

BIO-FRIENDLY CROP PRODUCTION SUPPORTS FOOD SECURITY

September 2012: The African Green Revolution, aimed at agricultural development solutions and steering investment to build a sustainable and secure food future in Southern Africa, is gaining momentum and is crucial to the future of farming in Southern Africa.

This is according to Habe Roode, CEO Hygrotech Properties Pty (Ltd) a leader in developing and distributing vegetable seeds and eco-friendly chemicals, who says that these and new initiatives are driving growth and supporting sustainable agriculture.

“Bio-friendly crop production is a key driver of the African Green Revolution, and involves an integrated approach between using harmless ‘green’ chemicals and organic products supported by an investment mandate.”

Roode explains that sustainable solutions to food security are two-fold: “Hygrotech’s Hybrid Growing Technologies involves sourcing and distributing naturally bred hybrid seed to supply growers with the best genetic material available. Parent lines of specific varieties are hand pollinated in a controlled environment, such as a green house to create F1 hybrid seed.”

He says that, these F1 hybrid seeds have a wide range of inbred disease resistances and have the potential for high yields. “Because of their disease resistances they also need a lot less harmful pesticides to obtain the highest yields possible.”

Secondly, he says that the production and use of biological friendly organic and soft chemical products does not harm the environment. “With one of the largest technical teams in the industry, we have an integrated approach between developing chemical and organic products. We do not produce or sell any chemical product that falls under the yellow (Toxic) or red (very toxic) registration categories.”

Roode says that by supplying bio-friendly products that offer improved yield capabilities, Hygrotech ensures that farmers are able to produce crops with affordable input costs.

“Food security is a direct result of looking after your soil. We have a range of carbon and micro element formulations, containing soil ameliorants that improve soil while fertilising it. This ensures that the quality of the soil is not tarnished as a result of over farming and chemical contamination.”

From an environmental perspective, the use and application of sustainable solutions and products is vital to ensuring that sustainability in agriculture and food security is effective. “By improving the soil instead of depleting it we ensure that the generations to come will still be able to farm land that would otherwise be barren.”

Rudi van Niekerk, Investment Advisor at Agri--Vie, the Sub-Saharan private equity fund investing in food and agribusiness, and a principal shareholder in Hygrotech, says that Hygrotech's success is in line with Agri-Vie's expectations of growth in this sector. The collaboration between industry experts allows for a business to develop in its own sustainable manner. "One of our key mandates is to combine agribusiness investments that have strong growth potential, whilst also making a positive impact on the local communities and the environment in which they operate.

"Hygrotech has a sustainable solutions strategy and with opportunities to grow quickly, Agri-Vie was in a position to provide them with equity funding and support. With strict mandates in place, corporate governance allows the company to meet its environmental, social and governance (ESG) objectives and gives it more structure to be more sustainable. It also ensures that the agricultural sector grows economically," says van Niekerk.

Roode says that bio-friendly crop production is being well received and is the future of agriculture. "We provide approximately 4,500 commercial farmers in South Africa and a growing market in Southern Africa. Sustainable agri-business is not just about providing seeds and chemicals, but is about offering farmers the complete package with whatever they require to farm successfully with sustainable solutions.

"Plans are afoot to establish a new plant for manufacturing of an organic fertilizer range, while a new venture whereby new soya seed cultivars will be tested and propagated for distribution in SA is underway."

Hygrotech is also involved in a number of social initiatives that supplies emerging and historically disadvantaged growers with free seed and technical training until they are able to supply successfully into the food chain.

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About Agri-Vie

Agri-Vie is a private equity investment fund focused on agribusiness in Sub-Saharan Africa with a mission to generate an above average investment return, as well as demonstrable socio-economic development impacts through its equity investments. The fund was initiated by SP-aktif and Sanlam Private Equity with the cooperation of South African and international investors as well as the Makotulo BEE Consortium. The fund's vision is to be a catalyst for sustainable growth through investing in one of the foundation sectors of Africa's economies. Agri-Vie seeks to realise this vision through deploying development capital and management know-how according to sound investment and business principles. Agri-Vie Investment Advisors is a financial services provider authorized by the Financial Services Board, Registration number 33826. Visit www.agrivie.com for more information.