



**ESWATINI CANE GROWERS
ASSOCIATION
QUARTERLY NEWSLETTER**

“CANE FOR GROWTH”



EXECUTIVE EDITOR’S NOTE

Dear Growers. I am privileged to present to you the 9th edition of our newsletter. Through this medium we keeping touch with our member especially in this time of restricted gathering and travel. In this document we have deliberately chosen to belabour the COVID-19 pandemic for obvious reasons. At the time of writing there were 1 489 (0.14% of country’s population) confirmed cases and sadly 20 deaths. The numbers are set to escalate for the rest of the year probably reaching peak by year end or beginning of 2021. It is therefore imperative to resist temptation of getting used to the new normal and relax precautions.

Serious as the pandemic is members are advised to guard against disruptive panic. Dangerous as it is the global fatality rate remains 5-6%. The biggest danger is in spreading it through disregard of expert guidelines. The Protocol circulated in March 2020 remains largely valid. Further precautions are included in this document.

Lastly ECGA have embarked on a process to develop a new 5-year strategic plan facilitated by experts from Mohale Emmanuel. At the time of reporting the draft document was before ExCo for approval. The document will then inform the budget for the next 5 years. In this publication there is a guest article by one of the Consultants outlining the process and giving a snapshot of the inputs made by members during consultations. We trust members will enjoy reading

Dr. S.V. Nkambule, CEO

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THE CORONA VIRUS PANDEMIC: ITS TIME FOR CHANGE

By: Dr S.V. Nkambule

COVID-19 is affecting all of us in different ways. Growers are not spared and are being affected in not always so obvious ways. The need for social distancing and sanitation impose additional transport costs; precautionary measures might increase labour costs or reduce productivity. Delays in input supplies are to be expected hence forward planning is essential. Lockdown regulations have made physical meetings in large numbers (above 20) impossible. Consequently, the usual interactions with members will be affected. This is an opportunity for growers to embrace technology out of necessity. Virtual (online) meetings and electronic communication are fast becoming the norm.

There is also a possibility of input price escalations to reflect difficult of procuring supplies and services. Growers are persuaded to anticipate these changes.

ECGA's Response to COVID-19

Like everybody else ECGA did not anticipate the Covid-19 pandemic, hence was called upon to quickly adapt its services. ECGA quickly prepared a response strategy that included online meetings with industry players, training of grower trainers, social distancing measures in the office, preparing Covid-19 Protocol for growers, development and distribution of learning material (online and hard copies), frequent and timely updates (mostly daily online dispatches) as well as awareness creation among growers. ECGA was also part of the industry team that presented E1.3-million donation to the Government Covid-19 Resource Mobilization Team.



KDDPFF Growers after receiving their first batch of masks



A grower from Vuvulane after receiving a Mask also received his mask

The ECGA office has also distributed a total of 5875 masks to its members ever since the government of Eswatini announced that wearing of masks is compulsory to help in reducing the spread of COVID-19. Of this number 2000 were procured by ECGA, 1875 and 2000 donated by Business Eswatini (BE) and National Disaster Management Agency (NDMA), respectively.

Adaptation and Monitoring

As outlined in the COVID-19 Protocol, Growers are encouraged to keep a register of visitors with details which will enable easy tracing of those individuals if a need arise.



Infrared Thermometer



Handwashing Facilities

THE PLANTERS GROUP MEETINGS WHICH WERE SCHEDULED FOR 21-23 APRIL WERE CANCELLED DUE TO THE COVID-19 PANDEMIC.

Cane Growers Want to be Sustainable & Profitable

By: Sive Simelane (MECS)

Eswatini sugar cane growers want to know how they can remain sustainable and profitable given the current state of the industry. Eswatini Cane Growers Association (ECGA) has partnered with Mohale Emmanuel Consulting Services (MECS) to develop the Associations five-year strategy. A strategy is a road map which sets to achieve a vision of an organization. Part of the exercise included getting the views of cane growers on what this strategy should entail and focus on.

Sustainability

Given the numerous challenges the cane grower is faced with in the sugar industry, their sustainability is really a major concern. Over the past five years electricity costs, have jumped from being only 16% to 26% of total production cost. Also, given the regulations around water usage as well and its scarcity; it is becoming more challenging to produce the right yields of sucrose to at least break-even point. Furthermore, world market sugar prices have been constantly declining in the past, meaning the growers revenue has been declining as well. There has also been increasing pressure from local financial institutions with loans repayment plans which are viewed as unfavorable by the grower because of high interest. The tax collector has also come knocking on many a farmer's gates to collect what is due to him. This has led some small growers to abandon the industry all together because it was no longer making business sense to stay. The way the Eswatini sugar cane industry is structured, it is likely to push the "little man" out first. The industry currently has about 483 growers, of which 456 SSG are small scale growers who "own" farms which are less than 50 hectares.

Participation in Whole Value Chain

During the strategy consultations, growers from both the North and South regions expressed very strong desire to partake in the whole value and get maximum benefit from the sugarcane stick.

"Other stakeholders in the industry are benefiting from the byproducts of our sugar cane and we are only paid for the sucrose. There is bagasse that the Millers are using as a substitute for coal in their mills and to this day we don't have the monetary value of that bagasse being used" said one grower.

Growers also don't have a clue how much ethanol is being produced from the sugarcane they supply to the mills. Were the growers benefiting from the whole value chain then they wouldn't be questioning their sustainability. They could even be benefiting from the power generated by mills if the right agreements are put in place said another grower.

Growers understand that in order for them to partake in the whole value chain of the stick of cane they have to have a round table conversation with the millers. All stakeholders in the industry need to have a common vision which will ensure the sustainability of even the smallest player. There needs to be transparency between the grower and the miller on all the benefits of the byproducts of sugarcane. Growers understand that mills have had to invest lots of monies to set up structures designated for the byproducts of sugarcane and they are willing to pay their dues if that is what will take for them to come to the table.

Some growers feel as though mills should only focus on milling and growers should focus on growing sugarcane. This will solve one major problem pointed out which is price dilution.

Finances

Access to finances isn't a luxury enjoyed by all growers in the industry. The services offered by local banks are not always tailor made for the cane grower. Most end up defaulting because of the high interest rates. Growers want ECGA to have as one of the focus areas in its new strategy, a plan to solve this immediate problem. "Perhaps it's time that the growers establish their own bank which will offer services tailor made for the grower"

A grower's bank will help with the lack of capital investments that growers are experiencing when they want to replant their crops, repair or upgrade their farm infrastructure.

Diversification

Some growers said that they have started diversifying into other cash crops that will supplement their revenue given the declining revenue from sugar. The challenge with this diversification is that it will require more water which is now a scarce resource. This will mean that the growers association may need to diversify its revenue generation.

- * Participating on the whole value chain of the stick of sugar cane
- * Working on the Grower/ Miller relationship
- * Diversifying into other crops
- * Declining sugar market prices

COVID-19 AND SOCIAL COMPLIANCE

By: Zinhle Ndlovu

Sugarcane is predominantly harvested manually and labour requirements peak during the harvesting season. In early April 2020, the sugarcane industry made headlines in one of the local newspapers. There were fears of presence of illegal Mozambicans in the Siphofaneni and surrounding areas who work in sugarcane fields. Residents were worried as they were not sure if they had undergone screening before mixing with other people in the community.

The Regional Administrator's office acted swiftly on the matter and stakeholders were mobilised to provide the necessary support to the cane cutting community. Sensitisation was done and tests were conducted.

In May, there was a positive article on registration of illegal Mozambican migrants for them to stay in the country legally.



It is important for growers and their service providers to ensure that the safety of workers during this pandemic is prioritised. Here are some guidelines on how best to protect farm workers;

1. All workers must be treated with equality, dignity and respect irrespective of their gender and nationality
2. The health of All workers must be a priority
3. Employers must establish and comply to regulations and requirements set up by the government
4. Employers must conduct a rapid assesment of existing health, safety amd social protection measures at the workplace and identify the most pressing needs of employees
5. Employers must ensure that accomodation and tranport facilities are safe, hygenic and reflect the current requirements of social distancing.
6. Growers must monitor if there is compliance at contractor level.
7. Recording of visitors and monitoring of workers as detailed in the COVID-19 Protocol is strongly recommended.

