



South Africa. Siyasebenza

Business Proposal Template

Farm Background

1.1. General Information

Business Name			
Registered Entity	Yes	No	Type of Entity
Registration Number			Number of Shareholders
Access to Land	Yes	No	
Title Deed (Provide agreement)	Yes	No	Date Acquired
Long Term Lease (Provide agreement)	Yes	No	Term and Start Date
Permission to Occupy (Provide PTO document)	Yes	No	Term and Start Date
Farm Name			
Farm Location			
Farm Number / Portion			
Local Municipality			District Municipality
Nearest Town			Distance to Nearest Town (km)
Postal Address			
Contact Person			

Telephone Number		Cellphone Number	
Fax Number		Email Address	

1.5. Current Employment

Number of permanent workers			
Number of skilled permanent workers			
Number of seasonal workers			
Number of skilled seasonal workers			
Availability of skilled workers	Good	Moderate	Poor
Distance to nearest labour source (km)			

1.6. Climatic Information

Average rainfall (mm)		Summer %		Winter %	
Summer – Average daytime temperature		Maximum		Minimum	
Winter – Average daytime temperature		Maximum		Minimum	
Implications of minimum temperatures					
Implications maximum temperatures					
Occurrence of frost	Rare	Moderate		High	
Implications of frost occurrence					
Occurrence of hail	Rare	Moderate		High	
Implications of hail occurrence					
Occurrence of strong wind	Rare	Moderate		High	
Implications of strong wind occurrence					

1.7. Land Resources

If a soil map for the farm has been drawn up, please submit the soil map as part of your application.

Land Utilisation	Area (ha)	Capacity	
Natural grazing (veld)		Grazing capacity (large stock unit / ha)	
Irrigated pastures		Grazing capacity (large stock unit / ha)	
Undeveloped arable dry land		Total yield (ton / ha)	
		Grazing capacity (large stock unit / ha)	
Irrigated annual crops		Total yield (ton / ha)	
Irrigated perennial crops		Total yield (ton / ha)	
Total usable land			
Area not suitable for farming (buildings, dams, roads, conservation)			
Total farm size:			

1.8. Crop Land Use (excluding citrus)

Crop	Cultivar	Irrigation Type	Area (ha)	Average Yield (ton / ha)	Average Price (R / ton)	Export Percentage

1.12. Irrigation Scheme

Irrigation Scheme	Listed Ha		Allocation (m ³ /ha)		Annual Cost (R/ha)	Flow Rate (m ³ /hour)	
	Summer	Winter	Summer	Winter		Summer	Winter
Water analysis for crop suitability available?	Yes	No	Water suitable for crops?		Yes	No	
Farm has mainline network?	Yes	No	Map of mainline network available?		Yes	No	
Condition of mainline network	Good		Moderate		Poor		

1.13. On-Farm Water Sources

Provide water analysis and official proof of water availability.

Farm Dams				
Dam Description	Capacity (m ³)	Source (% contribution)		
		Runoff	River	Scheme
Other On-Farm Water Sources (boreholes, fountains, etc.)				
Source Description	Capacity (m ³ / hour)	Quality		
		Good	Moderate	Poor

1.14. Farm Infrastructure – Roads and Electricity Supply

Description	Condition		
	Good	Moderate	Poor
Roads			
Electricity Distribution Network			

1.15. Infrastructure – Buildings

Structure Description	Number of Buildings	Total Size (m ³)	Capacity (e.g. ton/day)	Condition		
				Good	Moderate	Poor
Homestead and labour housing						
Offices						
Workshops						
Store rooms						
Packaging and processing facilities						
Animal housing						
Other						
Other						

If more space is required insert additional rows or attach separate schedule with above information.

1.16. Movable Assets

Vehicles, Machinery and Implements	Number	Suitable for Purpose		Condition		
		Yes	No	Good	Moderate	Poor

If more space is required insert additional rows or attach separate schedule with above information.

1.17. Recordkeeping

Provide audited financial statements for the past 3 years or for the years the business has been in operation, if less than 3 years.

Do you have a bookkeeping system?	Yes	No
If yes, what system do you use (e.g. manual, Excel, Pastel, Simfini)?		
Can you provide records and future projections?	Yes	No
Are you able to keep monthly records to monitor progress?	Yes	No
Do you make use of management accounts?	Yes	No
Do you compare financial results with projections?	Yes	No
What is the start and end date of your financial year?	Start	End
Do you have budgets and cash flow projections for future farming activities?	Yes	No
Does the business have a bank account?	Yes	No

1.18. Marketing Information

Submit all secure marketing agreements and contracts.

Percentage of fruit sold in each market segment	Export		Local market		Procession	
Percentage of income from each market segment	Export		Local market		Procession	

Provide details of all buyers, including exporter, local market buyers, processing facilities.

Company Name	Location	Contact Name	Contact Cellphone	Contact E-mail Address

Provide details of current and future marketing arrangements, including marketing agreements and contracts.

Details of distance to markets, port and logistical arrangements.

Do you pack your own fruit?	Yes	No
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If not, where do you pack?

Name:		Contact person:	
Contact number:		Contact email address:	

1.19. Certification Systems

Production Unit Code (PUC)		Packhouse Code (PHC)			
For which of these systems does the farm / packhouse have certification?					
GLOBALG.A.P.	Yes	No	SIZA	Yes	No
BRC	Yes	No	HACCP	Yes	No
Other:			Other:		
Other:			Other:		
Other:			Other:		

1.20. Environmental Regulation Compliance

Are there any current regulations or directives imposed by law on the property (examples: CARA, waste disposal etc.)?
How do farming activities impact on natural resources and what measures are taken to minimise the effects?

1.23. Challenges

Describe challenges that the business is facing at present and the steps that are being taken to address them.

Management
Skills
Internal and external social issues
Infrastructure
Production
Others

1.24. SWOT Analysis

Strengths	Weaknesses
Opportunities	Threats

2. Farming Business Proposal

2.1. Objectives

What are the objectives of the business?

Quality
Prices
Market locations
Contracts and supply agreements
Other information

2.5. Financial Plan

Complete and submit the financial projections spreadsheet template that has been supplied.

2.6. Collateral

Please list all items that could be used as collateral, to secure loan funding portions from The Land Bank. Please estimate values against each item:

Description of Collateral	Value

3. Risk Mitigation

Risk	Level (Low / Medium / High / n/a)	Considerations	Mitigation Strategy
1. Procurement Risk			
No sufficient or reliable supplier of inputs.		<ul style="list-style-type: none"> Who are the company's major suppliers of raw materials? Does company have several suppliers or only one? How readily available are 	

Risk	Level (Low / Medium / High / n/a)	Considerations	Mitigation Strategy
		the goods? • What is geographical spread of suppliers? • Have supply agreements been put in place?	
2. Processing Risk			
Insufficient volumes due to unfavourable weather conditions, outdated infrastructure as well as quality not meeting requirements of clientele		<ul style="list-style-type: none"> • Is production operating at full or below capacity? • Is production able to handle an increase in demand? • Is company involved in industry where technology is consistently updated? • Has company kept pace with advances made in technology or do competitors have advantage? • Does the production process require the use of highly skilled labour? • How many processing facilities does the company have and are they located in a particular area? • How readily available are utility services such as water, electricity etc.? • Does company hold any certification in terms of quality etc.? • Does company have a capex plan in place to keep up with these advances? 	
3. Commodity Risk			
Risk that volatility in commodity prices in the open market during the production/processing phase could negatively impact profitability		<ul style="list-style-type: none"> • Are prices of raw materials influenced by seasonality? • Have hedging instruments such as Futures or fixed price contracts been put in place? 	
4. Performance Risk			
Risk that productivity of labour and material, quality of materials, labour disputes and defective work can compromise profitability		<ul style="list-style-type: none"> • Are labour contracts in place? • What is relationship with unions? • What is the possibility of 	

Risk	Level (Low / Medium / High / n/a)	Considerations	Mitigation Strategy
		<p>strikes?</p> <ul style="list-style-type: none"> • Does production process require company to hold high levels of stock? • What is risk the quality of stock deteriorates or becomes obsolete? • Any likely causes of a plant shutdown (what is history of shutdowns)? 	
5. Socio-Economical Risk			
<p>Risk that activities can have negative impact on issues such as labour relations, occupational health and safety, resettlement, indigenous and vulnerable people</p>		<ul style="list-style-type: none"> • What is company's level of commitment towards putting control measures in place to ensure compliance with social economic standards and regulation? • Does the company have a compliance framework policy in place? • Is policy reviewed periodically? 	
6. Environmental Risk			
<p>Risk that activities can have negative impact on issues such as water use, wastewater management, hazardous material, land use, biodiversity, energy use, air emissions and quality</p>		<ul style="list-style-type: none"> • What is company's level of commitment towards putting control measures in place to ensure compliance with environment standards and regulation? • Does the company have a compliance framework policy in place? • Is policy reviewed periodically? 	
7. Corporate Governance Risk			
<p>Risk that company does not comply with practices relating to corporate governance including Board, management, decision making protocols aligned to KING IV arrangements</p>		<ul style="list-style-type: none"> • What is company's level of commitment towards good governance? • Have board committees been appointed to assist board in carrying out its duties and responsibilities? 	
8. Foreign exchange Risk			
<p>Risk that changes in exchange rate could negatively impact profitability</p>		<ul style="list-style-type: none"> • Are customers located abroad? • High concentration of 	

Risk	Level (Low / Medium / High / n/a)	Considerations	Mitigation Strategy
		buyers in one geographical location which may be affected by country risk issues? <ul style="list-style-type: none"> • How volatile has the rate been? • What is outlook for rates? • Have hedging instruments such as FE contracts been put in place? 	

4. Job Creation

Indicate the number of new jobs that will be created as a result of this development.

Job Description	Total Jobs	Estimated Number for Designated Groups		
		Women	Youth (<35y)	Persons with Disabilities
Permanent farm workers				
Seasonal farm workers				
Permanent packhouse workers				
Seasonal packhouse workers				
Farm supervisor				
Farm manager				
Packhouse supervisor				
Packhouse manager				
Discuss the sustainability of these jobs.				

5. Conclusion and Summary

5.1. Funding Requirements

Category	Description of Items	Priority (1-8)	Amount
Orchard establishment – new / expansion			
Orchard establishment – rehabilitation			
Orchard establishment – improvements			
Infrastructure – packhouse			
Infrastructure – irrigation			
Infrastructure – fencing			
Tools and equipment			
Skills development			
Production funding			
Total Funding Required			

5.2. Additional Capital Requirements

Category	Details	Amount
Additional capital required – medium term		
Additional capital required – long term		

5.3. Other Notes
