



*“Investing in Africa’s future”*

**COLLEGE OF HEALTH AGRICULTURE AND NATURAL SCIENCES**

**NAEC502: AGRIBUSINESS STRATEGY AND POLICY**

**END OF FIRST SEMESTER FINAL EXAMINATIONS**

**NOVEMBER 2023**

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**DURATION: 3 HRS**

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**INSTRUCTIONS**

Answer all questions in Section A  
Answer two questions in Section B

## SECTION A

**Answer all questions in this section**

### QUESTION 1

*Read the passage below and answer the questions that follow*

Africa University (AU) farm is a commercial farm with 300ha of arable land, that produces poultry, dairy, grain and horticultural products. It would like to shift its focus from conventional to organic, sustainable and environmentally friendly farming methods. In addition, the farm intends to switch its focus from the domestic market to regional markets (i.e. SADC). In line with these changes you are asked to prepare the following:

- a) Develop a new vision statement for AU farm. (5 marks)
- b) Develop a new mission statement for AU farm. (5 marks)
- c) Develop a set of 5 values for AU farm. (5 marks)
- d) Recommend 4 strategies for entering the SADC market. Justify each recommendation. (20 marks)
- e) Recommend 5 strategies on how AU farm can thrive in a VUCA environment. Justify your responses. (15 marks)

## SECTION B

Answer any two questions in this section

### QUESTION 2

Read the passage SWOT analysis below and answer the questions that follow.

a) Botswana beef industry SWOT analysis

<b>STRENGTHS</b> <ul style="list-style-type: none"><li>• Large cattle population- more cattle available than required for domestic consumption</li><li>• Natural beef- free range grazing, hormone free</li><li>• Well-equipped disease prevention and control infrastructure</li><li>• Excellent environment for cattle rearing</li><li>• Sufficient skilled labor</li><li>• Top-notch processing facilities</li></ul>	<b>WEAKNESSES</b> <ul style="list-style-type: none"><li>• Poor extension services</li><li>• Declining beef exports</li><li>• Weak enforcement of standards in smaller slaughter facilities</li><li>• Prevalence of diseases e.g. foot and mouth, beef measles</li><li>• Strong dependency on EU and RSA market</li><li>• High cost structure- dependent on expensive imported inputs, high costs of domestic feed and high utility costs</li><li>• Lack of structured breeding programs and hence lack of product uniformity</li><li>• Low farm productivity (calving rate)</li><li>• High transactions costs</li><li>• Lack of vertical coordination</li><li>• Volatile cattle supply and unreliable supply to markets</li><li>• Heavy dependency on government support</li></ul>
<b>OPPORTUNITIES</b> <ul style="list-style-type: none"><li>• Preferential market access to EU for prime cuts</li><li>• Regional market</li><li>• Combining cattle keeping with agro tourism</li><li>• Differentiated marketing strategy in export markets (e.g. branding as natural beef)</li></ul>	<b>THREATS</b> <ul style="list-style-type: none"><li>• Possible outbreaks of highly contagious diseases</li><li>• Bush encroachment which results in decreased carrying capacities</li><li>• Increasing competition</li><li>• Sudden loss of access to key export markets because of increased requirements</li><li>• Recurrent droughts, destruction of range by fire, climate change</li><li>• Unstable regional economies</li><li>• Changing consumer preferences and demands (plant, based diets, animal welfare, environment)</li><li>• Lab grown meat</li></ul>

You have been hired as a consultant by a beef producer in Botswana. You are required to advise them on strategies that they can implement in order to succeed. Your recommendations should respond to the questions below:

- i. How can the beef producer take advantage of the strengths of the beef industry? (5 marks)
- ii. How can the beef producer turn weaknesses in the industry into the company's strengths? (5 marks)
- iii. Describe how the beef producer could minimize the impact of the beef industry weaknesses on the company? (5 marks)
- iv. How can the beef producer turn the threats in the industry into opportunities for your business? (5 marks)
- v. What can the beef producer do to avoid the threats? (5 marks)

### **QUESTION 3**

- a) Develop a Corporate Social Responsibility (CSR) strategy for a fast food company. Your response should include the 5 components of a CSR strategy. (25 marks)

### **QUESTION 4**

- a) Develop a child labor policy for a tea estate.

Your response should include:

- i. the objectives of the policy (5 marks)
- ii. an explanation on why the policy is being developed (5 marks)
- iii. list who the policy applies to (5 marks)
- iv. set out what is acceptable or unacceptable behaviour (5 marks)
- v. set out the consequences of not complying with the policy (5 marks)

END OF EXAM