



# **Marketing of Agri Products**

## **Handout I**

# **DAFF Agricultural Marketing Strategy**

**In 2010 the Department of Agriculture, Forestry and Fisheries published an Agricultural Marketing Strategy Report. Following are details on Agricultural Market Information Systems:**

At the simplest level, availability of market information can enable farmers to check on the prices they receive, vis-à-vis the prevailing market prices. Commercial farmers are capable of sourcing price and buyer information from websites, publications and commodity associations while developing farmers rely on other farmers and government extension staff for the same information.

There is therefore a great need to make information available to developing farmers at the right time and place. In response to this challenge the national Department of Agriculture, Forestry and Fisheries shall—

- Analyse various agricultural marketing value chains in the livestock, horticulture and field crops subsectors and make this information available to stakeholders as market value chain/commodity profiles on an annual basis; and
- Develop and distribute quarterly market analysis bulletins for key commodities within the three subsectors (i.e. livestock, horticulture, and field crops).

Furthermore, the national Department has expanded the market information system network to the remotest areas by:

- Cell phone technology using the Short Message System or SMS (This tool will be able to disseminate the most crucial information on prices to farmers.)
- Radio broadcasts (Market prices for various products can be broadcast daily on radio stations for all major production areas or markets. Broadcasts should be in a form that is suitable for most farmers as some are illiterate, should be in various languages and at the most convenient time for farmers to be listening. Radio stations should be convinced to see market information as a public service, equivalent to news broadcasts, and not paid advertisements. The ministry of agriculture or designated body should take the responsibility to monitor the relevant website/s and forward this information by e-mail or fax to each station.
- If the MIS is to have an impact on developing farmers, the provision of market information must be accompanied by the provision of advice for the farmers on interpreting the information. Ideally, special radio and television programmes to explain the MIS, the information provided and how to use it should be prepared and aired at least once a quarter.

- The MIS Unit can also prepare training materials to carry out the training programme themselves or train the trainers in the provinces and districts, who should ideally be agricultural economists.)
- The Agricultural Display Technology System (ADTS), which uses plasma displays (ideally situated in the provincial and district offices of agriculture, multi-purpose community centres and agricultural development centres), connected centrally to computers which are connected by a network to a central computer from where the system is managed and updated daily (This system can display daily prices of products, commodity prices, exchange rates, weather conditions, fuel prices and any other important information the department sees fit.)
- Newspapers or the print media

In addition to the expansion of the agricultural Marketing Information System (MIS), both the department and the entire agricultural industry realise the importance of reliable information for efficient functioning of agricultural markets and therefore the department will—

- facilitate a process leading to the establishment of information platforms like SAGIS (South African Grain Information Service) in the livestock and horticulture industries to provide these agricultural industries with vital marketing information; and
- establish a fully-fledged agricultural MIS Unit to undertake collection, collation and dissemination of agricultural marketing information.

It is further proposed that SAGIS be expanded to cater for the information needs of other field crops that are currently not covered. To achieve this, the national Department of Agriculture, Forestry and Fisheries shall collaborate with the latter two industry bodies and the respective agricultural industry trusts. All agricultural industries that collect statutory levies and have industry trusts shall be encouraged to create these information platforms and hyperlink them to the department's agricultural MIS.