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IPPR Research Report 7

Assessing Training Needs Among AALS Farmers: Cash and Skills Needed to Farm Successfully in Namibia

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This paper reports on the field survey carried out on behalf of the Namibia National Farmers Union (NNFU) and the Namibia Agriculture Union (NAU) to set up a farmer-driven programme aiming to facilitate farmer training before purchasing a freehold farm, and a training and skills sharing scheme after commencing commercial farming. The survey reveals that there is need for financial management skills in addition to other knowledge gaps among black farmers.

Introduction

The context in which this study took place is the on-going national development imperative to ensure the success of the country's land reform programme and the continuing prosperity of its commercial farming sector. This requires that farmers who move from communal to commercial land are able to adapt to their new circumstances as soon as possible so as to farm productively and profitably, and in a sustainable manner. It is believed that this, in turn, requires that they receive a range of essential support services and are integrated into local and national farming communities. This initiative focuses mainly on the need of newcomer commercial farmers' for access to increasingly complex and varied knowledge, skills, information and advice required for making optimal land use and business decisions.

However, in the light of the previous statement, national development policies have since independence seen a reorientation of government farmer support services from the commercial to the communal sector. This change has reflected the following statement made in paragraph 37 the National Agricultural Policy of 1995.

> *"The provision of Government services will be designed to redress the structural imbalances and dualism inherent in the agriculture sector by redirecting and strengthening essential agricultural services and facilities to the communal areas, where their socio-economic impact is likely to be greatest."*

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This policy statement should be understood in the context of the situation of the freehold farming sector shortly after independence when white farmers were generally well established having benefited from a broad range of support services and subsidies over many years (Kahuure & Vigne, 1990). Implicitly, as the support needs of the freehold farming sector changed, for instance with the advent of land reform, it was expected that this policy provision would be adjusted. Paragraph 162 of the National Agricultural Policy states:

> *"The Government will relieve pressure on the communal lands by encouraging those communal farmers who can afford to buy freehold land to do so. … The provision of credit on concessionary terms for the purchase of commercial farm land will be continued by the Government as far as financial resources will allow. The Government will strengthen research and advisory extension services to those communal farmers moving into the commercial sector."*

The increasing support needs of emerging farmers, who have moved under various State sponsored programmes from the communal to the commercial farming areas, have been recognized by the government as expressed for instance on the following statement made by the Honorable Hifikepunye Pohamba, the Minister of Lands, Resettlement and Rehabilitation in April 2002[2].

> *"Once we provide people with land, we then have to think of how we assist them to become economically independent producers. This is not always simple, particularly when we are giving land to the most needy in our society. Aside from basic skills we may also be required to provide extension, marketing and basic business training. Some of our programs, particularly our affirmative action loan scheme, caters to a generally better educated group of farmers with demonstrated skills. This group will require support different from the very needy, and we must cater to their needs as well. The last thing we want to do is to put people on the land and not provide them with the requisite support mechanisms that will allow them to stand on their own."*

The Emerging Commercial Farmer Support (ECFSP) programme seeks to contribute to filling the gap currently existing as a result of the above two policy imperatives. What is envisaged is that non-state actors, in the form of organised agriculture, can work in coordination with government services, to provide training and extension services that government services cannot provide on their own, partly due to resource constraints.

Conceptual issues

Worldwide, doubts about the viability of government extension delivery systems have been growing. Yet, government has an interest in ensuring that farmers have access to information and advice to enable them to make decisions that will benefit both the individual farmer and the wider public interest. The Namibian government sees agriculture as contributing to a broad range of policy goals including environmental protection to export growth, employment creation and poverty alleviation.

[2] Namibia Country Paper: A Case Study on Land Issues Workshop on Land Issues in Africa and the Middle East: Integrating Land Issues Into Poverty Reduction Strategies And The Broader Development Agenda. Kampala, Uganda 29th April- 2nd May 2002.

The ECFSP initiative may be seen as promoting a form of commercialisation of public sector extension and advisory services, in which the state (and local and international donors) financially support farmers in accessing private service providers. Such approaches are being increasingly adopted in many developed and developing countries.

State funding of support for information and advisory services for farmers for their individual benefit can be justified by arguments based on the concept of market failure, which may be due to a variety of reasons. Information is usually thought of as a public good (although information tailored to the specific needs of an individual farmer can be classified as a purely private good, and the farmer should be prepared to pay for it). Public information on farming is both non-excludable in most cases (a person who acquires it cannot stop others from using it) and non-rival in use (one person's use of it does not diminish the supply for others to use). Since a user will not be prepared to pay the full cost of acquiring something that others can access without paying for it, it will be undersupplied by the private sector in a free market. Information may also be a "merit good", that is farmers who will therefore purchase sub-optimal amounts may not recognize its full value. In addition, for Namibian farmers, the transaction costs involved in accessing and evaluating information from different sources can also lead to sub-optimal demand by farmers.

Arguments for commercialisation of extension services are based mainly on the assumption that private sector delivery will bring efficiency and costs savings through competition for contracts and by enabling services beyond the constraints of public service personnel regulations and procedures. In addition, farmers are usually expected to contribute materially to the costs of service delivery.

The Affirmative Action Loan Scheme and the ECFSP initiative

The focus of this study was on those farmers who have benefited from the Agribank's Affirmative Action Loans Scheme (AALS) and who have thereafter settled on freehold farms. Beneficiaries of this scheme may be distinguished from beneficiaries of the Ministry of Lands's "farming unit" resettlement scheme in terms of their pre-resettlement status. Affirmative Action Scheme beneficiaries have to demonstrate ownership of at least 150 cattle or 800 sheep and/or goats. Those benefiting from the North South Incentive Scheme have to demonstrate that they have sold at least 150 cattle to Meatco north of the Veterinary Cordon Fence (that is at Meatco's Eloolo or Ngwezi abattoirs). North South Incentive Scheme beneficiaries receive a subsidy of N$ 1,100 per head for every animal sold to Meatco up to a maximum of 400 head when they restock their newly purchased freehold farms under the Affirmative Action Loan Scheme. This sum has remained constant since the introduction of the North South Incentive Scheme in 1996, a source of dissatisfaction to those buyers who must now deal with the consequences of inflation. Affirmative Action Loan Scheme beneficiaries gain title deeds involving full tenurial rights to their land, including the right to transact (e.g. to mortgage, rent, bequeath) although they are not allowed to sell their farms in the first 10 years of occupation.

According to Agribank data, the numbers of beneficiaries of the Affirmative Action Loan Scheme since its introduction in 1992 amounted to 623 farmers as of the end of 2004 when new applications were put on hold. This number comprises 349 who have been classified by the bank as "full time farmers" and 274 classified as "part time farmers". "Full-time farmers" benefit from a repayment package that is

supported by a greater government loan subsidy as compared to "part-time farmers", as shown in Box 1.The subsidy is financed by central government through transfers from the Ministry of Agriculture, Water and Rural Development (Vote 20 Main Division 07), provision for which is made annually in the national budget. The subsidy amounted to a total of N$ 106 million up to November 2003.

Box 1. Repayment terms for full and part-time farmers

Full-time farmers: year 1 – 3 is a grace period free of interest, thereafter repayment is over 22 years as follows:

Annual interest rate for **full-time** farmers				
Year 1-3	Year 4-6	Year 7-8	Year 9	Year 10 onward
0%	2%	4%	8%	13.5%

Part-time farmers: may choose to service the interest portion of their loan for the first 3 years or to capitalize that portion over the first three years to be paid at the appropriate interest rate over the remaining 22 years as follows:

Annual interest rate for part-time **farmers**					
Non-farming income p.a.	Year 1-3	Year 4-6	Year 7-8	Year 9	Year 10 onward
< N$100,000	**1%**	**3%**	**5%**	**9%**	**13.5%**
N$100,001 – N$200,000	**2%**	**4%**	**6%**	**10%**	**13.5%**
N$200,001- N$300,000	**6%**	**10%**	**13.5%**	**13.5%**	**13.5%**
N$300,001- N$400,000	**10%**	**13.5%**	**13.5%**	**13.5%**	**13.5%**
>N$400,001	**13.5%**	**13.5%**	**13.5%**	**13.5%**	**13.5%**

Source: Agribank, 2003.

A part-time farmer is so classified if he or she earns a significant income from formal and self-employment. It would appear, however, that there are several loopholes and grey areas at play in applying the classification – another cause of dissatisfaction amongst those who fail to prove themselves as "full-time farmers". What became clear however from this study is that the classification is a often poor reflection of the amount of time spent by the farmer on the farm. It was repeatedly observed that many of those classified as "full-time farmers" are in fact at best weekend farmers. Conversely, several "part-time farmers" were interviewed who lived on their farms and farmed on an essentially full-time basis.

AALS beneficiary farmers are currently farming on a total of 3,189,301 hectares, with an average farm size of 5,119 hectares. This represents about 9.28 per cent of the total of 34,362,744 hectares of freehold farmland in the country (Office of the Prime Minister, 1992).

Table 1, below, and the map on the following page, show that the AALS farms are not evenly distributed, with notable concentrations in the northern Districts[3], and especially in the Grootfontein District. It may also be noted that before the introduction of the AALS, some 980,260 ha (181 farms), or

[3] Agribank data is arranged by Magisterial District, with Outjo being in Kunene region, Tsumeb in Oshikoto region, Grootfontein, Otjiwarongo and Okahandja being in Otjiwarongo region, Omarurur and Karibib being in Erongo region, Windhoek being in Khomas regions, Gobabis being in Omaheke, Maltahohe and Mariental being in Hardap region, and Luderitz, Bethanie, Keetmanshoop and Karasburg being in Karas region.

three per cent of the total freehold hectarage, was already owned by black farmers (OPM, 1992). AALS farmers have now taken up an unknown proportion of this land. While, the consultants have not found a clear assessment of the total amount of freehold land owned or occupied by black farmers (including pre-1992 farmers, AALS farmers, resettlement farmers, and other private buyers), it is estimated that about 15 per cent of freehold land is currently owned or occupied by black farmers. This represents the potential total caseload for the Emerging Commercial Farmer Support Programme.

Table 1. Total Freehold Farm Area and total AALS Farm Area by District

District	Total Freehold Farm Areas (ha)	AALS total size (ha)	AALS Area as Per Cent of Total Freehold Farm Area
Outjo	2,334,306	357,154	15.30
Otjiwarongo	1,894,775	302,587	15.97
Grootfontein	1,768,776	655,991	37.09
Tsumeb/Otavi	1,611,267	343,452	21.32
Windhoek	3,142,666	101,751	3.24
Gobabis	3,997,927	512,787	12.83
Okahandja	1,626,095	107,573	6.62
Omaruru/Karibib	1,946,532	119,006	6.11
Keetmanshoop	3,476,221	315,274	9.07
Mariental	3,611,631	147,713	4.09
Karasburg	3,075,658	28,273	0.92
Maltahohe	2,197,321	178,481	8.12
Bethanie/ Luderitz	2,631,840	184,190	7.00
Total	**34,362,764**	**3,354,233**	**9.76**

Source: OPM, 1992 and Agribank, 2004

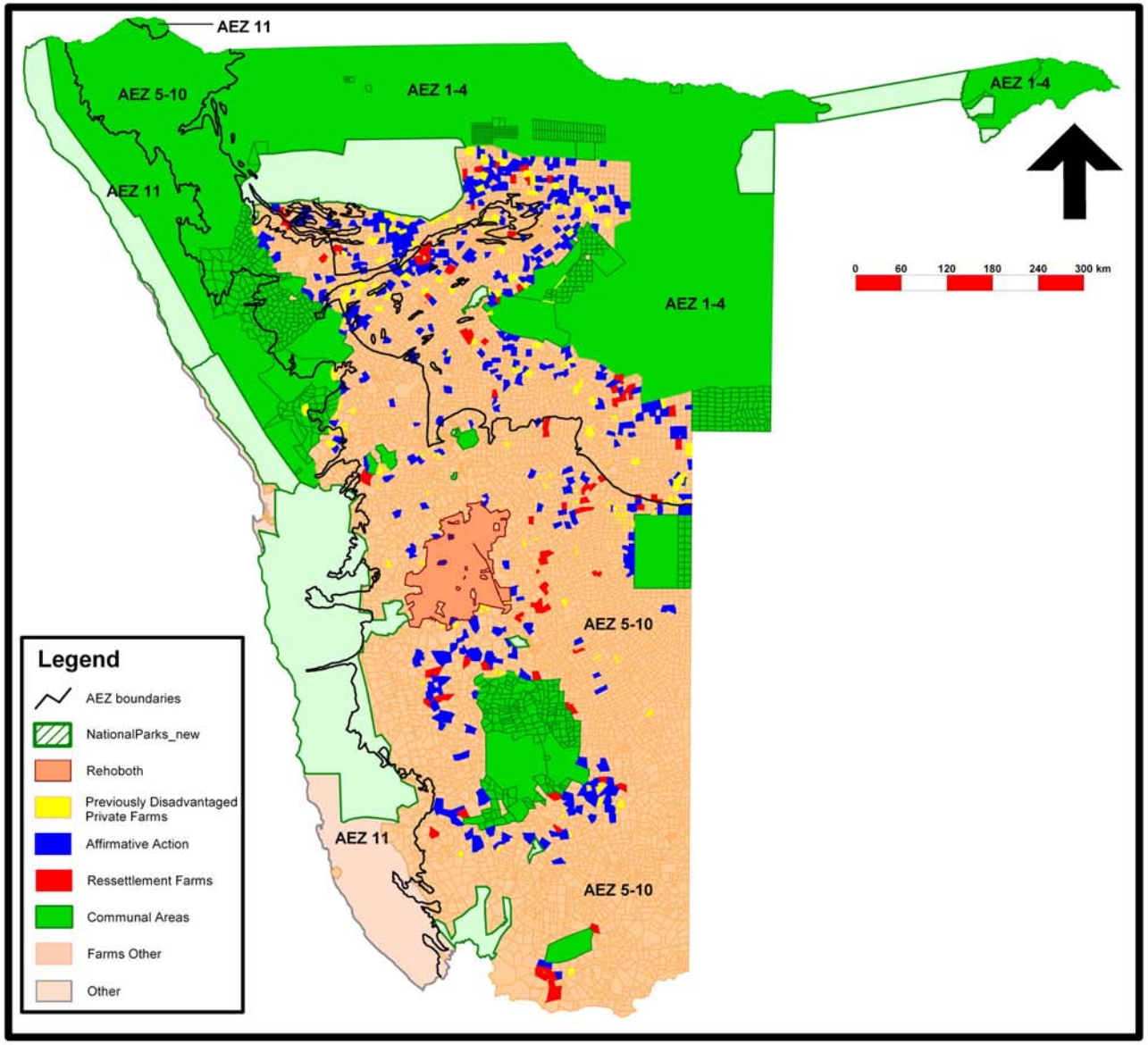

Figure 6

Land Redistribution and Agricultural Potential (AEZ's)

Data Supplied By:

Ministry of Agriculture, Water and Rural Development

Client:

NAU – NLU

Namibian Agricultural Union

Map Produced by:

S.D.E.
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Date: April 2003	Revisions:
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The number of farmers benefiting from the scheme has grown steadily, as shown in Table 2. Only some 13 per cent of current beneficiaries joined the scheme in its first four years, which also corresponds to the period before the introduction of the North South Incentive Scheme. 35 per cent joined over the next five years, and 52 per cent have bought farms in the last four years. Overall 56 per cent of AALS borrowers are classified as full-time farmers as shown in Table 3.

Table 2. Numbers of AALS Farmers by Year Started by District

Districts	1992-1995	1996-2000	2001-2004	Total
Bethanien	3	7	7	17
Karasburg	1	1	1	3
Keetmanshoop	9	16	12	37
Luderitz	0	0	1	1
Gobabis	22	32	54	108
Groontfontein	9	45	85	139
Okahandja	3	7	13	23
Otjiwarongo	8	22	34	64
Karibib	1	1	5	7
Omaruru	3	2	6	11
Outjo	13	38	41	92
Rehoboth	0	3	6	9
Mariental	2	10	12	24
Maltahohe	4	10	9	23
Tsumeb	6	16	26	48
Windhoek	0	3	14	17
Total	84	213	326	623

Source: Agribank, 2004

Table 3. Numbers of Full and Part-time Farmers by District

District	Full-time	Part-time	Total
Bethanien	10	7	17
Karasburg	2	1	3
Keetmanshoop	21	16	37
Luderitz	1	0	1
Gobabis	75	33	108
Groontfontein	80	59	139
Okahandja	9	14	23
Otjiwarongo	35	29	64
Karibib	5	2	7
Omaruru	5	6	11
Outjo	49	43	92
Rehoboth	2	7	9
Mariental	10	14	24
Maltahohe	14	9	23
Tsumeb	24	24	48
Windhoek	7	10	17
Total	349	274	623

Methodology

The training needs assessment covered all eight of the regions where Affirmative Action Loan beneficiaries are located namely Karas, Hardap, Omaheke, Khomas, Erongo, Otjozondjupa, Kunene and Oshikoto. The primary means of determining needs was through consultations with existing Affirmative Action Loan Scheme (AALS) farmers. This was done by means of individual discussions, the completion of a questionnaire, and by holding group meetings.

A questionnaire was drawn up to guide interviews with key informants. While some of the key issues addressed in the questionnaire were open questions, a number of closed questions were included and have been statistically analysed. Questionnaire data was transferred from the questionnaires spreadsheets and analysed using Statistical Package for Social Sciences (SPSS) software. It must be acknowledged that sample size was dictated by resources rather than what was needed to do full justice to the main characteristics of the total population. Indeed, AALS farmers are a highly diverse population, exhibiting a wide variety of characteristics. A sample of some 15 per cent of the total population, selected on the basis of District is therefore likely to have limitations in terms its representativeness.

In addition, lack of time and resources for survey implementation also lead to certain biases in sample selection. For example, it proved difficult to contact farmers residing in certain areas such as the northern communal areas and the coastal towns. In many cases, it was also difficult to arrange meetings with Windhoek-based professionals. Other constraints included a lack of farmer interest in assisting a training needs assessment, when perceptions of their priority needs lay elsewhere, above all in the need for additional investment and operating capital.
The consultants placed significant emphasis on learning from the experience of the NNFU and NAU, and their affiliated farmer associations and individual members, as well as experience of other service providers, notably Agrifutura, the Agribank, and agricultural extension and veterinary officials working with the specific target group. Some of the key informants are presented below.

It was felt to be particularly important to study existing efforts at building relationships between established and emerging commercial farmers. Case studies developed in the consultants' main report are not reflected in this paper. Some of the key informants are presented below.

The study ran in parallel to several others with partly overlapping objectives.

- Training Needs Assessment of Farming Unit Resettlement farmers conducted for the NNFU/NAU Emerging Commercial Farmers Support Programme by the Desert Research Foundation of Namibia (DRFN).
- A situation analysis of Affirmative Action Loan Scheme beneficiaries, including a survey including issues of household demographics, household income, farm production and economics, farm labour, and financial and fixed assets, conducted for the Permanent Technical Team of the Ministry of Lands Resettlement and Rehabilitation by the Namibian Economic Policy Research Unit (NEPRU).

- Numerous other studies undertaken during 2004 under the auspices of the Permanent Technical Team of the Ministry of Lands Resettlement and Rehabilitation, the findings of which have yet to be made public.
- An independent study on land reform initiatives in Namibia's freehold tenure areas funded by the Netherlands Government and implemented by the Legal Assistance Centre Land, Environment and Development Unit.

In order to avoid duplication and maximise complementarity the consultants attempted to coordinate their activities. Unfortunately, it was not possible to access any of the studies undertaken for the Permanent Technical Team, nor its own reports. However, recognising the that the NEPRU study focuses on issues of enterprise and farm finance, this study deliberately adopted a narrow focus on farmer training, information and advisory needs, and has not dwelt on numerous other problem issues raised by the Affirmative Action Farmers. For the record, some of the other key issues raised repeatedly by respondents during the study include:

- Repayment terms which penalize "part-time" farmers appear to be contrary to Government policy to promote non-farm enterprises and incomes (see National Drought Policy, for example (National Drought Task Force, 1997)) and fail to appreciate the changing nature of commercial farming in Namibia in general (e.g. the importance of access to off-farm income and the increasing practice of hiring professional farm managers/foremen).
- The lack of a rational definition of what constitutes a "part-time" and a "full-time" farmer respectively.
- Apparent lack of enforcement in some cases of the application of the "part-time" and "full-time" farmer distinction.
- The requirement to pay a deposit of at least 10% of the price of the farm, which absorbs the potential working capital of the farmer before he or she starts.
- The refusal of the Agribank to pay the full price of the farm, if it is above the Agribank's assessed value plus the government's guarantee, so that the farmer must pay the additional amount himself (in addition to the 10% deposit), which, as above, absorbs the potential working capital of the farmer before he or she starts.
- Lack of access to credit for capital or operational costs after receiving the initial loan for a period of at least 5 years.
- The Scheme provision that allows farms to be purchased by those farmers having significantly less stock than is required for market oriented production and hence loan repayment after the specified "grace period".
- The North South Incentive Scheme not providing an adequate credit facility to stock newly acquired farms.
- The maintenance of dual grazing rights of AALS farmers in contradiction to the Scheme's objective "to resettle well-established and strong communal farmers on commercial farm land to minimise the pressure on grazing in communal areas" (Agribank, 2003).

Questionnaire survey finding

The number of questionnaire respondents that was planned to sample by district is presented in Table 4 however; practical difficulties meant that these numbers were amended in places. In the event, however, it was found that there were few differences in responses according to region. In other words, it would appear that region and hence farming enterprises had little influence on the nature of the farmers, their current access to information and training support services, and their training needs.

Table 4. Distribution of the actual sample by Magisterial District

District	Full-time	Part-time	Total
Bethanie	5	1	6
Gobabis	3	2	5
Grootfontein	8	10	18
Keetmanshoop	3	2	5
Maltahohe	4	2	6
Mariental	0	1	1
Okahandja	0	4	4
Omaruru	1	0	1
Otjiwarongo	4	4	8
Outjo	4	5	9
Tsumeb	6	3	9
Windhoek	2	0	2
Not specified	1	3	4
TOTAL	**41**	**37**	**78**

Part-time versus full-time farming

As already noted, overall the percentage of farmers categorised as full-time farmers by the Agribank is some 56%. By comparison, some 52.6% of the survey sample was classified as full-time. As noted above, the categorising of farmers as full or part time is a contentious issue, both in the manner by which it is applied and from the policy perspective. Since the categorisation has major financial implications for the borrower, and indeed for the Namibian taxpayer, it is perhaps surprising that current practices have not been challenged on the basis of administrative injustice. There are also clear policy contradictions in discriminating against part-time farmers.

Table 5. Part-time and full-time breakdown of sample

Loan status	Number	Percentage
Full time	41	52.6%
Part-time	37	47.4%
Total	78	100%

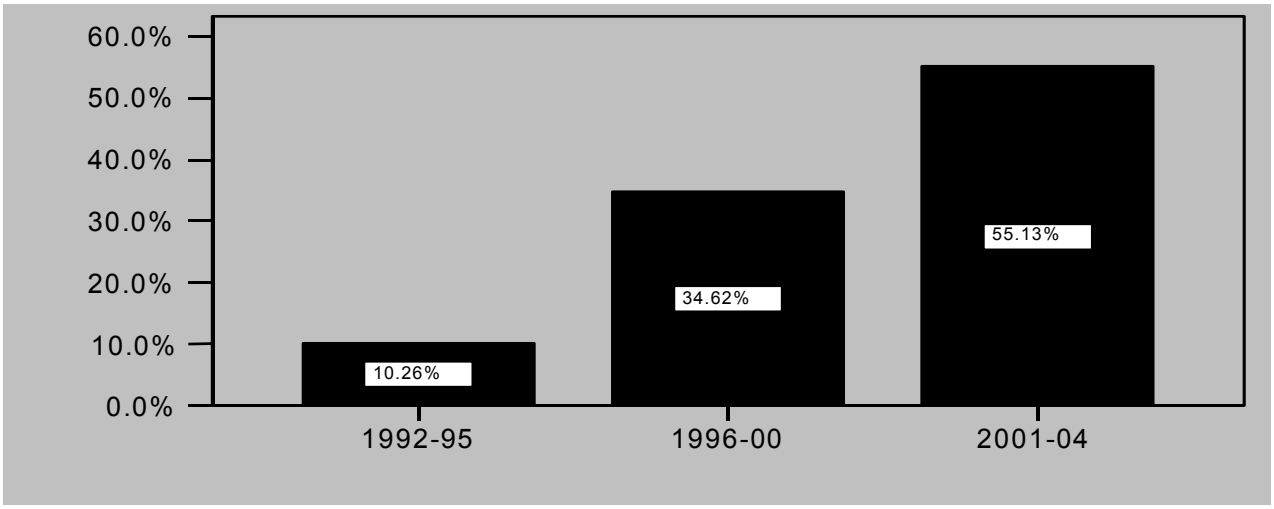
It is common currency that few of today's established commercial farmers can make a living from farming alone, due mainly to increasingly unfavourable input output price ratios, and to depressed

output due to below normal rainfall and drought. Successful farmers are often debt free, so called "cash flow farmers", with highly diversified farm enterprises, often including lucrative sources of income such as hunting, tourism and irrigated and rain-fed crop farming as well as off-farm incomes. Such enterprises often involve the sort of investment that can only come with financial security. It is notable that not one of the farmers sampled in the survey reported significant income from the on-farm sources mentioned above. Recognising this reality, as many emerging farmers have, means earning an income off-farm, and investing part of this income on the farm over the years, till the debt is paid off.

ALLS uptake over time

As noted in the introductory section, only some 13 per cent of AALS farmers joined the scheme in its first four years (1992-95), which also corresponds to the period before the introduction of the North South Incentive Scheme. 35 per cent joined over the next five years (1996-00), and 52 per cent have bought farms in the last four years (2001-04). Our questionnaire survey sample is shown in Figure 1.

Figure 1 Distribution of AALS loans over time



It is notable that amongst those taking up loans during 1992-95 the sample included 6 full-time and 2 part-time farmers, during 1996-00 the sample included 19 full-time and 8 part-time, and during 2001-04 the sample included 16 full-time and 27 part-time farmers. This would seem to suggest that initially AALS entrants were mostly full-time farmers, that is the first generation of successful communal farmers.

While it may be difficult to discern from questionnaire data alone, the consultant's discussions with farmers indicated some clear trends in terms of existing support strategies and support needs of the three different groups defined above. In general, those who bought farms in the first period rated themselves as having a greater degree of competence in farm management tasks, and had effective strategies for accessing support from formal services and the community. Hence, they had less need for training than others. Those who bought in the second and third periods tended to have more or less the same sort and degree of training needs, while those who bought in the second period tended to have developed better access to support services and other means of accessing information and

advice, as compared to the most recent entrants. This may be partly because this last group, as sampled, were mainly part-time farmers.

Answers to this question as well as others indicated that several respondents had acquired more than one farm – in other words had been granted two separate loans – under the AALS. It would appear that Agribank does not prevent borrowers from applying for additional loans in the names of relatives, despite the basic AALS principle of only financing one farm per AALS beneficiary.

Age of Respondent

It is often observed that older farmers tend to be more conservative and less inclined to adopt new farming practices. Conversely, younger farmers would appear to be more interested in such services and more inclined to adopt new farming practices. However, the majority of AALS farmers surveyed were middle aged (aged 36-50) with few being older than 64 or younger than 36 years of age. In general, in the opinion of the authors, age should not be a factor influencing interest in, and understanding and adoption of innovations amongst AALS farmers.

Table 6. Age distribution of the sample

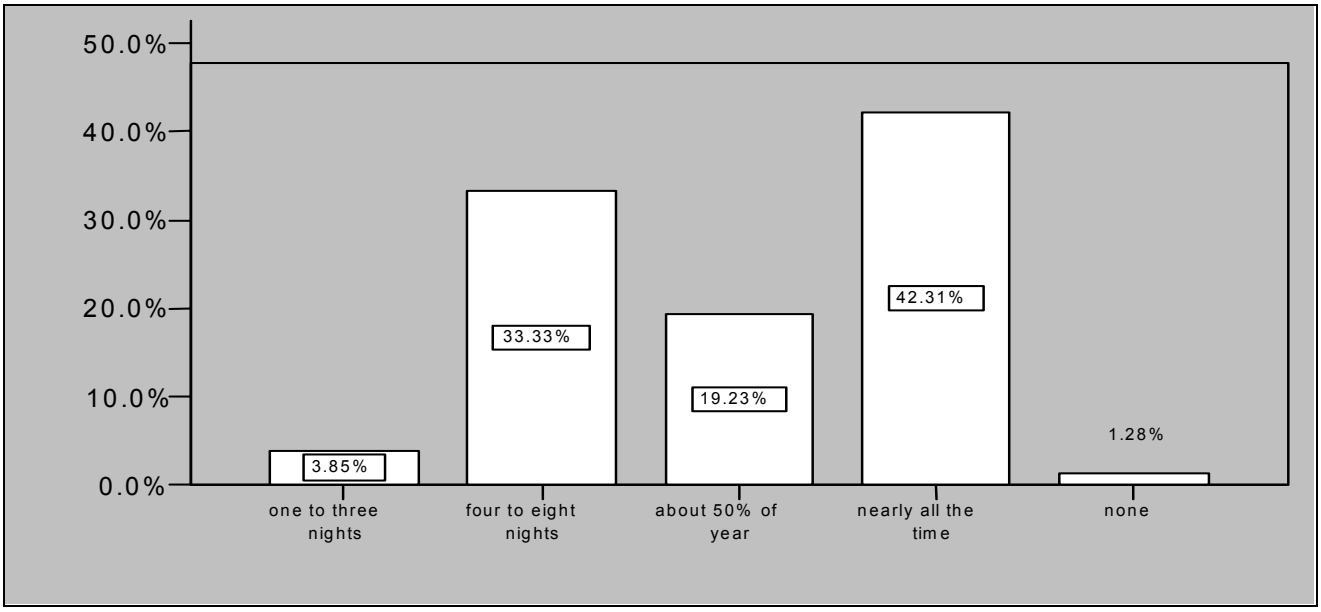
Age group	Loan status		Total
	full-time	part-time	
Less than or equal to 24	2	0	2
Between 25-35	5	5	10
Between 36-50	17	19	36
Between 51-64	14	13	27
Between greater than or equal to 65	3	0	3
Total	**41**	**37**	**78**

Place of Main Residence and Time Spent on the Farm

Respondents were asked to estimate on average how many days and nights they spent on their farms monthly. The results are shown in Figure 3, to which may be added some observations:

- While Agribank classifies 52.6 per cent of the sample as full-time farmers (see Table 5), only 42.3 per cent of the sample stated that they spent most of their time on their farms.
- Some of those registered as part time by the Agribank live full time on their farms.
- Many of those registered as full time by the Agribank visit their farms occasionally usually amounting to one to four weekends a month.
- Some part time farmers rarely visit their farms.

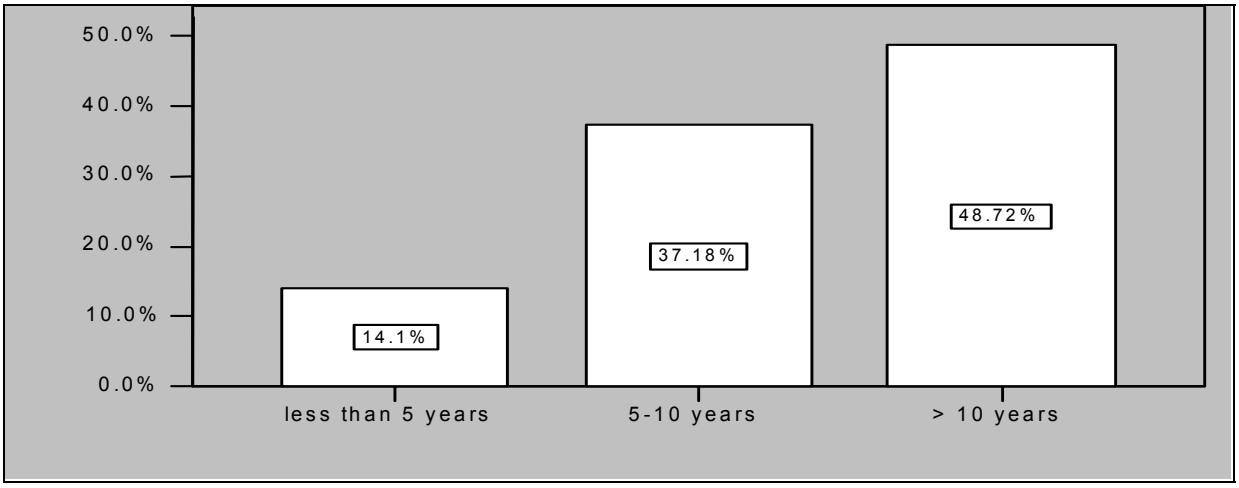
Figure 2 The number of days spent on farm by AALS farmers



Farm Management Experience – Time and Enterprises

Figure 3 presents respondents' statements as to the number of years they have been involved in farming as the owner, manager and decision maker. This included experience in a communal setting prior to moving to the freehold tenure area, but only if this involved genuine individual management responsibility.

Figure 3 Farming experience in number of years farmed



The majority of respondents indicated that prior to taking up an ALLS loan their farm management experience had been in a communal farming setting, often within a traditional enterprise jointly owned and managed by the family. The nature of this experience varies from region to region, with perhaps the biggest distinction being in terms of previous exposure to formal marketing between those from the north as compared to those from the south of the Veterinary Cordon Fence. Only a handful (not statistically analysed) noted that they had been leasing commercial farmland in order to build up their stock numbers before buying their farm.

Residence and Profession Prior to AALS

For the majority, including those registered as both part and full time farmers, residence and profession prior to becoming an AALS farmer remained the same as after taking up farming. This was not the case with genuinely full time farmers, which can be equated to a large extent (though not completely) with those who stated that they now lived on their farms, as noted above amounting to 42 per cent of the sample.

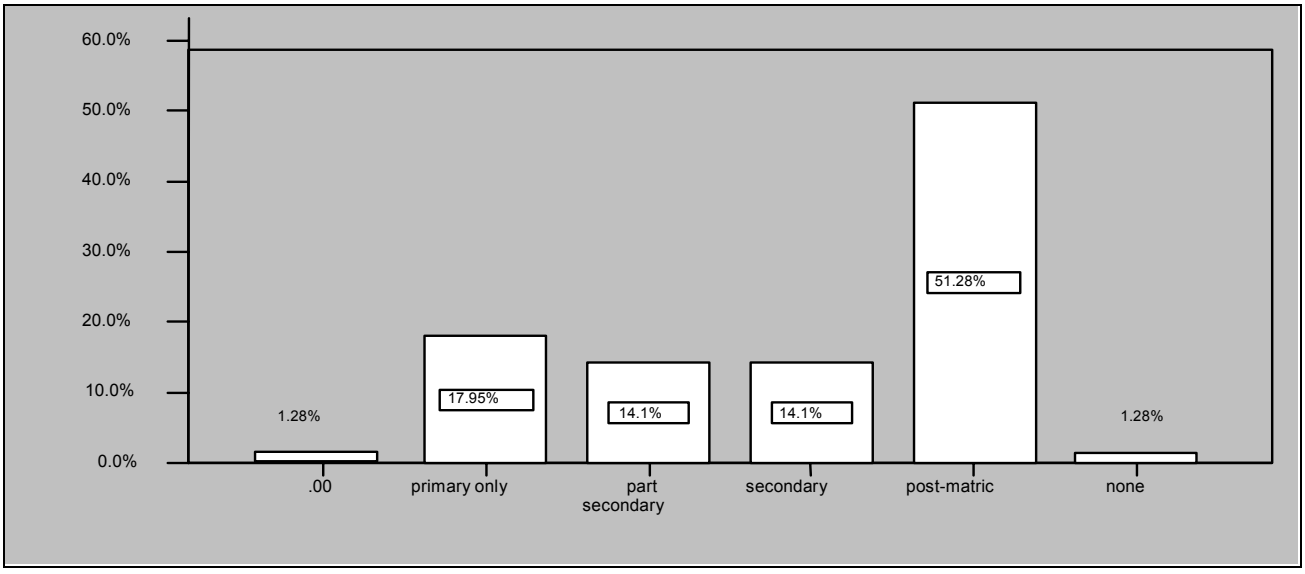
Formal Education

Figure 4 shows the great variation of formal educational qualifications that exists amongst AALS farmers. This has clear implications for the design of a training programme and information communications materials. One the one hand, more than half of the total sample had some type of tertiary qualification, while on the other, nearly a fifth had only undertaken primary education.

Moreover, disaggregating educational level according to full-time and part-time classification reveals significant differences. While the big majority of part- time farmers (76 per cent) have had tertiary level education, the majority of full-time farmers (32 per cent) had only primary level education.

Only four of the respondents had a formal tertiary level qualification in an agricultural subject, although several had financial and business management qualifications.

Figure 4. Formal education level of total sample

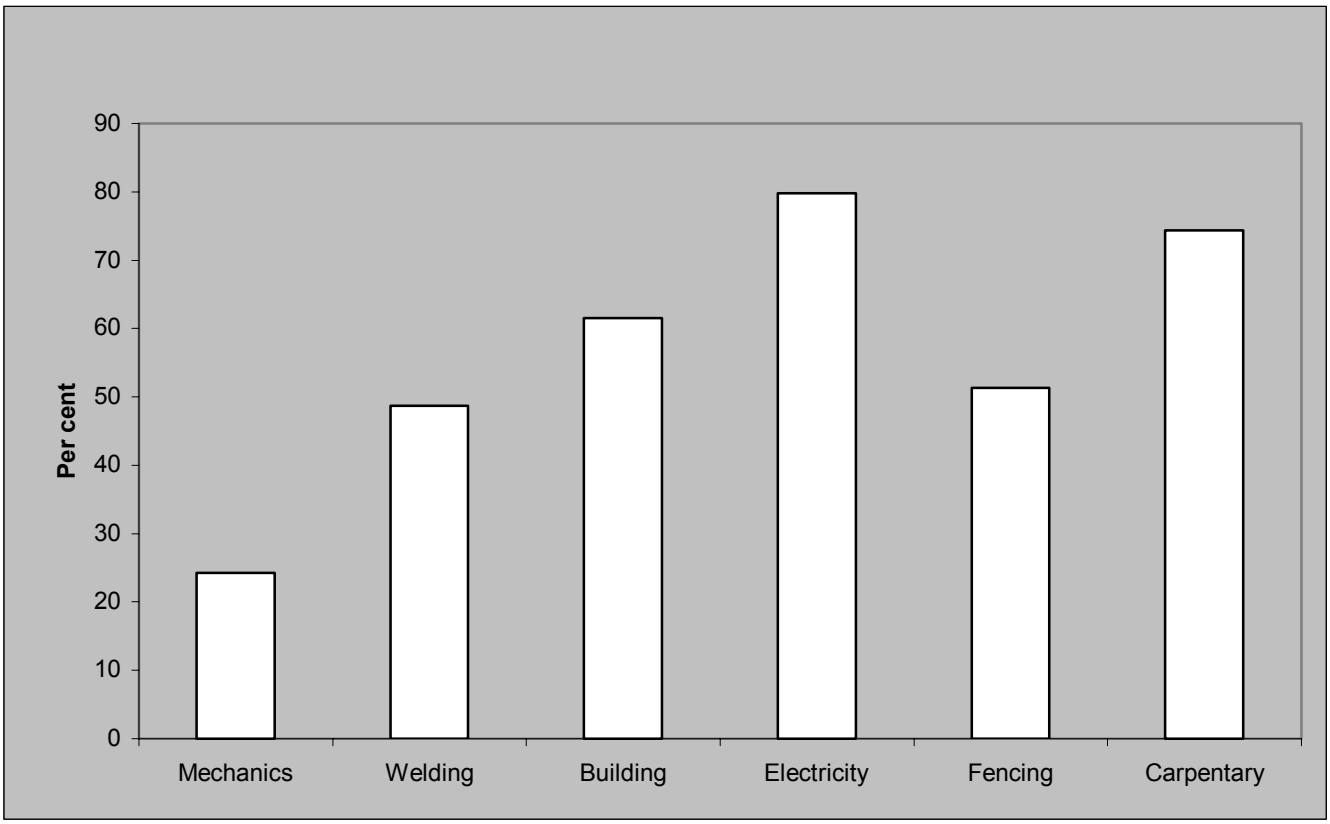


Practical Farm Engineering Skills

Respondents were asked about their own practical capacity in various farm-engineering fields. Most respondents claimed basic competence in a few fields, with very few claiming a comprehensive set of skills. Several had high levels of technical skills having undergone technical training. Several claimed to have no skills whatsoever but that their farm foreman and labourers did have the required skills. Some noted that skills without the associated equipment would not help them. Other recognised that

having skills themselves would help them in their dealings with commercial services should they require their assistance for farm engineering work. There was not a significant difference in skills between full and part-time farmers.

Figure 5 Percentage of respondents stating they had no skills in various farm engineering tasks

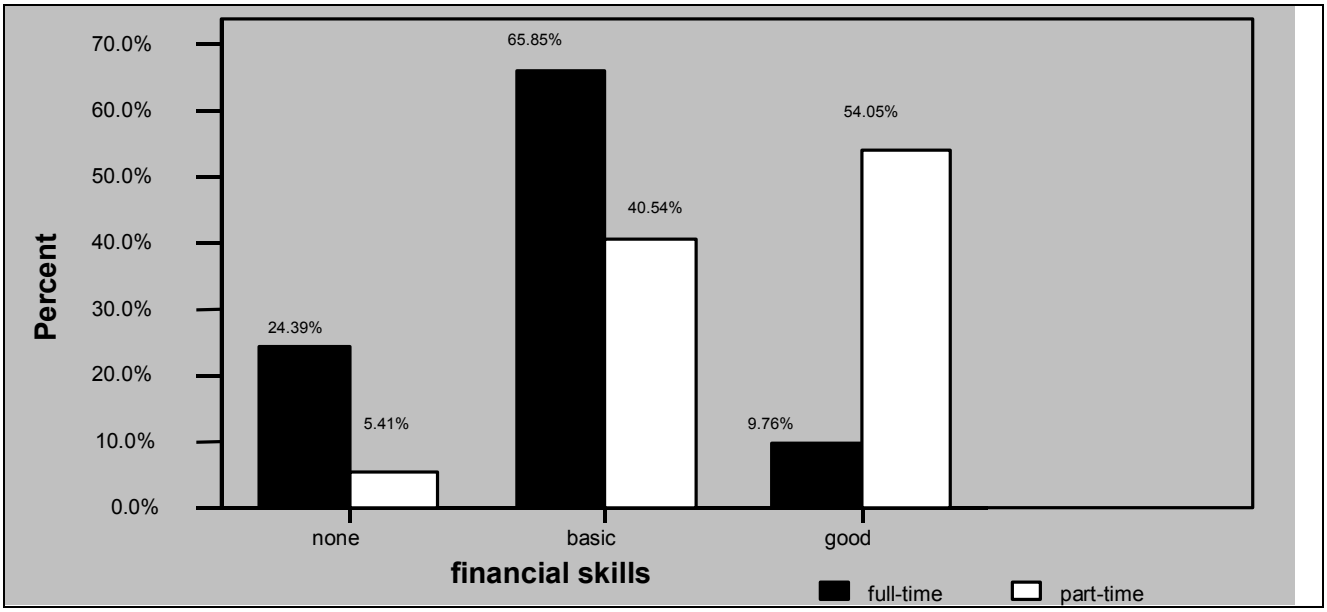


Financial Management Skills

Farmers were asked to rate their competence in accounting, budgeting and cash flows, and in the use of computers for record keeping and financial management.

As shown in Figure 6, there was a clear tendency of part-time or weekend farmers based in Windhoek to reckon they had a reasonable to good level of such skills, while for those from a communal farming background, and full-time farmers this was less so. Worryingly, nearly one quarter of full-time farmers considered that they had no financial management skills. Very few respondents mentioned using specific computer programmes for farm management record keeping and analysis, though several were interested in finding out about such tools.

Figure 6. Self-assessment of financial; management competence



Employment of a Farm Manager

Respondents were asked whether they employed a farm manager/foreman who played a "significant role" in management. As expected, most part-time farmers (64 per cent) stated they did employ a manager. There were a number of reasons given by those part-time farmers who did not employ manager for not doing so. These included: that the respondent/owner lived on the farm (remembering that the classification "part-time" was an Agribank classification rather than the farmer's own classification), that the manager was a close family member, and that farm workers looked after the farm collectively during weekdays and took instructions from the owner at weekends. Several respondents acknowledged that these arrangements were not always optimal.

Table 7. Employment of farm managers by part and full-time AALS farmers

	Farm Manager		Total
Loan status	yes	no	
full-time	10	31	41
Part-time	23	13	36
Total	**33**	**44**	**77**

When the respondent stated they did employ a manager/foreman, questions were asked to throw light on the nature of the role of the farm manager/foreman, and on his level of formal education, and practical experience. Here a varied picture emerged:

- Most part-time farmers gave their managers/foremen considerable responsibility in dealing with issues of animal health, husbandry, grazing management and farm infrastructure – which were the indicator management areas specifically referred to in the questionnaire.

- A good number gave less responsibility either because of the lack of capacity of the incumbent or because they spent a good deal of time on the farm. In some cases it became clear that the farm foreman was said to be given very little responsibility to the extent that the title becomes misleading.

- Only 3 of the sample employed a manager/foreman with a tertiary qualification in agriculture; one of these had little commercial farm management experience.

- Several employed managers with very limited formal education but many years of experience of working on commercial farms.

- Several employed relatives with limited formal education and management experience.

- Several employed non-relatives with little education or management experience.

There was a clear relationship between the level of education and/or experience of the manager/foreman and the level of satisfaction in their performance expressed by the respondents. In most cases respondents acknowledged the importance of hiring a capable managers/foremen, but indicated they were constrained in doing so because of costs and because they were still in the early phases of establishing their management systems.

Farming Enterprises

In many cases respondents indicated that they were still in the process of developing their production systems. Most new AALS cattle farmers sold weaners and small stock to maintain cash flow, but indicated that they were attempting to move towards an ox-cow production system. Two stud breeders were included in the sample. In the central mixed farming areas there is a tendency for formerly predominantly cattle farming AALS farmers to move towards small stock farming for cash flow reasons. In the southern, traditionally small stock farming areas, AALS farmers tend to start off mainly with goat production, reflecting the pre-eminence of goats in the communal areas. Over time, the tendency in the south is to move towards a more mixed farming strategy, a typical farm livestock holding comprising about 50 per cent goats, 30 per cent sheep and 20 per cent cattle.

As shown in Table 8, few respondents stated that they were currently or had the intension of undertaking field crop production on a significant scale. Invariably this was because of the perception of the high risk involved. One farmer noted his intension to start producing Blue Buffalo grass and fodder sorghum, and one to go in for irrigated production of niche horticultural crops. A few noted they had small irrigated plots producing for domestic consumption only.

Table 8. The number of farmers involved with cropping activities

	Crops			Total
Loan status	N/a	Major	Minor	
full-time	40	0	1	41
part-time	29	2	6	37
Total	69	2	7	78

During discussions, the opportunity was taken to explore the farmers' standard of production management. Specifically, farmers were asked whether they used a breeding season or allowed breeding all the year round, and whether they employed a grazing system. While nearly all claimed to employ some form of rotational grazing system, only some 10-20% said they were attempting seasonal breeding.

Existing Support Services

GRN Extension and Veterinary Services

In answer to questions seeking to establish the degree of contact between farmers and government extension and veterinary services, a mixed picture emerged in different parts of the country. Table 9 shows that overall two thirds of the sample knew the name of their local extension agent and someone from their regional veterinary office (not necessarily their State Veterinarian). Not surprisingly significant differences also emerged between full-time and weekend farmers, the latter being less likely to know or get information from these government services. Another factor reported was distance from the nearest town, although several farmers reported receiving support from these services by telephone. Where distances, and hence the transport costs that must be born by the farmer for a visiting veterinarian, are great, farmers are more likely to treat animals themselves. Likewise, costs of calling on private vets are often prohibitively expensive. Several farmers reported not knowing that State Veterinarians, for whose services only transport and drug costs are applied, are on call 24 hours a day 7 days a week. As shown in Table 10, overall about 30 per cent of those surveyed found the assistance they received very useful, 40 per cent found it quite useful, while 30 per cent found it not useful.

Table 9. Knowledge of DEES/Vets services

	Govt Extension and Vet Services				
Loan status	don't know	no	yes but don't know name	yes do know name	Total
full-time	3	2	6	30	41
part-time	3	5	7	22	37
Total	6	7	13	52	78

Table 10. Cross-tabulation between awareness of DEES/vets services and the quality of assistance

	Govt Extension and Vet Services				Total
Quality rating	don't know	no	yes but don't know name	yes do know name	
not useful	3	5	4	10	22
quite useful	0	0	7	23	30
very useful	1	0	2	19	22
Total	**4**	**5**	**13**	**52**	**74**

Farmer Organisations

As indicated in Table 11 about half of the survey sample stated they belonged to or actively participated in farmer associations or unions.

Table 11. The number of AALS farmers belonging or participating in FA or union

	Belong or participate		Total
Loan status	Yes	No	
full-time	21	20	41
part-time	17	20	37
Total	**38**	**40**	**78**

Respondents who stated that they belonged to farmer associations were mainly of two types. Most were members of local farmer associations newly established in the regions including the Okahandja Osire Farmers' Association, the Meteor Farmers' Association, the Kunene Emerging Farmers' Association, the Erongo Indigenous Farmers Association, the Ngatukondje Farmers' Association, the Eland Farmers' Association, the Leonardville Farmers' Association, and the Daweb !Gaos Farmers' Association. A few of the more socially mobile and usually urban-based professionals had joined established local farmer associations or the Namibia Agriculture Union in Windhoek directly.

When asked how useful they found such membership, responses were mixed. It was observed that, with a couple of exceptions, the emerging farmer associations are in an early stage of development and their activities and services are limited. Many were still struggling with basic organizational management functions – often made more difficult because of the large numbers of weekend emerging farmers, often residing far from their farms, who have little time nor inclination to participate in local farmer organizations or community-building activities.

Sources of Information

Respondents were asked to indicate important sources of farming information and advice. The most commonly cited source was magazines and books. Nearly all of theses cited magazines, notably

Farmers Weekly or Landbou Weekblad as an important source of information. Many respondents noted that they did not have access to useful and practical technical guides and manuals.

Table 12. Sources of information for agricultural topics

Sources	Yes	No	No response/na
Radio	53	21	4
Mags/books	65	12	1
Extension/vets	51	25	2
Other commercial farmers	52	24	2
Other AA farmers	54	23	1
Other	6	54	12

Participation in Training and Information Activities

Farmers were asked about their participation in a farmer training or information activity during the last two years. Table 13 indicates that 23 per cent of respondents had taken part in some form of farmer training activity (other than Agrifutura[4]). A training course, for the purposes of this question, was defined as a structured course, and was differentiated from lectures at a Farmers' Day, for example. Some 46 per cent of respondents stated that they had attended a Farmers' Day. Notably (though not statistically analysed), a good many farmers had participated in no single activity.

Most of those who stated that they had undergone some form of farmer training in the last two years (other than Agrifutura training) had done so in the context of the activities of a local farmer association or emerging farmers' support initiative such as the Outjo Project. Only Windhoek-based farmers had attended Agrifutura courses. All of those who had attended farmer training rated it as being very useful.

Table 13. AALS farmer/household participation in training/info events during 2003-04

Sources	Yes	no	No response/na
Farmer training	18	60	
Agrifutura training	10	68	
Farmers' Days	36	42	
Study group	2	75	1
Agricultural show	52	26	
Other training	5	72	

The main reason given for not participating in activities was that they did not take place. Otherwise, Windhoek-based farmers in particular often cited lack of time for such activities. This suggests that there will continue to be a special need for training for AALS farmers offered in Windhoek and perhaps

[4] Agrifutura is a Namibian non-governmental organisation which, over the last three years or so, has presented about 35 courses in Windhoek, each lasting four evenings, aimed at emerging commercial farmers and their employed farm managers.

some other towns. As with Agrifutura experience, the best time for such training is on weekday evenings (Monday to Thursdays) because farmers usually leave for their farms on Fridays for the weekend.

Table 14. Reasons why farmers where not able to attend various training opportunities

Reason	Full-time	Part-time	Total
Cost	4	2	6
Too far away	9	4	13
Time constraints	10	16	26
Not conducted	15	13	28
Other	2	0	2
Not specified	1	2	3
Total	41	37	78

Training Needs Self-Assessment

Respondents were asked to assess their level of competency/need for training in a range of farm management topics selected as indicators of basic commercial farming knowledge, skills, attitudes and perceptions. Many respondents initially stated that they needed training in all subjects; at which point efforts were made by the interviewers to determine priorities. The results, shown in Table 15 give an indication of the priority needs of the surveyed farmers. Perhaps the key conclusion, supporting those who stated they needed training in all fields, is that training needs as identified by the farmers covered the broad spectrum of farm management knowledge and skills. Several other farmer training needs assessments cited in the main report support this finding.

Table 15. Farmer training needs self-assessment

Scoring: 1 = poor (major training need), 2 = less than adequate (need some training), 3 = adequate (but could do with minor additional training), 4 = good (no training needed), 5= excellent (could train others).

Farm management areas	Score					
	1+2	1	2	3	4	5
Livestock Production						
Range management/bush control	54	22	32	15	8	0
Feeds & licks	49	8	41	19	7	2
Reproduction	44	11	33	22	10	1

Selection (buying males, selection of breeding females)	35	9	26	31	11	0
Production systems	33	10	23	35	8	1
Animal health	56	14	42	14	5	2
Poisonous plants	42	11	31	25	9	1
Record keeping	42	11	31	30	1	4
Livestock Marketing						
Marketing channels	38	9	29	31	6	2
FAN Meat	37	9	28	33	6	1
Grading and pricing (selecting market ready animals, bruises, measles)	46	11	35	26	4	1
Crop Production						
Agronomy of different crops	28	15	13	10	1	0
Soil cultivation, fertilization, weed, pest control	29	16	13	10	0	0
Finance						
Budgeting & cash flow	44	16	28	20	10	3
Debt management	38	12	26	25	10	4
Record keeping	42	9	33	21	9	4
Mechanics						
Wind pumps and engines	53	15	38	14	9	1
Welding	41	16	25	27	7	2
Tractors	36	21	15	27	5	1
Labour						
Law (Labour Act, Social Security Act, minimum wages, workmen's compensation etc.)	35	7	28	22	13	5
Management (incl. policy, disputes, records, HIV/AIDS, school etc.)	29	9	20	30	14	3

It can be observed that:

- The top three training needs (as identified by combining those scoring their needs as "major" and "some"), all of which were so rated by more than 68 per cent of respondents were:
    - range management/bush control
    - animal health
    - wind pumps and engines

- More than 52 per cent of respondents felt they had major or some training needs (as above combining scores 1 and 2) in the following fields:

    - range management/bush control
    - feeds & licks
    - reproduction
    - animal health

- poisonous plants
- production record keeping
- grading and pricing (selecting market ready animals, bruises, measles)
- budgeting & cash flow
- financial record keeping
- wind pumps and engines
- welding

Some general observations not indicated in the statistical analysis are noted below.

- Those newcomer commercial farmers had greater needs than those longer established. This suggests that there may be a common "learning curve" applicable to most farmers.

- That many urban-based professionals in various field of management had good levels of financial skills (see Figure 6).

- That there was no distinctive difference in perceptions of training needs on marketing of farmers originating from the northern and southern communal areas, as might have been expected.

- Few farmers in areas with potential expressed interest in field crop production.

- Some respondents stated they did not need training in farm engineering skills because they had established other ways of carrying out this work – mainly through commercial services and their own skilled workers.

- Labour management issues were sometimes not thought of as important because labour is managed as in the traditional communal setting.

Commitment to Training

Interest in Different Training Formats

Discussion of desire to participate training focused mainly on the issue of the amount of time weekend farmers felt they would be able to attend training. Weekend farmers face obvious constraints in participating in training activities. The option of organizing training courses, such as those offered by Agrifutura in the past, and even study groups, in towns such as Windhoek where numbers of AALS farmers reside was suggested by many respondents. Several weekend farmer respondents volunteered that they would be prepared to take leave from their employment to attend training courses.

Usually some time was spent explaining the different training format options because most had no experience of study groups, short course training, correspondence and mentorship. The mentor

concept was understandable to some but to many it was an alien and potentially threatening concept. In the abstract, that is to say, without farmers having experienced the costs and benefits of such activities, it is difficult to gauge the reliability of some of the responses give. Yet, a clear impression was given in all regions of the strong desire to engage to the extent possible with farmer training activities of all sorts, though with a clear preference for farmers' days and short courses, including the option of evening classes in towns. This preference can largely be put down to the fact that most farmers had a clearer idea of what these activities entailed than in other cases. Some respondents pointed out that they would benefit from technical manuals and guides to farm management, as a complement or even alternative to training.

Table 16. AALS farmer prioritisation of training formats (option 1)

	Loan status		
Training format	**Full-time**	**Part-time**	**Total**
Farmers' Days	37	28	65
Farmers study groups	4	4	8
Study group tours	0	1	1
Short courses	0	3	3
Not specified	0	1	1
Total	**41**	**37**	**78**

Table 17. AALS farmer prioritisation of training formats (option 2)

	Loan status		Total
Training format	full-time	part-time	
Farmers' Days	3	2	5
Farmers study groups	15	9	24
Study group tours	2	1	3
Short courses	17	18	35
Correspondence	0	3	3
Individual mentoring	4	2	6
Not specified	0	2	2
Total	**41**	**37**	**78**

Both part time and full time farmers strongly prefer Farmers' Days as the preferred mode for transferring farming skills.

In cases where the respondent employed a manager/foreman or other staff given significant management responsibilities, and in cases were family members other than the respondent alone were involved in farm management, it was nearly always the case that the respondent indicated these people would also benefit from training, and that the owner/respondent would be willing to support their participation in training activities.

Younger, more formally educated and socially mobile farmers tend to be keener on training, including mentorship, than the converse. In several cases, farmers had already developed close working and

social relationships with their established farmer neighbours, and as such had no need for a formalised approach.

Transport, Accommodation, Food, Materials and Fees Costs

Respondents were asked whether they would be willing to transport themselves to and from training activities and to make a reasonable contribution to training costs. The question was often clouded because of the preconceived understanding of many respondents that the activity would be donor funded. Most understood the advisability of counter-performance from the trainee's side and also the need to consider sustainability in the longer term. All farmers stated that they were prepared to pay for transport costs – though a small number said this would be a problem for them and would limit their participation in cases where activities were distant from their farms. Most also felt the project should pay for the costs of food, accommodation and fees where applicable.

Table 18. Farmers' commitment to training as indicated by their willingness pay for transport in own region

Training format	Yes	No
Farmer's days	75	3
Study groups	56	20
Study group tours	25	52
Short courses	57	21
Correspondence courses	34	44

Pre-AALS Training

Farmers were asked whether they believed they would have benefited from farming-related training before purchasing their farms under the AALS farms. The big majority answered positively, many stressing that this would have benefited them considerably in terms of evaluation of farms for sales, negotiating sales prices, and ensuring that farm assets were not removed after farm purchase. Some stated they would not have purchased their farms under the Scheme had they properly understood what they were getting themselves into.

Table 19. Perceived benefits of agric. training prior to AALS farming

	Loan status		
Benefit	**full-time**	**part-time**	**Total**
Yes	37	27	64
No	4	9	13
Total	**41**	**36**	**77**

Those who said they would not have benefited were often those from a business background, who also indicated that they had spent considerable time and energy on searching and negotiating for their farms.

Most respondents indicated that such training should not be compulsory, and even more so that passing such a course should not be a condition for taking on a loan.

- It was noted that such a requirement would discriminate against those without formal education.
- It would be difficult for part-time farmers to find time for such a course if it was to be of a meaningful duration.
- Those part-time farmers relying heavily on employed farm managers do not need training, rather their managers do. Yet, there can be no guarantee that such a trained manager would remain in the employment of the farm owner.
- Those with good financial management and business skills had little to learn about farm financial management.
- Those with good farm management skills had little to learn about farm management.

It is the study's conclusion that a short pre-loan training course should be offered to potential farm buyers on a voluntary basis with a focus:

- farm enterprise planning for successful debt management
- farm evaluation
- farm price negotiation and buying.

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Key informants

This list identifies those informants who contributed substantively to the study other than by or in addition to completing the survey questionnaire or by participating in-group meetings.

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