

Progress Report October 2018 to December 2018
Goat Agribusiness Project



1. Introduction

The KZN Goat Agribusiness Project is a partnership between Department of Rural Development and Land Reform (DRDLR), Department of Agriculture KZN (DARD KZN), Mdukatshani Rural Development Project (MRDP) and Heifer Project South Africa (HPSA). To this end a MOU and a SLA has been entered and the program involving contributions from all four partners was signed in August 2015, and the SLA in March 2016.

2. Background

The KZN Goat Agribusiness Project seeks to improve home food security and rural livelihoods and lead to helping to lift farmers in the 5 local municipalities of UMzinyathi, Zululand, uThukela, uMkhanyakude and uThungulu out of poverty. This will be done through a process of improving goat productivity and increasing commercialisation of homestead herds in these areas.

The project will create microbusinesses for local unemployed youth who will support farmers' productivity with these businesses. These young people will broadly be known as Community Animal Health Workers (CAHW). They will be trained up and given equipment to set up their small businesses.



The back of bakkie speculators and sellers are the most prominent group of buyers at sales and auctions

3. Progress Report

CAHWs

As reported in the last report, there are a total of 206 CAHWs and 138 of them with vet kits.

We started the CAHW pilot in October. There are two different models with 26 CAHWs participating, 13 in each group. The first pilot is looking at increasing the amount of vet kit top ups that we provide based on a one to one ratio based on their purchased medicines. They also get an incentive paid to them based on the treatments they provide to project members and other goat farmers on a sliding scale. This is incentivizing them to do more work with the project members in ways we can capture so we can report more clearly to GAP partners about direct benefits to partners. The second model focuses on paying the CAHWs for a variety of activities such as preparing goats for mini-sales by tattooing and deworming them. These CAHWs go out to the farmers inform them of the sales and get them to commit their goats to the sale. This way we can give buyers ideas of how many goats will be at any particular sale and attract more buyers and get better prices for the goats on show. In this model, they are also paid for their support of activities related to GAP in the field and these include DARD at dip tanks, theme days, farmer trainings, goat dip days, stover processing and supporting experiments. Although this piloting has started, it has been a slow start getting both staff and CAHWs to understand the process. There are some interesting examples where CAHWs have sent out flyers to all the farmers in their area and getting a huge increase in call-outs.

Mr Thabethe has requested a meeting with all the CAHWs in the GAP project in the last quarter to discuss expectations and implications of the new stipend rollout.

GAP management has been in discussions with DRDLR and has supported an internal memo to Senior Management in Pretoria to formalise a change in an Addendum to the MOU and shifting monies in budget lines so as to make these monies available as it has been made clear to GAP that extra budget would not be forthcoming to the NGOs in their current austerity drive.



The industrial sewing machines are hard to maintain in rural areas but add a lot of class to the finished products

As reported in the previous quarter, the five Eshowe/Nkandla dip tanks were in suspense because a disagreement about the verification of census results. Two meetings were held with the Eshowe Livestock Association. The second one being specifically for trying to resolve this process. At these meetings, GAP ensured the DRDLR, DARD, GAP staff and the CAHWs involved, as well as the Livestock

Association Exco and the Chairs of the Dip tanks affected. The final outcome of these meetings was that the CAHWs get paid for what they were claiming although we are GAP were not happy with the figures that they presented. We also agreed that we would report to the GAP stakeholders that the Livestock Association had insisted that these payments get made even though we were not accepting these figures and did not feel the work had been done. Implicitly in this is that the GAP project can no longer work in these dip tanks or this area. Both DARD and DRDLR officials that were present made it clear that they do support a verification process, that the Livestock Association refused to do. We are planning to meet early in the new year with the King Cetshwayo municipality to discuss how to go forward given the reduction in funding coming from paying for CAHWs out of the GAP budget. All materials from the trainee CAHWs were collected and are back with the NGOs. The experience did make clear to GAP that much clearer documentation needed to be signed with the Livestock Associations and individually with the CAHWs so as to clear up any future misunderstandings around management, verifications, payments and expected tasks. This new agreement has been worked on and will be signed in the new year.



The digging and building of the dip tanks is done by livestock association members as their contribution to the project

Enterprise Support- Enclosures, Goat Dips and Agrivet Shops

The project was awarded funding from the ADA through GAP umbrella for 11 goat dips in the 5 districts. These were chosen by the Livestock Associations based on where the community seemed most prepared to build the dips themselves and where there were sufficient goats to make it worthwhile. The total project contribution was approximately R214,000. This activity is not covered at all inside the current SLAs of DRDLR or DARD. HPSA is responsible for procuring and delivering the materials to the proposed dip sites, overseeing it being built at the farmer's costs and giving training linked to the dip tank and goat productivity with a launch that includes a Dip Day. ADA will be at some of these launches. With the first two being on November 28th and 30th. All of the dips will have been built and launched by March 2019. This is still seen as an extension of the piloting of these dips with the hopes that the Department of Agriculture would scale this initiative across the five districts.

ADA Dip Tanks					
	District	Dip Name	Start Date	Longitude	Latitude
1	Mzinyathi	Mhlakothi	October	-28.75742265	30.36111862
2	Mzinyathi	Dungamanzi	October	-28.80103889	30.48792778
3	Mzinyathi	Mpophoma	October	-28.69928055	30.49029444
4	UThukela	Ngodini	November	-28.83207222	30.05080833
5	UThukela	KwaVumbu	November	-28.80208056	29.96066944
6	Mkhanyakude	Hlokohloko	November	-27.11869880	32.14944540
7	Mkhanyakude	Ophande	November	-27.50361500	32.10081500
8	Zululand	Madwaleni	November	-27 36 37.53832	31 55 56.921115
9	Zululand	Phaphasi	November	-27.83773333	31.79627222
10	King Cetshwayo	Mkhalazi	December	-28.80750000	31.09033333
11	King Cetshwayo	Choncwane	December	-28.50854500	30.84951833



Here the Mpophoma diptank being built showing the cattle and goat diptank next to each other

With the leather CAHWs, a process of further trained them with goat skins collected from communities and tanned in Dundee at Afritan has been put on hold because of the delays in signing the Funding Agreement with DARD.

As part of the NGOs match funding, 10 kid enclosures have been built to be added to the pilot to experiments on feeding in new dip areas. As has been reported, the DRDLR funding for this activity has been exhausted so these are being done to try and fulfil the commitment with the NGOs own funding.

Auctions and Sales

GAP project has been negotiating with DARD for the last 11 months around renewing the Funding Agreement that stems from the 5-year SLA that they signed with the NGOs. We have approached various officials as has been reported in previous PPSCs. In this last quarter have finally written a letter to the MEC requesting a meeting. Although this meeting has not happened, we have met the DARD Extension representative and also met the Acting CFO of the Department who assured us that the agreement could easily be signed as the audit finding was an internal technicality and not linked in anyway to the GAP work, contract or agreement. The agreement was then revised into a 3-year financial agreement

backdated March 2018 with budget and milestones revised to reflect the short time period the work going forward. However, the CFO agreed we could claim retrospectively on work done inside the GAP program. This agreement as far we understand is sitting with the Legal Department for tidying up and then will be signed as soon as possible. The GAP program has not been able to implement a number of activities because of this uncertainty. Even currently we are not able to commit spending in any items.



The R20 000 goat caused much excitement among farmers, a prize for the highest priced communal goat was awarded to Masoka a Nkasini member of the GAP project

Despite these problems, monthly sales have been going ahead in all the project areas. We are finding out the challenges in them that will help guide us in the future. The main part of the problem for mini sales is that farmers promise to provide for the sale and based on this we promise buyers a certain number of goats that makes it worth their while to come to the sale. On the day of the sale, the farmers tell us that the goats never came home or were let out early or that they are not there on the day so they cannot come and point them out so they cannot pick them up from their kraal. This then leads to buyers, coming from long distances, not being able to trust the GAP staff and feeling like they have driven out to these rural areas for no good reason and have lost time and money on the day. One of the ways forward on this, is that we arrange holding pens in the near vicinity in each of these towns and ensure that all goats are brought in the day before or two days before. This way, we will then be able to build credibility and assurance with buyers. This job will be given to the CAHWs to feed and keep the goats secure until the sale. We have had twenty-three mini-sales. Some selling over 100 goats on the day. The previous quarter we had 8 so this is a big increase.



The monthly sales opposite the Tugela Ferry mall and the Weenen auction

We have had four auctions with three different auctioneers and models.

Two were in Jozini which were handled by BKB and are largely autonomous discussions and negotiations between the auctioneer and the Livestock Association. We are called in to support the goat part of the auction as they were both cattle and goat auctions. This could be a viable, low cost model going forward as they are not getting extra monies from the state or us but we and the government support through transport and goat and cattle preparations for the auction. The auctioneer takes the 7% per animal sold and this covers their entire cost. It must be said that they use existing auction structures which GAP has invested shade cloth and gates into and DARD maintain with security and other long-term investments. It only makes financial sense because both cattle and goats are sold in the same auction.



The 100 goats experimental kraal showing the two covered enclosures for kids

The second type of auction was one held in collaboration with Indigenous Veld Goats Society (IVGS) at the Royal Showgrounds. This was held with Vleismart and was a sale specifically targeting high quality and thus relatively high value breeding stock that was indigenous. About 250 goats were presented, of which 50 came from our farmers. One of the rams reached a record price R20,000, the highest for an indigenous goat at an auction yet. The other goats also sold at very high prices. This is another avenue for our GAP farmers to start breeding goats for sale in breeding stock auctions and getting higher prices as a result. We are in contact with IVGS and invite them to all of our sales. We hope that this partnership will grow and can be strengthened.

The final auction was held in Weenen. Mr Sibisi, an independent African auctioneer, who we have built up a relationship with and has been exposed to auctions and our partnership through AAM, carried the auctioneering and payment part which GAP cannot do. The rest of the auction was set up and implemented by GAP staff, CAHWs, the Livestock Association and DARD. As a result, we are able to isolate the cost implications an auction without any profit or consultancies fees attached. This gives us a way of negotiating in the future with auctioneers for fairer pricing but also brought to the fore the challenges that using a slimmed process like this brings. The main one was that we have to organise the gates being brought from DARD and delivered back to them as well as security to look after them for the days before and after the auction. The larger problem is that we did not have a database of buyers which we can contact when there are large numbers of goats on offer. Where there

are less buyers, the prices are lower. We have approached AAM about this, but they jealously guard their buyer database. Going forward, with DARD funding, as discussed above, we will plan an auction per municipal area in Quarter 4. We would use at least two of these models and test them further to see how to proceed in the future.

Two new Agrivet shops have been established in uMkhanyakude, the Come Again Agrivet Shop owned by Sinenhlanhla Nxumalo and the Lucky Store Agrivet Shop owned by Siyabonga Nkanini. The owners of these shops received training. The medicines, signage and shelves were delivered in October.

The total amount of goats sold in mini sales and auctions in two months is 1111 goats and R1 024 650 in sales.

Trainings

In September, the GAP NGOs submitted a tender for consideration to be part of a panel of commodity and industry organisations to operationalise farmer production support units in nine provinces. Our focus would be to help strengthen and operationalise the goat commercialisation part of the Farmer Production Support Units. It is hoped that if we are accepted to this panel, we could scale out much of the experimental and piloting work that we have been doing and offer it to other provinces and other municipalities where we have not been working. We would also be offering the SETA approved training to other areas and NGOs.



The big multinational academy in Malelane

CAHW Trainings

To prepare GAP for the pilot and future stipend rollout, GAP has focused most of the energy this quarter on training all the 206 CAHWs so that by beginning of next year, they all have vet kits, they all are trained to a sufficient standard to use the vet kits and this has also given us an opportunity to replace CAHWs who have left because of the stipend problem and train their replacements up to the same level as the larger group. These trainings have been held by area and have been a week each. The next round will take place in January. Thereafter, they will be assessed and those who don't have vet kits will be given vet kits. The new dip tanks for 2019 will have to be negotiated going forward especially given the problems we are having in Eshowe where 20 new CAHWs will be theoretically taken on board. A two-day

training for leather CAHWs, despite the DARD funding complications, was held at the end of November.

Training Materials

The indigenous cattle and chicken books are on hold awaiting the outcome of the Department of Agriculture funding approval.

A week-long training was held in Malelane, hosted by MSD, with 35 staff, Agrivet shop owners and CAHWs involved in experiments. This was their biggest ever English training, with other participants from Uganda, Kenya and other African countries. A total of 86 participants attended. This is part of MSD push to get rural, smallholder farmers into their product focus and as part of this they have employed a staff member who has been tasked to visit all the rural areas that MSD serves and feedback on who MSD could better service this market. A meeting toward this has been planned toward the end of November at Nkandla. Part of this training was to visit community areas in the Malelane-Swaziland border area to see what challenges farmers are facing and also to understand how MSD conducts research in rural areas around tick resistance.



CAHWs and staff interact in practical demonstration at farmers homes

Innovation platform

An innovation around looking at the monthly sales and auctions towards a broader commercialisation program is planned for the 4th quarter. This would include municipal officials to talk about the laws and regulations in the municipal areas around selling livestock and how these could be changed and at what level to support commercialisation. It would also pull in speculators, buyers and sellers that have been taking part in auctions and sales so far to get a better sense of what is and isn't being sold and how we could tweak the process so as to come up with better commercialisation models in terms of volume and spread into these rural areas. Other NGOs and stakeholders, including Afasa and LED people will be invited. We hope to plan it around an auction, but this is also reliant on the signing on the Funding Agreement with DARD.



CAHWs receiving refresher trainings both in and out of classrooms

Research

The GAP program has been requested to take part in a research proposal that is to be submitted to National Treasury to look at how a future extension policy can support rural small-scale farmers and especially livestock farmers. As currently there is no extension policy for government officials who work with rural farmers. There is also not an enabling environment around laws and government policies as this sector is often discussed but very few people what the numbers of small-scale farmers are, who they are, where they are successful and where they are having problems. Our work so far on livestock numbers, through censuses at diptanks is unique in the country and will be used as a start of future national livestock censuses. The assumption would be that study could feed into suggestions to StatsSA to add questions in the next census that would answer some of the questions around farmers, land reform and land, as well as productivity in rural areas.

A research project is being carried out with Cedara scientists on goat feeding and meat taste. Using GAP farmers' goats as a control. It is at an early stage an will be reported on going forward.



The next batch of kids being tagged and dosed as part of follow on of the 100 kid experiments

Experiments

As was reported in the previous report, the 100-kid experiment was very effective at showing how much kid mortality could be reduced in a homestead environment. As of the writing of this report, only 3% died compared to the 60% of last year that was considered normal. This experiment continues as the second batch of kids of 2018 have now been born. This batch of 40 kids is also being tracked and will be reported on in terms of what the costs and implications of keeping alive summer born kids which have far less hunger stress but much more disease stress. It is notable from a herd of 100 female goats, a farmer can expect 140 kids which is theoretically R140,000 from a herd with very little investment which would be about R10,000 income a month. This is excluding the R17,000 (cost) to treat and feed these kids.

There are 16 enclosure kid enclosure experiments that feed into reducing kid mortality.

Monitoring

The first three weeks of November saw the visiting DRDLR projects. Some staff time was spent was preparing and facilitating these visits. Although it had been planned for them to come to all three of the project areas, they finally only visited the Nkandla project area where they were shown CAHWs, leather CAHWs, enclosures and Agrivet shops. They seemed satisfied with what they saw, and the visits went well with good interaction between staff, CAHWs and the officials.

As has been highlighted above, there is a need to renegotiate with Eshowe/Nkandla around diptanks. A meeting with King Cetshwayo will need to guide us around areas of future expansion, as well as acknowledgement as well as a process of withdrawal of these areas and what to do with the faulty census figures that were collected and paid for.



The team from the Auditor General's office interacts with GAP farmers, CAHWs and staff

Municipality	Total Membership	Women	Men	Youth	Disability	Enclosures
Zululand	660	443	216	108	5	15
Thukela	565	353	193	48	5	35
Mzinyathi	1568	1025	437	98	14	133
Uthungulu	692	235	142	78	0	14
Umkhanyakude	1661	1133	448	234	22	32
	5146	3189	1436	566	46	229
Total groups						
Zululand	26					
Thukela	25					
Mzinyathi	75					
Uthungulu	25					
Umkhanyakude	59					
	210					

Other Stakeholder Meetings and visibility activities

The GAP program has been approached by an NGO called Save Act which works with micro-credit and savings clubs in many of the areas that GAP is active. They have suggested that we utilise the overlap to make both interventions talk to each other. GAP has started a process of piloting some areas in uMzinyathi with an interest in how goats could become part of an investment system by farmers into savings groups as well as how electronic payments could be streamlined into the goat commercialisation process. Progress will be reported on in future reports.

Part of this piloting commercialisation options, a stand-alone company has been set up called Imbuzi Imali Marketing which would be used as a vehicle to support the commercialisation processes of farmers by allowing GAP to have structure. It will also house the training materials and the electronic payment system for auctions and the Agrivet shop wholesaling system.

As has been mentioned elsewhere in this report, the Indigenous Veld Goat Society has been interacting with GAP in various fora, including the Royal Show and two auctions and sharing of training materials. GAP is not a member but going forward the issue of how to get local breeders and farmers accepted as members is being discussed.



Talking about tick resistance with MSD vets and GAP attendees at a dip tank on the Swaziland border

An article on the goat project was featured in the October issue of Drum magazine and a further article is being published by the Associated Press and will be attached to the next report.



A tender had been put out for exploring potential of dairy and meat goat breeding linked to pastures as a commercialisation initiative in the province. GAP had understood that it was to be a part of the steering committee guiding this process so that useful information could be pulled out of it. GAP has tried to engage with the consultancy that was given this job but to date has been unable to get a meaningful dialogue going and not has been able to get the consultant to engage with any of the partners, farmers or service providers. This remains a concern as any outputs for this work would have no link to the GAP program and pilot to date. This despite it being described as being under the GAP umbrella.

GAP was invited to be at the launch of the new Agriculture Policy for the province. An initiative that followed from last year's colloquium where the GAP project was presented by DRDLR staff. The initiative is being launched in the hope that changes in political leadership at DARD will not change departmental policy but departmental staff can invest time and effort in projects knowing that they have a longer lifespan than political appointments. There was a discussion also on the problems of corruption and how this is being addressed. A further discussion was held around how land reform and land ownership had shaped and would shape the future of agriculture in the province. A further focus was on how to get women and youth to fully engage in agriculture in the province.

Community participation

The ADA funded goat dip tanks have been a useful mechanism to get community participation and encourage communities engage in the piloting of these dip tanks in each of their areas. At each launch, a community event will be held where farmers from neighbouring dip tanks have been invited. A short training around tickborne diseases held and a demonstration of the goats being dipped will be done. Farmers are then encouraged to consider some sort of regular tick control interventions in their own herd which we are GAP hope that would be a pressure on DARD to have a goat dip tank next to every cattle dip tank in the future.

There have been 18 cross visits and two farmers days in the project areas looking at the feeding experiments and promoting the use of enclosures and kid feeding to decrease mortality.



Over 1000 delegates attended the DARD launch

3.2 Progress in relation to pre-determined milestones

3rd Quarter Year 3

Milestone	Year 3	Progress
Animal Health and leather CAHWs identified and trained- 3 per dip tank	There are a total of 195 trained animal health CAHWs with vet kits and uniforms	There are a total of 206 CAHWs and 138 in the field with vet kits. All CAHWs received refresher trainings in November.
Censuses/diptanks	25 additional diptanks have had a census with relevant agreements in place with diptanks, LAs, tribal authorities and municipality for a total of 65 diptanks	All 90 existing diptanks have carried out a census. Additionally, a more intensive baseline has been carried out with 867 households (390 Jozini, 250 Msinga and 227 Nkandla). Census information has been collated and shared with relevant stakeholders.
Auctions	14 sales yards (non permanent sites) are having regular auctions (2 per livestock association)	We have had 23 mini sales in the 5 districts over the past quarter. Auctions have slowed down due to not having a funding agreement with the Department of Agriculture however we have managed to still have 4 in the past quarter. 1111 goats sold and R1 024 650 in sales in this quarter.
Agrivet shops	12 agrivet shops are equipped and selling in Keatsdrift, Pomeroy, Weenen, Tugela Ferry, Nkandla top, Nkandla bottom, Nongoma, Jozini, Mkuze, Hluhluwe, Hlabisa, Manguzi	There are 12 agrivet shops established. They are going very well. The final two were equipped in uMkhanyakude, the Come Again Agrivet Shop owned and the Lucky Store Agrivet Shop.
Experiments	1800 women are taking part in experimentation groups around goat nutrition and productivity (20 per 90 dip tanks)	We have 210 groups in the 5 districts with 3189 women taking part in experimentation groups. Total membership is 5146.

Goat enclosures- kid feeding	195 goat enclosures for kid feeding are being used (3 per 65 dip tanks)	134 have been built to date. Ongoing research around these enclosures is taking place. An additional 10 enclosures have been built in Msinga with co-funding.
Innovation platforms and research	Quarterly innovation platforms are taking place with proposed research topics emerging and lessons learned are being documented and disseminated	There was an ongoing experiment with the 100 kids. Out of 100, there was only 2% mortality compared to 60% last year. Many were sold in the Weenen auction. NGOs are taking part in an initiative study what smallholder farmers are and what the best way would be the best way to create government extension policy to support them.
Increased productivity	Goat productivity has increased by 50%	A data specialist has been hired and will start analysing data. In experiment groups, kid mortality has been reduced in the experimental shelters. This needs to be scaled out to the large group. Blocks were being regularly sold.
Livestock Association training	7 livestock associations have received quarterly trainings in agreed upon topics	Livestock Associations are being trained quarterly.
Dip tank trainings	90 dip tanks have received bi annual trainings	These are ongoing.
Herd commercialisation	3500 farmers have commercialised their herds (500 per LA)	Farmers are selling their goats more regularly as can be seen with the increasing number of monthly sales. 1111 goats and over a million rand sold in 2 months that were captured. Informally many more. 5146 farmers are active in the project.
Exchange visits	At least one exchange visit per project (5 total) has happened with lessons learned documented. At least one visit to another country has taken place where goat markets are formalised.	Farmer exchanges are happening regularly and farmers' theme days. There have been 18 exchange visits and 2 farmer's days. Theme days are happening weekly.
Ongoing monitoring and evaluation	Ongoing collection, compilation and analysis of data. Lessons learned collected and shared. Annual surveys. Ongoing reporting to relevant stakeholders.	90 censuses have been carried out in the first quarter. 867 baselines have been carried out. The Auditor General visited the project in November. A Facebook site has been developed and content is posted regularly. An evaluation was presented at the August meeting and GAP stakeholders gave feedback and comments, suggestions on the report and offered further support if needed.

4. Conclusion

The project is going well.



Ms Sinenhlanhla Nxumalo proud owner of the Come again Agrivet shop in Mboza