

REOBLIC OF NAMIBIA

MINISTRY OF AGRICULTURE, WATER & FORETRY

DIRECTORATE OF AGRICULTURAL PRODUCTION, EXTENSION & ENGINEERING SERVICES

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24 April 2020

Motivational letter - Subdivision of Farm Volmoed No. 1000

1. Introduction

This letter serves as motivation for a consent application to the Agricultural Land Subdivision Committee to subdivide a portion of farm Volmoed, located 75km South-East of Windhoek. Approval is sought for the subdivision of 78.990Ha from 1263.424Ha into portion A and remainder. The purpose of the subdivision is to transfer the 78.990Ha to 31 beneficiaries, in the form of plot sizes varying between 1.3 and 5 hectares, who commit to undertaking agricultural operations. **Figure 1** below shows the proposed area, forming 6.25% of the entire farm, that has been allocated for subdivision in the context of the current farm boundary. Detailed information regarding the farm is presented in **Table 1** below.

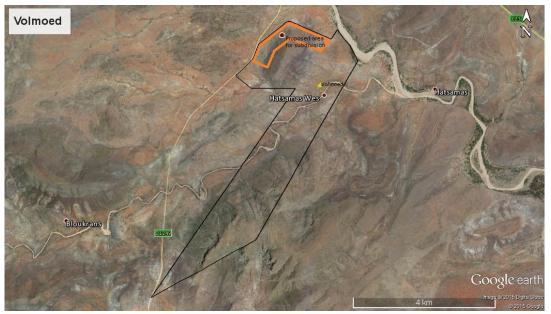


Figure 1 Farm locality and proposed area for subdivision

Item	Description
Farm Name	Volmoed
Farm Number	1000
Total Area	1263.424 Ha
Proposed Subdivision Area	78.990 Ha
Number of Subdivided Plots	31
Size of each plot	1.3-5 hectares

The following information is appended to this motivational letter in the Appendices section below:

- Certified copy of farm title deed
- Certified copy of farm owner identity document
- 6x Sketch plans from land surveyor locating proposed subdivided land in context of entire farm
- 1x Sketch plan from land surveyor locating boundary of 300.000Ha purchased in 2011.
- 1x Sketch plan from land surveyor locating boundary of consolidated 1263.424Ha after additional land purchased in 2011.
- 1x Sketch plan from land surveyor locating boundary game fencing current being installed on farm Volmoed.

2. Background and Motivation for Subdivision

Farm Volmoed has been a family farm to the Möwes family for the last two generations. The applicant purchased the original 963.424Ha farm from his mother in 2007. In 2011 he purchased a further 300Ha from one of the neighbouring farmers in order to expand the capacity of the farm, tallying the current size of 1263.424Ha.





Figure 2 Preparation of cattle for annual auction

The current operations of farm Volmoed comprises partial commercial and partial sustenance farming. As part of the commercial component, the farm holds 80 heads of cattle at any given time. On an annual basis pre-selected cattle are sold to either: neighbouring farmers, at auctions or to Meatco directly. **Figure 2** above shows some of the cattle on the farm as they are being prepared for the annual auction. Furthermore, Volmoed is a recently registered and approved vendor with Pick 'n Pay in Windhoek, where packaged firewood, as shown in **Figure 3** below, is scheduled for delivery on a weekly basis, soon. The firewood business forms part of the commercial component of the farming operations and is part of the larger licenced de-bushing project aimed at increasing grazing capacity on the farm.



Figure 3 Packaged firewood from farm Volmoed scheduled for delivery to Pick 'n Pay, Windhoek

The vegetable garden as shown in **Figure 4** forms part of the sustenance component of the farming operations, where tomatoes, green peppers, spring onions, beetroot, carrots, corn and chillies are successfully grown and harvested for personal consumption. This illustrates the fertility of the soil on

the farm. Lucerne is also grown to supplement the grazing for the cattle; however, its purpose will be discussed in more detail below.



Figure 4 Vegetable garden showing spinach, spring onions, beetroot, green peppers, carrots and corn growing

Another project currently underway on the farm is the installation of game fencing which is 80% complete. The remaining 20% will be complete within the next 3 months from the date of this letter. The purpose of the game fencing installation is to be able to accommodate oryx, springboks, zebras and giraffes, in addition to the kudus and ostriches that already roam the farm, by the end of 2020. **Figure 5** shows the free roaming ostriches that can already be found on the farm.



Figure 5 Tame ostriches roaming on the farm

Although the current farming operations have been proven to be effective for the last two generations, it has not been as profitable, considering that net profits have not exceeded 30% since the applicant purchased the farm. The limitations to the farm in terms of capacity as well as available capital for further expansion have not remained undetected. The capacity limitations are mainly associated with cattle farming, however a list of micro-farming opportunities that can successfully be implemented within the limitations, has been identified, explored and researched. The list of potential micro-farming operations has been compiled below:

- Poultry farming
- Poultry processing, packaging & distribution
- Pig farming
- Pig processing, packaging & distribution
- Fruit and vegetable cultivation
- Fruit and vegetable processing, packaging & distribution
- Fish farming
- Fish processing, packaging & distribution
- Charcoal manufacturing, packaging & distribution
- Goat's cheese production, packaging & distribution
- Meat processing, packaging & distribution
- Concrete brick manufacturing
- Tourism accommodation

There is no doubt that these micro-farming operations can be undertaken, as proof of concept of many of the above-listed operations has already been shown on the farm. Fruit and vegetable farming forms part of current farming operations; poultry and pig farming has also been implemented on the farm in the past by the applicant's parents. Furthermore, charcoal production on a small scale is currently underway on one of the neighbouring farms. However, if these operations were to be vertically integrated such that the end products of each operation can be directly marketed and sold to shops in substantial quantities, the capital expenditure would be very high for one person to firstly finance and secondly to manage.

Considering the available resources in terms of land and expertise in these micro-farming operations, it was inferred that if a small portion of land were to be availed to small-scale farmers to invest in these agricultural activities, it would be more effective, manageable and beneficial to many more families. By availing these subdivided portions of land and expertise in these farming activities, there would not only be job creation, as these operations would need employees to manage them effectively, but there would also be more value addition along the economic supply chain of the country.

When considering the effect that the partial subdivision of farm Volmoed will have on the nearby communities, namely Bloukrans and Hatsamas, the aspect of job and opportunity creation is an important one. In these communal settlements there are many skilled artisans and labourers, however with the current farming operations in the vicinity, employment opportunities are limited. By creating many more business opportunities through the subdivision of farm Volmoed, one would inadvertently be creating job opportunities in these communities.

3. Mitigation of Effects on Current Operations

It would be a fair assessment to consider the loss of grazing due to the sale of subdivided land. The applicant has considered the impact that it may have on the current cattle farming operations as well as potential mitigation measures. Unbeknownst to this subdivision consent application, mitigation measures have been implemented for last few years.



Figure 6 Lucerne plantation for cattle grazing supplement

The farm has capacity to accommodate 105 LSU at 12Ha/LSU during a year with moderate rainfall. This capacity can increase in years of good rainfall. To preserve grazing as well as to improve the overall quality of the cattle that is offered to market, the applicant has implemented three main strategies. First, he has kept the total number of cattle on the farm at 23.81% below capacity to create a buffer for when grazing becomes critical in seasons when rainfall is poor. This first strategy has a knock-on effect of reduced operating expenses due to reduced number of cattle incurred expenditure. Second, he has grown a small Lucerne plantation, as shown in **Figure 6**, to help supplement the grazing in the field. The third component involves feeding the cattle that are scheduled for sale at the annual auction or elsewhere, with a Feedmaster Rangeland Grower MealTM. The Feedmaster Rangeland Grower MealTM is a nutritional and high protein content, locally sourced, feed that significantly improves the quality of cattle, especially in terms of weight. This combined strategy has proven effective for the last five years, as the annual profitability has shown to increase by yielding a higher price per kilogram for annual cattle sales, while preserving grazing in times of drought.

Considering that the farming strategy involves preserving 23.81% of the available grazing, if one were to sell off 6.25% (78.990Ha) of the total farmland, there would still be an excess of 17.56% grazing land available. With that in mind, the proposed subdivision of the farm would not impact on the farming operations due to the farming strategy currently in place.

4. Conclusions

Considering the information presented above it can be concluded that farm Volmoed is currently a productive farm that derives profits from the sale of cattle and firewood to the market. The farm further has the potential to expand its operations to other agricultural activities, after already having explored and proven viability of a few of the micro-farming operations presented above, but is constrained in terms of management capacity and capital expenditure to successfully implement these operations.

To overcome these challenges the owner (applicant) of farm Volmoed proposes to subdivide a 78.990Ha portion of the 1263.424Ha farm, with consent from the Agricultural Land Subdivision Committee, and requests to transfer the 78.990Ha to 31 beneficiaries in the form of plot sizes varying between 1.3 and 5 hectares. These plots have been identified and evaluated as a fair size to implement any of the above listed micro-farming activities with reasonable commercial success. In addition, with the sale of the subdivided portions of land and subsequent implementation of micro-farming activities, one of the key benefits that will be derived, over and above of the establishment of new tax paying businesses, is the community upliftment and employment creation in the surrounding communal settlements of Hatsamas and Bloukrans.

Although, the subdivision and subsequent sale of plots will effectively reduce the size of the farmland, it will not impact the current farming operations due to the mitigation strategy that is currently in place. In addition, the subdivided area is not smaller than the original 963.424Ha of farmland that the applicant acquired from his mother in 2007, which was already proven to be enough for cattle farming. Moreover, and more importantly, with the profits derived from the sale of the subdivided land, the applicant can ultimately expand the farming operations by purchasing land from willing sellers in the surrounding areas.

The applicant trusts that the above motivation meets the Agricultural Land Subdivision Committee's expectations and criteria to grant consent for the subdivision of his farm and subsequent sale of agricultural land.

Thank you for your consideration.

Yours faithfully

Email: amowes@unam.na Tell: +264 61 206 3258 Cell: +264 81 261 5557

Professor Andrew Dieterich Möwes

5. Appendix

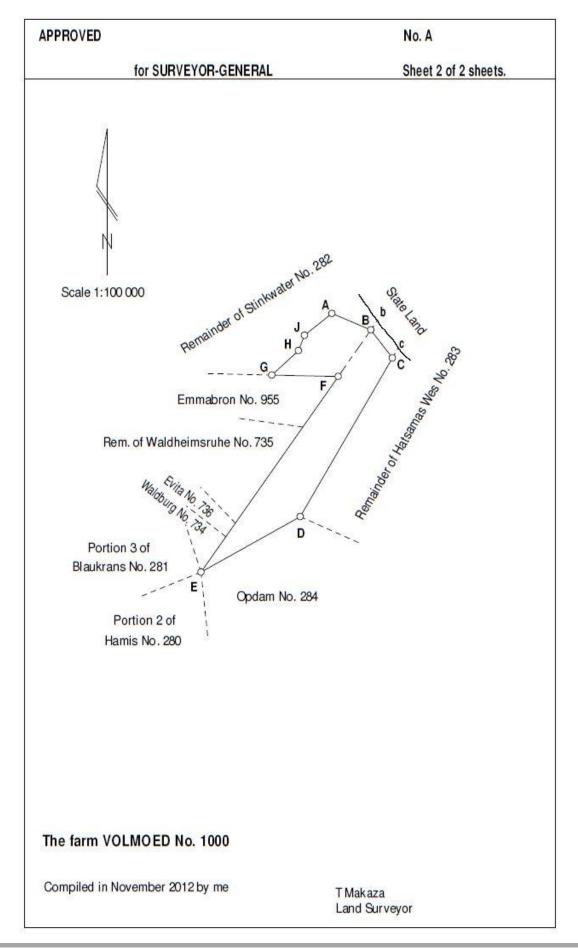
7.1. Farm Title Deed

7.2. Owner Identity Document

7.3. Land Surveyor Sketch Plans for Subdivision

APPROVED No. A for SURVEYOR-GENERAL Sheet 1 of 2 sheets. SIDES ANGLES OF CO-ORDINATES Designation DIRECTION Metres Y System: Lo 22/17° X ±0.00 ± 0.00 Constants: PP4N AB 1270.68 292° 59' 27" -57 527.90 + 99 680.40 A 322° 26' 00" BC 1061.48 В -58 697.65 +100 176.71 4901 CD CD 5516.42 30° 08' 58" -59 344.82 +101018.09Rbn 60° 46' 05" DE -56 574.15 4904 3 4 16.40 +105788.24 215° 02' 21" 91° 12' 31" 227° 29' 10" EF EF 7 184.31 -53 592.83 +107 456.62 4909 -57 717.60 FG 1997.88 +101 574.40 Wynbn GH 1 087.98 G -55 720.16 +101 532.26 PP1N 201° 29' 30" PP2N HJ 492.65 Н -56 522.13 +100 797.04 1055.64 231° 25' 31" PP3N JA J -56 702.61 +100 338.63 A Hatsamas -57 313.36 +105 585.77 No. 73 A Kalkkop -61 868.69 + 96 987.59 No. 91 Description of Beacons A,C,G,H 20mm Round Iron Peg under cairn. В 25mm Square Iron Peg under cairn. D,E 30mm Round Iron Peg under cairn. F Iron Peg in cairn. J : Iron Standard. Components 1. The figure A B F G H J represents Portion 2 of the farm STINKWATER No. 282, vide diagram A , annnexed to T 1 2. The figure B b inner bank of river c C D E represents the farm VOLMOED No. 720, vide diagram A 336/74, annnexed to T The figure A B b inner bank of river c C D E F G H J of land being represents 1 263.4240 hectares The farm VOLMOED No. 1000, comprising 1) and 2) above Situate in Registration Division M Hardap Region Republic of Namibia Compiled in November 2012 by me T Makaza Land Surveyor This diagram is annexed to The original diagrams are as Compiled No. Noting Plan : MG - S quoted above. d.d.: File No. : M 1000 Lat.: 22° 55' 00" S Long.: 17° 32' 35" E Registrar of Deeds

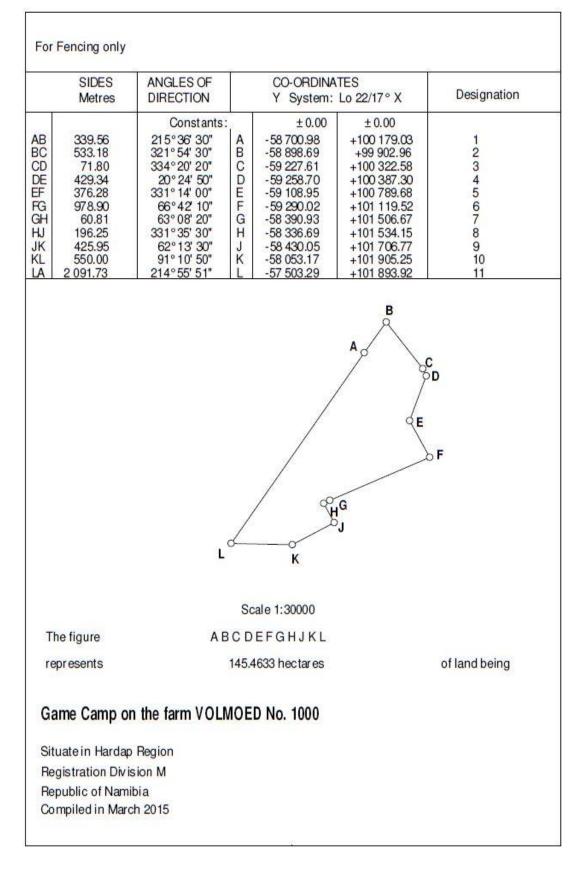
7.4. Land Surveyor Sketch Plans of 300 Ha purchased in 2011



7.5. Land Surveyor Sketch Plan Locating Boundary of Consolidated in 2011

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for SURVEYOR-G		ENERAL Sheet 1 of 2 sheets.		
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	Hatsamas Kalkkop	△ -57 313.36 △ -61 868.69	+105 585.77 + 96 987.59	No. 73 No. 91
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7.6. Land Surveyor Sketch Plans Locating Boundary of Game Fencing