

AGRO PROCESSING



ABOUT AGROPROCESSING

The agro-processing programme is designed to drive communal landowners toward commercial production for improved income generation. At the core of this programme is a strong processing element for beneficiation of produce to add value to primary production. This is a crucial element in a subsistence farming culture which results in rural communities selling off to the market their primary produce with little or no value addition activities being undertaken.

ECRDA is therefore pursuing an integrated rural development strategy that prioritises the village as the centre of operation. ECRDA's flagship agro-processing initiative, the Rural Enterprise Development (RED) Hubs programme, continues to transform the communities in which they operate by turning under-productive tracts of arable land into income-generating hubs of agricultural production, processing and economic activity.

RURAL ENTERPRISE DEVELOPMENT HUBS

ECRDA is driving its processing and marketing agenda through its innovative Rural Enterprise Development Hub (RED Hub) concept. The ultimate objective of these hubs is to keep money circulating within the rural community for as long as possible. In addition to primary production, processing and marketing, the RED Hub concept places significant emphasis on the establishment of mechanisation units with machinery and implements such as tractors, harvesters and implements for production.

In practice, the RED Hub concept means, for example:

- maize should be grown by the community,
- milled in the community,
- processed and packaged in the community and
- even sold back into the community with the whole process being owned by these communities

RED HUB CONCEPT



PRODUCTION:

Community produced crops



TRADING:

Sold via RED Hub in community mill



PROCESSING:

Grain is processed and packaged



MARKETS:

Product sold back to community



REINVESTMENT:

Money goes back into next season

Excess product exported out of the community, money returns to the community





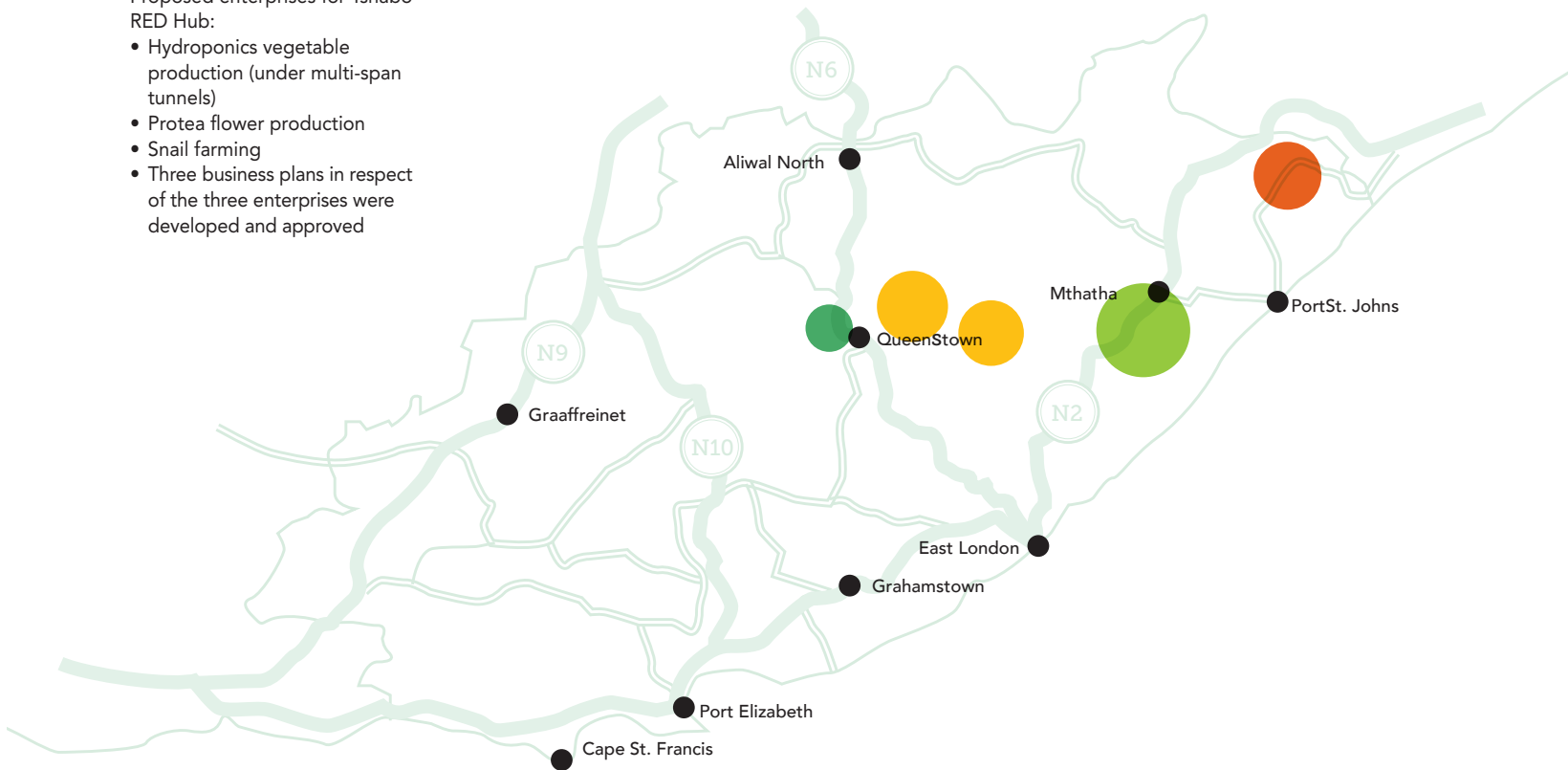
GEOGRAPHIC LOCATION

Five RED Hubs have already been implemented in Mqanduli in the OR Tambo District Municipality, Ncora and Emalahleni in the Chris Hani District Municipality, Mbizana in the Alfred Nzo District Municipality as well as Tshabo in the Buffalo City Metropolitan Municipality. ECRDA has developed storage and processing facilities such as grain storage silos and milling plants for value addition purposes at the RED Hubs. In addition, the agency also consolidated the establishment of marketing services in the form of trading centres as a one-stop-shop for farmers to access production inputs.

TSHABO

Proposed enterprises for Tshabo RED Hub:

- Hydroponics vegetable production (under multi-span tunnels)
- Protea flower production
- Snail farming
- Three business plans in respect of the three enterprises were developed and approved



NCORA

- Community-owned primary co-operatives
- 2 silos with 2,000 ton capacity established
- 1 ton-per-hour processing capacity mill for Ncorha
- Mechanisation unit



EMALAHLENI

- Community-owned primary co-operatives
- 1.5 tons-per-hour processing capacity milling
- 2 grain storage silos with a total capacity of 2,000 tons
- Mechanisation unit



MQANDULI

- Community-owned primary co-operatives
- 2 silos with 1,500 ton capacity
- 0.9 ton per hour processing capacity milling plant
- Mechanisation unit



MBIZANA

- Community-owned primary co-operatives
- 1 ton-per-hour processing capacity milling plant
- 2 grain storage silos with a total capacity of 2,000 tons
- Mechanisation unit

STRATEGIC PARTNERSHIPS

The agency does this through the establishment of strategic partnerships with public and private sector partners and the identification of market opportunities for primary production and value addition.



EASTERN CAPE DEVELOPMENT CORPORATION



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