

Mondstuk van die Suid-Afrikaanse aartappelbedryf • Mouthpiece of the South African potato industry

CHIPS

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**SUCCESSFUL 2024 CONGRESS
PAVES THE WAY FOR 2025**

**COMPETITION COMMISSION ON
FRESH PRODUCE MARKETS**

**Potato waste:
Quantity, value, causes**

**Physiological disorders
in potato tubers**

**Potato cultivation
and climate change**

Nile opens Mahikeng Hub

Producers can now directly access informal buyers and cross-border traders via Nile Hub Mahikeng.

Nile.ag recently opened its first regional hub in Mahikeng, the capital of North West province. This hub aligns with Nile's strategy to link producers to buyers across all market segments, thereby providing offtakes for all grades of produce. Transactions are facilitated through Nile's online system, offering producers unparalleled transparency and payment security.

Strategic location

Mahikeng, located near the Botswana border, offers cross-border traders direct access to produce from South Africa's leading agricultural regions. With a large underserved rural population, Mahikeng has a significant demand for fresh produce, mostly through independent retailers and informal vendors. High-demand produce categories include potatoes, bananas, tomatoes, butternut, pumpkin, and cabbage.

Following the initial success of the hub, Nile is investing further in expanding and modernising the facilities, to ensure that the hub

has enough capacity to supply the growing demand. Nile Hub Mahikeng is managed by Pieter Maré, whose family produce vegetables in Limpopo.

Flexible logistics

Producers can either deliver directly to Mahikeng or transship their produce via Nile's main hub in Centurion. Nile Hub Centurion serves as the company's main operation centre, with the capacity to handle 1 500 pallets of fresh produce per day.

From here produce is transshipped to other provinces and exported cross-border daily. The hub is strategically located next to the N1 highway, offering 24-hour operations and quick loading procedures. It is equipped with state-of-the-art warehousing equipment and cold rooms.

Role of physical infrastructure

For e-commerce or online trading to be effective, a comprehensive logistical network is essential. Leading e-commerce companies such as Amazon have hundreds of fulfilment centres located strategically across regions. Similarly, Takealot has numerous fulfilment centres

spread out across all major urban areas. This logistical network enables e-commerce companies to optimise logistics, thereby reducing costs and lead times. A key function of these hubs or cross-dock facilities is to provide an aggregation point, allowing smaller loads to be consolidated.

For fresh produce, the benefit is a 'just in time' system where produce reaches the end consumer with the least number of intermediaries and in the shortest time possible. This reduces quality degradation and ensures that producers can achieve higher returns on average. Ensuring that the cold chain is maintained remains vital to the success of online produce trading. Hubs also serve as inspection points for the Perishable Products Export Control Board, facilitating cross-border transactions.

Similar to other e-commerce companies, Nile has developed a holistic network of hubs and third-party freight providers, enabling producers to reach commercial buyers of fresh produce in more than 100 towns and cities across three continents. Nile's system digitises the entire supply chain, ensuring that there is full visibility from packhouse to point of consumption, with real-time updates provided throughout the process. It has been specifically developed with producers in mind, understanding the limitations around minimum order quantities, lead times to different destinations, freight cost differentials, and order cut-off times.



Producers interested in accessing buyers in Mahikeng through Nile's online marketplace can contact Lizbé du Preez at lizbe@nile.ag or on 065 735 7618.