the local small scale farmers are interested in technical training in the field of farming but also in acquisition of knowledge

in the field of trade, which will enable them also to present their products on the local market. After the completion of the course the participants will be able to perform these activities effectively and without constant help of external advisors.

Every participant should feel improvement of his vocational knowledge and be more confident while solving daily questions concerning agricultural production and trade after the completion of the course.

Among the specific objectives belongs also compaction of relations between farmers and stimulating them to greater cooperation, which would simplify solving of various daily questions concerning their farms and collaboration across the communities.

### **5.3 Target group and another involved subjects**

#### **Target group**

The principal target group of this project are local small-scale family farmers keeping cattle and dairy livestock and cultivating vegetable. As was said above people living in these poor rural areas, impaired by overcrowding during the period of homelands Ciskei and Transkei, mostly don't have any access to job opportunities, incomes nor to proper education. This has its roots deeply in history of Apartheid and even earlier, whereby there has been constant governmental effort to improve the issue through land reform process described in chapter 4.3. This vicious circle therefore creates fully dependency on their own agricultural production, where, however, all methods and procedures are inherited from earlier generations and their level is not sufficient to secure good living conditions for all family or community.

But it is not only this primary target group which will be positively affected by the project. Simultaneously with the creation of courses for farmers, the University of Fort Hare will develop new system of practical training for the students of Faculty of Science and Agriculture, which urgently needs to be improved. This activity will be possible just because of the close cooperation amongst Mendel University and University

of Fort Hare and joint operations with the aim to revitalize and utilize the former research farm as much as possible.

Final beneficiaries of the project are therefore not only the small groups of chosen farmers, but also all their communities, whose members can take acquired knowledge from the participants of the courses. Also the mentioned students will be indirectly affected through new possibilities to practice their theoretical knowledge on modern farm in the vicinity of the school campus.

In conclusion can be also mentioned the ambition of the most closely involved university staff, who say that the farm with such a potential has a real chance to become a prominent educational centre in future not only for Eastern Cape province, but for whole South Africa and surrounding states, because facility of such breadth, equipment and leading of professionals is in these days something absolutely unique in whole given locality.

### **Analysis of involved subjects of the project**

#### Involved subjects in Czech Republic

##### *Mendel University in Brno:*

Mendel University in Brno is one of the fore public scientific, research and higher educational institutions in Czech Republic. University was established in 1919. Nowadays MENDELU offers to its students broad variety of degree courses on five faculties and one university institute. The Mendel University in Brno is the applicant and the guarantor of the project. (MENDELU, ©2014)

#### Involved subjects in South Africa

##### *University of Fort Hare, Alice, Eastern Cape Province:*

This historically and currently very important public university in Eastern Cape Province was founded in 1916. 11.000 students study various degree courses on 5 faculties within 3 campuses. Close collaboration with main partner as UFH is essential for implementation of the project. The main focus of their activities is revitalization of the Honeydale farm, but also cooperation in forming the soft parts of the project. After

completion of the project the university will take courses below its direction, and also the courses will be its intangible property. (ufh.ac.za/, ©2015)

*The Agricultural Sector Education and Training Authority (AgriSETA):*

This vocational skills training organization provide versatile support to its partners. Together with AgriSETA there are another 20 SETAs covering all industries in whole South Africa. All these SETA systems were defined by Skills Development Act of the South African Parliament. (AgriSETA, ©2012)

AgriSETA with its rich experience in training of agricultural organizations, enterprises, institutions, but also of small agricultural cooperatives etc., and with its programs providing grants and funding is ideal partner to ensure managing all organizational and financial issues of the Honeydale project.

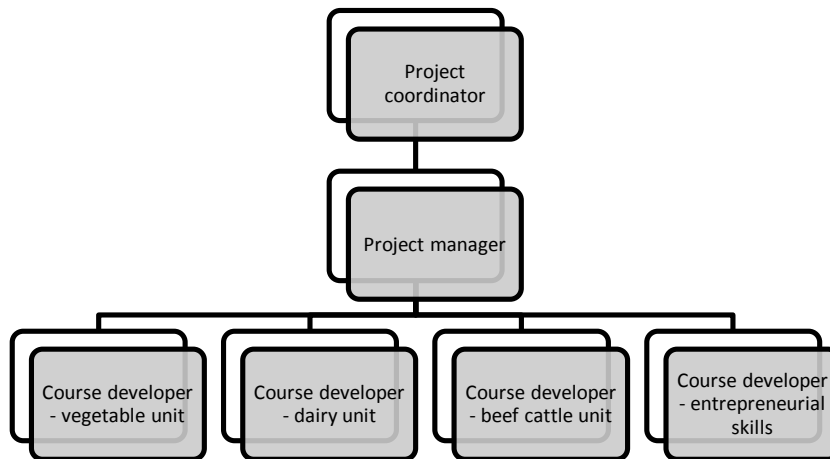
Through its program we will finance the fees of participants to be able to take the course, which means costs of tuition, food and accommodation. Also the curriculum of the courses will be registered by Agriseta with the name of the UFH.

## **5.4 Proposal of the activities in the process of implementation:**

### **5.4.1 Human resource management**

For a better overview is following figure 10 showing basic hierarchy of the organizational team.

**Figure 9:** Hierarchy of human resource management



*Source: Own work*

### **Project coordinator**

Project coordinator is on the top of hierarchy of organizational pyramid. He/she will carefully supervise the proper implementation of the project. The most of the tasks will be needed to perform in the first year of the project, as for example to choose other members of the team. Important is responsibility for financial issues as well as for the communication with the partners, donors and other external organizations or authorities. He/she will also discuss the missions and visions and other issues with the representatives of both universities. With the project manager he/she will decide about the major steps or changes.

### **Project manager**

Manager will be present at the place of implementation for the entire project period. Therefore, it is obvious that it will be one of long-term interested staff of UFH. Performance time will become more arduous in the second half of the project, thus with the second year of implementation, when the courses will be already prepared and ready to start. He/she will supervise all activities done within the courses, and also control and manage infrastructure of the project. He/she will closely cooperate with the project coordinator and deal with him serious problems and questions.



This person will be responsible for all necessary project administration, e.g. project documentation, accounting, personal folder of every participant of the course, contracts, applications etc. He will also lead promotional activities. His/her work will be also the selection of participants from individual communities and with this connected signing of contracts.

### **Course developers**

Four course developers will create four different curricula, namely for dairy, beef cattle, vegetable and entrepreneurial skills. After creation of all necessary materials, they will also present them on the classes and practical trainings. They will be in direct daily contact with participants, they will provide consultations and also obtain feedbacks from them. They will closely cooperate with the manager and deal with him all problems and questions.

Here are listed the staff who will be involved only in the project implementation. It is obvious that running of such a complex centre is not possible without several technicians, permanent or seasonal employees and others. These workers are however not subject of our project, and will be thus under the direction of UFH, which will use Honeydale farm also for a wide range of another activities.

### **5.4.2 Description of individual activities**

#### **Establishment of research and educational centre Honeydale**

As was said before, the very first step of the whole action is the revitalization of the former school farm Honeydale. This is, however, task of authorized representatives of University of Fort Hare. This was together decided, because the Honeydale is property of UFH, and this institution will also use it for broad range of activities including practices for students, public service, research activities etc., whereas the project's main aim is to provide vocational education to small-scale family farmers. Nevertheless Honeydale organizational team will assist to these operations mainly by professional support, not only because its significant part is composed

by representatives of UFH, who are interested in overall revitalization process. Financial issues however remain on UFH. For model project is this thus rather half step.

### **Promotion of the project**

To show the project in a positive light, it is necessary to ensure proper promotion right from the beginning. The main content of this activity will be visiting communities living in rural areas and addressing them with offer of participation in the Course of Entrepreneurial skills in agriculture. Also printed promotional materials will be available and spread during this visits. It is important to remind language barrier amongst these communities, which will be solved by participation of project manager, who will be able to explain all requisites appropriately. Also the promotional materials will be provided in bilingual form.

Within this activity are also included official web pages of the project, which will promote it also in front of external bodies, especially in front of potential partners and donors.

### **Selection of course developers**

In chapter Human resource management is described the structure of organizational team. However, not all its members are known in initial phase of the project. The course developers will be thus chosen in selection process from the academic staff, which we formerly contacted through Honeydale questionnaire survey. With chosen candidates will be consequently signed contract, where all proprieties will be described and accepted.

### **The course of entrepreneurial skills in agriculture**

The three courses of entrepreneurial skills in agriculture focus on dairy, beef cattle or vegetable cultivation will consist of two main parts - agricultural section and business fundamentals. In case of agricultural section will predominate practical training on several units of Honeydale farm. Business fundamentals will be conversely taught in specially modified room for theoretical education, although these business classes will also contain practical exercises.

### **Structure of the course focused on dairy production**

The structure of the courses is now summarized on the example of dairy production, with the fact that other courses will especially in technology passages vary, but the structure will be in all the three courses very similar.

**Table 4:** Model structure of the course

<b>Model course - specialization on milk production</b>	
<b>Agricultural sections</b>	<b>Business fundamentals:</b>
<p><i>Performance of general agricultural activities:</i></p> <ul style="list-style-type: none"> <li>• Cultivation of agricultural crops</li> <li>• Animal husbandry</li> <li>• Available and for small-scale family farmers appropriate technologies</li> <li>• Safety and health protection at work</li> <li>• Possibilities of ecology</li> </ul>	<ul style="list-style-type: none"> <li>• Business opportunities</li> <li>• Establishment of business and business plan</li> <li>• Small business management</li> <li>• Communication skills</li> <li>• Administration                             <ul style="list-style-type: none"> <li>○ Taxes and accounting</li> <li>○ Legal aspects</li> </ul> </li> <li>• Orientation on the market</li> <li>• Principles of marketing</li> <li>• Personal development</li> <li>• Advantages of cooperatives</li> <li>• Possibilities of certificates of quality</li> </ul>
<p><i>Raising of dairy cattle:</i></p> <ul style="list-style-type: none"> <li>• Breeds of cattle</li> <li>• Breeding of heifers</li> <li>• Housing systems</li> <li>• Pasture of cattle</li> <li>• Lactation</li> <li>• Milking</li> <li>• Reproduction</li> <li>• Breeding of calves</li> <li>• Primary treatment of injured or sick animals</li> <li>• Welfare of the animals</li> </ul>	
<p><i>Dairy processing:</i></p> <ul style="list-style-type: none"> <li>• Types of treatment of milk</li> <li>• Milk cooling</li> <li>• Pasteurisation</li> <li>• Production of liquid milks and creams</li> <li>• Cheese production</li> <li>• Manufacture of yogurts</li> </ul>	

*Source: Own work*

*Final exams in individual sections:*

As was already explained above, agricultural section is furthermore divided into three units according to applicant's interest. These units are dairy, beef cattle and vegetable production. Because these branches are quite different, every single one will have its own developer, who will also design the final appearance of final tests and feedbacks.

### **Ensuring the course materially**

First step within this activity will be to equip the building intended for theoretical part of the courses. The building is in good condition with yet functional distribution of electricity and drinking water. So only equipment like tables, chairs, board, computer, data projector etc. will be needed.

Also the printing of study materials, preparation of study aids and ensuring of the work clothes for participants belong to this activity. Although the work clothes is also partly a matter of promotion, because these necessary items will be provided with the project logo and are supposed to be worn also after the completion of the course, since they will remain to participants as a small gift.

### **Selection of course participants**

Responsibility for this action will lie on manager of the project. He will visit formerly contacted villages and communities to make final lists of the participants. It will not be possible to accept all members of one community at the same time, because the course is quite time demanding, and we suppose that the neighbours will support each other in the days of their absence on their farms. The opportunity to attend the course for all interested candidates will be however guaranteed. Also the participants of the course are required to sign the contract containing all conditions, rights and duties.

### **The process of learning**

Courses will start at the beginning of the second year of the project, and thus the realization period of them will be three years. At that time, everything will be ready for the smooth operation of the educational centre. Qualified experts will lead their disciples to the successful completion of the course according to the above itemized curriculum.

### **Here follow some basic, but important organizational issues about the courses:**

- Number of courses per year: 6 → 2 courses of every section
- Total number of courses during the project: 18
- Number of participants per course: 10

- Total number of disciples of the courses: 180
- Total length of one course: 2 months
- Length of one course in days: 32 (4 days per week)
- Total theory: 96 hours (3 hours per day)
- Total practice: 160 hours (5 hours per day)
- Total theory + practice: 256 hours

**Table 5:** Time schedule of the courses

	2015												2016												2017																	
	Semester 3						Semester 4						Semester 5						Semester 6						Semester 7						Semester 8											
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12						
Beef cattle course	■	■	■	■			■	■	■	■			■	■	■	■			■	■	■	■			■	■	■	■			■	■	■	■			■	■	■	■		
Dairy course		■	■	■	■			■	■	■	■			■	■	■	■			■	■	■	■			■	■	■	■			■	■	■	■			■	■	■	■	
Vegetable course					■	■					■	■					■	■					■	■					■	■					■	■					■	■

Source: Own work

### Completion of the course

The professional development of participants will prove the final examinations, both in the form of written test and a practical test on one of the farm units. After the successful completion of the tests and thus of the course, the participant will receive "Certificate of completion of the Course of entrepreneurial skills in agriculture" with national validity.

### Handing of the project to representatives of UFH

After four years should be Honeydale centre on such a level, when involved academic staff will be fully able to take over all parts and sections of the centre, and to maintain, control, develop it by their own. Thus will be project officially done, but practically the activities should work with the same quality and intensity. Also the courses will be then the property of UFH, as they will be registered by Agriseta.

## 5.5 Methods of evaluation

Evaluation is very important part of the project implementation, because it provides necessary reflection on performed activities and their outcomes from the side

of participants. In following paragraphs are stated several evaluating methods, which will ensure requested feedbacks.

- a) List of attendance and activity: At all hours of theoretical and practical training the teachers will record the present participants into attendance document together with the level of their active approach during the classes, which will positively affect their successful completion of the course.
- b) Mid-term evaluation: Special evaluation sheets will enable to participants as well as to experts to reflect on already done activities in the middle of the course to flexibly modify the schedule in case of need.
- c) Final exam of theoretical knowledge: Theoretical examination will consist of two main parts, which will check their knowledge gained in farming and business by written test.
- d) Final practical exam: Practical examination will take the form of performing various tasks directly on the individual practical units, and thus will prove the hand-operated capability for breeding and care of cattle, cultivating vegetable and subsequent producing of goods with added value.
- e) Regular visits to the former course participants on their farms and workplaces: These visits of former participants will allow control long-term effect of the project. It will include observation of the participant's current situation and living conditions using the several given pointers, but it will also require the participant's personal feedback after a certain time interval. These former participants will also have an opportunity to visit Honeydale farm any time to take the opportunity of counselling. Responsible experts will then always do their best to help to their former disciples and thus to solve their various problems.
- f) Research on changes in the amount of offered goods in the area: This part of evaluation will also certify the changes in supplied agricultural goods as a direct result of the project.

All the materials and other stuff containing any kind of evaluation will serve for further reflection of project team, where the main aim will be to improve potential weaknesses

and try to solve every single issue, as well as to pick up and enhance the positive aspects, simply to constantly push the quality to higher level.

## **6 DISCUSSION**

The fifth chapter dealt with vast majority of aspects and steps necessary for successful implementation of model project. However, also some potential consequences, expected outcomes and possible risks need to be examined as well as sustainability of the project, which together determine whether a project can be safely implemented.

### **6.1 Project outcomes**

#### **The courses of entrepreneurial skills in agriculture and its creators as expert teachers of the courses**

Although Honeydale farm has a great potential to cover all agricultural production, we chose for our course only three sections, namely beef cattle, dairy and vegetable production. The reason is dominance of such kinds of farming in given region.

The content of the courses will include all necessary aspects necessary for expert teachers to be able to fully use it during the theoretical classes as well as during practical training and final examination. These experts creating curricula for the courses and all additional materials are at the same time the teachers and trainers hired in the project for leading the courses, which is ideal solution, as they are qualified, motivated and working for UFH as academic staff and they have an overview of the whole situation since the very initial phase.

#### **Raised professional capacity of local small-scale farmers of chosen communities**

180 small scale farmers from surrounding rural areas will be after the course able to manage their farming better and more professionally, both basic agricultural operations and managing their own business activities. Every successful graduate will also receive a certificate that will validate their newly acquired experiences. With this package of outputs the participant will have higher chance to find a job in local agricultural cooperatives and companies, or to become more successful with his or her own business front of the donors of small scale entrepreneurs and on the local markets.

#### **Educational and research centre**

Establishing and maintaining of an educational and research farm within the Agripark of University of Fort Hare, with potential to practically and theoretically educate both



small-scale farmers from a wide area and students of the university. Also the level and importance of research planned by university staff has potential to become national or even international. Ample space will also allow in the future various congresses, seminars, conferences, etc. Even though the revitalization of the site is fully in responsibility of UFH, it is essential condition for the project, which will contribute with soft aspects of opening the centre.

## **6.2 Risk and assumption analysis**

The most of the potential risks are connected with behaviour of the target group, in our case of chosen small scale farmers. First is the lack of interest of our courses, what we preliminary tried to detect through questionnaire survey, where the responses of vast majority of the respondents were positive. However, this rejection of our offer can appear from several reasons.

First can be, during the survey mentioned, distrust to foreign persons coming from remote areas, who are trying to implement their techniques and manners to local inhabitants. This fact is also closely linked with the language barrier and many differences between cultures. This risk, however, should be quickly removed only by presence of University of Fort Hare in the project, which enjoys the full confidence of the local communities, as was verified through questionnaires. Also individual professionals ensuring the running of the courses are academic staff of UFH and they are versed in matters of local culture and speak local language very well.

Also the fears of farmers about the difficulty level of the course and the possible greater distance of the Agripark to their homes can signify certain hesitation in decision making whether participate or not. That is why the perfect promotion of the project and close cooperation with local experts and even with the leaders of individual communities, as well as the functional ensuring of organizational issues connected to transport will be necessary.

Once we reach the participation of chosen groups on the courses, raises additional risk in the form of participant's approach to the entire learning process. It will be necessary

to immediately react to their behaviour, suggestions and comments gained through mid-term and final evaluation, and to try to always find the golden mean to maintain the excellence of the project together with the best fitting conditions to the clients. Such a way of leading the project should also ensure good reputation across the province, which will result in continued interest from potential candidates for the courses.

After completing of the course some of the participants might have a problem with the successful implementation of the acquired knowledge on their own farms. For that reason, these former course participants will have the opportunity to consult appeared problems with their professional lecturers even after finishing of the course.

But it is not only the case of beneficiaries, which could bring risks into the project. Also the involved lecturers and other workers could lose their motivation and interest to continue appropriately in implementation of the course. The corresponding evaluation of these employees and their further motivating by various team building activities should, however, ward off such a risk. Also they will have to fill the regularly evaluation sheets.

Complications may also occur in conjunction with the revitalization of the site. Whole operation including both our project with the main aim of creating courses for farmers and all planned activities of UFH is quite extensive and demanding on flawless execution, which will require perfect timing, controlling and cooperation amongst all sections and operational teams.

Excluded is not even the lack of finances during the project implementation. This should be, however, avoided by the accurate planning of elaborated budget of the action and also by the continuous search for potential partners and donors. The initial draft of the budget is enclosed in appendices.

### **6.3 Sustainability of the project**

The sustainability of the project should be ensured by several factors. The most important of these is again the fact that into the project will be closely involved academics staff of UFH, whose have long-term intent on restoration of the farm for purpose of practical

training of the students and community service. Thus the project has a very reliable and stable partner who, after its completion, will not commit another deterioration of the facility, how it happened in 90's years, when however the overall conditions were totally different. It is not therefore likely that after the project completion would stay the site abandoned.

To maintain the Honeydale complex will be also significantly simplified due to the production, which will flow from agricultural activities within the educational courses and practical training of the students. According to the content of the pilot courses only during the implementation of the project, the farm will produce vegetable, meat and dairy products, which will be intended for sale to local residents and enterprises, and also as a contribution to catering of participants during their stay in Honeydale centre. This offer, however, would be extended in the future by another kinds of livestock and plant production, e.g. keeping the poultry, piggery, small livestock or honey bee unit etc.

The outputs from these activities can be then in a considerable extent used for running of the farm, because the costs of the project consist mainly of salaries for employees and of material provision of courses. A significant percentage of the labour force, however, will be covered by the trainees from among the course participants and students.

It is also important to take into account the fact, that the main outcome is educational and research centre, which will be with all its equipment and staffing resources unique in the wide area and there will be therefore surely certain chances how to attract new donors whether domestic or foreign.

In case of previous participants connected to sustainability, they will always be able to visit Honeydale farm again and solve their problems sequent to their farms and businesses with already known and thus trustworthy experts.

#### **6.4 Partial conclusions**

The model project is applied on very unique situation of current agribusiness in Republic of South Africa. Before project proposing was undertaken journey

to the final destination with a purpose to analyse the situation directly in given location. The results of research assured about relevance and necessity of similar project, which was proved during questionnaire survey from the side of academic experts, students and also from the side of rural communities dependent on agricultural activities themselves.

Project draft was designed in relation with the main objective and while using several specific objectives. The basic nature of the project was expressed in Logical Framework Matrix, which is possible to find in appendices. All the results of both primary and secondary research and all individual steps and decisions were properly discussed with local experts responsible for the Honeydale site and well oriented in all aspects of given situation.

Performed analysis showed the seriousness of the current situation threatening local rural communities, keeping them below the poverty rate without almost any or any incomes on due to overcrowding of former Bantustans devastated land and without any knowledge or experience from successfully working agricultural unit. The latter named together with lack of financial capital is hampering their growth and not allowing them to reach fair position on the markets dominated by small number of large-scale agricultural holdings advantaged by favour of previous regime.

In several chapters of the thesis was outlined significant potential of small-scale farms to enrich not only their local environment, but also the growth and welfare of whole regions or nations. It is, however, quite impossible without any external aid, while the importance of inclusion of capacity building is constantly increasing

One of these ways is explained through model project. Biggest advantage of this method is participation of local higher education institution with goodwill providing the venue as well as human capital in long-term. Consider this together with urgent need for change in the region, the implementation of the project is indisputably relevant.

However, provided description of current conditions for small-scale farmers trying to enter the market or just improve quality and quantity of their production, is far not applicable only to the Amatole district or Eastern Cape Province. Similar situation can be observed throughout the whole Republic of South Africa, as well as in surrounding countries. If the Honeydale educational and research centre will continue to work

independently, efficiently and successfully even after the end of project period, it has together with its scale of facilities and solid background of excellent South African university serious potential to attract also applicants from remote regions and maybe in the future also to gain international reputation.

## 7 CONCLUSION

The main aim of the bachelor thesis was to examine the relevance of educational centres as an agents for capacity building of small-scale farmers, especially in developing countries, where the level of gained skills tends to be lower. To fulfil this general objective was necessary to proceed through several specific goals.

First part of the thesis is based on theoretical background review. That begins with overall explication of solved situation - definition of agribusiness, its current trends and conditions for individual agricultural holdings. Later is the focus targeted generally to small-scale farmers. It was necessary to define small-scale farm and reveal its current limitations and opportunities. Problematics of developing countries and their agrarian sectors influencing especially smallholders followed and closed the chapter.

Individual chapter was then devoted to Republic of South Africa, as it represents target location of the model project. Complicated historical evolution caused by regime of apartheid requires a separate explanation, because its consequences are strongly affecting whole society as well as economy until these days.

Own work consisted of the proposal of a model project solving the situation of insufficient education provided to rural communities dependent on agriculture. Lack of knowledge poses a major obstacle to market entry and therefore also to earning an income for household. The capacity building is in model project provided through establishment of educational and research centre and development of special courses intended for smallholders, which combine theoretical preparation with practical training, and its successful completion is rewarded by certificate.

Project proposal contents important steps as setting the goals, analysis of initial state through research in the venue, human resource management together with description of the partners, methods of evaluation etc. In discussion were assessed risks and assumptions, project outcomes and sustainability, and thus the overall relevance and feasibility of the project.

The thesis further continues with lists of literature references, figures and tables. Five appendices closer current state of Honeydale site, reactions of target group through report from the survey, budget proposal, logical framework and time schedule.

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## **Appendix 1: Results of primary research - questionnaire survey**

### **THE HONEYDALE QUESTIONNAIRE SURVEY - Evaluation**

#### **Summary**

This shortened version of final report contains the results of a survey carried out in the preliminary phase of the model project. The Honeydale questionnaire survey took place at April 2013 in Amatole District, Eastern Cape Province, The Republic of South Africa, where the implementation of the project is planned.

#### **Objective of the survey**

The aim of the survey was to find out on which level are the current theoretical and practical knowledge of the target group of the project, i.e. local small-scale farmers as well as students of Faculty of science and agriculture. There was also a need to recognize their own opinion on the situation and the level of motivation for change.

#### **Methods**

The entire survey was divided into three main parts. Three versions of the questionnaire appeared, designed specifically to farmers from local communities, students and potential future lecturers from among the experts of the University of Fort Hare.

All questionnaires were conducted in printed form, and contained open, closed and semi-closed questions. More information about the chosen methodology will be presented in individual sections later, since the structure is more or less changing.

#### **Individual sections of the questionnaire survey**

##### **Questionnaire for farmers**

This part of survey took place on 22<sup>nd</sup> April in three communities in Amatole District, namely in Lushushton, Kwezana and Ncera Skhweyiya. In every community was presented the aim of the visit at first, after which the completion of questionnaires followed. In such a small communities was serious problem with language barrier, because local people don't speak English. However, due to proper preparation

of the event, several local students of UFH were present to translate. In each community 15 respondents were addressed, exclusively men.

Local inhabitants of Amatole District are dependent on agricultural production for own consumption. There occur all kinds of domestic animals, especially cattle, poultry, goats and sheep, less often piggery and others. The plant production consists mainly from root and leafy vegetables.

The level of technical education in this field is very low to none, as well as the equipment and facility. Some basic knowledge is passed down from generation to generation. However, nowadays more youngsters tend to be interested in higher education. Little percentage of them comes back to their home villages.

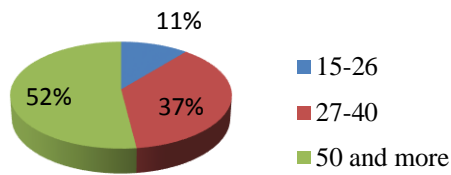
The current situation there is not easy at all. Without any finances (the vast majority is unemployed and without any possibility to find a job in surrounding), and thus very poor equipment they can produce hardly amount for their own consumption, although they would like to use part of the harvest or livestock production for commercial purpose.

Respondents named the most important missing things hindering in development as medicaments for animals, protective system against thieves (who are very common in one of the poorest regions in South Africa), and insufficient water supply. That's why the next development of the implemented and functioning project should closely consider the issue of micro finances.

Although respondents were cautious because most of them already have experience with some similar events and activities, all of them were interested in the project and willing to participate in the future.

Interviewed farmers in all communities prefer courses during weekdays to the weekends. There are no special requirements on the daytime. Respondents from one community prefer long-term courses with not so intensive attendance, representatives of the other two do not attach particular importance to it. Respondents were familiar with the content of the courses, which are further divided into agricultural and business part. All those interviewed were interested in complete course, thus not only in partial sections.

### **Age structure of respondents:**



*Source: Own work*

### **Questionnaire for students**

Even though the found information from this target group were very interesting, they are not relevant for Honeydale project, as all decisions based on the knowledge from this survey is internal issue of the university and project not intended to support students of UFH.

### **Questionnaire for lecturers**

In this case the choosing of the ideal respondents was issue of professional judgment of Dr Solomon Beyene. For the beginning was chosen only a very small sample size - 6 academic staff of faculty of agriculture, who already know the concept of the project and may professionally assess it.

Positive feedback came from academic staff of these departments: agricultural economics, animal science, meat science and veterinary pathology. These branches could be enough for realization of pilot course. For later is planed continuation of reaching out of other staff to cover all the necessary topics for completeness of the courses.

All the interviewed have visited Honeydale farm before and responded that this site has an immense potential to convert into research and educational centre. All of them are also certain that this project could help to solve serious situation concerning the insufficient practical training. All interviewees stated that the interest of the students



and local farmers is guaranteed. But all of them are also aware that it will need to take revitalization. These respondents are interested to participate in the project.

All the respondents preferred short-term intensive courses to the long-term. Summer courses are acceptable, as well as their application to the academic year, which would reduce the amount of hours of theoretical education at the expense of practical.

On the end of the questionnaire some respondents appealed to the seriousness of the problem with lack of practical training and the need to bring the project to realization as soon as possible. They also mentioned, how important is animal welfare particularly welfare biomarkers, and that this issue will be necessary to respect.

### **Conclusion**

The significant obtained information is that target group as well as the competent lectures consider the project as interesting, and even crucial for improvement of current situation, because the level of practical education is very poor. Another detected fact thus was, that the project is realizable, and because of close cooperation with UFH also sustainable. The majority of respondents would be interested in the complete course of entrepreneurial skills.

Another question we have uncovered is the issue of micro financing, which would be the subject of another development of the Honeydale project in the future. Micro grants would be understood as a significant aid to well-educated participants of the course from the ranks of farmers to establish their own enterprise or at least to improve current conditions. Small-scale farmers do not have sufficient finances to protect their property against thieves or to buy new equipment, seeds, animals or medicaments.

During survey appeared positive reactions from academic stuffs of all departments essential for completeness of the courses. Thus it is not necessary to look for the professionals outside.

## Appendix 2: **Description of initial state of former school research farm Honeydale**

### **FORMER SCHOOL RESEARCH FARM HONEYDALE**

This annex contains more detailed information on the venue of the project – former research school farm Honeydale situated in Agripark within Alice campus of University of Fort Hare.

Originally commercial dairy farm was bought by UFH in the seventies of the last century. Until 1994 was this farm used as a research centre, which simultaneously provided full service in training and community service. With a new government in 1994 Honeydale, however, it lost all its high subsidies and have started to be inevitably neglected.

However, even after almost twenty years without life, the facility is still in very good state, entire farm is connected to electricity and drinking water, foundations of buildings are solid and lot of professional equipment for a variety of agricultural activities is still functional. A comprehensive survey of the entire farm for finding these states was conducted from the side of UFH, which is also responsible for all revitalisation operations.

All the photos were acquired during research on the venue.

### **Description of the individual units**

#### *Dairy unit*

The dairy housing facility with its full equipment consists of stall barn houses for about 100 lactating cows, dry cows/bulls and 50 heifers ranging in age from 6 months to past breeding age, and separated section to care for approximately 30 young calves and 20 older calves. The milking parlor with functioning milking machines, milking collection section and cold room enables manage to milk 6 cows at the same time. The feed centre comprises of two uprights silos with capacity about 10 tons. Whole dairy section was built up to fulfil principles of environmental sustainability.



*Figures 1 and 2: Illustration of housing - calf's barn, silos for storage and feeding of concentrates to livestock, Source: author's archive*



*Figures 3 and 4: Feeder unit, milking machines. Source: author's archive*

### Beef cattle unit

This unit was specially designed for training of small scale farmers, and thus demonstrates the ideal requirements for effective breeding of beef cattle. The full occupation of unit would mean keeping of approximately 200 animals. Among the still functioning facilities belong three bull houses to keep breeding bulls, 8 beef handling paddocks, calving barn, judging arena, handling and weighing facilities, spray dipping structure, equipment for tattooing and ear tagging, four feedlot paddock with feeders and drinkers and approximately 5000ha for grazing and hay production.



*Figures 5 and 6: Bull housing, judging arena, Source: author's archive*

### **Animal health unit**

Here follows small veterinary station with capacity to treat large and small animals separately. Addition to treatment there is also a facility for post-mortem examination.



*Figures 7 and 8: Small and large animal area, Source: author's archive*

### **Vegetable unit**

In Honeydale section is nowadays fully working vegetable unit, which focuses mainly on cultivation of cabbage. The space possibilities and also the professional experience of UFH staff however enable to cultivate many more species with using of various techniques.



*Figure 9: Existing vegetable unit in Honeydale section, field with cabbage, Source: author's archive*

### Residences

These parts of Honeydale really need major renovation, but otherwise are ideal for accommodation of participants of the courses as well as the students on practical trainings, technicians and other potential seasonal and permanent workers. Namely the residences consist of a big house for the farm manager, five large size houses with two separated rooms, toilet and kitchen, three smaller houses each with kitchen, dining room and bed room, and several thatching houses. About 900 m<sup>2</sup> large yard enables to grow fruits and vegetables.



*Figures 10 - 13: Illustrations of individual kinds of residences, Source: author's archive*

### Class for teaching theory

This building is in relatively good condition, but it will need be necessary to acquire internal equipment for teaching the theory.



*Figure 14: Building suitable for teaching of theory, Source: author's archive*

### Office of the organizational team

Conditions and the needs are same as for the previous point.



*Figure 15: Chosen building for establishing of the project team office, Source: author's archive*

### Other units

Other facilities can keep about 50 small stock unit, 300 chickens in poultry unit, 100 pigs in piggery unit, and have preconditions for honey beekeeping. Last but not least is necessary to mention the extensive pasture production and conservation unit consisting

of 5000 ha of natural grazing land and equipment for processing and storage of hay and grain. Thanks to this fact Honeydale is able to produce enough food for all kept animals.

From the above enumeration is possible to deduce that Honeydale has a huge potential for the establishment of educational and research centre with regional and even higher esteem. Its large capacity will allow train students and small-scale farmers, also to hold various workshops and meetings, full and modern research, community service etc. As in the past, also now will be farm management guided by the principles of sustainability and effective management as well as excellence in provided services.

### Appendix 3: Budget proposal

All amounts are expressed in EUR.

Human resources					
Function	No. of experts	Hourly salary	Monthly salary	Total per year	Total salaries
Project coordinator	1		800	9600	38400
Project manager	1		800	9600	38400
Course developers	4	30		30720	92160
<b>Total – HR</b>	<b>6</b>	<b>30</b>	<b>1600</b>	<b>49920</b>	<b>168960</b>

Costs		
Item	Total per 3 course*	Total per 18 courses
Equipment of the class (desks, chairs, board)		1650
Working aids for practice (clothes, tools etc.)	390	2340
Certificates, study and other paper materials	120	720
Electronic devices (Computer, projector, printer)		4630
<b>Total – Costs</b>	<b>510</b>	<b>9340</b>

\*3 courses - vegetable, beef cattle, dairy

Other costs, services	
Item	Total
Transport and catering for participants	30240
Creation of curricula by experts	10000
Additional ad hoc expert assistance	4000
Propagation	700
<b>Total - Other costs, services</b>	<b>44940</b>

Total - Human resources	Total - Costs	Total - Other costs	Total
168960	9340	44940	<b>223240</b>

Incomes – fees for the course from participants						
Food and accommodation per day	Cost for lectures per day	Cost for 1 participant per day	Total cost for 1 participant	Total per course	Total per year	Total per 3 years
35	40	75	2400	24000	144000	<b>432000</b>

Source: Own work



## Appendix 4: Logical Framework Matrix

	<b>Intervention logic</b>	<b>Objectively verifiable indicators of achievement</b>	<b>Sources and means of verification</b>	<b>Assumptions</b>
<b>Overall objectives</b>	<p>Increase level of professional knowledge of small-scale farmers.</p> <p>Improve standard of living of local rural communities.</p> <p>Increase supply of agricultural commodities and products.</p>	<p>X positively affected inhabitants of Amatole District.</p> <p>Higher supply of products on local markets.</p>	<p>Certificates confirming completion of the course for each participant.</p>	
<b>Specific objectives</b>	<p>Provide possibilities of agricultural education and training for small-scale family farmers.</p> <p>Improve quality, productivity and competitiveness of rural areas in Amatole District.</p>	<p>Research and learning centre</p> <p>180 educated and trained participants</p> <p>18 involved communities</p> <p>% increase of agricultural products supply</p>	<p>Annual reports</p> <p>Documentation of site from UFH</p> <p>Photographical documentation</p> <p>Statistics of municipality office</p>	<p>Communication with partners, trainers and municipality</p> <p>Interest from the side of farmers</p> <p>Ability of the participants to apply gained knowledge to their farms</p>
<b>Expected results</b>	<p>Functional training courses for small-scale farmers within revitalized research and educational centre Honeydale.</p> <p>Qualified trainers leading the courses according to developed outlines and methodology.</p>	<p>3 schedules of the courses with detailed methodology.</p> <p>Running courses led by trained lecturers.</p> <p>% increase of income of target groups.</p>	<p>Signed contracts</p> <p>Photographical documentation</p> <p>Lists of participants</p> <p>Final evaluation forms filled by participants</p> <p>Case study</p> <p>Course books</p>	<p>Close cooperation with UFH</p> <p>Timely completion revitalisation of the site</p> <p>Involvement of experts and trainers</p> <p>Application of learnt skills into reality by participants</p> <p>Overall cooperation and motivation</p>
<b>Activities</b>	<p>Creation of educational courses simultaneously with staff preparation.</p> <p>Selection and training of target groups of participants.</p> <p>Promotional activities.</p> <p>Processing of administrative formalities.</p> <p>Assistance with revitalisation of the site.</p>	<p><b>Means:</b></p> <p>Experts, researchers</p> <p>Project team &amp; partners</p> <p>Local small-scale farmers</p> <p>Promotional &amp; study materials</p> <p>Utilities for practices</p>	<p><b>Sources of information:</b></p> <p>Statistics and researches of UFH</p> <p>Local municipalities offices</p> <p>External partner institutions</p>	<p><b>Preconditions:</b></p> <p>Research of the site and its equipment</p> <p>Positive responses from social research - questionnaire survey</p> <p>Agreement with the partners about realization</p> <p>Permissions</p> <p>Acquisition of the grant</p>

Source: Own work

## Appendix 5: Activities Schedule

Activity	2014												2015												2016		2017	
	Semester 1						Semester 2						Semester 3						Semester 4						S.5	S.6	S.7	S.8
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	-	-	-	-
<b>Preparatory Phase</b>	■	■	■	■																								
<b>Realization Phase</b>				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Formation of organizational team				■																								
Establishment of educational and research centre in cooperation with UFH				■	■																							
Selection of lecturers					■	■																						
Creation of courses content							■	■	■	■	■																	
Preparation of study materials							■	■	■	■	■																	
Promotion of the project							■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Selection of participants											■	■																
Signing the contracts with participants											■	■																
Inauguration											■	■																
<b>Operational Phase</b>													■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	
Courses for small-scale farmers													■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	
Creation and updating of official website													■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	
<b>Monitoring, evaluation</b>													■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	
Handing of the centre to representatives of UFH																											■	

Source: Own work