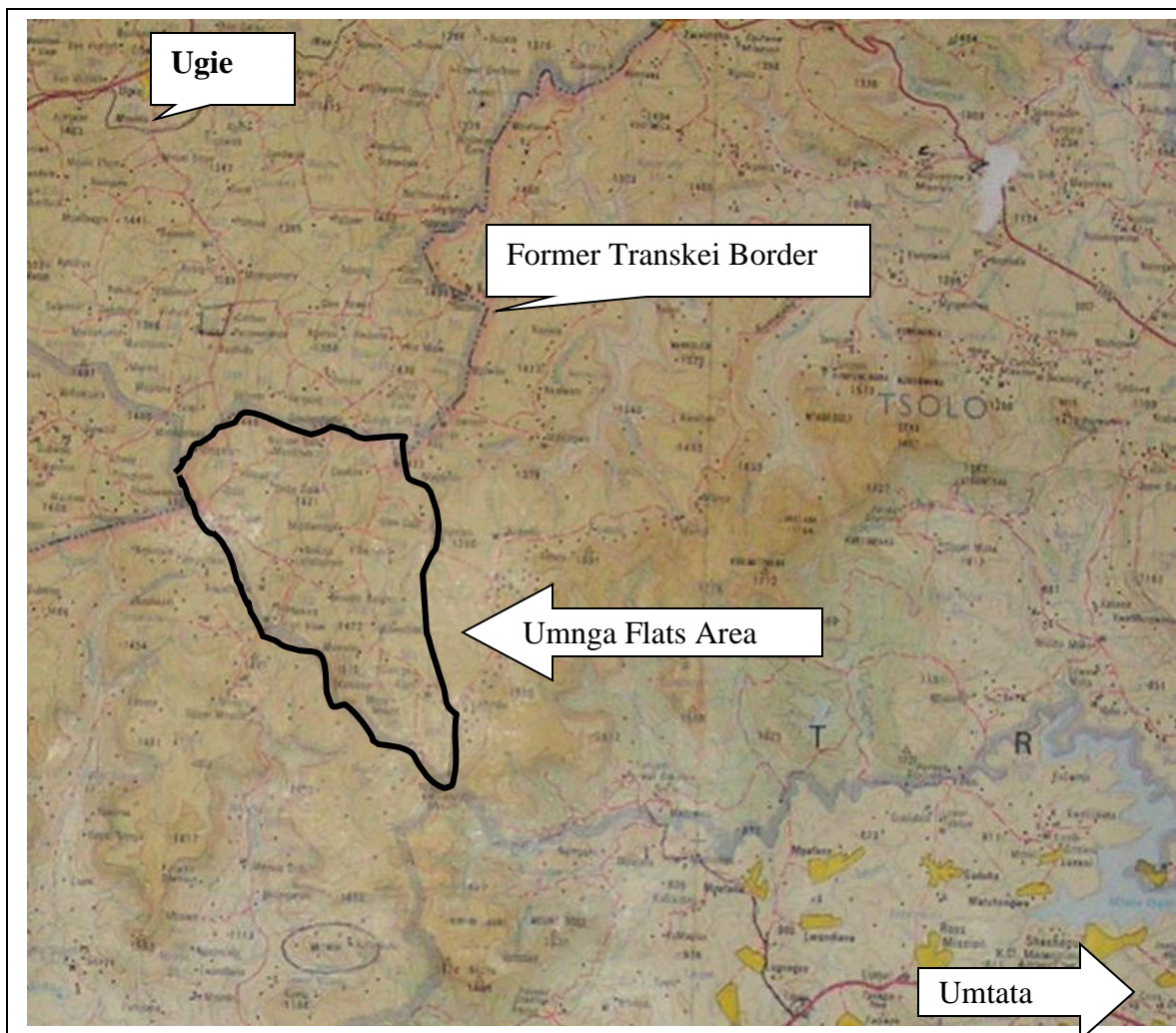


# Report on the Umnga Flats Commercial Farming Area

## Introduction

The history of the Umnga Flats farming area goes back as far as the 1800's, when these farms were surveyed by Italian surveyors together with all other farms in the districts of Ugie and Maclear, in the Eastern Cape Province.

The Umnga Flats area is situated 20 km south of the small village of Ugie, and approximately 50 kilometres North West as the crow flies from the City of Mthata (Umtata).



Scale: 1:250 000

## Historical background

The historical background information of this report was gathered through one-to-one interviews with the last three survivors as sons of the late farmers who owned land before the consolidation in 1986. Through this source information could be established as far back as 1939. Interviews were held with the following two individuals:

- a) Mr. J.H. le Roux, 68 years of age, currently farming on the farm Goedgedagt that is neighboring the Umnga Flats area. Mr. J.H. le Roux's father, known as Jan Tielman le Roux bought the farm Middelridge in Umnga Flats in 1939.
- b) Mr. P.C. Bezuidenhout, 76 years of age, currently retired in the town of Ugie. His father Mr. Wynand Coenraad Jacobus Bezuidenhout bought the farm Middelridge in the Umnga Flats district in 1949.

For the historical report of this document we will go back as far as 1939. In 1939 there was no infrastructure on the commercial farms such as access roads, dams, fencing, contours on lands, etc. The farmers also had no modern equipment such as tractors, trucks and bakkies. The town of Ugie, approximately 20km away from this area, was visited once in a month or two months in order to fill up rations or other agricultural needs. This was done by ox wagon and/or horse cart.

During the after war area, that was approximately 1945, the farmers felt the need to establish their own agricultural co-operative. This was known as the Ugie Farmers Co-operative. (Later registered as the Ugie Agricultural Co-operative Limited. This co-operative was amalgamated with the East Cape Agricultural Co-operative in 1993.) This co-op was located in a small building in Ugie and had a manager, a clerk and a store man in its service. The co-operative functioned under the co-operative act and really fulfilled the duty of uplifting its members. Here farmers could get production loans, buy their inputs and sell their produce.

In those years farmers were driven by their need to get out of poverty that was worsened by the South African war (1899 – 1903). The decade of the 1930's must have been the worse due to the great depression, a drought that in history has to repeated itself and brought the whole country to its knees and the Runderpest breakout that nearly wiped out the whole livestock population. Following the 1930's was the effect of the Second World War that ended in 1943. Farmers were therefore motivated to literally stay in mud houses and plough their lands with oxen and wooden ploughs. Animals were kraaled in self-made wooden kraals or kraals packed with branches. There were no fences and children contributed their part as shepherds and herd men to guard livestock during the day.

It was clear from our interviews as well as from the known history of agricultural development of so-called white commercial farmers, that the Department of Agriculture played the most important and vital role also in the development of the Umnga Flats farms.

**The following services was rendered to the farmers:**

**a) *Extension services***

- Highly skilled and trained extension officers that understood the farmer, his circumstances, his way of thinking and social approach.
- Technical assistance in livestock and crop production.
- Farm planning services that included the availability of aerial photography, maps, surveying equipment, etc.
- Engineering services such as land contouring and pegging, infrastructure planning such as dams, roads, fences, dip tanks, boreholes, pipelines, etc.
- Part of a local soil protection association in order to plan and manage soil erosion, veld burning, etc.
- Economical planning of farms, budgets, cropping plans, etc.
- Annual publications of the Handbook for farmers in South Africa and other information publications available to farmers.

**b) *Financial services***

- Subsidies for infrastructure such as contouring, dams, pipelines, fences and roads.
- Subsidies for livestock and crop production.
- Subsidies for consolidation of debts.

**Consolidation 1982 - 1985**

During 1982, the members of the Ugie Farmers association was informed through the National Department of Agriculture that a total of 27 farms to a total of approximately 10 000 hectares were to be purchased by the Government in order to consolidate the land as commercial farming land to the Republic of the Transkei. This came as a shock not only to the Umnga Flats farm owners but to the Ugie community and the directors of the Ugie Agricultural Co-operative as well. The Umnga Flats area was known as the pantry of the Transkei in those days and huge amounts of wheat, maize and livestock was produced in this high production area.

As Mr. Le Roux has said in his own words: *“We did not want to leave our farms, but since we were forced to obey the law it was not an easy thing on us. To develop a farm takes many decades and generations and then somebody ask you to leave...”*

The following Ugie farmers (Umnga Flats) were paid market related prices and vacated the land by the end of October 1985.

<b>Farm Unit Name</b>	<b>Previous owner</b>
Matuana	Mr. Lake
Misty Mount	Mr. S.H. Myburg
Mooivlei	Mr. S. A. de Bruin
Umnga Heights	Viedge Brothers
Umnga Flats 1	Viedge Brothers
Umnga Flats 2	Viedge Brothers
Umnga Flats 3	Mr. Vorster
Wheatfield	Mr. V.E. Boucher
Wheatfield	Mr. V.E. Boucher
Glen Thompson	Mr. A. Schutte
Mnyolo Heights	Mr. J. T. le Roux
Goodhope	Mr. A. Davidson
Hopefield	Mr. H. Boucher
Nikina	Mr. P. Dippenaar
Van Dyksrust	Mr. Van Dyk
Leliefontein	Mr. Van Dyk
Boucher Dale	Mr. De Beer
Hartsdale	Mr. K. Hart
Oribidale	Mr. R. Davidson
Bool	Mr. J. Venter
Middelridge	Mr. W.C.J. Bezuidenhout
Killarney	Mr. H. Boucher
Glen Cole	Mr. H. le Roux
Caverns	Mr. H. Botha
Narrowvale	Mr. W.C.J. Bezuidenhout
Meadows	Mr. H. David
Umgana	Mr. F. Hart

The farming land was donated by the former South African Government to the former Republic of Transkei together with four other similar areas that was known as;

- Guba - Indwe district
- Beestekraal - Elliot district
- Ongeluksnek - Matatiële district
- Pitseng - Maclear district

During the negotiations before the elections in 1994 it was established that all information with regard to the Title Deeds, surveys, farm plans, etc. was destroyed by the former South African government, because this land belonged to the Republic of Transkei. For this reason all land had to be resurveyed and demarcated in order for individual owners to become Title Deed holders.

As expected, the most important government officials of the former Republic of Transkei allocated these farming units as commercial farms for themselves.

## **The first initiatives towards development of the Umnga Flats area after 1986**

Shortly after the handover of the Umnga Flats commercial farming area from the former government of the Republic of South Africa to the Republic of Transkei, the Development Bank of South Africa got involved in the development of this area.

Mr. Johann Stassen who was employed by the former Ugie Agricultural Co-operative during 1988 was approached by Mr. H.S. Booie who occupied the farm Oribidale to assist the Transkei Farmers Union in technical services and training. Mr. Stassen conducted several informal training sessions on Saturdays and Sundays in the Umnga Flats area or in the Ugie Municipal town hall as from 1988 until 1993. Mr. Stassen approaches the Development Bank in 1990 to assist in the funding of a development programme for the Umnga Flats area. The following is a subtraction from the development proposals that was made to the Development Bank during 1990:

### ***“Proposed development phases of the project***

*Umnga Flats Farmers Association has contracted me to propose the following working procedure that must also be seen as a preliminary report on your desk at this stage. This report was also forwarded to the Transkei Department of Agriculture.*

#### **Phase 1**

*The Land Bank of South Africa to make a loan available to the Transkei Department of Agriculture for the surveying, rezoning and registration of Title Deeds on the individual farm units.*

*TRACOR (Transkei Development Corporation) has made the following sub division of the area in farms and allocated the units to farmers for lease as follows:*

<i>Unit Name</i>	<i>Number</i>	<i>Extent (ha)</i>	<i>Occupant</i>
1. <i>Umgana</i>	351	287	<i>Empty</i>
2. <i>Umgana</i>	351	191	<i>Mr. Mcetywa</i>
3. <i>Umgana</i>	351	300	<i>Mr. Z. Mtirara</i>
4. <i>Umgana</i>	351	10	<i>Farm Dwellers</i>
5. <i>Meadows</i>	352	291	<i>Mr. S. S. Majeke</i>
6. <i>Meadows</i>	352	218	<i>Mr. J. Mantuhle</i>
7. <i>Meadows</i>	352	146	<i>Mr. Mapoma</i>
8. <i>Narrowvale</i>	353	278	<i>Mr. M. Masoka</i>
9. <i>Narrowvale</i>	353/359	255	<i>Mr. S.J.M. Memka</i>
10. <i>Caverns</i>	356	267	<i>Mr. M. Majuke</i>
11. <i>Caverns</i>	356	146	<i>Empty</i>
12. <i>Glen Cole</i>	357	275	<i>Mr. I.T. Sodinga</i>
13. <i>Glen Cole</i>	357	349	<i>Mr. S.K. Makinana</i>
14. <i>Killarney</i>	358	317	<i>Mr. Mgedezi</i>
15. <i>Killarney</i>	358	243	<i>Mr. Gidimisane</i>
16. <i>Middelridge</i>	359	225	<i>Mr. Ludidi</i>
17. <i>Middleridge</i>	359	417	<i>Mr. A.N. Nlebi</i>
18. <i>Oribi Dale</i>	360	219	<i>Mrs. Moshoeshoe</i>
19. <i>Oribi Dale (Hartdale)</i>	360	128	<i>Mr. Mditshawa</i>
20. <i>Oribi Dale</i>	360	182	<i>Mrs. Moshoeshoe</i>
21. <i>Oribi Dale</i>	360	162	<i>Mr. Matshaba</i>
22. <i>Oribi Dale (Bool)</i>	360	186	<i>Mr. H.S. Booii</i>
23. <i>Nikina (van Dyks Rus)</i>	361	178	<i>Mr. Mkosana</i>
24. <i>Nikina (Bouwers Dale)</i>	361	178	<i>Mr. Magidigidi</i>
25. <i>Nikina (Leliefontein)</i>	361	356	<i>Mr. Sambudla</i>
26. <i>Mnyolo Heights</i>	362	189	<i>Mr. Tyali</i>
27. <i>Mnyolo Heights (Good Hope)</i>	362	189	<i>Mr. A.T. Sigco</i>
28. <i>Mnyolo Heights</i>	362	283	<i>Mr. Lingani</i>
29. <i>Glen Thompson</i>	363	162	<i>Mr. Vika</i>
30. <i>Glen Thompson</i>	363	163	<i>Mr. Vika</i>
31. <i>Glen Thompson (Hopefield)</i>	363	200	<i>Mrs. N. Ngudle</i>
32. <i>Glen Thopson</i>	363	275	<i>Mr. S. Ndandzeka</i>
33. <i>Wheatfield</i>	364	207	<i>Mr. Merana</i>
34. <i>Wheatfield (Wheatfield)</i>	364	207	<i>Mr. M.W. Sobetwa</i>
35. <i>Umnga Flats</i>	365	150	<i>Farm Dwellers</i>
36. <i>Umnga Flats</i>	365	191	<i>Farm Dwellers</i>
37. <i>Umnga Flats</i>	365	38	<i>Farm Dwellers</i>
38. <i>Umnga Flats</i>	365	5	<i>Farm Dwellers</i>
39. <i>Umnga Flats</i>	365	267	<i>Mr. O. T. Goso</i>
40. <i>Green Hills (Mooivlei)</i>	366	501	<i>Mr. L.N. Mbabama</i>
41. <i>Matuana (Matuana)</i>	367	395	<i>Mr. Malobola</i>
42. <i>Matuana (Misty Mount)</i>	367	163	<i>Mr. M.E. Joyi</i>
43. <i>Umnga Heads</i>	368	568	<i>Farm Dwellers</i>
<b>TOTAL HECTARES</b>		<b>9957</b>	

*According to the office of the Surveying General of the Transkei Government, this first phase will cost in the region of R87 000.00 plus VAT. An escalation of 15% per annum must be added to this amount. In order to calculate an estimated budget I will propose a*

*total amount of R112 230.00 for the finalization of this phase and delivery of invoice within a period of 6 months. This will also calculate to a cost of R12.00 per hectare.*

*In order to provide for a loan from the Transkei Department of Agriculture for the upgrading of fencing, water supply and road infrastructure a further amount of R2 000.00 per hectare must be budgeted for.*

*In order to enable the individual farmers involved to become land owners through individual Title Deeds it is proposed that the Development Bank will make a loan available through the Transkei Department of Agriculture that will add up to a proposed purchase of R250.00 per hectare. This value per hectare is at this stage in line with the production value per hectare of agricultural land in the Ugie district and we believe will be acceptable for the South African Department of agricultural credit (The Credit Board) if the South African Department of Agriculture will have to take over the administration of the loan under a possible new political regime. This is also the main reason why we propose that the first bond on the farms must be kept by the Transkei Department of Agriculture and not by the Transkei Agri Bank. We must take into consideration the possibility that the Transkei Agricultural Bank could be amalgamated with the Land Bank of South Africa and that low interest loans of 8% at this stage will not be within the free market interest rate of the Land Bank.*

*We therefore propose the following purchase model of farms:*

<i>Unit Name</i>	<i>Number</i>	<i>Extent (ha)</i>	<i>Purchase Price</i>
1. Umgana	351	287	71,750.00
2. Umgana	351	191	47,750.00
3. Umgana	351	300	75,000.00
4. Umgana	351	10	2,500.00
5. Meadows	352	291	72,750.00
6. Meadows	352	218	54,500.00
7. Meadows	352	146	36,500.00
8. Narrowvale	353	278	69,500.00
9. Narrowvale	353/359	255	63,750.00
10. Caverns	356	267	66,750.00
11. Caverns	356	146	36,500.00
12. Glen Cole	357	275	68,750.00
13. Glen Cole	357	349	87,250.00
14. Killarney	358	317	79,250.00
15. Killarney	358	243	60,750.00
16. Middelridge	359	225	56,250.00
17. Middleridge	359	417	104,250.00
18. Oribi Dale	360	219	54,750.00
19. Oribi Dale (Hartdale)	360	128	32,000.00
20. Oribi Dale	360	182	45,500.00
21. Oribi Dale	360	162	40,500.00
22. Oribi Dale (Bool)	360	186	46,500.00
23. Nikina (van Dyks Rus)	361	178	44,500.00
24. Nikina (Bouwers Dale)	361	178	44,500.00
25. Nikina (Leliefontein)	361	356	89,000.00
26. Mnyolo Heights	362	189	47,250.00
27. Mnyolo Heights (Good Hope)	362	189	47,250.00
28. Mnyolo Heights	362	283	70,750.00
29. Glen Thompson	363	162	40,500.00
30. Glen Thompson	363	163	40,750.00
31. Glen Thompson (Hopefield)	363	200	50,000.00
32. Glen Thopson	363	275	68,750.00
33. Wheatfield	364	207	51,750.00
34. Wheatfield (Wheatfield)	364	207	51,750.00
35. Umnga Flats	365	150	37,500.00
36. Umnga Flats	365	191	47,750.00
37. Umnga Flats	365	38	9,500.00
38. Umnga Flats	365	5	1,250.00
39. Umnga Flats	365	267	66,750.00
40. Green Hills (Mooivlei)	366	501	125,250.00
41. Matuana (Matuana)	367	395	98,750.00
42. Matuana (Misty Mount)	367	163	40,750.00
43. Umnga Heads	368	568	142,000.00
<b>TOTALS</b>		<b>9957</b>	<b>R2,489,250.00</b>



*The total loan available to the Transkei Department of Agriculture for phase 1 of the project is thus calculated to an amount of R2,489,250.00. From this amount a total of R378,366.00 will be made available as a subsidy to the farmers for the upgrading of fencing material, water supply and road infrastructure. This loan must be made available at a proposed 7% interest rate to the Transkei Department of Agriculture that will register a first bond against the property and make loans available to the farmers at a proposed 8% interest rate over a period of 20 years.*

*The repayment per unit will thus be calculated as follows:*

<i>Unit Name</i>	<i>Number</i>	<i>Extent (ha)</i>	<i>Purchase price</i>	<i>Annual instalment</i>
1. Umgana	351	287	71,750.00	7,308.00
2. Umgana	351	191	47,750.00	4,863.51
3. Umgana	351	300	75,000.00	7,639.02
4. Umgana	351	10	2,500.00	254.63
5. Meadows	352	291	72,750.00	7,409.85
6. Meadows	352	218	54,500.00	5,551.02
7. Meadows	352	146	36,500.00	3,717.66
8. Narrowvale	353	278	69,500.00	7,078.83
9. Narrowvale	353/359	255	63,750.00	6,493.17
10. Caverns	356	267	66,750.00	6,798.73
11. Caverns	356	146	36,500.00	3,717.66
12. Glen Cole	357	275	68,750.00	7,002.44
13. Glen Cole	357	349	87,250.00	8,886.73
14. Killarney	358	317	79,250.00	8,071.90
15. Killarney	358	243	60,750.00	6,187.61
16. Middelridge	359	225	56,250.00	5,729.27
17. Middleridge	359	417	104,250.00	10,618.24
18. Oribi Dale	360	219	54,750.00	5,576.49
19. Oribi Dale (Hartdale)	360	128	32,000.00	3,259.32
20. Oribi Dale	360	182	45,500.00	4,634.34
21. Oribi Dale	360	162	40,500.00	4,125.07
22. Oribi Dale (Bool)	360	186	46,500.00	4,736.20
23. Nikina (van Dyks Rus)	361	178	44,500.00	4,532.49
24. Nikina (Bouwers Dale)	361	178	44,500.00	4,532.49
25. Nikina (Leliefontein)	361	356	89,000.00	9,064.98
26. Mnyolo Heights	362	189	47,250.00	4,812.59
27. Mnyolo Heights (Good Hope)	362	189	47,250.00	4,812.59
28. Mnyolo Heights	362	283	70,750.00	7,206.15
29. Glen Thompson	363	162	40,500.00	4,125.07
30. Glen Thompson	363	163	40,750.00	4,150.54
31. Glen Thompson (Hopefield)	363	200	50,000.00	5,092.68
32. Glen Thopson	363	275	68,750.00	7,002.44
33. Wheatfield	364	207	51,750.00	5,270.93
34. Wheatfield (Wheatfield)	364	207	51,750.00	5,270.93
35. Umnga Flats	365	150	37,500.00	3,819.51
36. Umnga Flats	365	191	47,750.00	4,863.51
37. Umnga Flats	365	38	9,500.00	967.61
38. Umnga Flats	365	5	1,250.00	127.32
39. Umnga Flats	365	267	66,750.00	6,798.73
40. Green Hills (Mooivlei)	366	501	125,250.00	12,757.17
41. Matuana (Matuana)	367	395	98,750.00	10,058.05
42. Matuana (Misty Mount)	367	163	40,750.00	4,150.54
43. Umnga Heads	368	568	142,000.00	14,463.22
<b>TOTALS</b>			<b>R2,489,250.00</b>	<b>R253,539.23</b>

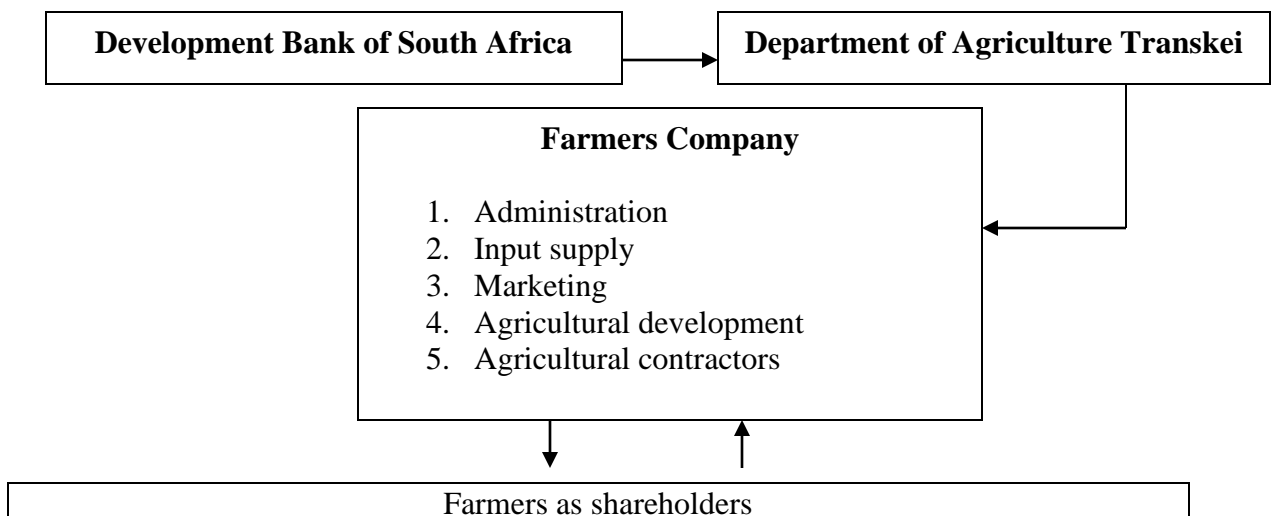
*In order to speed up phase 1 of the project whilst taking into consideration the current political issues on macro and micro level. It is proposed that the Transkei Department of Agriculture jointly together with the local farmers association and the Transkei Agricultural Union, make available a new application system whereby potential landowners will re-apply to purchase the land. This joint committee will then evaluate the applications in order to ensure that farmers with genuine interest obtain the land. Currently there are huge sums of farmers on paper as government officials that are subletting the farms in order to gain addition income. Some of the farms are also occupied by squatters from the rural areas whom have formed a so-called “mafia” that is a threat to the farmers.*

*The application, evaluation and award of the farms to individual farmers can be done on the current proposed borders of the units as planned by TRACOR. It is also important to take into consideration that some units are too small in order to achieve economic viability. Examples of such units are Umgana no. 351 = 10 hectares, Umnga Flats no. 365 = 38 hectares and Umnga Flats no. 365 = 5 hectares. Finalization of Deed of Sales can be done jointly with the surveying of units in order not to waste time with the awarding of farms to owners. This will enable farmers to start with production in the same season. All these actions will only be possible if a permanent co-ordinator is appointed to supervise and execute the complete function on behalf of all parties involved.*

**Phase 2**

*The foundation and registration of an administrative co-ordinating body for the Farmers Association.*

*On recommendation of the farmers association, it is clear that the total development, training and production function must be done by a single controlled body. This legal entity must be registered in such a way that the individual farmer can also become a shareholder of the institution. This issue was discussed with the Directors of the Ugie Agricultural Co-operative who does not seem to be interested to get involved at this political stage. For this reason the farmers association decided to form their own legal entity with the following structure and model:*



### ***Working Procedure***

*Development Bank will on an annual base approve a budget to the Department of Agriculture of Transkei. Each individual farmer will yearly before 31 August make his production budget available through the farmers company to the Department. By 31 September the Department of Agriculture will issue a guarantee to the farmers company who will fulfil the total production function of the farmers.*

*The farmers company will negotiate consignment stock and inputs from the wholesale suppliers and will reconcile on monthly basis statements to the Department of Agriculture. At the end of the production season the company will do the marketing of all products on behalf of the farmer, settle the farmer's account and pay surpluses to the farmer's bank account.*

### **Phase 3**

*This is the production phase and will be done through the following logical working procedures:*

- 1. A detailed farm planning per unit.*
- 2. Recommendations per unit.*
- 3. Applications for production loans.*
- 4. Evaluation and award of production loans.*
- 5. Physical implementation of recommendations.*
- 6. Monitoring of operations of inputs.*
- 7. Monitoring of crops.*
- 8. Harvesting of products.*
- 9. Marketing of products.*
- 10. Reconciliation and back payments of loans.*

*Details with regard to this 10-point plan will be part of a standing working procedure and statute of the farmers company.*

### **Closure**

*It is of great importance to the Umnga Flats farmers association that the Development Bank of South Africa sees their way open to the proposed project. The members are also open for changes in these proposals in order to establish a workable model in the shortest time possible. It is the main objective to establish a massive development project for this first group of black emerging commercial farmers in South Africa.*

*This report was compiled in direct order of the Umnga Flats farmers association.*

*J. Stassen  
Agricultural Economist"*

## Outcomes and results of the first development initiatives

All negotiations with the Development Bank of South Africa and the government of the Republic of Transkei were fruitless. The main reason for this was the uncertainty to all role players with regard to the future in the early years towards the elections in 1994 and how the new ANC government would have treated development in the early years after elections.

The Umnga Flats Farmers Association however proceeded in the registration of a legal entity that was known as the Umnga Farmers Development Company (Pty) Ltd. All 35 members became shareholders of this company and the following members were elected as directors of this company:

* Mr. S.J.M. Memka	-	Chairperson
* Mr. H.S. Booï	-	Vice Chairperson
* Mr. O.T. Goso	-	Director
* Mr. J. Stassen	-	Director of development
* Mr. W. Odendaal	-	Director of finance
* Mr. G.R. Kashula	-	Director of production and contracts

The openness and willingness of the Umnga Flats farmers to nominate Mr. Stassen as an agricultural economics and technical advisor, Mr. W. Odendaal, a local accountancy business man and Mr. G.R. Kashula a local farmer and contractor was remarkable and certainly a first step towards development in the new South Africa in 1993.

The Umnga Farmers Development Company (Pty) Ltd opened an agricultural shop as well as a development office in Ugie. During the period of 1993 until 1996 this company actively assisted those shareholders that showed entrepreneurial skills in obtaining production loans from the agricultural bank of Transkei, gave technical advise, assist in the registration of small legal entities and took the leading role as adviser towards the obtaining of ownership of the land. The Umnga Farmers Development Company also played a vital role by appointing the former Rural Foundation to assist in a re-settlement and economic development strategy for the Umnga Farmerdwellers. It must be understood that after the consolidation process in 1985, merely all farm labourers that was employed by the white commercial farmers were left behind on the farms. In order to accommodate these “farmdwellers“, the Transkei government started with a re-settlement of these people in their own village on the farm Umnga Heads, no. 358. These proposals were also not executed up to date due to the lack of funding. (Please refer to the attached re-settlement and economic development strategy report for Umnga Farmerdwellers Project).

To the shock of everybody the new South African government ordered all farmers to vacate all farms by 31 March 1999 as they were accused of illegally occupying state land. On an urgent meeting of the Transkei farmers union in Tsolo town during August 1998, the farmers decided to collect money between them as individuals and to take the then Minister of Agriculture and Land Affairs, Mr. Derrick Hanekom together with six other respondents to court on this matter. The main motivation in this case was that they were

promised by the former Transkei government to get ownership if they could proof their abilities to farm within three years after occupation in 1986.

On 22 September 2000 another political breakthrough was made when the Ugie Farmers Association (white commercial farming community) negotiated a proposal with the Umgna Flats Farmers Association to amalgamate the two farmers associations. A constitution and joint management structure was concluded with the following objectives:

- a) To act as a mouthpiece for the area farming community on an organized basis.
- b) To look after, to protect and to further the interests of the farmers community.
- c) To disseminate important knowledge about farming amongst farmers by means of lectures, demonstration farmers' days, agricultural shows, workshops, etc.
- d) To strengthen a spirit of co-operation and cohesion amongst farmers and to give effect to the idea of self-help through joint action.
- e) To strive for orderly marketing of the farmers' production and attainment of an equitable price.
- f) To co-operate with other similar organizations in order to establish a cohesive agricultural association.
- g) To work together with co-operation's as that serves the members of the association in order to further and promote the co-operative ideal.
- h) To strive for the development of the agricultural industry, the protection of soil, water resources, fauna and flora, the enhancement of soil fertility and improvement of production methods.
- i) To attend to such other matters that, in the opinion of a members' meeting are in the interests of the members or of the agricultural industry, provided that due cognisance is taken of the fact that the purpose of the association is not generate profits, and that all casual savings or profits generated, should be applied to furthering the objectives of the association and should not be distributed amongst members or other persons.
- j) Bearing in mind the above mentioned objectives:
  - To run its affairs in any one of the official languages as far as possible or deemed necessary, but that all correspondence will be done in English.
  - To treat all matters on merit only and not from any party-political viewpoint, provided that in the event of any matter being regarded as being of a party political nature by the chairman or any member present, such matter is referred to the meeting for a decision.

The following article that appeared in the Daily Dispatch on Monday, 4 January 1999 clearly explain the victory achieved by the Umnga Flats farmers by winning the court case against the government. For the first time they had the security to become landowners through a court order.

## Farmers get right to buy leased state land

By Phakamisa Ngani

UMTATA — Eleven black farmers in Transkei have a legal right to buy large tracts of state land they have been leasing for the past 12 years.

An order was granted in the high court here last week in favour of the farmers after they applied successfully for a civil judgment against Land Affairs Minister Derek Hanekom and six other respondents.

Acting Judge Poswa also ordered that the applicants be granted the right by not later than March 31.

Any delay or neglect by Mr Hanekom to give effect to the order would be unlawful, the judge said.

While Judge Poswa's judicial ruling was made in favour of only the 11 applicants, it now stands as a landmark judgment which could benefit another 300 farmers in

Transkei.

Many of them are members of the Transkei Commercial Farmers' Union (TCFU), who have also been leasing state farmland since 1986.

After last week's high-court ruling, TCFU vice-chairman Linda Mbabama said all the farm lessees who had been given until March 31 to vacate the land on which they operate, should lodge their applications to buy the property immediately.

He said the latest high court ruling had effectively set aside all decisions taken against the farm lessees by the Heath Special Investigating Unit (SIU), including one decision which ordered the lessees to vacate, by March 31, the farms they occupied.

The SIU with a brief to investigate what was then regarded as "illegal occupation of state farms in and

around Transkei", is one of the respondents ordered to give effect to the sale of the farms to the present occupants.

In papers before Judge Poswa last week, Mr Mbabama gave a historical background of how they acquired the land in question.

The land represented a portion of certain farms totalling 104 528 hectares which were acquired by the government between 1982 and 1986 in the districts of Umzimkulu, Port St Johns, Queenstown, Indwe, Elliot, Maclear and Matatiele.

Mr Mbabama's affidavit, which formed the basis of the land claim by him and other applicants in last week's high-court action, was not contested by the respondents. Mr Hanekom was also ordered to pay the costs of the action.

The Department of Land Affairs appointed an independent valuator during 1999 to value the farms in order to establish a purchase price on each of the units. After an evaluation of R150.00 per hectare was accepted by the Department of Land Affairs, the court order of January 1999 came to execution by the following publication by the Department of Land Affairs on 21 March 2001.





**DEPARTMENT: LAND AFFAIRS  
REPUBLIC OF SOUTH AFRICA  
EASTERN CAPE LAND REFORM OFFICE**

**PUBLIC NOTICE**

The Minister of Land Affairs, Minister at Didiza, has approved the sale of the state owned properties situated in the Tsolo Magisterial District listed in column 2 below. It is the Department's intention to offer these properties for sale at the value listed in column 5 to the prospective buyers listed in column 1.

1	2	3	4	5
PROPOSED BENEFICIARY	FARM NAME & NO.	PORTION	EXTENT	PRICE @ R150,00 p/ha
H.M. Siyotula	Umgana No. 351	1 (Nxeko A)	310,7730	46 615,98
H.M. Siyotula	Umgana No. 351	2 (Nxeko B)	284,0320	42 648,80
S. Fuzile	Umgana No. 351	Rem. (Bulelani)	194,8544	29 228,16
T. Nomgca	Medows No. 352	1 (Malinga)	309,3282	46 399,23
B. Getyengana	Medows No. 352	2 (Mapoma)	204,2126	30 631,89
M. Mapoma	Medows No. 352	Rem.	142,8402	21 426,03
M. Ngqoshana	Narrowvale No. 353	2 (Soka)	284,7570	42 713,55
S.J. Memka	Mayoli No. 371	-	257,9870	38 698,05
M. Majeke	Cavens No. 356	1 (Gawulegoduka)	296,6233	44 493,49
A. Somhlaho	Cavens No. 356	Rem.	140,9522	21 142,89
I.T. Sodinga	Glen Cole No. 372	1	270,9904	40 648,56
S.K. Makinana	Glen Cole No. 37	Rem.	358,6299	53 794,49
C.M. Mgedezi	Killarney No. 358	1	316,0102	47 401,53
M.M. Gidimisani	Killarney No. 358	Rem. (Riversdale)	244,8762	36 731,43
B.T. Siyotula	Middleridge No. 359	1 (Hlubi)	245,6629	36 699,44
A.M. Mhlebi	Middleridge No. 359	2 (Emthonjeni)	416,6329	62 494,94
Z. Nelani	Mboniseni No. 373	-	269,6595	40 448,93
M. Mgedezi	Oribe Dale No. 360	Rem. Of Ptn 1 (Badi Farm)	189,0910	28 363,52
N. Sejosing	Oribe Dale No. 360	Ptn 4 (Ptn of Ptn 1) (Animal Farm)	158,5594	23 783,91
H.S. Boo!	Oribe Dale No. 360	5 (Khalane)	147,5759	22 136,39
S. Mgedezi	Oribe Dale No. 360	6 (Mgedezi Farm)	287,3832	43 107,48
L.S. Magqwala	Nekina No. 361	1 (Bower's Dale)	178,5957	26 789,36
S. Mkhosana	Nekina No. 361	2 (Van Dyk's Rust)	178,7145	26 807,18
C.S. Sambudla	Sambudla No. 374	-	356,7962	53 519,43
M. Mfoxo	Myolo Heights No. 362	Rem. Of Ptn 1 (Goede Hoop)	328,1168	49 217,53
M. Maqokolo	Myolo Heights No. 362	3 (Mpemba)	167,0158	25 052,37
L. Madini	Myolo Heights No. 362	4	165,3225	24 798,38
G.T. Vika	Glen Thomson No. 363	4 (Ptn of ptn 3) (Kwa Togu)	153,5456	23 031,84
G.T. Vika	Glen Thomson No. 363	5 (Ptn of ptn 3)	176,3729	26 455,94
G.M. Ncume	Glen Thomson No. 363	6 (Ptn of ptn 3)	201,6971	30 254,57
R. Ndzandzeka	Glen Thompson No. 363	7 (Ptn of ptn 3)	268,1180	40 217,70
Z. Sobetwa	Wheatfield No. 364	1 (Johannashof)	206,3449	30 951,74
Z. Sobetwa	Wheatfield No. 364	Rem.	207,7278	31 159,17
O.T. Goso	Umga Flats No. 365	2	367,5713	55 135,70
L.N. Mbabama Trust	Green Hills No. 366	2	401,4679	60 220,19
T. Mzinzi	Matuana No. 367	3 (Ptn of ptn 2)	335,7934	50 369,01
M.B. Joyi	Matuana No. 367	4 (Ptn of ptn 2)	223,1761	33 476,42
<b>TOTALS</b>			<b>8736,1358ha</b>	

Any written comments or objections should be submitted within 21 days from the date of publication of this notice to the following address:

**Provincial Director: Eastern Cape Land Reform Office**  
**P.O. Box 1958, East London, 5200**  
**Att: Mr Dali Matta**

501577/38

All farmers as advertised purchased the land before the end of 2000. They had to find loans from the Land Bank or Uvimba (amalgamated former Transkei and Ciskei Agri Banks) and received no assistance or subsidies from the Department of Land Affairs. The reason for receiving no subsidies from the government was that the government were actually giving these farms for free at a price of R150.00 per hectare.

What the government did not want to take into consideration was the following facts:

1. Since 1982 after the consolidation process was made known, the former Drakensberg District Council did not spend any further monies on road maintenance in the Umnga Flats area. In this high rainfall area the roads were merely dongas after a period of 18 years. The former Transkei government also did not maintain any roads.
2. What was left of fencing was those fences erected by the former white owners during the 1960's / 70's. After continuous veld fires year after year for 18 years nothing of the fencing was also left.
3. For the reason that the Transkei farmers had no other security of future land ownership other than empty promises from the former Transkei government, they did not maintain any other infrastructure as such.
4. The farmers in fact bought bare land at a price of R150.00 per hectare.

## **Analysis of the current situation of the Umnga Flats commercial farming area**

As part of a Co-operative Development Initiative (CDI), the Umnga Farmers Group was appointed to do a farm-to-farm research in order to establish the current situation on each farm. A visit was paid to each farm and each individual farmer was interviewed in order to complete a research information form. The following information on each farmer was collected:

1. Personal information of the owner
2. Information with regard to legal entities where applicable
3. Information on the property
  - Farm/unit name
  - Extent
  - Total arable land/grazing land
  - Crop information (past three years) that included
    - Crop type
    - Area planted
    - Estimated production cost
    - Estimated yield
    - Estimated gross income
    - Market place
  - Livestock information (Past three years) that included
    - Livestock type
    - Livestock totals
    - Gross income per annum

- Financial information
  - Bonds on property
  - Notarial bonds
  - Balance sheet
- Management information
  - Time spent on the farm
  - Demographic information on labourers
  - Methods of financial record keeping
  - Methods of personnel record keeping
  - Governmental subsidies or assistance
- Infrastructural information
- Farmer's own objectives and future plan

***Database:***

All information as made available as per interview from each landowner was captured in a database. The following information is a short summary of the findings:

## Farm units and legal owners

Unit name	Legal owner	Extent
Umgana no. 351 (Nxeko A + B)	H. M. Siyotula	594,8050
Umgana no. 351 (Bulelani)	S. Fuzile	194,8544
Meadows no. 352 (Malinga)	Inna Ette Farming CC	309,3282
Meadows no. 352 (Mapoma)	B. Getyengana	204,2126
Meadows no. 352 (Remainder)	M. Mapoma	142,8402
Narrowvale no. 353 (Soka)	M. Ngqoshana	284,7570
Mayoli no. 371	S.J.M. Memka	257,9870
Cavens no. 356 (Gawulegoduka)	M. Majeke	296,6233
Cavens no. 356 (Remainder)	A. Somhlahlo	140,9522
Glen Cole no. 372	I.T. Sodinga	270,9904
Glen Cole no. 372 (Remainder)	Glen Cole Farming CC	358,6299
Killarney no. 358	Mgedezi and Jafta Farming CC	316,0102
Killarney no. 358 (Riversdale)	Ikhwelo Farmers Enterprise CC	244,8762
Middleridge no. 359 (Hlubi)	B.T. Siyotula	245,6629
Middleridge no. 359 (Emthonjeni)	Mhelbi and Son Farming Enterprise CC	416,6329
Mboniseni no. 373	Z. Nelani	269,6595
Oribe Dale no. 360 (Badi Farm)	M. Mgedezi	189,0910
Oribe Dale no. 360 (Animal Farm)	N. Sejosing	158,5594
Oribe Dale no. 360 (Khalane)	Booi Farming CC	147,5759
Oribe Dale no. 360 (Mgedezi Farm)	S. Mgedezi	287,3832
Nekina no. 361 (Bower's Dale)	L.S. Magqwala	178,5957
Nekina no. 361 (Van Dyk's Rust)	S. Mkhosana	178,7145
Sambudla no. 374	C.S. Sambudla	356,7962
Myolo Heights no. 362 (Goede Hoop)	M. Mfoxo	328,1168
Myolo Heights no. 362 (Mpemba)	M. Magazi	167,0158
Myolo Heights no. 362	L. Madini	165,3225
Glen Thomson no. 363 (Kwa Togu + Portion 3)	Masidibane Farmers Enterprise CC	329,9185
Glen Thomson no. 363 (Portion 6)	G.M. Ncume	201,6971
Glen Thompson no. 363 (Portion 7)	R. Ndzandzeka	268,1180
Wheatfield no. 364	Sobetwa's Farming CC	414,0727
Umga Flats no. 365	O.T. Goso	367,5713
Green Hills no. 366	L.N. Mbabama Trust	401,4679
Matuana no. 367 (Portion 3)	T. Mzinzi	335,7934
Matuana no. 367 (Portion 4)	M.B. Joyi	223,1761
		<b>8736,1358</b>

## Information on the property

Unit name	Arable land (ha)	Grazing land (ha)	Surplus	Extent
Umgana no. 351 (Nxeko A + B)	78	520	3,1950	594,8050
Umgana no. 351 (Bulelani)	98	95	1,8544	194,8544
Meadows no. 352 (Malinga)	110	198	1,3282	309,3282
Meadows no. 352 (Mapoma)	100	102	2,2126	204,2126
Meadows no. 352 (Remainder)	30	112	0,8402	142,8402
Narrowvale no. 353 (Soka)	150	133	1,7570	284,7570
Mayoli no. 371	72	184	1,9870	257,9870
Cavens no. 356 (Gawulegoduka)	94	200	2,6233	296,6233
Cavens no. 356 (Remainder)	30	110	0,9522	140,9522
Glen Cole no. 372	94	176	0,9904	270,9904
Glen Cole no. 372 (Remainder)	100	257	1,6299	358,6299
Killarney no. 358	160	155	1,0102	316,0102
Killarney no. 358 (Riversdale)	40	203	1,8762	244,8762
Middleridge no. 359 (Hlubi)	30	214	1,6629	245,6629
Middleridge no. 359 (Emthonjeni)	134	281	1,6329	416,6329
Mboniseni no. 373	80	188	1,6595	269,6595
Oribe Dale no. 360 (Badi Farm)	40	148	1,0910	189,0910
Oribe Dale no. 360 (Animal Farm)	76	81	1,5594	158,5594
Oribe Dale no. 360 (Khalane)	35	111	1,5759	147,5759
Oribe Dale no. 360 (Mgedezi Farm)	45	241	1,3832	287,3832
Nekina no. 361 (Bower's Dale)	20	157	1,5957	178,5957
Nekina no. 361 (Van Dyk's Rust)	100	77	1,7145	178,7145
Sambudla no. 374	100	255	1,7962	356,7962
Myolo Heights no. 362 (Goede Hoop)	120	207	1,1168	328,1168
Myolo Heights no. 362 (Mpemba)	25	141	1,0158	167,0158
Myolo Heights no. 362	40	124	1,3225	165,3225
Glen Thomson no. 363 (Kwa Togu + Portion 3)	100	228	1,9185	329,9185
Glen Thomson no. 363 (Portion 6)	40	160	1,6971	201,6971
Glen Thompson no. 363 (Portion 7)	125	142	1,1180	268,1180
Wheatfield no. 364	276	137	1,0727	414,0727
Umga Flats no. 365	100	266	1,5713	367,5713
Green Hills no. 366	120	280	1,4679	401,4679
Matuana no. 367 (Portion 3)	134	200	1,7934	335,7934
Matuana no. 367 (Portion 4)	112	110	1,1761	223,1761
<b>TOTALS</b>	<b>3008</b>	<b>6193</b>	<b>46,8079</b>	<b>9247,8079</b>

48% of the total land is arable.

None of the farmers had exact figures with regard to the size of arable land. All figures provided are estimated.

## Crop information of the past three years

### Season September 2002 – August 2003

<b>Unit name</b>	<b>Maize</b>	<b>Potatoes</b>	<b>Beans</b>	<b>Oats</b>	<b>Cabbage</b>
Umgana no. 351 (Nxeko A + B)	5	2			1
Umgana no. 351 (Bulelani)					
Meadows no. 352 (Malinga)					
Meadows no. 352 (Mapoma)					
Meadows no. 352 (Remainder)					
Narrowvale no. 353 (Soka)		5			5
Mayoli no. 371	2			10	
Cavens no. 356 (Gawulegoduka)				28	
Cavens no. 356 (Remainder)					
Glen Cole no. 372	10		15		
Glen Cole no. 372 (Remainder)	8	0.5			
Killarney no. 358					6
Killarney no. 358 (Riversdale)					
Middleridge no. 359 (Hlubi)					
Middleridge no. 359 (Emthonjeni)					
Mboniseni no. 373					
Oribe Dale no. 360 (Badi Farm)					
Oribe Dale no. 360 (Animal Farm)					
Oribe Dale no. 360 (Khalane)					
Oribe Dale no. 360 (Mgedezi Farm)					
Nekina no. 361 (Bower's Dale)				4	
Nekina no. 361 (Van Dyk's Rust)	10	5			
Sambudla no. 374					
Myolo Heights no. 362 (Goede Hoop)	30				
Myolo Heights no. 362 (Mpemba)					
Myolo Heights no. 362	12		12		
Glen Thomson no. 363 (Kwa Togu + Portion 3)					
Glen Thomson no. 363 (Portion 6)					
Glen Thompson no. 363 (Portion 7)	22			13	
Wheatfield no. 364					
Umga Flats no. 365	20	10			
Green Hills no. 366					
Matuana no. 367 (Portion 3)					
Matuana no. 367 (Portion 4)					
<b>TOTALS</b>	<b>119</b>	<b>22.5</b>	<b>27</b>	<b>55</b>	<b>12</b>

**Season September 2003 – August 2004**

<b>Unit name</b>	<b>Maize</b>	<b>Potatoes</b>	<b>Beans</b>	<b>Oats</b>	<b>Cabbage</b>
Umgana no. 351 (Nxeko A + B)	5	2			1
Umgana no. 351 (Bulelani)					
Meadows no. 352 (Malinga)	30		3		
Meadows no. 352 (Mapoma)					
Meadows no. 352 (Remainder)					
Narrowvale no. 353 (Soka)	50	10			5
Mayoli no. 371				10	
Cavens no. 356 (Gawulegoduka)				28	
Cavens no. 356 (Remainder)					
Glen Cole no. 372		5			
Glen Cole no. 372 (Remainder)	18				
Killarney no. 358					
Killarney no. 358 (Riversdale)					
Middleridge no. 359 (Hlubi)					
Middleridge no. 359 (Emthonjeni)					
Mboniseni no. 373					
Oribe Dale no. 360 (Badi Farm)					
Oribe Dale no. 360 (Animal Farm)					
Oribe Dale no. 360 (Khalane)					
Oribe Dale no. 360 (Mgedezi Farm)					
Nekina no. 361 (Bower's Dale)				4	
Nekina no. 361 (Van Dyk's Rust)	5	5			
Sambudla no. 374					
Myolo Heights no. 362 (Goede Hoop)	30				
Myolo Heights no. 362 (Mpemba)					
Myolo Heights no. 362	12				
Glen Thomson no. 363 (Kwa Togu + Portion 3)					
Glen Thomson no. 363 (Portion 6)					
Glen Thompson no. 363 (Portion 7)	25	10			
Wheatfield no. 364					
Umga Flats no. 365					
Green Hills no. 366					
Matuana no. 367 (Portion 3)					
Matuana no. 367 (Portion 4)					
<b>TOTALS</b>	<b>145</b>	<b>32</b>	<b>3</b>	<b>42</b>	<b>6</b>

**Season September 2004 – August 2005**

<b>Unit name</b>	<b>Maize</b>	<b>Potatoes</b>	<b>Beans</b>	<b>Oats</b>	<b>Cabbage</b>
Umgana no. 351 (Nxeko A + B)	5	2			1
Umgana no. 351 (Bulelani)					
Meadows no. 352 (Malinga)	50		3		
Meadows no. 352 (Mapoma)					
Meadows no. 352 (Remainder)					
Narrowvale no. 353 (Soka)	50	5			5
Mayoli no. 371	2			10	
Cavens no. 356 (Gawulegoduka)				28	
Cavens no. 356 (Remainder)					
Glen Cole no. 372				5	
Glen Cole no. 372 (Remainder)	20	2			
Killarney no. 358					
Killarney no. 358 (Riversdale)					
Middleridge no. 359 (Hlubi)					
Middleridge no. 359 (Emthonjeni)					
Mboniseni no. 373					
Oribe Dale no. 360 (Badi Farm)					
Oribe Dale no. 360 (Animal Farm)					
Oribe Dale no. 360 (Khalane)					
Oribe Dale no. 360 (Mgedezi Farm)					
Nekina no. 361 (Bower's Dale)				4	
Nekina no. 361 (Van Dyk's Rust)	5	2			
Sambudla no. 374					
Myolo Heights no. 362 (Goede Hoop)					
Myolo Heights no. 362 (Mpemba)					
Myolo Heights no. 362	12				
Glen Thomson no. 363 (Kwa Togu + Portion 3)					
Glen Thomson no. 363 (Portion 6)					
Glen Thompson no. 363 (Portion 7)					
Wheatfield no. 364					
Umga Flats no. 365					
Green Hills no. 366					
Matuana no. 367 (Portion 3)					
Matuana no. 367 (Portion 4)					
<b>TOTALS</b>	<b>144</b>	<b>11</b>	<b>3</b>	<b>47</b>	<b>6</b>



### **Summary on crop information**

<b>Crop</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Average</b>	<b>% Enterprise</b>
Maize	119	145	144	<b>136</b>	<b>4.5</b>
Potatoes	22.5	32	11	<b>22</b>	<b>0.7</b>
Beans	27	3	3	<b>11</b>	<b>0.4</b>
Oats	55	42	47	<b>48</b>	<b>1.6</b>
Cabbages	12	6	6	<b>8</b>	<b>0.3</b>
<b>TOTALS</b>	<b>236.5</b>	<b>230</b>	<b>214</b>	<b>225</b>	<b>7.5</b>
<b>Percentage of total capacity arable land</b>	<b>7.8%</b>	<b>7.6%</b>	<b>7.1%</b>	<b>7.5</b>	

It is clear that the capacity of the arable land is completely under utilized for the following reasons:

1. Lack of knowledge?
2. Lack of collateral security?
3. Lack of own production capital?
4. Lack of market?

## Livestock Information

### Livestock owned 2003

Unit name	Sheep	Cattle	Goats	Gross income
Umgana no. 351 (Nxeko A + B)	157	46	0	16,200.00
Umgana no. 351 (Bulelani)	0	81	0	0
Meadows no. 352 (Malinga)	161	50	0	0
Meadows no. 352 (Mapoma)	108	73	13	0
Meadows no. 352 (Remainder)	0	0	0	0
Narrowvale no. 353 (Soka)	547	126	22	35,400.00
Mayoli no. 371	235	84	0	19,000.00
Cavens no. 356 (Gawulegoduka)	193	36	0	25,100.00
Cavens no. 356 (Remainder)	0	0	0	0
Glen Cole no. 372	42	55	23	28,500.00
Glen Cole no. 372 (Remainder)	207	30	0	3,500.00
Killarney no. 358	60	4	0	300.00
Killarney no. 358 (Riversdale)	150	33	0	360.00
Middleridge no. 359 (Hlubi)	504	107	61	50,000.00
Middleridge no. 359 (Emthonjeni)	454	50	0	47,300.00
Mboniseni no. 373	0	0	0	0
Oribe Dale no. 360 (Badi Farm)	105	65	0	2,500.00
Oribe Dale no. 360 (Animal Farm)	134	80	0	0
Oribe Dale no. 360 (Khalane)	300	112	8	0
Oribe Dale no. 360 (Mgedezi Farm)	0	0	0	0
Nekina no. 361 (Bower's Dale)	114	25	0	14,870.00
Nekina no. 361 (Van Dyk's Rust)	276	17	0	0
Sambudla no. 374	300	50	0	0
Myolo Heights no. 362 (Goede Hoop)	197	32	0	0
Myolo Heights no. 362 (Mpemba)	0	0	0	0
Myolo Heights no. 362	312	64	0	0
Glen Thomson no. 363 (Kwa Togu + Portion 3)	0	0	0	0
Glen Thomson no. 363 (Portion 6)	123	40	0	0
Glen Thompson no. 363 (Portion 7)	83	52	0	19,350.00
Wheatfield no. 364	306	44	0	6,000.00
Umga Flats no. 365	0	55	0	0
Green Hills no. 366	0	0	0	0
Matuana no. 367 (Portion 3)	524	148	41	8,000.00
Matuana no. 367 (Portion 4)	350	81	0	0
<b>Totals</b>	<b>5942</b>	<b>1640</b>	<b>168</b>	<b>276,380.00</b>

**Livestock owned 2004**

<b>Unit name</b>	<b>Sheep</b>	<b>Cattle</b>	<b>Goats</b>	<b>Gross income</b>
Umgana no. 351 (Nxeko A + B)	109	58	0	25,950.00
Umgana no. 351 (Bulelani)	0	65	0	51,000.00
Meadows no. 352 (Malinga)	140	57	0	0
Meadows no. 352 (Mapoma)	108	73	13	0
Meadows no. 352 (Remainder)	0	0	0	0
Narrowvale no. 353 (Soka)	419	103	42	47,500.00
Mayoli no. 371	192	80	0	18,000.00
Cavens no. 356 (Gawulegoduka)	243	48	0	56,500.00
Cavens no. 356 (Remainder)	0	0	0	0
Glen Cole no. 372	36	27	18	8,000.00
Glen Cole no. 372 (Remainder)	278	36	0	0
Killarney no. 358	58	4	0	0
Killarney no. 358 (Riversdale)	168	35	0	5,194.00
Middleridge no. 359 (Hlubi)	464	97	51	0
Middleridge no. 359 (Emthonjeni)	278	86	0	24,000.00
Mboniseni no. 373	0	0	0	0
Oribe Dale no. 360 (Badi Farm)	170	50	16	29,600.00
Oribe Dale no. 360 (Animal Farm)	176	96	0	0
Oribe Dale no. 360 (Khalane)	244	71	14	0
Oribe Dale no. 360 (Mgedezi Farm)	0	0	0	0
Nekina no. 361 (Bower's Dale)	128	25	0	1,600.00
Nekina no. 361 (Van Dyk's Rust)	269	21	0	0
Sambudla no. 374	400	70	0	0
Myolo Heights no. 362 (Goede Hoop)	239	36	0	0
Myolo Heights no. 362 (Mpemba)	0	0	0	0
Myolo Heights no. 362	215	36	0	0
Glen Thomson no. 363 (Kwa Togu + Portion 3)	0	0	0	0
Glen Thomson no. 363 (Portion 6)	139	52	0	0
Glen Thompson no. 363 (Portion 7)	103	68	0	16,000.00
Wheatfield no. 364	356	33	0	0
Umga Flats no. 365	0	58	0	0
Green Hills no. 366	0	0	0	0
Matuana no. 367 (Portion 3)	491	88	32	0
Matuana no. 367 (Portion 4)	361	107	0	0
<b>Totals</b>	<b>5784</b>	<b>1580</b>	<b>186</b>	<b>283,344.00</b>

**Livestock owned 2005**

<b>Unit name</b>	<b>Sheep</b>	<b>Cattle</b>	<b>Goats</b>	<b>Gross income</b>
Umšana no. 351 (Nxeko A + B)	102	48	0	0
Umšana no. 351 (Bulelani)	244	86	0	0
Meadows no. 352 (Malinga)	139	54	0	0
Meadows no. 352 (Mapoma)	108	73	13	0
Meadows no. 352 (Remainder)	0	0	0	0
Narrowvale no. 353 (Soka)	386	110	36	0
Mayoli no. 371	200	25	0	9,000.00
Cavens no. 356 (Gawulegoduka)	168	38	0	20,000.00
Cavens no. 356 (Remainder)	0	0	0	0
Glen Cole no. 372	29	23	21	0
Glen Cole no. 372 (Remainder)	301	52	32	0
Killarney no. 358	68	4	0	0
Killarney no. 358 (Riversdale)	192	37	0	400.00
Middleridge no. 359 (Hlubi)	510	111	61	0
Middleridge no. 359 (Emthonjeni)	330	106	0	0
Mboniseni no. 373	0	0	0	0
Oribe Dale no. 360 (Badi Farm)	90	50	16	6,000.00
Oribe Dale no. 360 (Animal Farm)	124	106	0	0
Oribe Dale no. 360 (Khalane)	193	10	0	0
Oribe Dale no. 360 (Mgedezi Farm)	0	0	0	0
Nekina no. 361 (Bower's Dale)	160	25	0	0
Nekina no. 361 (Van Dyk's Rust)	280	9	0	0
Sambudla no. 374	410	87	0	0
Myolo Heights no. 362 (Goede Hoop)	162	42	0	0
Myolo Heights no. 362 (Mpemba)	0	0	0	0
Myolo Heights no. 362	138	38	0	0
Glen Thomson no. 363 (Kwa Togu + Portion 3)	0	0	0	0
Glen Thomson no. 363 (Portion 6)	138	50	0	0
Glen Thompson no. 363 (Portion 7)	78	61	0	0
Wheatfield no. 364	489	68	0	0
Umga Flats no. 365	0	45	0	0
Green Hills no. 366	0	0	0	0
Matuana no. 367 (Portion 3)	410	96	36	0
Matuana no. 367 (Portion 4)	268	106	0	0
<b>Totals</b>	<b>5717</b>	<b>1560</b>	<b>215</b>	<b>35,400.00</b>

## Analyses of current livestock carrying capacity

(Carrying capacity at 6ha / LSU)

Unit name	Sheep	Cattle	Goats	Total LSU	Eff. Grazing Avail.	Maxi LSU	% Stock
Umšana no. 351 (Nxeko A + B)	102	48	0	65	585	97	67
Umšana no. 351 (Bulelani)	244	86	0	127	193	32	397
Meadows no. 352 (Malinga)	139	54	0	77	255	42	183
Meadows no. 352 (Mapoma)	108	73	13	93	203	34	273
Meadows no. 352 (Remainder)	0	0	0	0	0	0	0
Narrowvale no. 353 (Soka)	386	110	36	180	223	37	486
Mayoli no. 371	200	25	0	58	244	41	141
Cavens no. 356 (Gawulegoduka)	168	38	0	66	267	45	147
Cavens no. 356 (Remainder)	0	0	0	0	0	0	0
Glen Cole no. 372	29	23	21	31	264	44	70
Glen Cole no. 372 (Remainder)	301	52	32	108	335	56	193
Killarney no. 358	68	4	0	15	315	53	28
Killarney no. 358 (Riversdale)	192	37	0	69	243	41	168
Middleridge no. 359 (Hlubi)	510	111	61	206	244	41	502
Middleridge no. 359 (Emthonjeni)	330	106	0	161	415	69	233
Mboniseni no. 373	0	0	0	0	0	0	0
Oribe Dale no. 360 (Badi Farm)	90	50	16	68	188	31	219
Oribe Dale no. 360 (Animal Farm)	124	106	0	127	157	26	488
Oribe Dale no. 360 (Khalane)	193	10	0	74	146	24	308
Oribe Dale no. 360 (Mgedezi Farm)	0	0	0	0	0	0	0
Nekina no. 361 (Bower's Dale)	160	25	0	52	174	29	179
Nekina no. 361 (Van Dyk's Rust)	280	9	0	56	170	28	200
Sambudla no. 374	410	87	0	155	355	59	263
Myolo Heights no. 362 (Goede Hoop)	162	42	0	69	327	55	125
Myolo Heights no. 362 (Mpemba)	0	0	0	0	166	28	0
Myolo Heights no. 362	138	38	0	61	152	25	244
Glen Thomson no. 363 (Kwa Togu)	0	0	0	0	328	55	0
Glen Thomson no. 363 (Portion 6)	138	50	0	73	200	33	221
Glen Thompson no. 363 (Portion 7)	78	61	0	74	232	39	189
Wheatfield no. 364	489	68	0	150	413	69	217
Umga Flats no. 365	0	45	0	45	336	56	80
Green Hills no. 366	0	0	0	0	0	0	0
Matuana no. 367 (Portion 3)	410	96	36	164	334	56	293
Matuana no. 367 (Portion 4)	268	106	0	151	222	37	408
<b>Totals</b>	<b>5717</b>	<b>1560</b>	<b>215</b>	<b>2575</b>	<b>7827</b>	<b>1306</b>	<b>6322</b>

Note: The current overstocking of this area is on average 234%, with the maximum percentage on 502%.

## Financial information

### Asset values

The following figures are calculated as according to information given by the owners. Not one owner could give us an exact figure for any crops on hand, cash in the bank, investments, etc.

Unit name	Total assets	Total liabilities	Net worth
Umgana no. 351 (Nxeko A + B)	763000	514000	249000
Umgana no. 351 (Bulelani)	647212	37000	610212
Meadows no. 352 (Malinga)	480800	5000	475800
Meadows no. 352 (Mapoma)	426600	15000	411600
Meadows no. 352 (Remainder)	0	0	0
Narrowvale no. 353 (Soka)	673000	372335	300665
Mayoli no. 371	765600	46400	719200
Cavens no. 356 (Gawulegoduka)	567400	20000	547400
Cavens no. 356 (Remainder)	0	0	0
Glen Cole no. 372	454000	34000	420000
Glen Cole no. 372 (Remainder)	849400	19000	830400
Killarney no. 358	657200	272000	385200
Killarney no. 358 (Riversdale)	346000	0	346000
Middleridge no. 359 (Hlubi)	779400	4000	775400
Middleridge no. 359 (Emthonjeni)	679300	36000	643300
Mboniseni no. 373	0	0	0
Oribe Dale no. 360 (Badi Farm)	359600	0	359600
Oribe Dale no. 360 (Animal Farm)	668000	16000	652000
Oribe Dale no. 360 (Khalane)	254800	0	254800
Oribe Dale no. 360 (Mgedezi Farm)	0	0	0
Nekina no. 361 (Bower's Dale)	256400	21000	235400
Nekina no. 361 (Van Dyk's Rust)	469700	12000	457700
Sambudla no. 374	675100	0	675100
Myolo Heights no. 362 (Goede Hoop)	613200	110000	503200
Myolo Heights no. 362 (Mpemba)	0	0	0
Myolo Heights no. 362	275980	0	275980
Glen Thomson no. 363 (Kwa Togu + Portion 3)	765400	61000	704400
Glen Thomson no. 363 (Portion 6)	301000	200	300800
Glen Thompson no. 363 (Portion 7)	404200	181000	223200
Wheatfield no. 364	658700	0	658700
Umga Flats no. 365	417600	0	417600
Green Hills no. 366	0	0	0
Matuana no. 367 (Portion 3)	769900	0	769900
Matuana no. 367 (Portion 4)	608600	0	608600
<b>TOTALS</b>	<b>15,587092</b>	<b>1,775935</b>	<b>13,811157</b>

## Financial analysis

**Net capital ratio** = 8.0:1 (Ratio of total assets: total liabilities)

For every R 8.00 invested in the Umnga Flats area, R 1.00 loan capital was used.

**Leverage ratio** = 0,13: 1 (Ratio of total liabilities: net worth)

This implicates that for every 13 cent of outside capital invested, R 1.00 own capital was contributed.

**Own capital ratio** = 0.87: 1 (Ratio of own capital: total assets)

For every R 1.00 invested in this farming venture so far, the average farmer contributed 87 cents.

If the total balance sheet is analysed, it almost seems to good to be true! The main reasons for this positive solvency ratio's are:

- a. Land was bought at R 150.00 per hectare. The marker value has increased up to R 800,00 per hectare.
- b. Most of the current land owners were highly employed officials in the former Transkei government. More than 80 % of them have received huge retirement packages after 1994, and was in a position to purchase the land in cash, without any bonds.
- c. Most of the land owners are still living from monthly pension funds, and do not need to increase agricultural production in order to survive.
- d. If taken into account the total solvency of the area against the very low utilisation of arable land (7%), it reflects that either the owners do not;
  - Have access to production loans against the collateral, or
  - Do not have the production skills and knowledge, or
  - Do not have the infrastructure security (fencing) to protect their crops, or
  - Are not willing to take the risk of agricultural production, or
  - Are not physically available or permanently occupying the farms, or
  - Lack motivation and/or training, or
  - Simply are constrained by the low crop prices against the very high cost of inputs.

What is a concern however are the very low levels of fodder production for the huge total of livestock, adding up to the average overgrazing percentage of 237 percent!

## **Current record keeping systems**

Not one of the farmers could supply is with any format of record keeping. In fact it came as a shock that the farmers do not even have the slightest clue on production cost. These facts are clearly proven in the questionnaire under the crop production section, for an example; a farmers will claim that he has planted 10 hectares of maize at a production cost of R2 000.00 or 6 hectares of cabbages at a production cost of R3 500.00. The real local input cost for maize is more in the vicinity of R4 000.00 per hectare and R12 000.00 per hectare for cabbages. (All dry land).

## **Infrastructure**

The following description in general is applicable to all farming units.

### ***Border fencing***

The original border fence on the north side of the area is an extreme good condition as it was build during approximately 1991 by the former Department of Agriculture. This is a galvanized steel and 13-line barbed wire fence.

During 2004 a part of the internal border fences was done under contract to the Department of Agriculture. It seems however if no quality control was done over the fencing contractors. All wires although new are hanging loose and all anchors are not made as according to accepted specifications.

More than 70% of border fencing is rotten, rusted and not functional anymore.

### ***Internal fences***

All internal fences are rotten, non functional and cannot be considerate as affective in any way.

### ***Buildings such as houses, stores and kraals***

For the past 19 years it seems if no maintenance or renovation was done to any of the farm houses, stores, kraals, dip tanks and other handling facilities. Most infrastructure needs re-building. There can be an exception on one or two farms.

### ***Main roads***

The main road on the north-eastern border over the farm Cavens and Glen Cole towards Ncembu district are in a process of being tarred as part of the new road connecting Ugie and Umtata. It seems as if the main road as from the Glen Cole junction through the middle of the area up to Umnga Flats could have been scraped approximately three years ago. All other main roads, especially on the western entrance have not been maintained for the past 18 years.



## ***Internal roads***

All internal roads are nothing else than two tracks driven by bakkies and tractors. Most of these roads are a serious threat to soil erosion.

## **General comments**

1. Almost all of the farmers are still confined in an ancient type of farming. They keep large quantities of livestock without any supplement feeding, selection of breeding material, common marketing goals, etc. They farm with no production plan and no record keeping. Some farmers do not even have bank accounts.
2. Most of the farmers do not indicate that they have any skills on modern commercial farming. Some of the farmers do have the relevant agricultural background due to their involvement with the former Transkei Department of Agriculture, but are too old now to manage their farms.
3. Assistance from the Department of Agriculture currently consists out of limited portions of fencing, limited participation in the Massive Food Production Scheme. All this was done without proper prior farm planning or a long-term implementation plan of farming.
4. Most of the common needs between farmers are:
  - a) Fencing for farm borders and grazing camps.
  - b) Excess roads to the farm and also maintenance on internal roads that are in most cases not even a threat towards soil erosion, but already severe cases of erosion.
  - c) Due to the perennial water flow, most farms are 100% suitable for irrigation schemes.
  - d) Farmers do need a central plunge dip, livestock loading bay, shearing shed, etc.
  - e) None of the farms do have electricity. The Eskom quotation to supply electricity within the area came to budget more than R3 million.
  - f) Machinery and equipment do lack to a lesser extent.
5. Livestock production is obviously the most suitable enterprise, and the huge quantities of livestock in the area are the most valuable asset.

## ***Climate***

The Umnga Flats area is situated in a so-called miss zone that is stretching from the Northeast from Maclear town in a Southwestern direction towards the town of Elliot. The area has an average rainfall of between 750 – 950mm per annum. This rain is mostly in the summer as from September until March every year with at least 100mm on average also during the winter, April until August.

Temperature varies between a maximum of 37 degrees Celsius in summer and minus 3 degrees in winter. Frost is also common during the winter months.

The rainfall is suitable for dry land crop and vegetable production.

## ***Soils***

All soils of arable land are of the Hutton type, with a clay percentage of 15-35% in the B-horizon. Soils are more than 3 meters deep. The soil Ph will vary between 4.8 and 5.2.

Soil is suitable for irrigation and crops like maize, wheat, sorghum, as well as any type of vegetables like cabbage and potatoes.

## ***Grazing type***

Sour veldt grazing with mostly *Eragrostis Plana*, *Themeda Traindra* and *Paspalum Urvillei* and *Sporobulus Africanus* as maximum species. On the shallow stony areas, *Aristida Congesta*, *Elionurus Argenteus* and *Monocymbium Ceresiiforme* are some of the unwanted species.

## ***Grazing capacity***

The grazing capacity in a good raining reason can be as high as 4 Hectares per livestock unit per annum. Due to the current overgrazing pattern, it will be difficult to maintain a livestock unit on 6 hectares per annum. This is a serious concern.

# Development proposals

## **1. A detailed farm planning per unit**

This is the most essential part of the development proposal. Due to constraints in the Eastern Cape Department of Agriculture, the National Department of Agriculture will have to make special funding available for this exercise. The cost of such a business plan for each unit as well as an overall development strategy for the whole area will cost R250 000.00. The training in farm planning of each farmer will be an integral part of the planning. This implicates that each individual will be physically involved in the farm-planning project.

## **2. Training**

Agricultural Learnerships for all 34 land owners, together with short course skills training for labourers, needs to be implemented as soon as possible. As mentioned above the whole farm planning process will be an integral part of the unit standards within this learnership training. The unit standards must include the following:

- **Technical skills** in livestock and crop production
- **Management skills** that includes farm planning, physical record keeping, financial record keeping and production planning.
- **Institutional skills** such as legal entities, constitutions, commercial banks, organized marketing, etc.

The training funding can be obtained through the National Skills Fund / Agri-SETA. A final business plan will be the only means to enter this fund.

## **3. Production and marketing**

The whole production and marketing function must consist out of the following steps:

- a) **Physical implementation of recommendations** - as was decided by each individual farmer in his unit planning.
- b) **Obtaining of production funds** – as according to the budget planning for each enterprise during the training phase.
- c) **Collective supply of production inputs** – for these function farmers will have to decide on the formulation of an own agricultural co-operative that will function under the objectives of the Primary Agricultural Co-operative Act.

- d) **Monitoring of production** – as part of the training and aftercare function.
- e) **Harvesting of products** – as according to the production plan.
- f) **Collective marketing of products**
- g) **Reconciliation and back payments of loans**
- h) **Repeat the production cycle**

#### **4. *Assessment and evaluation***

The objectives of the amalgamated Umnga/Ugie Farmers Association as reflected in the report should be re-implemented. Successful commercial farmers from the so-called white Ugie farming area has already shown their interest in assisting the Umnga Flats farmers in the complete production function.

Assessment and evaluation reports will have to be done annually over a period of at least 5 years for the purpose of quality control, production control and future references.

## **Resettlement of Umnga Farm dwellers**

The whole development strategy of the Umnga Flats commercial farming area cannot be seen or implemented without considering the resettlement of the Umnga Farm dwellers on the farm Umnga Heads as mentioned earlier in this report and also as according to the attached **Resettlement and Economic Development Strategy Report for the Umnga Farmdweller Project**.

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