



One of the main pressures for agricultural businesses is the effect of seasonality on cash flow. Al Dahra has found an ingenious solution to the problem and has embarked on an exciting, ambitious venture in Namibia.



Al Dahra Agricultural Company is a leading company specializing in agriculture and animal feed production. The business is headquartered in Abu Dhabi and has grown significantly since it was launched in 1995.

The company in Namibia cultivates dates and grapes, and in 2009 felt that there was an opportunity in Namibia, as Abdulkadir Saleh, CEO of Al Dahra Namibia, describes:

"We started off by approaching the Namibian Government in 2009 and were able to obtain 200 hectares of land in the southern region and we established a joint venture partnership with Namibia Development Corporation called Al Dahra and NDC Date Palm & Grape Development Project

"Al Dahra Agricultural Company-Namibia does all of the farming and management of the land. We started preparations in 2010 and are now cultivating 180 hectares of dates and 20 hectares of grapes around the Naute Dam, with the most genetically modified date varieties such as Madjool, Barhee, Khalas, Khenze, Maktoomi, Fard White, Sultana and Abu moon. We additionally grow three varieties of table grapes."

So, having established a worldwide network of agricultural opportunities from its base in Abu Dhabi, the obvious question to ask was why select Namibia as a new location?

"Namibia has a good climate for dates and grapes and at the moment there are a few number of Date farms here ," says Saleh.

"However the main reason is that the rest of the world has a different off-season that occurs during July and August – in Namibia the off season is during March and April. By establishing operations in Namibia, with our existing harvest in Abu Dhabi, we now have two harvest seasons a year," he continues.

Whilst Al Dahra's Namibian headquarters are located in Windhoek, the farming operations take place roughly 55 kilometres south west of Keetmanshoop City, in the Karas region of the country.

Operations are still in their relative infancy, with Saleh confirming that the best produce takes a few years to nurture:

"We use tissue culture and it takes about 3 to 4 years to improve the production of the date and in the tenth year it should be at its full optimum level. Grapes take a 5 year period of time to reach their best.

"At the moment our customer is our branch in Abu Dhabi - everything gets shipped to there, where it is marketed. We sell all of our Namibian produce to head office but in the future, we hope to establish our own marketing department right here.

"Head office in return helps us to improve our crops and we receive visits 5 or 6 times a year from experts who provide advice and recommendations on irrigation matters and applying the right amounts of fertilizer - it is a very scientific process," he continues.

The fertilizers are supplied by Agra Limited and Kaap Agri (Namibia) (Pty) Ltd and the company uses a variety of techniques to ensure the maximum crop yield by applying the right volumes of fertilizer across each field.

At present Al Dahra is in negotiations with the Namibian Government about extending the amount of land under lease by a further 200 hectares, located in the Orange River region, where Saleh hopes to grow more table grapes.

The provision of land helps the Namibian economy as it leads to the training and employment of local people and it is hoped there are further job creation opportunities just around the corner:

"We provide funding and to date we have invested in the region of US \$7 million and have a lease for the next 50 years. We currently employ about 140 staff and that figure will rise to almost 500 at harvest time. When we are at full capacity in the next 2 to 3 years, we hope that we will employ around 900 people at peak season," confirms Saleh.

"We use a combination of traditional and technological processes on the farms and when we have the periodic visits from head office, these individuals provide training for our workers."

The next phase of investment and development at the site will see a further US \$6-8 million spent on a new pack house and other buildings, which Saleh says will make the Namibian enterprise more autonomous:

"The pack house design phase is already under way and the building itself will be operational in 2014. It will make us 100 per cent more efficient and no farm can be fully efficient without its own pack house, where we will be able to carry out hygiene operations, labelling and packing.

"At the moment we are utilizing the pack house of our partner, Namibia Development Corporation .

Once the fruits have been packed, Al Dahra uses a couple of logistics companies, including TradeLog Cargo (Pty) Ltd and Earth Logistics to transport the produce to Johannesburg, from where the dates and grapes are flown via Etihad Airways, to Abu Dhabi, arriving fresh within 48 hours of being picked.

With talks well underway to increase the land volume and the new pack house project also in progress, Saleh is now just waiting for the date and grape crops to reach their optimum levels.

"We are negating the impact of seasonality by growing one crop in the northern and one in the southern hemisphere," he states. "Ramadan comes before the northern hemisphere harvest, meaning our crops here in Namibia will be harvested in time.

"Our future is an exciting one and we want to continue to expand; by the year 2020, we want to farm 600-800 hectares in Namibia and we are already holding talks with the Government and private owners to help make that happen."



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