

Progress Report April 2019 to June 2019 **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 an 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.

3. Progress Report

CAHWs

As reported in the last report, there are a total of 264 CAHWs and 166 of them with vet kits. GAP has embarked on a new phase with the CAHWs which started this quarter. A revised contract was drawn up and each CAHW and their associated Livestock Association representative have signed it with the effective date being 1 April 2019. Each CAHW has a set of activities that they can claim against including keeping records, doing experiments, treating animals, processing feed, assisting with dip days and supporting monthly sales.

Fifty new CAHWs were added in the first quarter and received their induction training in April. The PPSC meeting in May should finalise the issues around payment of CAHWs and the final number of CAHWs and diptanks that are expected from the GAP project in the remaining two years of the project.

A workshop to unpack and understand the lessons from the pilot will be held in June 2019. 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. And others where they have been able to facilitate and earn money from goat sales by project members. In both pilots, the CAHWs averaged R1000 over the two-month pilot. Pilot 1 CAHWs benefited an extra R1500 in medicines to top up their vet kits initially. These monies also don't reflect the payments they received from farmers for treating their animals. The highest of these received R3500 from farmer payments although this would include some purchase of medicines.



Schoolchildren at the youth club learn to mix blocks for the goats

A draft addendum to the SLA was sent in February and the outcome of this is being awaited. These changes will also dovetail with the proposed changes sought in our interactions with DARD. It has been highlighted that there is a change needed around both the wording around supply change management but also the dates that

the MOU starts at is on the last signature but both SLAs only commenced a year for DRDLR and 18 months for DARD later. Given the current reading, the MOU would need an addendum talking to commencement reflecting the start of the SLA and its activities.

A new payment system for the CAHWs is being implemented through ABSA bank. This has taken 7 months to get started. Each CAHW will receive a card that can be topped up for their monthly stipends and will be only used for this process so it cannot acquire stop orders and other debits that have created problems in the past. There will also be a clearer understanding of bank charges and usage charges that the project can control to some degree but also report on as a piloting system of paying stipends. There are also cards under the same system to help facilitate payments for buyers and sellers of goats. Although the specifics of this process need to be worked out in more detail.

Enterprise Support- Enclosures, Goat Dips and Agrivet Shops

2019 New dips

Uthukela	UMzinyathi	King Cetshwayo	Zululand	Mkhanyakude
Dotani	Cwaba	Tulwane	Manzaneni	Hlambanyathi
Ihlolemfuyo	Ndunge	Mphalwini	Nkwene	Gwegwede
Khenekhene	Nomathiya	Mfongosi	Bazini	GG
Gwede	Nhlanyanga	Bhokwe	Manzimakhulu	Manaba
Siphethwini	Sbumba	Madidima Middledrift	Ekubungazeleni	Muzi



The goat dips in Ncunjana is dipping close to 2000 goats a month

As was reported previously, the Nkandla/Eshowe project area had become problematic in terms of CAHWs and doing the census. A meeting was held that resolved to return to these areas and discuss the possibility of returning to the same dip tanks but with new CAHWs selected by the community and the relationships with the previous CAHWs had broken down irretrievably. A process was agreed to where the Livestock Association chairs requested meetings from the traditional authorities and their traditional councils where the project would be discussed and reintroduced. After this, a series of meetings at each diptank was held, led by the chair of the diptank and the manager of the GAP project in the area. It was also agreed that the

diptank of Nkankane would be left out as they had been threats of violence against GAP staff in this area. This process has been completed and these dips have provided GAP with new CAHWs. They will be trained with the 2019 intake and a fresh census done in these areas as well as the new 2019 dips in Nkandla.

The 11 ADA dips have been completed and have been launched with an associated training in goat management as well as how to use the dip and basic information on dip types. A launch with the larger community to showcase each diptank going forward was done. Livestock Associations around these diptanks will be invited to come and see them in action so that they can decide if they would want their own diptank in each of their own areas. Last month, 4810 goats and sheep were dipped in 11 ADA dip tanks.

As a result of the success of the 100 kid experiment carried out last year, where kid mortality was reduced from 60% to 5%, at the three farmer exchanges we have had looking at the experiment, various farmers from the other areas inside GAP asked if we could extend the experiment into their areas. GAP will be rolling out 2 of these 100 kid enclosures in each of the 5 districts in the next quarter. In the longer term, we looked at the census data and identified another possible 100 plus farmers who have this size of goat herd and that we could invite to collaborate with GAP at commercialising through reducing kid mortality.



UThukela farmers visiting the information stand at the Weenen Livestock fair and sale

Auctions and Sales

An extended set of meetings was held with various officials at DARD to resolve the non-enactment of DARD's commitments towards the MOU and SLA for the past 18 months. As these meetings did not find any resolution, GAP met with the Acting Head of Department, Mr Myeza. The resolution was to go ahead and pay for the auctions in 2018/19 through Supply Chain Management (SCM) processes although GAP was worried we would not have enough time to organise these auctions. This process through SCM was later changed as it was agreed it would be complicated given that DARD had never paid for a livestock auction through SCM before. The HOD also emphasised the need for regular meetings between his officials and GAP staff as part of the signed SLA. He also reiterated the necessity of the official in charge of the GAP process to be part of the PPSC meetings.

Based on the meeting with HOD and CFO, auctions were planned with farmers and Livestock Associations with one auction per municipality planned before the end of March 2019. The Msinga auction was held on 15th of March to coincide with the National Minister Zokwana's visit. On submission of this invoice, it became clear that the officials at Agric were not in agreement on this process of invoicing for auctions done which was agreed to with Acting DARD CFO Mr Biyela. A further round of meetings then was embarked on where a letter from Provincial Treasury acknowledging the existence and use of the MOU and SLA was requested. In the meantime, it had become clear that DARD would not honour payments for further auctions and we requested a letter a letter from the department acknowledging that no funds had been received. This letter was finally received and shared with all the Livestock Associations that had asked for auctions. The Jozini one unfortunately was cancelled a day before after the service provider had started moving staff and equipment to the site. All the other areas were also cancelled at short notice. Many Livestock Associations voiced strong displeasure towards GAP around this seeming carelessness with their time and farmers. Although we have tried to shield the department's on again-off again approach their commitments, this has put GAP in a precarious position.

The letter from Treasury was finally received with a caveat that seems to imply that the activities of the project need to go out on public tender by December 2019. What this means for the GAP process and commitments is not clear. With the letter, GAP assumed that it's activities could resume. An amended budget was submitted taking into account the unspent year of 2018/2019 and the current year of 2019/2020. Also, an invoice for the work that had been done in the meantime for the DARD commitments was submitted. As of writing this report, the invoice has not been paid and neither of these budgets have been commented on.



A Makothi from the Mchunu home holding the family herd waiting for their turn at the dip

While these discussions of restarting agreed upon GAP activities were ongoing, DARD colleagues approached GAP partners to embark on an unsolicited process of acquiring goats for their poverty alleviation and goat commercialisation projects. The request was to acquire 4,500 goats as soon as possible for the various projects that

the department had committed to over the past two years. There was some unclarity over whether this was to be taken from the unspent GAP budget from 2018/2019 and current year budget or it was a totally separate budget line. A final agreement was signed on the 26th of April and there was been no further communication around this. If it did happen it would have added 10-million-rand expenditure to the GAP budget in the current fiscal year. It would had linked to GAP activities by purchasing these goats from our farmers at relatively good prices rather than the department buying them from Namibia or commercial that are not part of the project.

A second auction was also held in Weenen based on promises of reimbursement that GAP partners received from DARD. We await reimbursement for the two auctions held before we can proceed with others.

Between the two auctions, there were 544 goats presented and 368 sold generating revenue of R408,608. Monthly sales have been ongoing and 308 goats have been sold and R338,750 was generated in revenue in April and May.



The Msinga auction site readying for the auction

Trainings

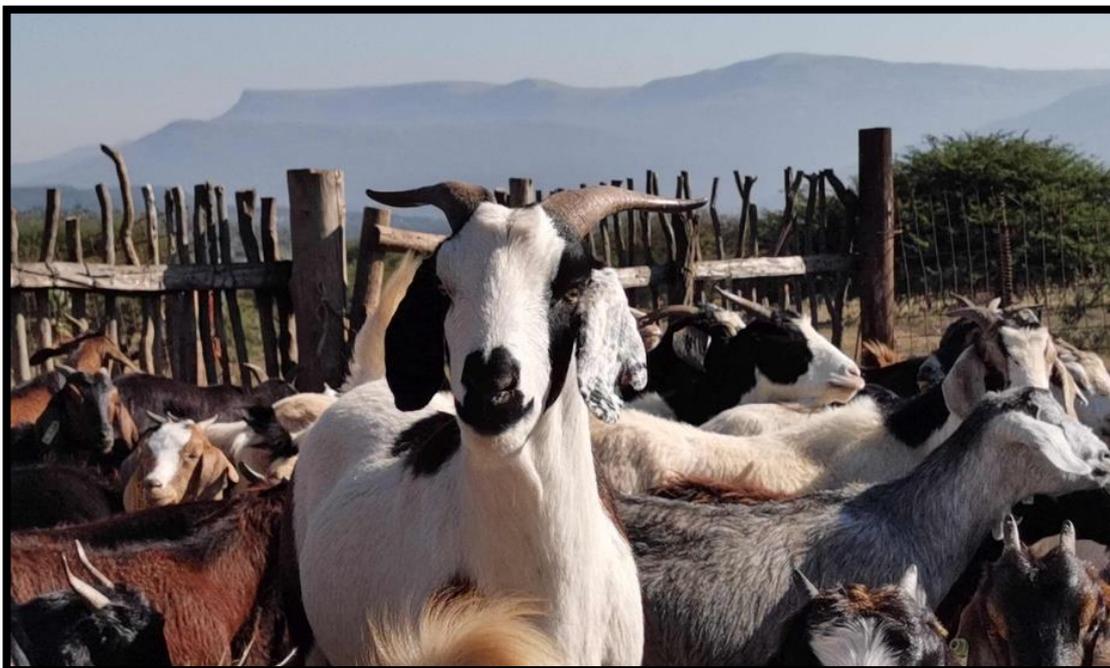
As a result of GAP regularly sending large numbers of English-speaking participants, MSD has teamed up with TWK to have a KwaZulu Learning Academy in the province for the first time. The training was held at the Lion's River Hall in the Midlands. We sent 15 CAHWs to this Academy. Another Learning Academy will be held later in the year in October. Additionally, a one-day practical training was hosted by MSD in Msinga this quarter with staff and CAHWs attending.

GAP has entered into an agreement with DARD to establish Owen Sithole College of Agriculture (OSCA) as a training site in order to broaden its reach in the Empangeni area. This also came from a request from DRDLR staff feeling that GAP did not extend far enough into the Richard's Bay area. This would then allow GAP to give commercial farmers an opportunity to engage with the project despite not having a presence on the ground. GAP demonstration sites will be established at OSCA

which include a goat dip, a kid enclosure and a block mix site. Two trainings have been conducted at OSCA with approximately 50 participants each training.

The 2019 CAHWs received their first induction training in April with the follow up training being held in June. The induction training was a week-long training and held in Botha's Hill.

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. At the time of writing this report, GAP NGOs had not had feedback on whether or not they had been selected to be part of the panel. HPSA sent an acknowledgement of extension three times. We do not currently know where this process is at.



R5000 worth of castrate that is being prepared for the royal show

Training Materials

The indigenous cattle and chicken books are on hold awaiting the outcome of the Department of Agriculture funding approval. Further to this, we have exhausted the stock of the Zulu version of the Indigenous Goat Production Handbook. Before it can be reprinted and despite the lack of clarity of the DARD budget around printing of these, substantial changes would need to be made to bring it up to date with the English version of the book. The GAP partners are exploring the cost and complexity of doing this translation and will then make a decision based on funding and request for these books to go forward with the translation and related activities. Copies of the English goat book are in short supply as various groups and partners have been requesting them getting them from DARD offices. This includes Goats Unlimited who runs a training program based on these books and Indigenous Veld Goat Society

who have distributed them to their members in various provinces such as Limpopo and Mpumalanga as well as KZN. The project will need to make a decision about printing these books also.

Innovation platform

An exchange visit was to take place in March 2019 to the Northern Cape and into Namibia to continue the research and learnings that was started in 2017 in the first visit to Namibia to look at goat imports from Namibia to South Africa. GAP hopes to include stakeholders from GAP partners, ARC and AFASA. This is currently still being planned. GAP is struggling to get commitment from Department of Agriculture staff in the Northern Cape which would be able to host us in the visit. The political changes in most provincial leadership structures is holding up decision making around support for these processes.



National Minister of Agriculture Zokwana being shown the 100 kid experiment by GAP staff

Research and Experiments

The GAP program is taking part in a research proposal that will advise national government on a future extension policy for future land reform beneficiaries with a focus on best practice models that currently exist. The project will be right across the country looking at livestock, vegetables and fruit. GAP partners have been given the livestock component and this would involve visiting other provinces to see how much variation there is in livestock keeping patterns and commercialisation. That then can be used as a scale up model for land reform beneficiaries across the country. This seems a very useful place to bring forth the lessons learned in the GAP project as well as previous work done on broader livestock usage and support. This project has been approved by the Office of the Presidency and the EU and will start in June.

A longer term research project has been with Cedara scientist, Zandile Ndlovu. With this project, we have been closely collaborating around a project to look at goat growth rate and size cross referenced with different feeding regimes to work out whether or not the small goats in northern KZN that the farmers complain about are really a result of cross breeding or if it is nutrition holding back their growth potential. The second part of the project is to understand how much feed would be optimal to get enough growth to get a higher price in the live goat market without losing money

from over-investing in individual animals. The third part of the experiment was looking at goat meat palatability and quality based on different environments and feeding regimes. There have been three learning exchanges with staff and farmers visiting Cedara over the past 6 months. Farmers from Jozini and Msinga sold castrated goats to GAP for the research and retained same age stock in their homes to be used as a control later in the experiment. The first results of the experiment were discussed at a learning workshop on the 10th of May. Farmers were shown the results of the different growth rates and the amount of money spent on each goat feeding it to discuss whether they felt it was a worthwhile investment. They also tasted goat meat that had been cooked in various ways by the value adding section of DARD and scored each method of cooking.

The overall agreement among farmers was that increase realised from feeding concentrate would not be recovered from selling that goat in a live market as at R450 per goat only resulted a R200 increase in price because the goat had noticeably fatter. The second part around breed showed that on grass, Cedara, Jozini and Msinga all performed much the same so location was not a factor restraining growth and size. On high feeding regimes, the Cedara goats did perform better, albeit marginally. The farmers did not feel where the goats came from as being a factor restricting growth. The goats have since been slaughtered, weighed and a random sampling has been taken to measure amino acids, perceived toughness, water content and other factors that affect palatability. These results will be brought back and discussed with the farmers in the final visit.



Dr Manqayi Kraai receiving her doctorate for her goat research

For the GAP project, another test was done on whether goats that have been fed commercially could realise enough meat to make them economically viable to slaughter for meat rather than selling on the live market. All the goats that were tested, dressed at about 45% and sold at the retail of R58 for mixed cuts, would realise between R600 and R900 per goat. Although the same goats would be sold for at least R1200 on the live market. This means a loss of at least 30-50% of the live sale price not including the costs of transport and slaughter or the possible small benefits of selling the skins and insides. In Mozambique, these are sold to the local crocodile farm as industrial waste.

A point of interest is that substantial amounts of goat meat were left with the butcher in Estcourt and to date he still cannot sell any of it even at a price of half of what it would be worth.



Goat meat tasting, weighing kids for experiments and a training postmortem

One of the GAP researchers, Manqayi Kraai, who was conducting research around Phenotypic and genomic characterisation of disease resistance and climate change tolerance genes in indigenous goats in KwaZulu Natal has received her doctorate in May.

Research is funded through the DARD funding, which has not arrived this year, however the two NGOs have been funding these activities from their own funding reserves.

Monitoring

GAP has completed the annual census in 90 diptanks and is in the process of conducting a census in the 25 new diptanks. The information is being captured and analysed. The annual survey that tracks progress on the baseline will be carried out in June with a smaller number of farmers.

GAP staff had their quarterly review and planning meeting at Zinkwazi this quarter. A plan to increase and strengthen the monthly sales in the absence of DARD's auctions was one of the outcomes. Also the increase in CAHWs and changes in the stipends suggested in discussions with DRDLR was discussed.



The first CAHW training for 2019



Information being collected from farmers, Mgwenya area

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
King Cetshwayo	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					
King Cetshwayo	25					
Umkhanyakude	59					
	210					

Other Stakeholder Meetings and visibility activities

GAP was invited by networking colleagues working with goats in Limpopo to invite the National Minister of Agriculture Mr Zokwana to visit the GAP project as there was an interest to scale a GAP-type project to other provinces. The Minister visited GAP at short notice on 14th March 2019. He was shown the various interventions at our project site in Ncunjana in uThukela Municipality. He was particularly interested in the component of involving women farmers with small herds and asked to take this project further to other areas including to lobby the Presidency with upscaling it. GAP is following up with this initiative and AFASA and government officials have requested a visit to the project to talk about partnering for their area.

GAP has appeared in two journals in this past quarter. One was Food for Mzansi and the other KZN Invest.

Misereor, a German government co-funder of the GAP project, is currently working with the Mdukatshani team evaluating the project to date. It is headed up by Professor Gerold Rahmann who is an international goat expert. A final report will be available in July.

For the third year in a row, GAP will have a stand at the Royal Show. The last two years, the stand received Silver and Gold medals as well as being attracting many visitors interested in goats. GAP has two CAHWs in daily attendance to talk to

visitors and explain the project to them. Prominent visibility of DRDLR and DARD signage is on the stand.

Community participation

As has been pointed out in other parts of this report, there have been challenges in Nkandla both with the traditional authority and the Livestock Associations. We have spent significant amount of time rebuilding trust and collaboration and hope that it pays dividends.

The national elections that were held in this quarter were relatively disruptive with road blockages and service protests and communities not being available. Despite working in municipalities held by different political parties, the GAP program did not get pulled into any of this politics. There was, and continues to be, a problem with us working with DARD staff on the ground and these DARD staff have good relationships with GAP and work closely on an almost daily basis but are unaware with the difficulties we are having with the more senior people we are working with around the SLA being fulfilled. The community ask about GAP payment from local departmental staff and are told that GAP continues to be paid and should be doing the work as agreed. But this is often not the case and GAP tries not to damage DARD's reputation in the community so holds back information about how big the problem is. This sadly continues as of writing this report despite interventions from the HOD and discussions with the National Minister.

It is currently unknown how much the changes in political appointees will affect GAP going forward.



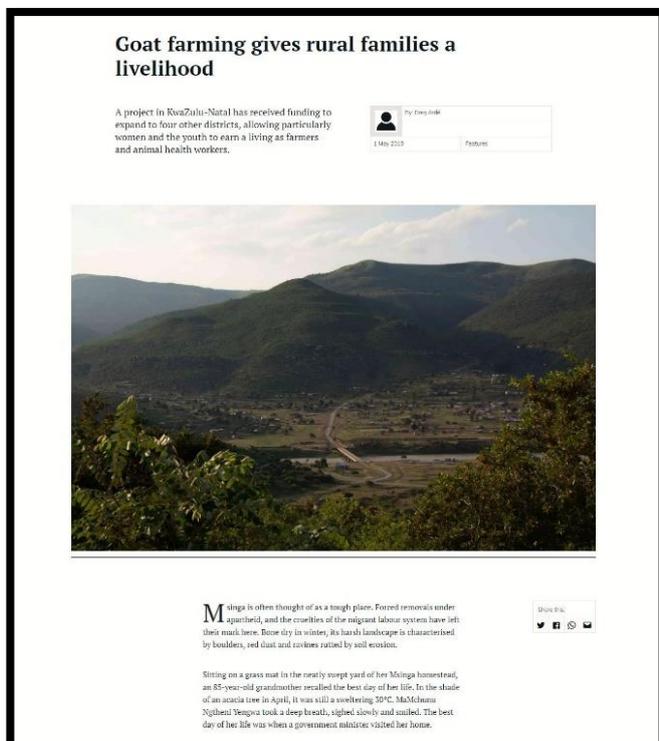
Professor Gerold Rahmann visiting a mini sale in Msinga

3.2 Progress in relation to pre-determined milestones

1st quarter Year 4

Milestone	Year 4	Progress
Animal Health and leather CAHWs identified and trained- 3 per dip tank	There are a total of 245 trained animal health CAHWs with vet kits and uniforms	There is a total of 264 CAHWs and 166 in the field with vet kits. 50 new CAHWs were added in the first quarter and received an initial training in April.
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 115 diptanks	All 90 diptanks have carried out their censuses and the 25 new dip tanks are in the process of carrying out their censuses. Additionally, a December sales audit was conducted. Annual baselines will follow in May/June.
Auctions	14 sales yards (non permanent sites) are having regular auctions (2 per livestock association)	308 goats have been sold through mini sales in this reporting period resulting in R338,750 in sales. There have been two auctions with sales of R408,608 and 368 goats sold. Auctions were cancelled during this period due to not having a funding agreement with the Department of Agriculture
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.
Experiments	2300 women are taking part in experimentation groups around goat nutrition and productivity (20 per 115 dip tanks)	We have 233 groups in the 5 districts with 3389 women taking part in experimentation groups. Total membership is 5360. New groups are being formed in the 25 new dip tanks.
Goat enclosures- kid feeding	195 goat enclosures for kid feeding are being used (3 per 65 dip tanks)	139 have been built to date. Ongoing research around these enclosures is taking place. A pilot has been ongoing with 100 kids or more. This is being rolled out to the five districts.
Innovation platforms and research	Quarterly innovation platforms are taking place with proposed research topics emerging and lessons learned are being documented and disseminated	Research is funded by Agric and this funding has not come this year. However, research projects have continued. A research project will start in June on livestock extension policy and future land reform beneficiaries. An ongoing project is being carried out with Cedara to look at size of indigenous goats on different feeding regimes and palatability of meat.
Increased productivity	Goat productivity has increased by 50%	This milestone is being achieved. Based on census data, productivity is measured is 60% which is an increase over the previous year of 23%. It is likely to continue to increase in the coming years as herds recover from the 3 bad

		years of drought. 60% is a good productivity rate in indigenous goat herds.
Livestock Association training	7 livestock associations have received quarterly trainings in agreed upon topics	Livestock Associations are being trained quarterly.
Dip tank trainings	115 dip tanks have received bi annual trainings	These are ongoing.
Herd commercialisation	5250 farmers have commercialised their herds (750 per LA)	Farmers are selling their goats more regularly as can be seen with the increasing number of monthly sales. Monthly sales were at 308 goats for January. 5360 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 were 2 farmer exchange visit to Cedara where farmers visited the goats they sent from their districts. 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 are being carried out in the first quarter and the new dip censuses are currently underway. A Facebook site has been developed and content is posted regularly.



Two recent online articles featuring GAP work



A MSD training for GAP and TWK staff and CAHWs