Making markets work for women smallholder vegetable farmers in South Africa

Karissa Moothoo Padayachie Nair and Nwabisa Nontenja

Fair for All: Inclusive Value Chains

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OXFAM South Africa

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Abstract

Women smallholder vegetable farmers in South Africa continue to face significant challenges in their ability to effectively participate in the vegetable value chain and access higher value markets. Over the course of two years, our research has broadly investigated the barriers to markets faced by smallholder vegetable farmers and their ability to overcome these challenges. Fieldwork interviews were conducted with over 30 farmers across Gauteng and Limpopo. Our research explored access to markets, inputs, the type of vegetables produced and the factors influencing production decisions. Key findings have indicated that smallholder farmers have been constrained by access to inputs, finance, stringent market requirements by supermarkets and inadequate government support. These challenges have limited their ability to scale their operations and achieve sustainable growth. We also investigated alternative markets such as the role of National Fresh Produce Markets (NFPMs) to support these farmers. NFPMs were historically created for purposes of supporting smallholder farmers. We found that these markets were not serving the needs of smallholder farmers, leaving them reliant on precarious informal markets to support their trade. These issues were recently highlighted by the Competition Commission of South Africa in its Fresh Produce Market Inquiry (FPMI). This paper synthesizes key findings derived from our multi-year research study conducted by CCRED in collaboration with Oxfam to enhance meaningful participation of smallholder vegetable farmers, and women farmers in particular, in the South African vegetable value chain.

Keywords: value chain, vegetables, smallholder farmer

JEL codes: Q13

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1. Introduction

Smallholder vegetable farmers continue to face significant barriers that hinder their ability to access high value markets and achieve sustainable growth. These challenges are even more pronounced for women producers who often encounter additional systemic barriers due to gender inequity such as difficulty in owning land, accessing finance and discrimination (Chisoro and Moothoo Padayachie, 2023).

Our research found that smallholder vegetable farmers face significant barriers to growth, particularly limited access to finance, which significantly restricts their ability to scale their operations and access higher value markets such as supermarkets. Many smallholder farmers lack the capital investment needed for infrastructure, including irrigation, packhouses and refrigerated transport. While some government support exists, many of these farmers reported that it was often insufficient to support their needs, citing complex application procedures and gaps in the available support (Chisoro and Moothoo Padayachie, 2023). As a result, this leaves smallholder farmers vulnerable and reliant on informal markets which are often precarious.

Building on these initial findings, we explored the potential for supermarkets to serve as a viable route to market for smallholder farmers and the role of National Fresh Produce Markets (NFPMs) as an alternative route to market. Historically NFPMs were established to support smallholder farmers, however, our research revealed that these markets are generally perceived as a market of last resort by smallholder farmers due to price volatility and concerns about the conduct of market agents. In addition, issues of governance and a lack of market transparency further disadvantages smallholder farmers at these markets (Moothoo Padayachie Nair, 2024).

The Fresh Produce Market Inquiry was initiated by the Competition Commission of South Africa to investigate the fresh produce value chain from the input level to the retail level to determine whether there are features of the market which impede, restrict or distort competition. To do this, the Commission sought to understand the state of competition within the industry, market features impacting pricing outcomes and challenges being faced by farmers (and in particular black, small scale and emerging farmers). These issues were broadly categorized under three themes. This included (i) the efficiency of the value chain; (ii) market dynamics of key inputs, and impact on producers; and (iii) barriers to entry, expansion and participation.

The Commission found that South Africa's fresh produce markets are highly concentrated, restricting competition and disadvantaging smallholder farmers. At the retail level, supermarkets can exert market power enforcing strict procurement and quality standards on smallholder vegetable farmers and raise barriers to entry. The Commission highlighted a number of structural challenges and in response proposed regulatory interventions to enhance transparency and create fairer market conditions for emerging producers. The inquiry culminated in 31 recommendations which span the entire fresh produce value chain including recommendations to assist the entry and participation of smallholder farmers. Key recommendations seek to address issues of governance at NFPMs, financial support and the strengthening of supplier development programmes to support the integration of smallholder farmers into this value chain.

This paper seeks to synthesise key insights from our multiyear research study, to provide practical solutions to policymakers and private sector stakeholders, aligning with the FPMI's recommendations.

In section 2 we set out a brief background of the vegetable value chain and our research over the multiyear research study. Section 3 lists the keys challenges affecting the participation of smallholder farmers in the vegetable value chain. In Section 4, we summarise our key findings from our research and show how these findings align with the recommendations of the FPMI. We also provide short-term solutions to address the immediate challenges for farmers. Section 5 concludes.

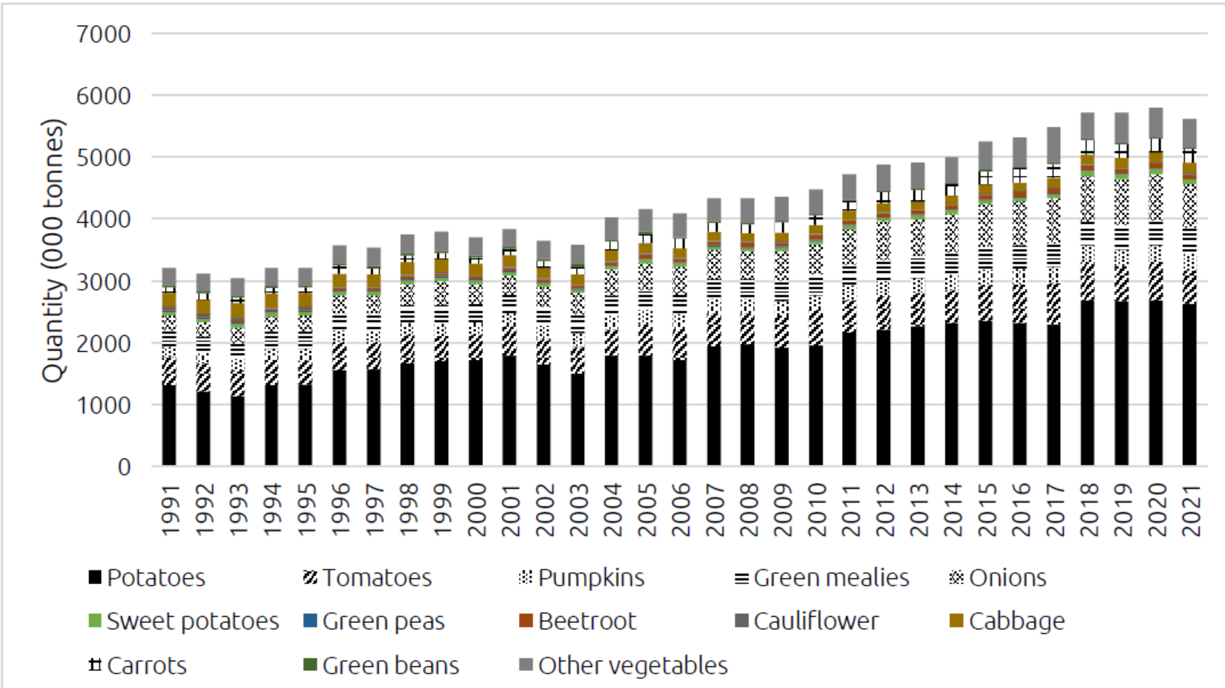
2. Understanding the vegetable value chain

Vegetables are currently produced in every province in the country. From 2007 to 2017 it is estimated that the area under production grew from 107680 hectares to 108233 hectares. Vegetables continue to comprise an important item in the consumers' basket of goods, and with the drive for healthy eating habits this has further contributed to the growth in the production of vegetables (Chisoro and Moothoo Padayachie, 2023).

Vegetable farmers therefore play an important role in the fresh produce value chain and are crucial role players in ensuring food security, employment and rural development within the country (Competition Commission, 2025). Fresh produce is grown by a few large-scale producers and a multitude of smaller farmers. The main vegetables that are grown by smallholder vegetable farmers include spinach, kale, covo, tomatoes, cabbages, carrots, onions, lettuce, peppers, butternut, and Indian vegetables (chillies, aubergines, brinjol, okra, calabash) (Chisoro and Moothoo Padayachie, 2023).

Over the period 2007 to 2021, vegetables recording the fasted growth in production included carrots (51%), onions (50%), potatoes (37%) and beetroot (32%).

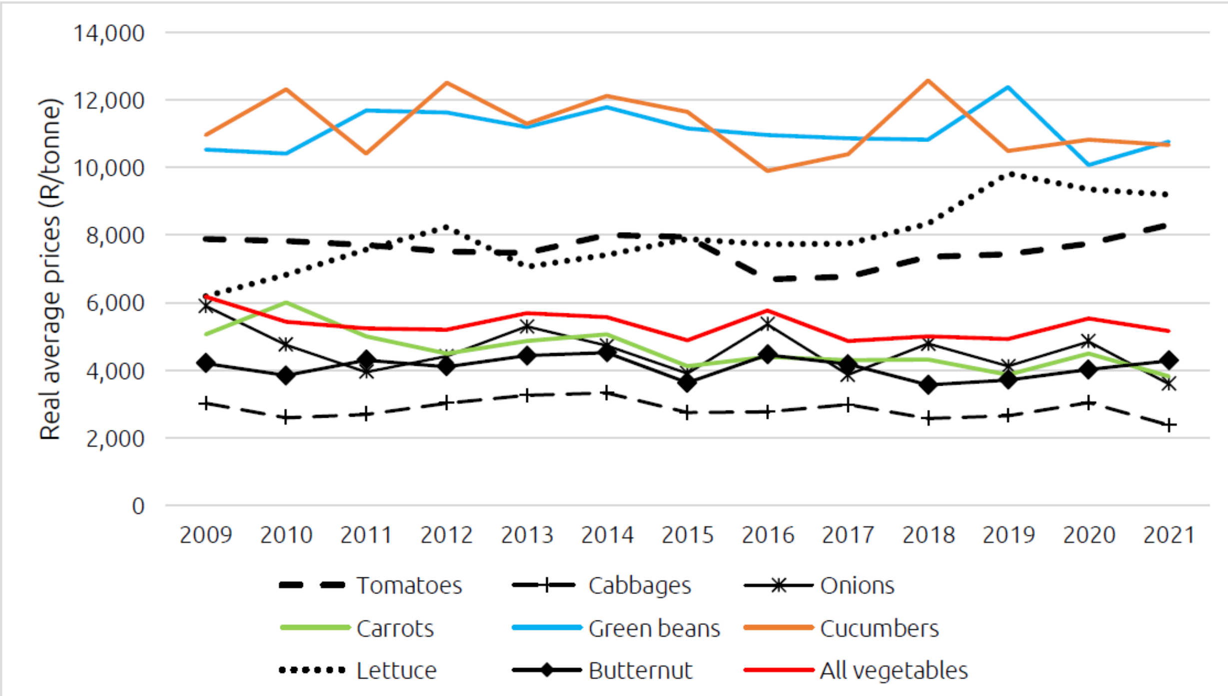
Figure 1: Vegetable production in tonnes (1991 to 2021)



Source: Extracted from Chisoro and Moothoo Padayachie (2023)

Vegetables are primarily sold in domestic markets due to the perishability of the produce. Prices are determined by supply and demand. While the production of vegetables has steadily increased over the period 2007 to 2021, an analysis of prices revealed that the average price of some vegetables has been declining. This includes the prices of cabbages, onions and carrots (See figure below) (Chisoro and Moothoo Padayachie, 2023).

Figure 2: Real average price of vegetables over the period 2009-2021

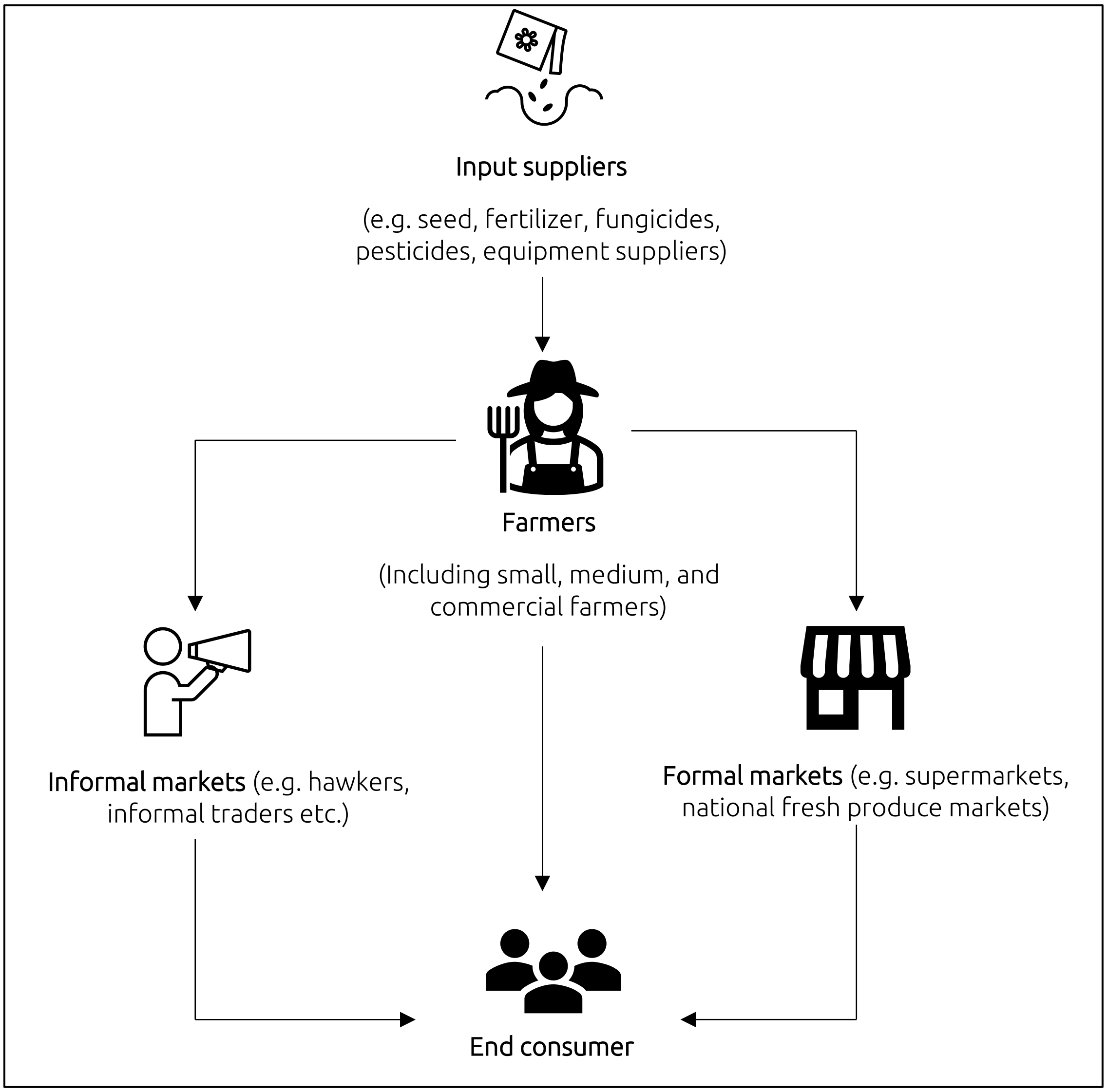


Source: Extracted from Chisoro and Moothoo Padayachie (2023)

An analysis of prices is useful in this context as it helps to identify which vegetables will enable farmers to extract the highest value and which crops are important for production. High value produce is important for accessing reliable, consistent and high value markets such as supermarkets (Chisoro and Moothoo Padayachie, 2023).

The vegetable value chain consists of input suppliers, producers, informal markets, formal markets and end consumers. The vegetable value chain is shown below.

Figure 3: The vegetable value chain



Source: Moothoo Padayachie Nair (2024)

The value chain begins with input suppliers. These input suppliers supply seeds, fertilizers and equipment to farmers for production. For farmers there are a number of distribution channels for their produce. Farmers can sell directly to the consumer, to the formal markets which comprise NFPMs and retailers and/or informal markets which typically comprise hawkers and informal traders.

Smallholder farmers face risks throughout this value which limit their participation. At the production level, smallholder farmers face risks from the procurement of inputs through to the harvesting of crops. At the retail and consumption level, farmers face risks associated with quality and quantity standards imposed on them by supermarkets which can limit their ability to access these markets (Competition Commission, 2025).

Smallholder farmers are therefore often limited to informal markets. Smallholder farmers interviewed during our research indicated that they preferred to supply supermarkets. With supermarkets, they were guaranteed consistent and reliable offtake (Chisoro and Moothoo Padayachie, 2023). However, to date supermarkets continue to place stringent requirements on farmers making it very difficult to access this route to market. These farmers also lack the capital and/or financial backing to make the necessary investments needed to supply (Chisoro and Moothoo Padayachie, 2023).

The FPMI likewise identified these issues focusing the inquiry on understanding barriers to entry, expansion, and participation faced by smallholder farmers. Access to markets, inputs and finance were just some of the main issues identified and explored by the inquiry in relation to smallholder farmers.

3. Key challenges affecting smallholder vegetable farmers

Access to essential productive assets and opportunities due to gender continue to limit the participation of women smallholder vegetable farmers in agricultural value chains ((Ndlovu, Thamaga-Chitja and Ojo, 2021; Njiraini and Ngigi, 2018).) These issues have largely pertained to land ownership for example where rental of tribal land is generally only granted to a husband or a male relative. Other concerns relate to child and household responsibilities which fall on the woman limiting their time available to devote to their businesses. This research therefore sought to identify the barriers to entry faced by smallholder vegetable farmers especially women producers in building productive capabilities required to gainfully participate in these value chains.[1].

The research sought to address two main questions:

- What are the key activities and barriers faced by smallholder vegetables farmers in South Africa?
- How do the identified barriers limit growth of smallholder vegetable farmers and what capabilities are required to overcome these barriers?

[1] See Appendix for table providing an overview of interviews conducted over the course of this study.

We found that smallholder vegetable farmers faced various production and marketing constraints that hindered their profitability and ability to respond and take advantage of commercial opportunities. For example, while smallholder farmers had access to land, they lacked on-farm infrastructure, equipment and inputs to expand production and/or produce higher quality produce. This was found to be directly linked to limited access to credit and financial resources to make the necessary on-farm investments. This resulted in smallholder farmers being price takers and limited to low value economic activities with limited opportunities for growth and scaling up (Chisoro and Moothoo Padayachie, 2023).

Most farmers highlighted that they preferred to supply supermarkets which represented a reliable and consistent market through which to sell their produce. However, most supermarkets have stringent requirements which farmers must meet to supply. These include standards and certifications to ensure that the produce adheres to health and safety standards. Supermarkets also require farmers to invest in infrastructure such as packhouses, pack sheds, cold rooms, maintain proper financial statements, and have refrigerated trucks to deliver to their stores. Farmers do not have access to finance to make this investment and therefore find it difficult to access supermarkets as a route to market. This means that farmers are often left to supply their produce to informal markets or NFPMs which are less reliable in terms of providing a fair price or ensuring that produce supplied is sold for a return rather than discarded (Chisoro and Moothoo Padayachie, 2023).

The study found that government support to smallholder farmers is available. Around 50% of interviewees advised that they had received some form of government support for example from the IDC for land and land preparation, installation of irrigation systems and boreholes. The concern was that this support is still relatively limited in scale and scope and is often provided in piecemeal allocations i.e. farmers receive only some of the funding applied for and are unable to sufficiently scale their operations.

In addition, there are key gaps in government support in that it does not cover climate related risks, such as droughts, floods, crop failures which disproportionately affects smallholder farmers engaged in open field farming (Chisoro and Moothoo Padayachie, 2023).

One of the major complaints of farmers trying to access government funding has been that the application forms are complicated, and the requirements stipulated on the forms are too onerous given their educational background and experience. For example, most of the interviewees had seemingly well-functioning businesses but did not have bookkeeping skills which then limited their chances of being approved for funding given that they did not have the necessary financial records (Chisoro and Moothoo Padayachie, 2023). An issue facing women smallholder farmers relates to land. Historically and culturally, land is often owned or rented by a women farmer's husband or male relative. This makes it even more challenging for women farmers when applying for funding as this land cannot be used as collateral.

Given the challenges faced in accessing government funding, most farmers have resorted to funding their businesses through personal funds from parallel businesses, full time jobs, savings and borrowing from friends and family. This is not sustainable given that SME farmers require significant levels of investment to upgrade their farms and enter higher value markets.

Building on these findings we then explored the ability of smallholder farmers and in particular women smallholder farmers in accessing higher value markets i.e. supermarkets.

There were two keys issues that arose. The first related to funding for inputs. To scale and access supermarkets, smallholder farmers pointed to the need for funding for inputs. This was necessary to secure a supply agreement. This funding would also enable farmers to be more consistent in supply.

A key second question which arose was the role of Supplier Development Programs (SDPs) to assist the facilitation of farmers into the supply chain. The main complaint from farmers was that these SDPs were often corporate social responsibility initiatives and not viewed as strategic investments, thus hindering the incorporation of smallholder farmers. It was acknowledged that to achieve this there would need to be a delicate balancing of the pragmatic constraints faced by supermarkets and the needs of smallholder farmers (Moothoo Padayachie Nair, 2024).

Considering these findings, we also explored the role of National Fresh Produce Markets (NFPMs) which were historically established to support the growth and participation of smallholder farmers. Farmers complained that in these markets they are often subject to high volatility in prices, wastage (due to unsold volumes) and have had challenges negotiating commission rates with market agents. It appeared that many of the issues stem from the fact that these are not direct markets and farmers are competing with many other farmers selling the same produce (Moothoo Padayachie, 2024).

Overall, our research revealed that while barriers to entry in vegetable farming are relatively low, scaling up and sustaining competitiveness remains the key challenge. Addressing these constraints will require a holistic approach including financial support, infrastructure investment and enhanced SDPs amongst others.

4. Drawing insights and proposing practical interventions to enhance participation of smallholder vegetable farmers

The Competition Commission's Fresh Produce Market Inquiry[2] closely aligns with our study and similarly uncovered issues of:

- Limited market access for smallholder farmers
- Challenges at the National Fresh Produce Markets (NFPMs);
- High input costs and farm infrastructure constraints, and
- Financial constraints

A key concern would be how the Inquiry's recommendations translate practically to the benefit of smallholder farmers, and in particular women smallholder farmers. With reference to our previous research and the recent FPMI we have derived the following insights. [3]

4.1 Improving access to key inputs and infrastructure

It cannot be disputed that access to land is necessary. However, it is not sufficient on its own. Access to key inputs and infrastructure remains a significant barrier to the growth of smallholder vegetable farmers in South Africa. Our research found that smallholder farmers that have managed to secure land through private purchases, leasing, or government programs, struggle to use this land efficiently due to a lack of resources for on-farm investments. Essential infrastructure such as irrigation systems, greenhouses, shade nets, and cold storage facilities are critical for maximizing productivity and ensuring year-round supply. For example, a farmer with 8.5 hectares could only cultivate 4 hectares due to limited irrigation, highlighting how land size does not equate to production capacity without adequate infrastructure.[4] Another farmer indicated that while their farm was 7 hectares in size they were only able to utilise 1 hectare.

[2] Competition Commission, 2025. Fresh Produce Market Inquiry Report. Available: https://www.compcom.co.za/wp-content/uploads/2025/01/CC_FPMI-Final-Non-Confidential-Report-2025.pdf

[3] We do not attempt to provide practical solutions to each and every concern as identified by the FPMI but to proffer complementary solutions based only on the issues similarly identified in our research and as they relate to smallholder vegetable farmers.

[4] Interview with F16 on 07 November 2022.

Farming is inherently capital-intensive. Investments are needed in fencing, tractors, boreholes, and other equipment. However, poorly installed systems and a lack of technical expertise often leads to frequent repairs and inefficiencies. In instances where farmers did have access to infrastructure, it was often dilapidated making it difficult to grow produce.[5] As one farmer explained, installing an irrigation system and 300m^2 greenhouse tunnels including labour on a 5-hectare farm can cost between R2.5 to R3 million.[6]

In recent times, climate related risks have also become challenging for smallholder farmers as an increase in hailstorms, strong winds, heavy rains, frost and heatwaves batter farms. Most farmers practice open field farming and complained of instances where they had lost their entire crop due to inclement weather.[7]

Rising costs of inputs like fertilizers and greenhouse plastics, exacerbated by global price fluctuations and import dependencies, further squeeze farmer margins and increase the financial burden on smallholder farmers, particularly women, who often have limited access to credit and financial resources (Chisoro and Moothoo Padayachie Nair, 2023). For example, the price of one bag of soluble calcium ammonium nitrate used for tomatoes under greenhouses is claimed to have increased by 175% from R145 per 25kg in 2020 to R400 per 25kg bag in 2022 while the non-soluble fertiliser used in the open field increased by 123% from R325 per 25kg bag in 2020 to R725 per 25kg bag in 2022.[8] As another farmer explained, the price of plastic for a 300m^2 greenhouse was claimed to be R9,000 in 2020 and increased by 67% to R15,000 in 2022.[9] Sustainable production also demands timely access to high-quality inputs to ensure disease-free crops with extended shelf life. Given that fresh produce markets are highly competitive and farmers are price takers, the cost of inputs is absorbed by the farmer. Therefore, facilitating better access to affordable, high-quality inputs and infrastructure is vital for smallholder farmers to scale up, improve their competitiveness and access higher value markets.

Access to inputs and infrastructure is therefore inherently linked to access to finance. Given that smallholder farmers are generally self-funded, this makes it difficult to make the necessary investments. This once again highlights the need for finance to be accessible to smallholder farmers. The requirements to access finance needs to be urgently reviewed.

[5] Interviews with F01 on 10 August 2022, F02 on 11 August 2022, F03 on 18 August 2022, F05 on 15 September 2022, F06 on 21 September 2022, F07 on 28 September 2022, F08 on 23 September 2022.
[6] Interview with F07 on 28 September 2022.
[7] Interviews with F25 on 22 November 2022, F26 on 22 November 2022.
[8] Interviews with F07 on 28 September 2022.
[9] Interview with F07 on 28 September 2022.

The Inquiry confirmed that fertilizers, seeds and agrochemicals (pesticides and herbicides) are among the most significant costs for smallholder farmers. It noted that fertiliser is imported leaving the market subject to global fluctuations, and that the vegetable seed market was concentrated with two large seed companies, Sakata Seeds and Starke Ayres. The lack of local seed breeding means that South Africa is left to depend on imports of proprietary seeds. The agrochemicals market was also found to be dominated by multinational companies raising the cost of production for farmers. The Inquiry highlighted the reduction in funding from the Land Bank and the stringent requirements of commercial banks which is making it difficult for farmers to access credit to purchase key inputs (Competition Commission, 2025). We discuss the issue of funding under financial constraints.

The Commission made the following recommendations listed below.[10]

Table 1: Key recommendations from the FPMI on access to inputs relevant to this study

Inputs	Recommendation
Fertilizer	The FPMI recommends that DTIC should implement measures to support the local/domestic fertiliser industry where there is domestic capability.
Seeds	Sakata Seeds and Starke Ayres will establish a development programme for small-scale farmers within the next 12 months. The programme will be dedicated to the development of small-scale farmers (at least 60% of these farmers must be HDPs) in South Africa by providing training, resources and technical support.
Seeds	DALRRD should ensure continued funding to the ARC, to maintain the National Gene Bank.
Seeds	DALRRD should develop a single programme which leverages existing structures (such as coops and extension officers) to provide support to small scale farmers in relation to technical advice, marketing, and the benefits of bulk purchasing.

Source: Competition Commission (2025), page 29-31.

The recommendations made by the FPMI on access to inputs do provide a strong foundation for addressing the long-term structural challenges being faced by smallholder farmers in this value

[10] Note that this is not the full list but contains only those relevant for this discussion.

chain. The focus by the Commission on developing the local market for fertiliser and seeds will likely improve affordability of these products for smallholder farmers in the future.

We however note that there may be room for policymakers and private sector stakeholders to make a more immediate impact through short-term interventions to alleviate the affordability pressures on smallholder farmers. We make the following suggestion on short-term interventions:

- Incentivise farmer cooperatives to bulk buy inputs: Incentivising farmer cooperatives to buy bulk inputs, will require governments and/private sector stakeholders buy-in to achieve an enabling environment. For example, preferential pricing could be offered to cooperatives that are committed to buying bulk over a period. Low interest loans could also be offered to cooperatives to make it favourable for cooperatives.

4.2 Improving access to finance

Many farmers rely on personal savings, informal loans, or parallel incomes to fund their operations, which limits their ability to focus on farming full-time (Chisoro and Moothoo Padayachie Nair, 2023). Interviewees indicated that they had received some form of government support which covered land, land preparation, installation of irrigation systems and boreholes. However, they indicated that government support, though present, is often limited in scope, bureaucratically cumbersome, and piecemeal, failing to provide comprehensive solutions for growth.[11]

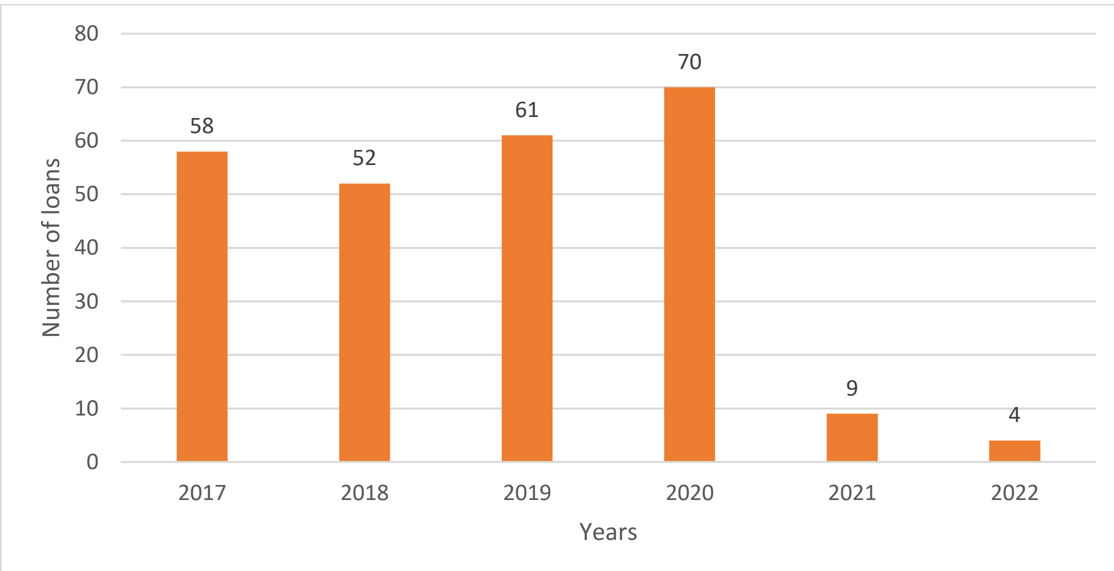
Patient finance -long-term, low-interest funding tailored to the agricultural cycle- is crucial for enabling smallholder farmers to invest in the necessary infrastructure and inputs. In our previous research we noted that access to patient finance would not only allow farmers to expand production but also to engage in value-added activities such as processing. Investments in drying facilities and juice pressing machines can reduce post-harvest losses and create additional revenue streams, especially when weather-related damages affect fresh produce sales (Chisoro and Moothoo Padayachie Nair, 2023). Simplifying application processes and offering technical assistance in navigating funding mechanisms are necessary steps to enhance financial inclusion for smallholder farmers. This form of financing will also be crucial for the advancement of black

[11] Interviews with F01 on 10 August 2022, F04 on 22 August 2022, F07 on 28 September 2022, F09 on 17 October 2022, F10 on 18 October 2022, F16 on 07 November 2022, F18 on 08 November 2022, F22 on 21 November 2022, F24 on 21 November 2022, F25 on 22 November 2022, F31 on 24 November 2022.

women smallholder farmers given the historical legacy of apartheid which has put them at a disadvantage in the market.

The Inquiry confirmed that the Land Bank has reduced its funding to smallholder farmers. As per Figure 4 below, the Land Bank provided 254 loans in total between 2017 and 2022. However, only 13 loans were provided in the last 2 years of this period. This represents a decline of 94% from 2017 to 2022.

Figure 4: Number of loans provided by the land bank to farmers



Source: Adapted from the FPMI Report

This is regrettable and negatively affects farmers. It noted that there were also significant delays in the implementation of a Blended Finance Scheme.

The Blended Finance Scheme (BFS) is a collaborative initiative between the Department of Agriculture, Land Reform and Rural Development (DALRRD) and the Land Bank which was designed to support the commercialisation of black owned enterprises in South Africa. The BFS will contribute to the broader goals of the Agriculture and Agro-processing Master Plan (AAMP) in terms of increased production, job creation and food security.[12] The Agriculture and Agro-processing master plan is a strategic framework which was designed with the intention to support inclusive growth and transformation in South Africa's agricultural sector. The AAMP aims to increase the share of black ownership and contribution of small-scale vegetable producers

[12]See https://landbank.co.za/Products-and-Services/Documents/Blended-Finance/Blended%20Finance%20brochure.pdf

from 1% of total output in 2019 to 20% in 2030; and expanding their area planted from 400 hectares to 11,000 hectares. The BFS was designed to provide loans and grants in order to reduce the cost of funding and de-risk projects to attract other non-grant funding from private financial institutions and Development Finance Institutions (DFIs) for farmers.

The inquiry recognised the importance of having stakeholders work together. In its recommendation the inquiry noted that DALRRD, Land Bank and commercial banks should work jointly to fast-track and accelerate the implementation of the Blended Finance Scheme. The scheme should cater for costs for agricultural projects' feasibility studies, including water licencing and acquisition of land (Competition Commission, 2025).

It is important to note that blended finance would not be new to South Africa (See also Bosiu et al, 2023 and Bosiu et al, 2020). Other instruments have been established previously, such as the Black Industrialist Scheme (BIS), and lessons need to be drawn from their experiences in order to enhance new initiatives. BIS is a co-funding instrument between government (DTIC) and other financial institutions (i.e., commercial banks, DFIs, etc.) and consists of a grant component and a loan component (Bosiu et al, 2020). The grant component is provided by government to de-risk a project, while the loan component is provided by the other financial institutions. Previous CCRED work assessed the design and performance of this scheme, and a key issue raised is in relation to accessibility.

Access to the loan component from the co-funders (which have mainly been DFIs) remains challenging because of the stringent requirements in relation to collateral, security of markets (i.e., offtake agreements), own contribution, etc. (Bosiu et al, 2020; Bosiu et al, 2023). These requirements remain regardless of whether an instrument is a blended finance or an ordinary loan. That is, to qualify, applicants are assessed based on the same criteria and requirements regardless. Therefore, proposal of new blended finance instruments without critical engagement with the requirements of the envisaged co-funders (and underlying factors that make it difficult for SMEs (especially those owned by women) to meet them) is likely to lead to the same poor outcomes. There are other important issues highlighted by Bosiu et al (2020) that are worth considering, for example, lack of coordination between the co-funders can limit access to blended finance.

Hence, in addition to blended finance, we make the following suggestions on short-term interventions:

- **Develop tailored financial products:** Design financial products specifically tailored to the needs of smallholder vegetable farmers, including flexible repayment schedules and collateral requirements.
- **Streamline application processes:** Streamline the often-cumbersome application process and make it easy for farmers to apply for funding.
- **Promote financial literacy:** Provide training and support to improve financial literacy among farmers, enabling them to effectively manage their finances and access available financial services.

4.3 Improving access to supermarkets (retail markets)

Smallholder farmers have several distribution channels at their disposal. However, they tend to rely on low value markets for the sale of their produce. These markets are unreliable, offering erratic prices. In addition, there is no guarantee of a sale. Given the challenges encountered in these markets, smallholder farmers prefer to supply local supermarket chains and national supermarket chains (if they can). From our interviews, most smallholder farmers supplied SPAR and Boxer Stores.[13] Every supermarket is different in terms of their procurement processes. For example, Spar operates family stores, which are independently run, which allows each store to procure from local farmers in the area. For other supermarkets, their standards and requirements differ and could require that all produce go through a centralised distribution centre, as well as that the quality, infrastructure and soil of the farmer be monitored and tested.[14]

Supermarkets provide consistent and reliable demand[15] but impose stringent quality standards and certification requirements, such as Global GAP and HACCP, which many smallholders struggle to meet due to financial constraints (Moothoo Padayachie Nair, 2023). For context, Global Gap is estimated to cost R70 000 and takes approximately 6 months to acquire.[16] Apart from the cost of Global Gap, these certifications can also be very time consuming and require structures to be put in place for accurate record keeping ensuring compliance. National supermarkets also have large volume requirements that smallholder farmers are unable to meet (Moothoo Padayachie Nair, 2024).

[13] Interviews with F04 on 22 August 2022, F10 on 18 October 2022, F22 on 21 November 2022, F25 on 22 November 2022, F26 on 22 November 2022, F27 on 23 November 2022, F32 on 25 November 2022.
[14] Interview with major retailer - F10102023
[15] Interviews with F17 on 08 November 2022, F22 on 21 November 2022, F25 on 22 November 2022, F26 on 22 November 2022, F27 on 23 November 2022, F32 on 25 November 2022.
[16] Interviews with F17 on 08 November 2022, F27 on 23 November 2022, F32 on 25 November 2022.

For farmers to supply these supermarkets they need to ensure that they can provide consistent and reliable supply. This is not always possible given the lack of infrastructure to protect crops and inputs to produce quality vegetables. If farmers are unable to supply supermarkets according to their requirements they are eventually phased out.[17] As explained by one retailer, customers are volatile, and it is therefore in the farmers interest to ensure that shelves are full so that it makes commercial sense for the supermarket to continue to procure from the smallholder farmer.[18]

It is because of the inconsistency of supply that most retailers remain reluctant to sign contracts with smallholder farmers. As one retailer put it, "the game is one of balancing supplier relationships with the need to meet customers' expectations".[19] Further that "We are careful to never give the fish, but to give the fishing rod." The interviewee further explained that if the business is too forgiving of new suppliers' delivery failures, they "will shoot themselves in the foot".[20] The interviewee provided the example of the floods in the Western Cape. He explained, that as much as the farmer cannot do anything about the supermarket store burning down, the supermarket cannot do much about flooded farms. While the supermarket and the farmer can sympathise with each other, the supermarket still needs product to operate. If the supplier experiences a flood every year, a hard call may need to be made regarding the future of the farmer as a supplier.

Apart from this the retailer also provided insight into how smallholder farmers can help become suppliers in the long term and it starts with the farm. As the retailer pointed out there are three types of farmers they have come across. The one is the farmer who is in denial about the problems on their farm. The second is the farmer who only mitigates risk and the third is the farmer who engages in long-term thinking and planning. The third type of farmer is the preferred type for retailers as these farmers are often fully transparent with retailers.[21] Smallholder farmers will not turn down a market opportunity and will over commit themselves in terms of the volumes that they commit to deliver. Failure to deliver erodes trust with the retailer.

Accessing supermarkets as a route to market is difficult at the best of times for smaller farmers, whether male or female. However, as has been the experience of the women farmers interviewed, their responsibilities as women places additional challenges on them in accessing

[17] Interview with retailer- F07102023.
[18] Interview with retailer F10102023.
[19] Interview with retailer F09102023.
[20] Interview with retailer F10102023
[21] Interview with retailer F10102023

markets as their time is shared across a number of tasks unrelated to their business such as household chores and childcare responsibilities. Women smallholder farmers have to make difficult decisions that impact their family and career life.

The struggle of women farmers was recognised by the major retailer interviewed who acknowledged that black women are the most disadvantaged of all the subgroups. The interviewee suggested that to fix this problem is challenging and would require significant expertise, policy, and important cultural changes to take place. They had witnessed in their career, men dispossessing women of their land simply because they earned more in the household. In response to the many challenges women face, the interviewee suggested that preferencing of women should be encouraged in business as far as possible but was mindful that change may take generations as women continue to be caught up in a social and cultural cycle that continues to disadvantage them in accessing resources.[22]

Supplier Development Programs (SDPs) initiated by supermarkets aim to integrate smallholder farmers into their supply chains by providing support in areas like packaging, certification, and infrastructure development. For one of our interviewees, she was able to join the Spar SDP and spoke of the greater stability that this would provide to her business not only in terms of a guaranteed offtake but also in terms of price. This programme allowed this farmer to embark on a clear commercial path and along with it, Spar also provided her with the design and packaging of her produce, a packhouse facility and assistance with attaining the Global GAP certification.

However, these programs are often limited in scale and treated as corporate social responsibility initiatives rather than strategic business investments (Moothoo Padayachie Nair, 2024).

Aligning SDPs with core business strategies and expanding their scope could significantly enhance smallholder farmers' access to high-return markets. Additionally, addressing the power dynamics within supermarket supply chains is essential to ensure fair trading practices and equitable profit distribution (Moothoo Padayachie Nair, 2024). The current, concentrated nature of South Africa’s retail sector means that supermarket chains exercise significant buyer power and control of the country’s food value chains.

The Commission’s inquiry found that the national retail market remains concentrated with the top 4 retailers, Woolworths, SPAR, Pick n’ Pay and Checkers, maintaining a significant share of the market.

[22] Interview with retailer F10102023.

Table 2: Market shares of major retailers as of 2022

Retailer	Market share
Shoprite	39%-49%
Woolworths	15%-25%
Pick n' Pay	8%-18%
Spar	12%-22%
Food Lovers Market	1%-11%

Source: extracted from the FPMI report, page 183.

This is despite the Grocery Retail Market Inquiry (GRMI) and the settlements emanating from the inquiry. The FPMI also confirmed that retailers prefer to purchase directly from farmers through contractual agreements and rarely purchase from NFPMs. This allows the retailer to maintain control over the quality, food safety requirements, volumes and price. This leaves smallholder farmers who cannot meet these requirements unable to access supermarkets. In relation to SMEs and HDPs, the Inquiry concluded that high quality standards and concentration of retailers impacted the ability of farmers to access markets. The quality standards related directly to the requirement for Global Gap. The inquiry concluded that Global Gap raised and enforced barriers to entry for SMEs and HDP farmers. The Commission did identify SDPs as a means to assist farmers further however it received push back from retailers who were concerned about the imposition of any recommendation on SDPs given the commercial implication (Competition Commission, 2025).

The Commission nonetheless made recommendations regarding SDPs. The recommendation states that large retailers (namely, Woolworths, Shoprite Checkers, SPAR, Pick n Pay and Food Lover's Market) must use their best endeavours to maintain and expand these programmes, in accordance with existing obligations.

In practice it is unlikely that much will change in relation to the position of retailers to SDPs. Their resistance can be linked to broader political economy debates where retailers leverage their considerable market power to maintain strict quality and safety standards and thus control over the supply chain. Perhaps the issue here is that supermarkets also need to reconcile their commercial goals with transformation goals to truly empower small scale and historically disadvantaged smallholder farmers (das Nair and Landani, 2020). However, relying on supermarkets to undertake these initiatives may also be insufficient. There is a need for broader industrial policy tools to be used by government such as incentives and licensing to compel more inclusive sourcing of produce.

Retailers could consider other routes to assisting farmers such as:

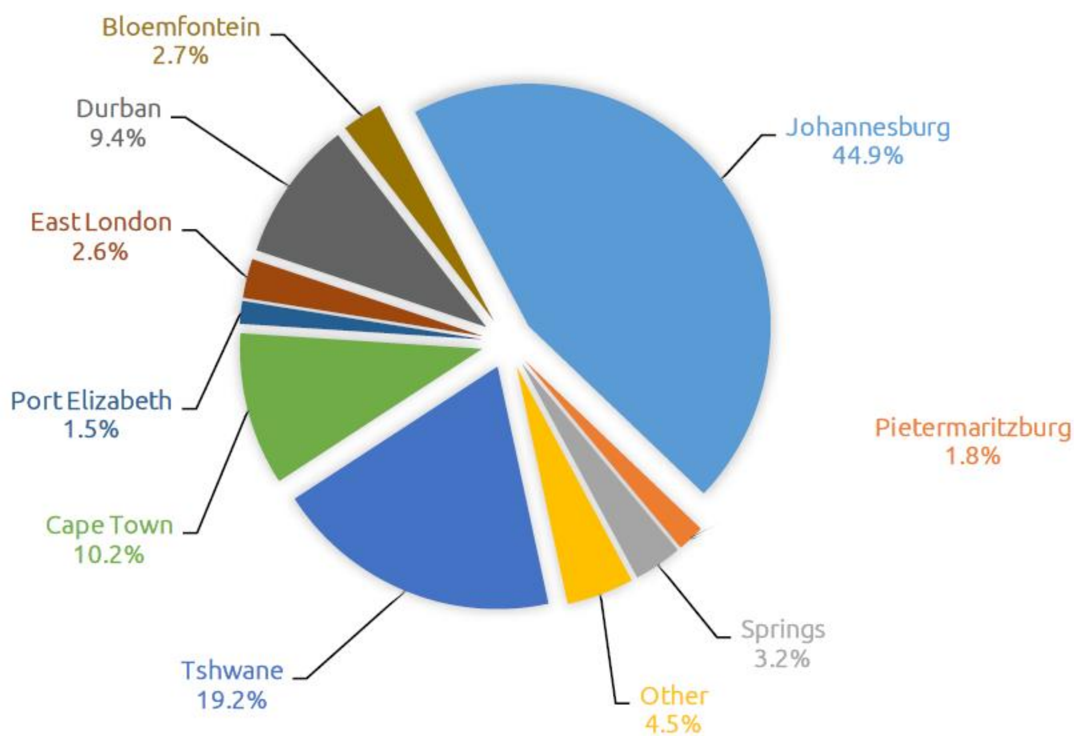
- **Provide funding for inputs:** Retailers could consider helping farmers access land, seed and a growing contract to improve a farm's financial sustainability and enable scaling.
- **SDPs need to be aligned with the core business strategy:** SDPs should be viewed as strategic investments and not simply as a corporate social responsibility initiative. This could be achieved by imposing fair and standardised terms on farmers forming part of these programmes, to maintain a balance between farmers needs and the pragmatic constraints faced by supermarkets.

For smallholder farmers, there remains an urgent need to educate them on the buyer power provisions contained in the Competition Act.

4.4 Making National Fresh Produce Markets work for smallholder farmers

National Fresh Produce Markets (NFPMs) were established to provide accessible trading platforms for farmers, particularly smallholder farmers.

Figure 5: Market share of the major fresh produce markets according to 2021 turnover



Source: Extracted from Chisoro and Moothoo Padayachie (2023)

There are at least 21 NFPMs in South Africa comprising large, medium, and smaller sized markets. The four largest markets are in Johannesburg, Tshwane, Cape Town, and Durban. The medium sized markets comprise Mangaung, Springs, East London, Pietermaritzburg, and Port Elizabeth. The smaller markets include Kimberley (Sol Plaatjie), Matlosana, George, Mpumalanga, Mthatha (Kei), Nelspruit, Vereeniging, eMalahleni, Mooketsi, Polokwane, Vanderbijlpark and Matjhabeng (CCSA, 2023). To sell at the NFPM a farmer must use a market agent and a commission rate must be agreed between the two. FPMs operate on a commission basis. This commission rate varies depending on the product to be sold and can range between 5% and 10%. To operate as a market agent, you must have a license from Agricultural Produce Agents Council (APAC). In addition, market agents must have completed their training courses which includes writing a test and having an escrow account.[23]

The requirements for famers to supply FPMs include market management and agent fees, health and food safety requirements, and sorting, grading. packing and labelling of fresh produce to ensure traceability (Louw and Jordaan, 2016). Although smallholder farmers wash and package their produce, they do not have the infrastructure to sort and grade their fresh produce, which is important to realise higher prices.

To ensure quality standards are upheld, the fresh produce markets have inspectors on the floor. These inspectors act as intermediaries to ensure that farmers do not supply produce that does not meet the minimum quality standards. Produce that is deemed unfit for human consumption is then written off. In such an event a report is produced and can be accessed by the farmer. If a farmer is not paid in full for the produce they delivered and there is no report to explain the variance, the farmer can then submit a claim against the agency.[24]

Not all farmers have been able to use these markets to their advantage due to a range of factors discussed below. These challenges exacerbate the well-known concerns for farmers including lack of transport, storage, poor roads, lack of extension services etc. (Simelane, 2015). Our research found that these markets have increasingly failed to serve the interests of smallholder farmers due to issues of inconsistent pricing, high commission fees, and potential biases in market agent relationships (Moothoo Padayachie Nair, 2024). Prices at NFPMs often drop to unsustainable levels due to market saturation, making it difficult for smallholder farmers to cover rising input costs and maintain profitability (Chisoro and Moothoo Padayachie Nair, 2023).

Smallholder farmers interviewed therefore used NFPMs as a market of last resort, only selling their produce to the NFPMs after exhausting all other market options. This is due to the

[23] Interview with market agent – F111020
[24] Interview with market agent – F11102023.

unpredictable nature of NFPMs, where prices can fluctuate significantly based on supply and demand (Chisoro and Moothoo Padayachie Nair, 2023). For example, farmers highlighted that the prices of spinach can drop by 80 to 85% from as high as R15 - R20 a bunch to as low as R2.50 - R3.00 per bunch.[25] Additionally, smallholder farmers often lack the bargaining power to negotiate favourable commission rates with market agents, which further reduced their profits earned. Smallholder farmers also expressed that agents sometimes do not sell all their produce. Many smallholder farming businesses claimed they are making losses while others are barely breaking even despite being in the business for over two to three years.[26] When supply is greater than demand this creates a risk to farmers that their produce will become waste. This means that there is a high probability that quality produce can sit on the market floor with no movement for several days – which is a major loss to the farmer. Where this produce could have sold for R12 a bunch for instance it could instead sell for R1 by the time it is sold. The volatility in prices and uncertainty of sales is the nature of NFPMs. It is for these reasons that farmers prefer to sell their produce to distribution centres and retailers which can provide consistency and better prices.[27]

While most of the experiences of our interviewees have not been as positive, some of our interviewees have been able to leverage national fresh produce markets to their advantage. However, the experiences of these farmers are markedly different and influenced by the fact that they were able to scale their businesses which has enabled them to split their trade. These farmers are medium sized enterprises supplying both supermarkets and national fresh produce markets. We found that for smallholder farmers that were successful at the NFPMs, these farmers had very good relationships with the market agents. As explained by one farmer, having a sound relationship with market agents has meant that the farmer has been able to achieve a reliable and consistent market at the fresh produce markets. The farmer and the market agents meet weekly to discuss statistics, what is needed at the market, and how the business is fairing. The farmers credit this relationship for why he can supply the Joburg, Tshwane and Springs Fresh Produce Markets.[28] The need for farmers to establish bespoke relationships with market agents raised concerns about the neutrality and fairness of the market dynamics at NFPMs. The reliance by some smallholder farmers on these personal relationships, introduces an element of

[25] Interviews with F02 on 11 August 2022, F07 on 28 September 2022, F10 on 18 October 2022, F13 on 25 August 2022, F16 on 07 November 2022.
[26] Interviews with F01 on 10 August 2022, F04 on 22 August 2022, F07 on 28 September 2022, F09 on 17 October 2022, F10 on 18 October 2022, F16 on 07 November 2022, F18 on 08 November 2022, F22 on 21 November 2022, F24 on 21 November 2022, F25 on 22 November 2022, F31 on 24 November 2022.
[27] Interview with farmer F02082023.
[28] Interview with farmer F03092023.

subjectivity in NFPMs. This potentially creates biases against other smallholder farmers entering the NFPMs who are not necessarily known by market agents. Apart from personal preferences, there could potentially be issues of racial and gender biases which are going unseen.

On the other hand, large farmers tend to bypass NFPMs and sell directly to retailers. This means that smallholder farmers may find it even more difficult to access supermarkets, while still unable to profitably access NFPMs. It also points to the limitation and potential issues that need to be addressed at NFPMs. NFPMs were intended to be an accessible route to market for producers however there continues to be inherent characteristics and practices that dissuade farmers from leveraging this channel. It is clear from our research that NFPMs are not serving smallholder farmers as they should be.

In order to make NFPMs more accessible and profitable for smallholder farmers, we recognised that these pricing issues needed to be addressed, and transparency and fairness in agent-farmer relationships must be improved. Policies that promote equitable access and support mechanisms, such as coordinated planting schedules to avoid market gluts, could also enhance smallholder farmer participation. Additionally, leveraging regional export opportunities through initiatives like the African Continental Free Trade Area Agreement (AfCFTA) can provide alternative high-value export regional markets for smallholder farmers, reducing reliance on local markets with their inherent challenges (Chisoro and Moothoo Padayachie Nair, 2023).

The inquiry found that participation of SMEs and HDPs at NFPMs has been minimal and has not materially increased over the last few decades. It also investigated the role of market agents and the commission rates charged. The inquiry identified a number of practices by market agents which it considered to be problematic. This included (i) agents utilising their own buying cards, (ii) agent credit extension to both buyers and farmers, (iii) reserve buying and after trading hours/late sales or trading. The Commission also sought to look into the allegations of farmers regarding commission rates. The Commission found that market agents took into account a number of factors in the determination of the commission rate. This included exclusivity of supply, volumes, consistency of supply and quality of produce. This is a negotiated fee and the Commission acknowledged that it ranged between 5 and 7.5%. The Commission found that SMEs and/or HDP farmers often faced higher commission fees due to lower volumes. These higher commission rates were charged by agents to compensate for the reduced revenue due to lower volumes. Given that these farmers were inherently likely to sell low volumes and have little to no bargaining power, the Commission sought to address this in their recommendations (Competition Commission, 2025).

Table 3: Recommendations regarding NFPMs

Access to NFPMs	Recommendation
Increase annual sales of small scale and HDP farmers	DALRRD should introduce measures to increase annual sales of small-scale and HDP farmers through NFPMs. To this end, DALRRD should undertake a review of the legal framework in which NFPMs currently operate. Such review should consider the relevance, coherence and effectiveness of existing legislation in regulating the core activities of NFPMs, and possible changes that could be affected to improve the existing legal framework.
Commission rates	DALRRD should, within three years, alternatively as part of the current legislative amendments to the APA Act, submit to Parliament amendments to the APA Act to regulate the maximum commission fee which may be charged by market agents (i.e. place an effective cap on commission fees). Such commission cap should not lead to increases in the current commission fees and should provide for discounts. In addition, the costs associated with transport, palletising and packaging, should be negotiated or set outside of the commission fee structure, in line with the Rules in Respect of Fresh Produce Agents in its current format.

Source: Competition Commission FPMI Report (2025)

While the Commission's recommendations call for a comprehensive review of the legal framework governing NFPMs, they do not address the systemic issues affecting women smallholder farmers. As a result, women smallholder farmers may continue to be marginalised when accessing markets.

Overall, these recommendations largely align with our findings of NFPMs and will bring about a structural change to tackle systemic barriers, enhancing market transparency and fairness in the long term. It is our opinion that these recommendations could better align market practices with the needs of smallholder farmers and ensure that NFPMs work to the benefit of these farmers. It is likely that there may be issues which arise regarding the practical implementation of the Commission's recommendations. This may come from market agents resisting these changes given the impact on earnings and the disruption to their traditional business operations. Strong monitoring and evaluation mechanisms would need to be put in place to monitor the implementation of such recommendations.

5. Conclusion: breaking barriers and building opportunities for smallholder farmers

The findings of our study have been reinforced by the FPMI and underscore the urgent need to address the structural barriers preventing smallholder farmers from accessing higher value markets. This is important as smallholder farmers play a crucial role in ensuring food security in the country.

Smallholder farmers continue to be marginalised within the fresh produce value chain which is due to several factors which include market concentration, financial constraints and infrastructure challenges. Our study has shown that without targeted intervention smallholder farmers will continue to operate at a disadvantage unable to scale their businesses and enter higher value markets.

A critical insight from this study has been that access to markets is not just about entry, but it is about the sustainability and competitiveness of this entry. While informal markets are able to provide smallholder farmers with an immediate outlet for their produce, these markets are subject to price volatility, are unreliable, and generally do not provide growth opportunities. Farmers interviewed indicated that supermarkets were the preferred market for their produce. However, supermarkets also have stringent requirements, in the form of food safety certifications, volume expectations and certain key logistical requirements. The failure of SDPs to fully enable smallholder farmer development also further exacerbates the challenges faced. Addressing these issues will require a recalibration of procurement policies, and stronger alignment between SDPs and the long-term strategies of the supermarket.

Secondly, NFPMs which were established to aid the growth of smallholder farmers giving them a consistent outlet for supply, are failing to provide a reliable and transparent trading environment. The dominance of market agents and the high commission rates being charged have led to NFPMs becoming a market of last resort for many smallholder farmers. Policy interventions targeted at improving transparency, capping commission rates and governance at the markets, will be crucial for making this a viable route to market for smallholder farmers.

Ultimately the challenges associated with access to markets cannot be viewed in a silo. Access to markets is also affected by access to finance, inputs and infrastructure and a lack of adequate institutional/government support mechanisms. The FPMI proposed a number of key recommendations to correct for some of these market failures. However, as our study has shown, most of these recommendations are long term structural solutions.

The findings of the FPMI also highlight the importance of continued monitoring of and refinement of programmes designed to support smallholder farmers i.e. the BFS.

To support the findings of the FPMI we propose that there is also a need for many short-term interventions to bridge the gap between policy interventions and the reality farmers are facing on the ground. There has to be stronger public-private partnerships, regulatory oversight, and farmer led cooperative initiatives. If implemented it is our view that these interventions will help to level the playing field, enhance smallholder productivity and ensure equitable distribution of value within the vegetable value chain.

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7. Appendix

A1: Overview of interviews conducted

This study was conducted using a combination of primary and secondary data. Primary data was gathered through semi-structured interviews with smallholder vegetable farmers across Gauteng and Limpopo. The study also made use of secondary sources of data and information. Secondary quantitative data on key economic indicators including on production and national average prices from the Department of Agriculture, Land Reform and Rural Development (DALRRD) was used to provide an overview on industry performance and changes. Complementing secondary data, the study conducted interviews to gather qualitative information on several factors affecting participation of SMEs in the value chain. These included investments in infrastructure, production, markets, and industry support structures. Interviews were largely focused on the smallholder vegetable farmers and how they interact with different industry stakeholders (buyers and government). The paper also builds on insights from parallel papers developed as part of the Oxfam project by CCRED. These include two reports on barriers to entry, and women economic empowerment providing important context to analyse issues of inclusion and participation in the vegetables value chain.

A combination of initial key informant primary interviews and desktop review was used to map key players and activities in the value chain. This informed the purposive sampling of firms for interviews. The focus of the project is on small and medium-sized farming businesses. To understand dynamics across the whole value chain from inputs to markets, we interviewed representatives at different levels along the value chain. These included input suppliers, vegetable farmers, supermarkets, fresh produce market agents, researchers, industry bodies and government departments in agriculture.

Interview guides were developed and covered the following themes:

- Access to land, on-farm investments, and production activities
- Markets and competition
- Role of industry networks/associations
- Support from government and other institutions
- Challenges faced by farmers and industry as a whole

It is important to note that most of the interviews were with black farmers which provided information on entry, inclusion and growth into vegetable farming and access into key markets. The classification based on race is important in the context of South Africa where entry barriers and ownership are largely based on race (Chisoro and Moothoo Padayachie, 2023).

Interviews were conducted through physical face-to-face interviews and online/telephonic interviews. Face-to-face interviews were effective in terms of connecting with the interviewees and provided more space and time to probe issues further. However, putting together a database of small and medium-sized vegetable growers was difficult because although they are registered businesses, they do not have business websites. Furthermore, the industry does not have organised industry structures that collect and publish industry data. Researchers relied on farmers to provide contact details of neighbour farmers that they know or requested for contact details from informal networks of farmers. This was a key challenge particularly for black growers in the rural parts of the country in Limpopo (Chisoro and Moothoo Padayachie, 2023).

Another major challenge encountered involved securing interviews with major retailers. While every effort was made to contact the 5 major retailers, researchers only managed to secure an interview with one. The other major retailers declined the invitation or did not respond. The remaining 3 retailers interviewed comprised smaller retail chains and/or independent supermarkets.

The table below provides an overview of all the interviews conducted over the last two years.

Table 4: Overview of key issues identified by farmers

Interview code	Gender if farmer	Location	Owns Land (✓)/ leasing/ no land (x)	Access to inputs (seeds, infrastructure, equipment etc)	Access to supermarkets	Access to NFPMS	Access to finance	Access to government support
1. F01	F	Gauteng	✓	✓	✓	✓	✓	✓
2. F02	M	Limpopo	Leasing	✓	X	✓	No info	No info
3. F03	F	Gauteng	Leasing	X	X	X	X	X
4. F04	F	Gauteng	Leasing	X	✓	✓	X	X
5. F05	F	Eastern Cape	Leasing	X	✓	✓	X	✓
6. F06	F	Gauteng	✓	✓	X	X	✓	X
7. F07	F	Gauteng	✓	✓	X	✓	X	X
8. F08	F	Gauteng	x	✓	X	X	X	X
9. F09	F	Gauteng	Leasing	✓	X	✓	X	X
10. F10	F	Gauteng	✓	✓	X	✓	X	X
11. F11	F	Gauteng	Leasing	X	✓	✓	✓	X
12. F15	F	Gauteng	✓	✓	N/A	N/A	✓	✓
13. F16	F	Gauteng	✓	✓	X	✓	X	X
14. F17	F	Gauteng	✓	✓	X	✓	X	X
15. F18	F	Gauteng	✓	X	✓	X	X	X
16. F19	M	Gauteng	Leasing	✓	X	X	X	X
17. F20	M	Gauteng	Leasing	X	X	X	X	X
18. F21	F	Gauteng	Leasing	✓	✓	X	✓	X
19. F22	F	Limpopo	✓	✓	✓	X	No info	X
20. F23	F	Limpopo	✓	X	X	X	X	X
21. F24	F	Limpopo	✓	X	X	X	X	X
22. F25	F	Limpopo	✓	✓	✓	X	X	X
23. F26	M	Limpopo	✓	✓	✓	X	✓	✓
24. F27	F	Limpopo	✓	✓	✓	✓	No info	✓
25. F28	M	Limpopo	✓	X	X	X	X	X
26. F29	F	Limpopo	✓	✓	X	X	X	X
27. F30	F	Limpopo	✓	✓	✓	✓	✓	✓
28. F31	F	Limpopo	✓	X	X	X	X	X
29. F32	F	Limpopo	Leasing	✓	✓	✓	X	X
30. F01082023	F	Gauteng			Y			

31. F02082023	F	Gauteng			Y			
32. F03092023	M	Gauteng	✓		N/A	✓		
33. F04092023	F	Gauteng			Y			
34. F05092023	F	Gauteng			N			
35. F06102023	F	Gauteng			N			

Briefly, the production of vegetables is characterised by widespread entry and participation of dispersed and fragmented smallholder farmers especially women. Access to land is critical for entry into vegetable farming. While smallholder farmers in our sample have managed to access land through different means including private purchases, leasing from landowners, community property associations, municipalities, and government; access to land remains a key structural barrier to entry for smallholder farmers in general. Often, smallholder farmers do not have personal savings or access to finance to purchase land and the bureaucratic processes of acquiring land through the land reform programme deters SMEs from pursuing this route. Farming is a capital and resource intensive business. The ability to increase production and to supply consistently throughout the year requires investments in intensive farming practices. This entails investments in fencing, farming tools, tractors, boreholes and pumps, irrigation systems, shade nets, and greenhouse tunnels. These challenges are more acute for women who face cultural barriers to accessing and owning land. Furthermore, without title deeds, women cannot access funding from financial institutions and government.

Routes to market differ for farmers and are based on the size and capabilities of the farmer. Farmers can access at least one route to market or combination of local markets to reach customers, if not directly. One such route is supermarkets. Supermarkets can procure directly from farmers through formal/informal supply contracts (or through SDPs). The ability to access supermarkets varied amongst interviewees as well as their ability to secure a formal agreement. All the farmers expressed concerns with accessing supermarkets noting the stringent food safety requirements, packaging requirements and the need for large and consistent volumes. It is interesting to note that the medium sized farmers have had two different experiences with supermarkets, with one focusing on building a relationship with the supermarkets and NFPMs, and the other choosing to divert 100% of their supply away from supermarkets towards the NFPMs. They can also procure from fresh produce markets and/or directly from their distribution centres.