



# Unlocking the Potential of Agri-Business: Current Status and a Snapshot from the Communal Areas in Namibia

Economic Association of Namibia - Annual Conference 2020

Windhoek, 21.10.2020

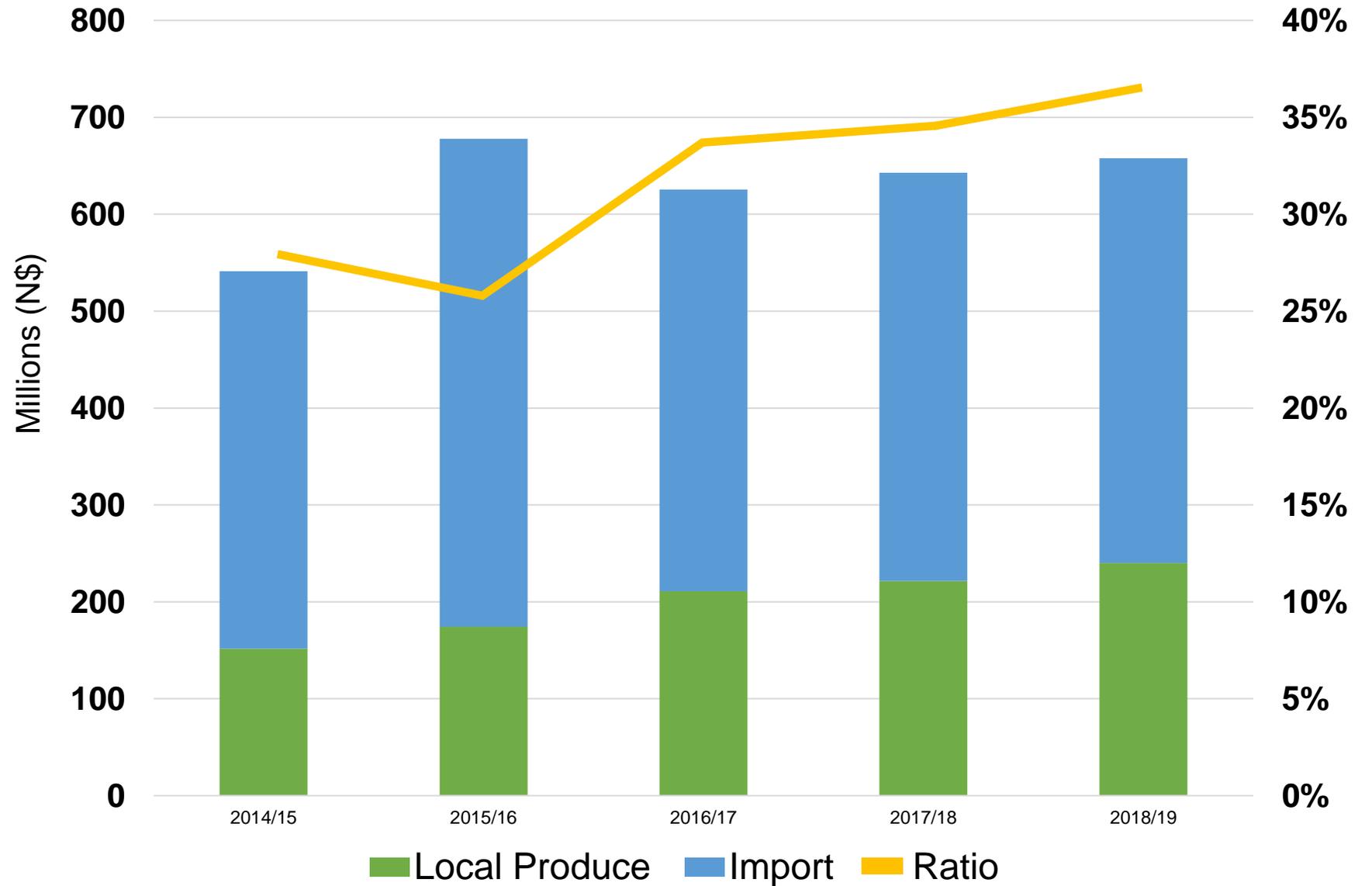


## Production

The **diversification of agricultural production** bears significant potential to foster **self-sufficiency**, improved **food and nutrition security** and **increased income** for small-holder farmers, ultimately contributing to economic growth.



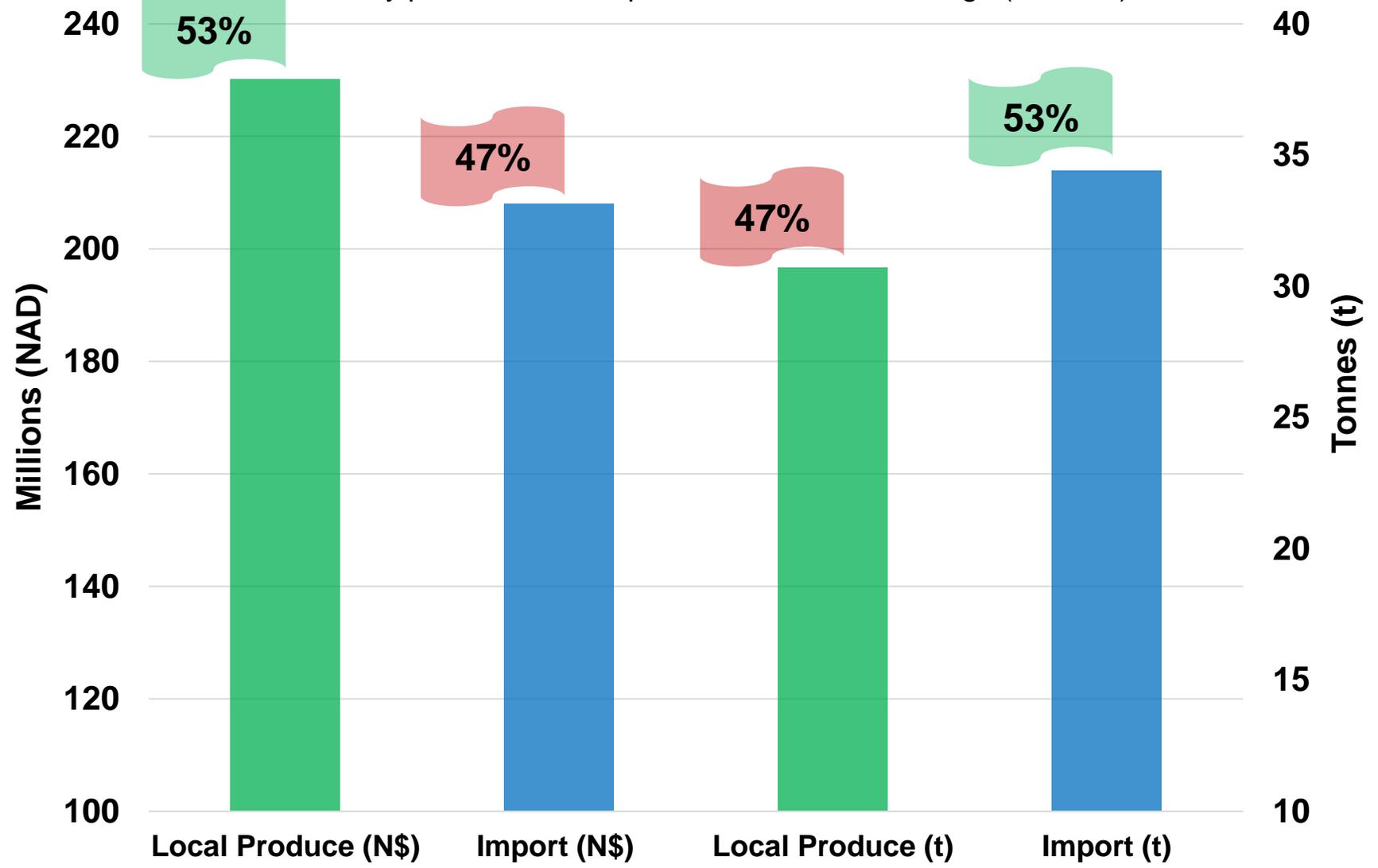
## Purchase Values of Horticulture Products



# Vegetable Production

## Vegetable Produce

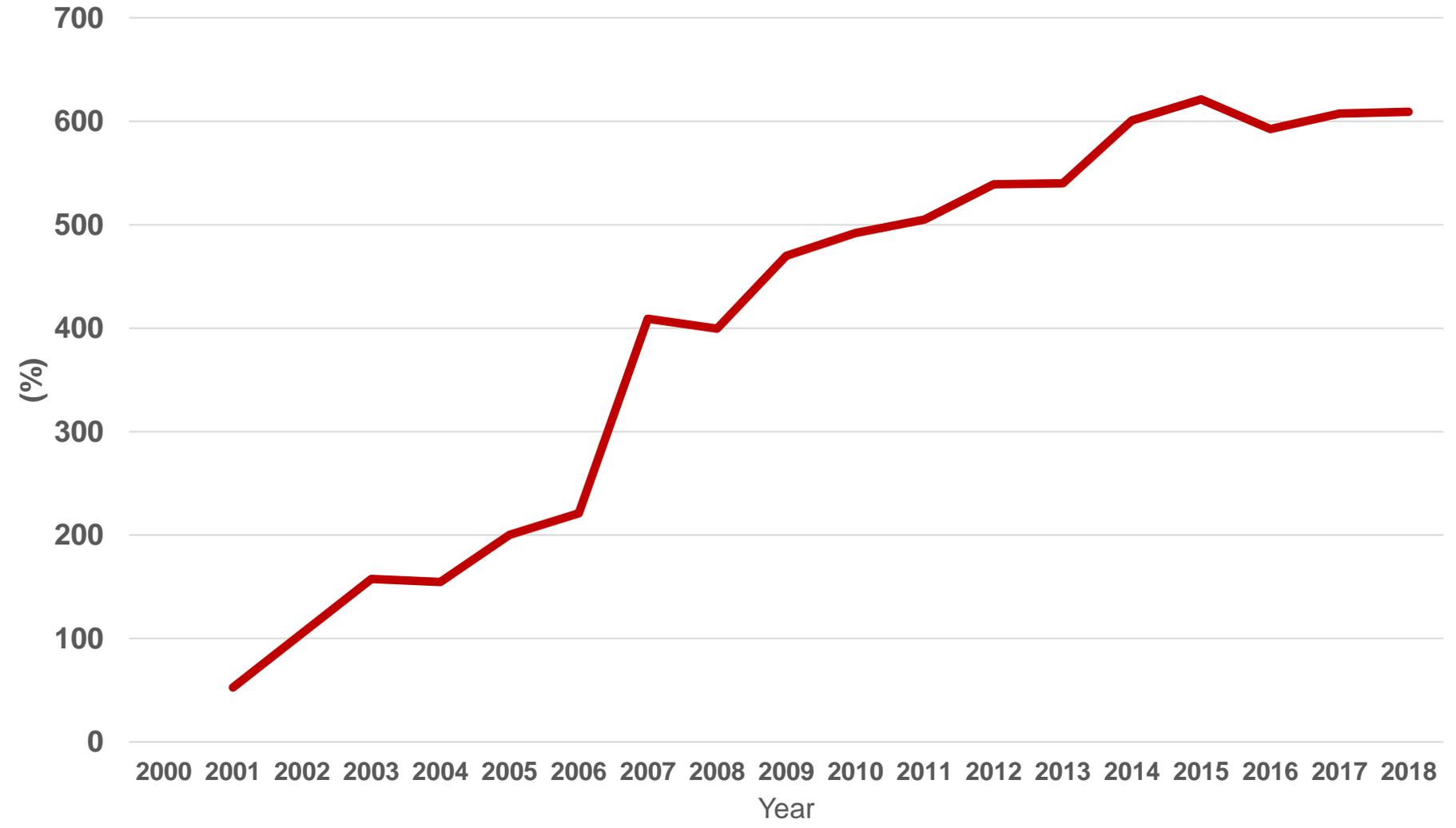
Locally produced and imported in value and tonnage (2018/19)

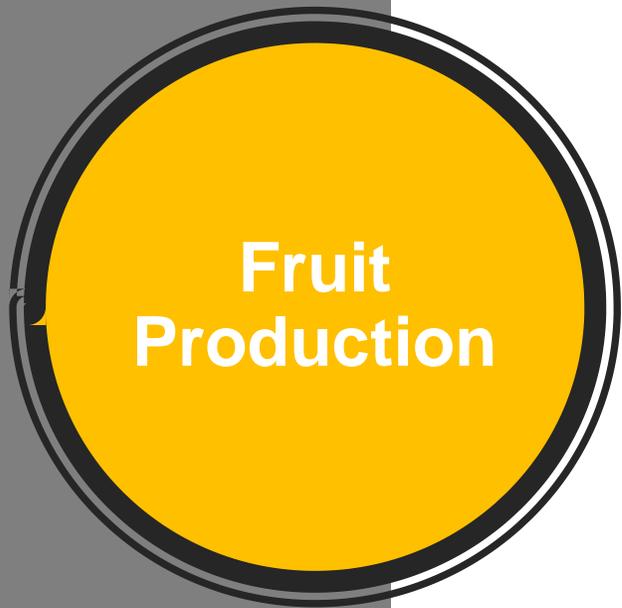




## Increase in production of selected vegetables compared to year 2000 in %

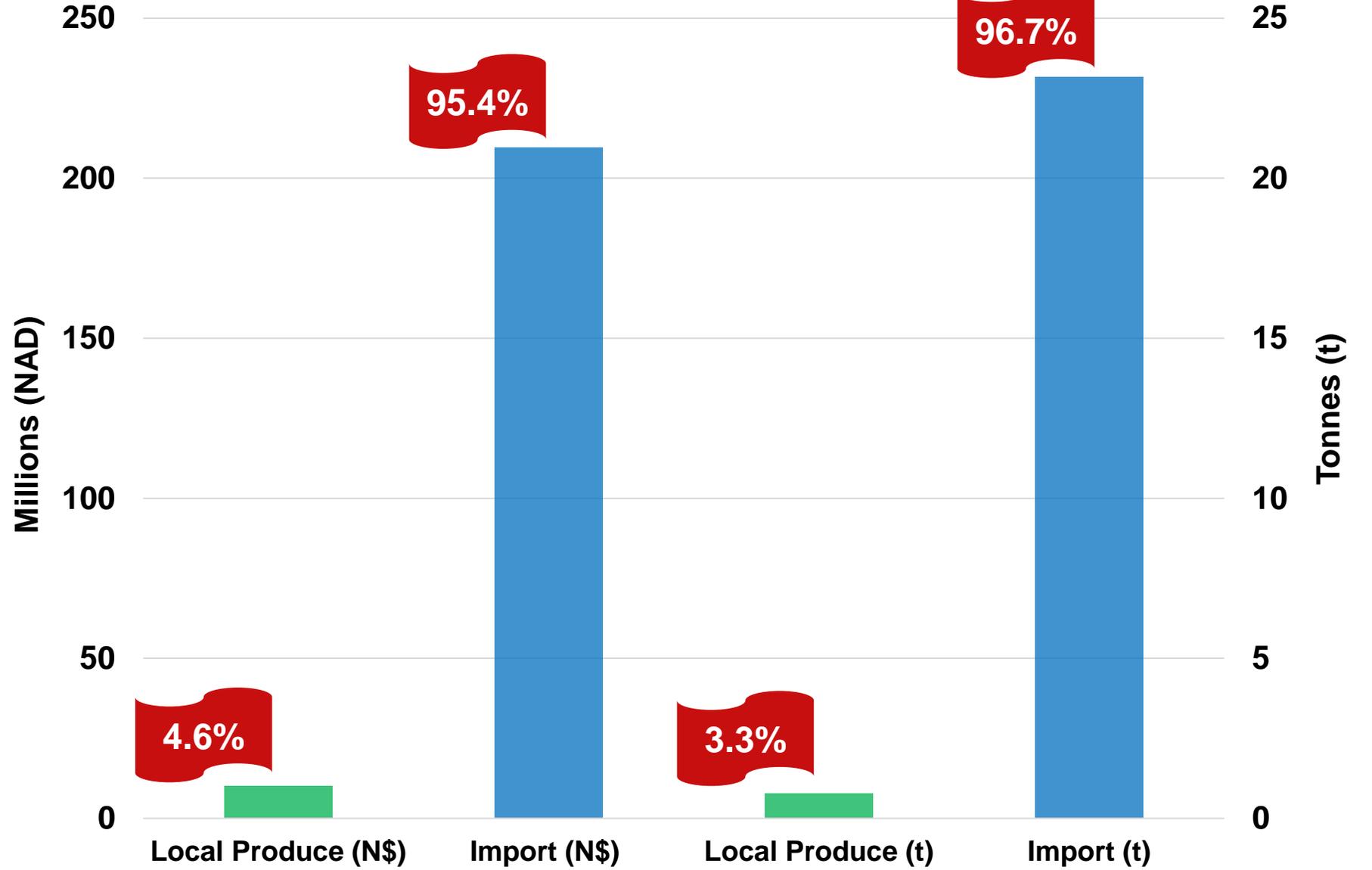
(cabbage, carrots, onion, potatoes, tomatoes)





# Fruits

Locally produced and imported in value and tonnage (2018/19)



# Climate-adapted Fruit-tree Cultivation: Mangos

## Potential

- Namibia is net-importer of Mangos, especially between February and late April
- Thriving mother stock with various varieties in Mannheim and Omahenene Research Station
- Grafted trees preferred due to quality; early, timed and rich bearing, but expensively imported
- Lack of local nurseries producing grafted trees presents business opportunity (youth)

## Initial Investment for 1 ha Mango orchard (in NAD):

- Purchase of 400 trees (@175.00): **70,000.00**
- Irrigation system: **19,300.00**
- Tools: **2,800.00**
- Land preparation (fence, soil test): **16,500.00**
- **Total:** **108,600.00**

## Operational costs per annum (in NAD): 38,500.00



# Climate-adapted Fruit-tree Cultivation: Setting up a climate-resilient orchard

1



2



3



4



5

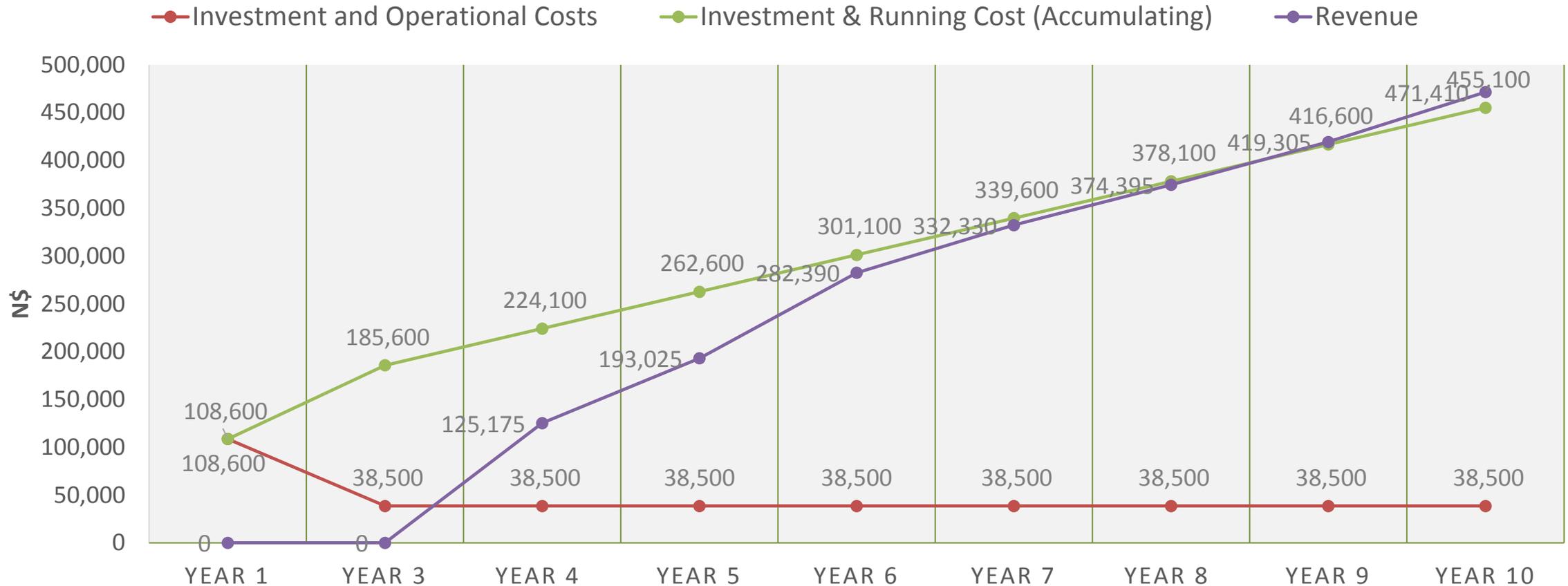


## Mango Varieties and Harvesting Times

	Nov	Dec	Jan	Feb	Mar	Apr	May
Early Gold							
Zill							
Tommy Atkins							
Haden							
Kent							
Keitt							
Sensation							

**Production Gap**

# MANGO PRODUCTION (1 HA)



## Assumption:

4-year old grafted Mango tree producing about 100 kg / year / per tree; no harvest year 1 – 3;

Av. Weight 390g/fruit (280-500); ± 65 (year 4) and 280 (year 10) fruits/tree; mix early/late varieties

1 ha: 400 trees (5x5m); Amortisation year 9 (then, approx. > **NAD 420,000.00 annual profit**)



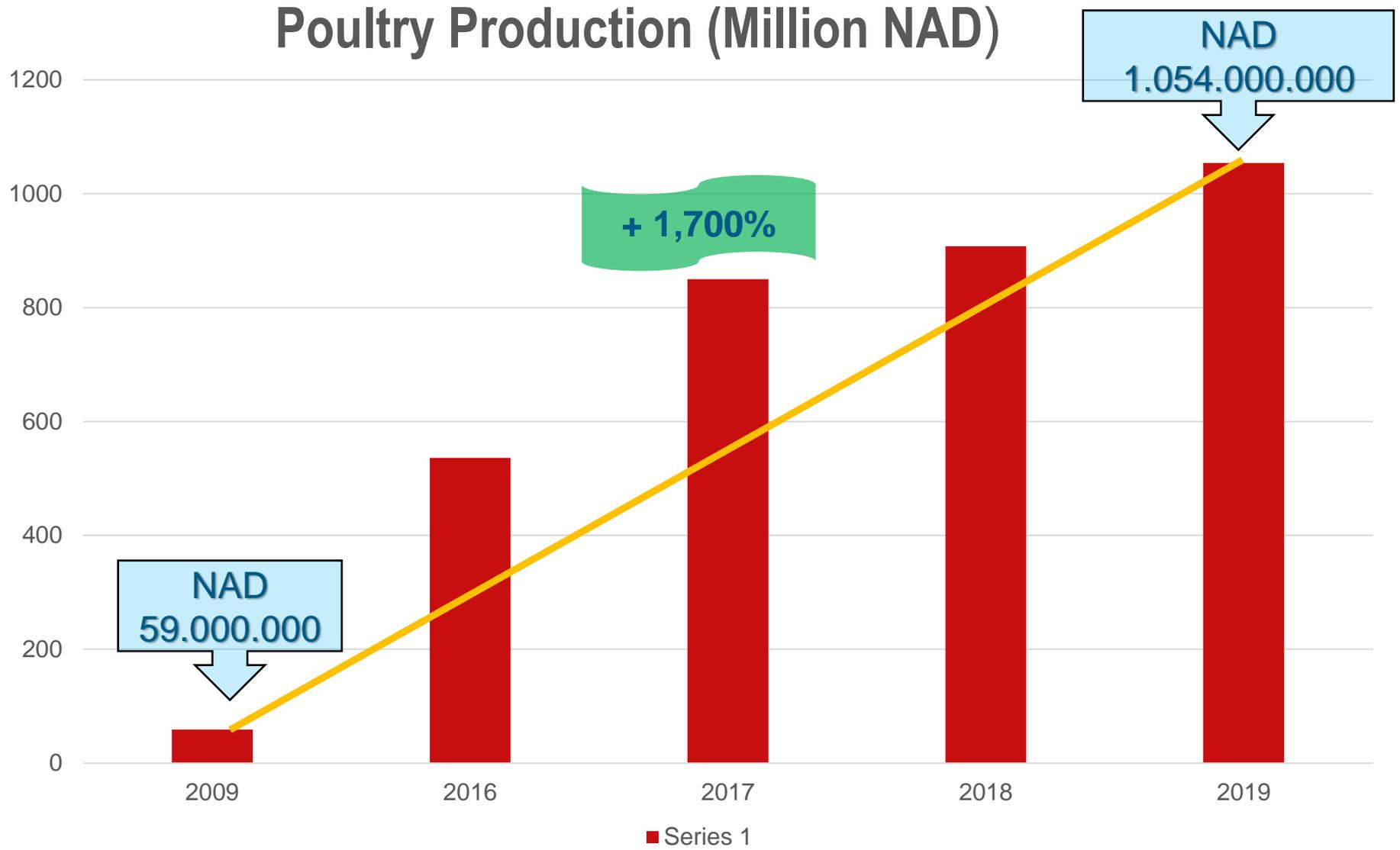




## Potential

- Steady increase in **volume and range of vegetables** produced locally, including in communal areas
- Improved **nutrition and food security** at household level (backyard farming), increased productivity & resilience
- Strong potential to **revitalize local economies**, create **employment** and additional **sources of income**
- Approx. **670 small-scale farmers** seasonally engage in horticulture production in communal areas

# Poultry Production





## Potential

- Revenue made from locally produced poultry increased from 59 Million in 2009 to 1,05 Billion in 2019 (+ ~ 1,700%)
- Second biggest agricultural sub-sector in 2019
- Numerous large producers and processors, but also significant production in communal areas (layers, broilers) and diversification (ducks, goose, turkey, quails)





# Water Reuse & Irrigation



# Urban Agriculture

## Farming with Urban Greywater



- 4 ha under production
- Onions, spinach, beet root, carrot, tomato, pumpkin, butternut, watermelon
- Mango, guava, orange, avocado, grape, tangerine, fig trees
- Supply contracts with 5 local supermarkets (NAD 15,000/week)
- Approx. 60 walk-in customers daily
- 8 staff, 30 seasonal farm workers





## Reflection on Production

- Steadily increasing and diversified **local production**
- Potential in **broadening range** of produce
- 50% of 890 communal farmers trained in diversification took up **additional production system**
- Farmers realized an average **increase in income of 70%** over a 5-year period



## Agro- Processing and Value Addition

- Only **1%** of locally produced vegetables are processed in the country
- Recent increase of locally processed and value-added **products in the shelves** of supermarkets
- Strong potential to create **employment**, curb **post-harvest losses** and boosting **local economy**





# AMARIKA FARMERS' COOPERATIVE LTD BUTCHERY



Meat  
Biltongs  
Boerewors  
Droewors



# Value Chain Development in Cattle Production



Cattle  
Production



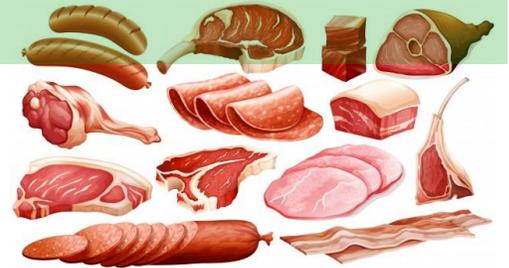
Slaughtering



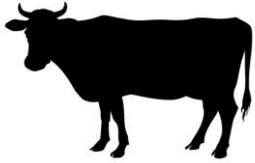
Processing



Sale of Meat  
Products



# Business Facts



- 4-5 animals weekly, sourced among members of the co-operative



- Approx. 130 walk-in customers daily



- 8 permanent staff



- Supply contracts under negotiation with local supermarkets



- Due to high demand, products are often sold out around midday



## Value Addition: An opportunity for youth engagement

- Strong interest among the youth, >650 participants recorded in pilot trainings
- Products: Tomato jam/juice/ relish/sauce, lemon syrup/jam, dried mangos/papaya, juices, mahangu flakes/muffins/ biscuits
- Recipes, experiences and images shared through social media and products sold locally



agri4  
YOUTH

INSPIRING THE FUTURE  
OF AGRICULTURE IN NAMIBIA







Elisenheim Spar  
8 mins · Facebook for Android ·

Calling out to all local farmers! We want to sell your products! Contact us via email at [manager@elisenheimspar.com](mailto:manager@elisenheimspar.com) or come see us personally! Help us Grow Namibia! At Elisenheim Spar we support local!

**Fresh Vegetables Daily**



  
**SPAR**  
Elisenheim



**FOOD LOVER'S MARKET**

*Keep it Fresh  
Keep it Local*



**BUY LOCAL  
GROW NAMIBIA**



# Marketing

- Controlled Commodities
- Public Procurement Act
- Supermarkets increasingly sourcing local produce

# Virtual

+264 81 128 2685 ~Kamehozu Kame...



Northn Livestock Buy/Sell

WhatsApp Group Invite

<https://chat.whatsapp.com/>

>15 social media groups

Est. trade value > 2.500.000 per month

Couldn't Join Group

You can't join this group because it is full.

# Keys to Unlock the Potential of Agribusiness

- **Let's Do Business !**

Create market linkages and market platforms for agripreneurs, including virtual formats ('virtual market space'), expand communication systems (network) with solar-powered antennas and support in contract farming, incentivize buying local for private sector (esp. hospitality industry)

- **2. Let's Believe in Youth !**

Facilitate access to finance for youth and strategically support sub-sectors in agriculture that are appealing to youth (agri-tech, marketing solutions, processing, but also producing); banks and other financing institutions to embrace youth as an asset, not a liability (softened requirements)

- **3. Let's Innovate !**

Utilisation of innovative technology to predict harvests (e.g. satellite imagery) and to speed-up flow of information on production data; affordable access to solar-powered equipment for processing and preserving; explore opportunities for recycling water in the urban periphery for agricultural purposes, promote water retention, harvesting to preserve and sustainably utilize groundwater resources





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# Thank you!



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