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KZN

NRMDP Beef INDABA

KZN Auction Revenue generated

R14 million

Dannhauser Auction;First time Sellers

Mr Molefe nets R249 300

Van Der Khoza

Value Added Negotiated Deals Enriching & Rewarding









The Beauty of











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KZN REID; WE ARE NOT JUST DONORS

A ray of smile punctuates in Mthokozi Thabethe's posture when asked to track the successes of KwaZulu Natal Rural Enterprise and Industrial Development (REID). 'Where would you like me to begin?' he says. At the risk of making the interview prolong, we decide to focus on the KZN Red Meat Development Programme and why such an aggressive push to link communal livestock farmers to markets.

Mthokozi Thabethe is the director of KZN REID branch responsible for ensuring the development of rural enterprises in the province. By admission, he cherishes the strides his branch has taken but sounded a concern of partners dragging their heels. 'Development is encompassing, the notion that we can do it alone is misplaced but, in some instances and circumstances beyond our control, we must advance carrying the thoughtful pain that we are alone.'

Interestingly, the position REID in unlocking the potential of rural economy remains the core of advancing agriculture and creating more jobs. However, to achieve this it is important to understand rural folk demands than foster foreign plans devoid of their realities. Interconnection between chiefdoms, local municipalities, and local association communities becomes necessary for any project to see the light of success. 'This is the toughest aspect of rural development and we are always

on a prowl when we plan to include community agents that understand development and seeking change in their areas' Thabethe adds.

In 2018, Thabethe directed his branch to coordinate livestock auctions in every district of the province. Already, 12 auctions were conducted generating more than R14.5 million. Asked about this aggressive stride 'we made an investment in infrastructure and people, there must be a return in our investment.' He emphasises that the National Red Meat Development Programme has managed in their assessment to conceptualise how government must engage with rural folk in order to unlock the rural economy. 'I have attended four of the of these auctions and with each one I have attended what I have seen is the NAMC being the centre and all of us contributing from government, chiefs, local livestock associations, youth, religious leaders, local business to the success of an auction.' If this was replicated to other rural development programs, surely, rural economy could stand to be a major job booster.

On future plans of the project and the department, Thabethe was optimistic that the programme will not capitulate to the memory of history but rather, it will be more enhanced and incorporated into the AGRI-Parks strata.





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PARTNERS







R14 million Generated in Four Months



R1 459 900

#Sellers: 67Animals: 180

Highest income: R161 550



R4 804 650

#Sellers: 302 Animals: 565

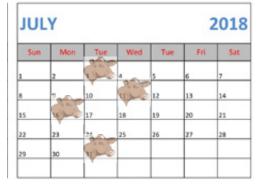
Highest income: R475 600



R2 889 365

#Sellers: 171 Animals: 389

Highest income: R414 100



R5 254 775

#Sellers: 282 Animals: 605

Highest income: R 328 900

















an DerKhoza Radical red meat transformation Value Added Negotiated Deals Enriching & Rewarding by Khoza business abbreviated as Van Der Khoza.

By: Bongani Radebe





Van Der Khoza beef originated more than three (3) years ago. The business main trading stock is cattle, goats, sheep and poultry with sales sites in Pinetown, Marinahill and Kwa Nyuswa respectively. In each of these operating beef sites, Van der Khoza employs more than 10 people per site. The company is owned and managed by Simphiwe Khosa, who inherited the livestock trading business from his great grandfather. He has over the years seen the regressing state of many township meat businesses closing down. We caught up with Mr Khoza at the beef auction to tell us more about his business.

A member of KwaZulu-Natal Agricultural Union (KWANALU), Khoza has more than 20 years of experience in the red meat industry. Van der Khoza is a fully licensed livestock trading, meat processing and a meat distributor in KZN. His not alone in this growing entity of livestock trading and greatly appreciates rural development for this red meat project. But for now, the NRMDP has provided that relief as he has managed to reduce many costs in finding meat markets. 'Such assistance from our government you don't know what it means to us as livestock traders. Customers and suppliers waiting for their orders and providing quality meat is a tough feat to balance.'

These constant auctions have enabled him to identify two more sites and penetrate into other areas not exploited. "There is now clarity and how we black farmers and livestock traders must support government livestock programs" he says. It was not as easy in the beginning but slowly through learning and adjusting to meat industry developments one was able to align themselves in order to survive. It is an advice Khoza shares



Van Der Khoza bidding in one of the auction in Amajuba

especially to young people rushing to just sell meat and open 'chisa nyamas' (braai restaurants). This is one of the reasons many meat companies in townships shut down because of the inability to study market developments and consumer preferences.

Livestock trading can be fancy but it is not for the low hearted Khoza adds. A huge chunk of risks is involved including compliance to food safety and health standards. On the other hand, rewards are plenty as with livestock 'you cannot never go wrong' exudes Khoza 'as our country was in short of beef stock' and he saw his part and many of the growing black livestock traders as contributors. Khoza never would have imagined that he would sit in auctions and compete with established commercial livestock farmers.

Apart from these successes, the stark past of discrimination and being secluded from formal red meat value chains is a daily fight. Many of the auctions, abattoirs, retail etc are still the privilege of a minority and you cannot enter or access' he adds. His tenacity to forge despite the rejection advances was to also proof and challenge this myth that black people do not know farming unless mentored by a white farmer.



ADVERTISING RATES

Agri-Inspire Issue number 2



The National Agricultural Marketing Council (NAMC), in partnership with the Agricultural Research Council (ARC) and the Land Bank saw a need to facilitate the flow of information between different stakeholders involved in the agriculture sector and the farmers, through the Agri-Inspire Journal.

The name "Agri-Inspire" has been chosen to reflect the developmental aspect of the journal, where the relevant information will be shared with farmers pertaining to policy matters, marketing and support services; and to government and other relevant stakeholders pertaining to progress made out of their endevours to develop the agriculture sector and to assist them to identify working interventions and challenges that need attention for future interventions.

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Sub-themes:

- Food security
- Climate smart agriculture
- Conservation agriculture
- BRICS Agriculture opportunities

Submission Deadline: 02 October 2018

Article submission: Kayalethu Sotsha Email: KSotsha@namc.co.za Tel: 012 341 1115

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Purpose

To facilitate poverty reduction, social organisation, youth development and the development of cooperatives, rural enterprises and industries.

Components and functions

- 1. Reduce household poverty in accordance with CRDP.
- 2. Promote rural businesses development and facilitate rural development financing
- 3. Facilitate establishment and support of primary cooperatives.
- 4. Facilitate organisation of primary cooperatives into secondary and tertiary coops and provide support.
- 5. Facilitate the development of rural enterprise and industries.
- 6. Provide strategic management in the coordination of financial and non-financial service delivery.
- 7. Provide social organisation and youth development towards economic upliftmen





2014 Msinga Auction Pen

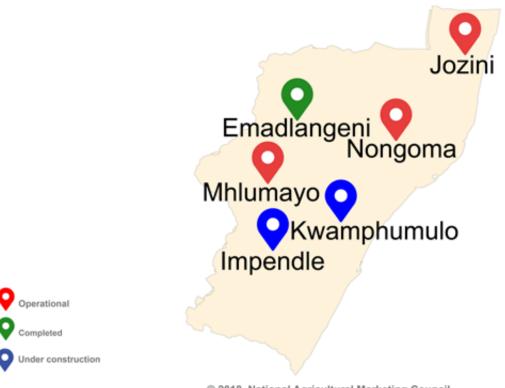
In 2014, former President Jacob Zuma launched the Msinga Auction Pen built by the Department of Rural Development and Land Reform. Huddled between the serene Tugela Ferry and Buffalo Rivers, the auction pen was a result of a study commissioned by the Department of Economic Development. According to its research outcomes, the department discovered that the area was the biggest if not most populated rural area in South Africa with approximately 60% of household owning goats. This set a prime source for economic encouragement and an initial investment of R1, 9 million was set aside to build the auction pen.

One of the prime projects is the Tugela Ferry Irrigation Scheme which according to the Department of Rural Development and Land Reform included repairs to the weir intakes, concrete canals and upgrading of the infield irrigation system to name a few. The Msinga auction pen sits uniquely at the forum of development and economic activity as 10 km away is the Tugella Bridge that opens the area to economic participation. In 2016, the auction pen hosted its first livestock auction netting a whopping R825 851.





KwaZulu-Natal NRMDP



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04 May Dannhauser. A streaming line of livestock farmers ferrying in their livestock for auction sales

R1.1 million in Auction Sales





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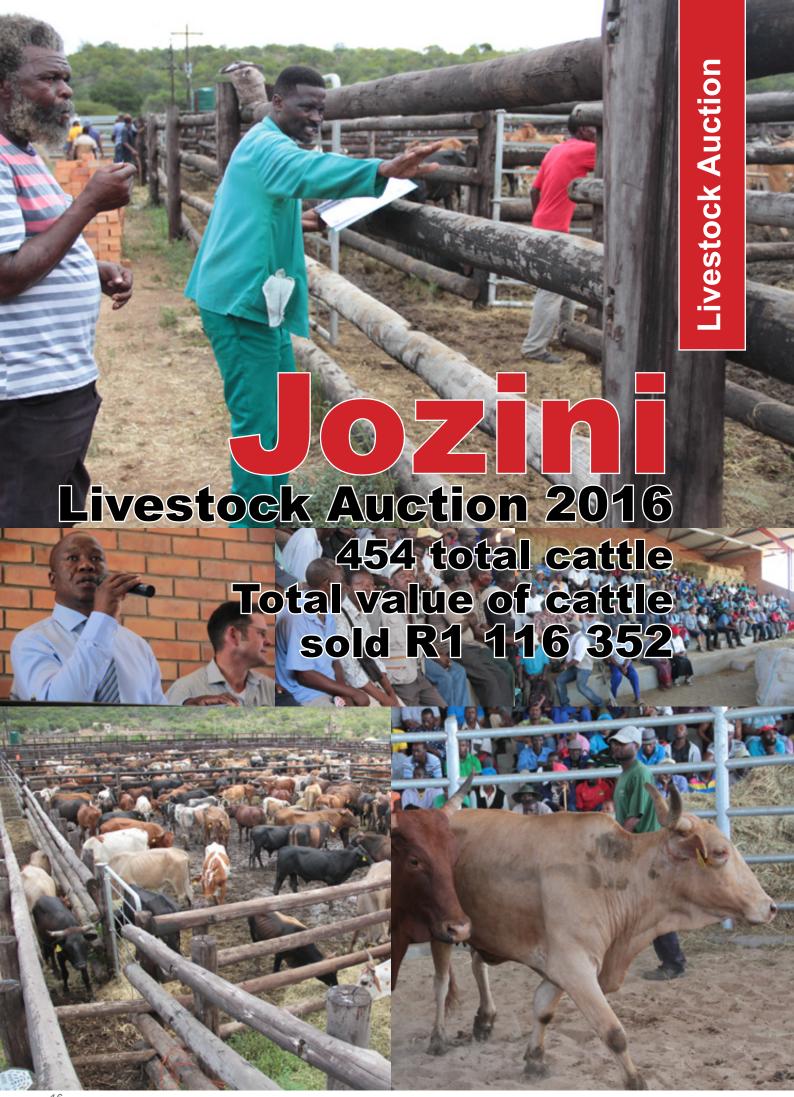
ollowing a successful auction on 13th April, Amajuba District, Dannhauser Municipality suitably followed on 4 May 2018. The NRMDP team led by KZN Department of Rural Development and Land Reform galvanised around 71 communal livestock farmers. Close to R1.1 million was generated with 152 livestock sold.

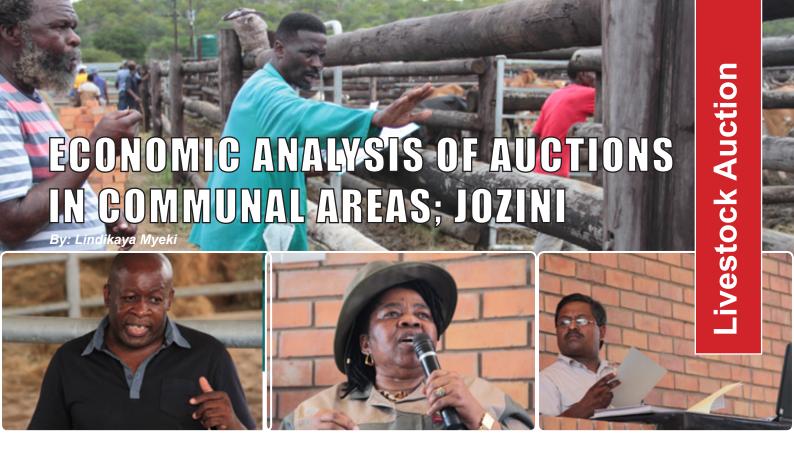
It was for the time under the municipality an auction was organised in its history. Although there were niggling challenges in the start especially with the venue, local farmer Mr Mthethwa came to the aid. Hosted on his 600 hector farm, the DRDLR managed to organise a mobile auction pen, transportation and catering. Dr Ngetu asserted that it was one of those challenges they usually came across. 'Sometimes it is the lines of communication not being clear however, at the end of the day there is progress, and development cannot halt because of people including circumstances beyond our control" he said.

Chief Director of KZN Rural Enterprise and Industrial Development Mthokozi Thabethe was delighted that the NAMC was recognising the urgency of communal livestock farmers generating income. "We are not just donors, we are building up. We want to see return on our investment be it socially and economically." It is for this reason he had issued an instruction that each district conduct monthly auctions.

One of the families the Mavimbela's, mentioned that it was their first time participating in an auction. Together with the Zulu and Ngocobo family, they sold 16 cows with calves banking R89 758.00. At first, they were sceptical of the auction but soon realised the worth of their animals being sold at such high prices. 'I was more than shocked and bewildered my child, if you reside in rural places like us you will know what R30 000 means in your hands' said MaZulu. The Ngcobo family on the other hand were glad to now finally assist their daughter in paying for a wedding of her dreams.

Animal Health Officer for the NRMDP in Amajuba Sipheshile Nkosi said farmers expectations in this region were high. 'Almost all local municipalities demand an auction as communal livestock farmers are adding pressure almost on a weekly basis.' She has never since the programme was introduced in the district received complaints from communal farmers. The working relationship between livestock associations, government officials (national, provincial and local) and buyers defines the success of the programme.





Jozini is mounted in the settlement of Umkhayakude District Municipality (KwaZulu Natal) a short distance to Swaziland and Mozambique. An area renowned for its wealth of livestock, the National Red Meat Development Programme as early as 2015 established a base and held its second livestock auction on the 19th February 2016.

During the auction, 453 cattle were presented with only 254 cattle sold. The cattle sold generated approximately R1.1 million. On the other hand, the average price per kg was estimated at R13, 69 with the highest price at R7 400 and lowest price at R2 200 (see Table 1).

Item	Unit	Actual
Total cattle	n	454
No. Of sales	n	254
No. Of unsold	n	200
Highest price	R	7 400
Lowest price	R	2 200
Average price	R/kg	13.69
Total value of cattle sold	R	1 116 352

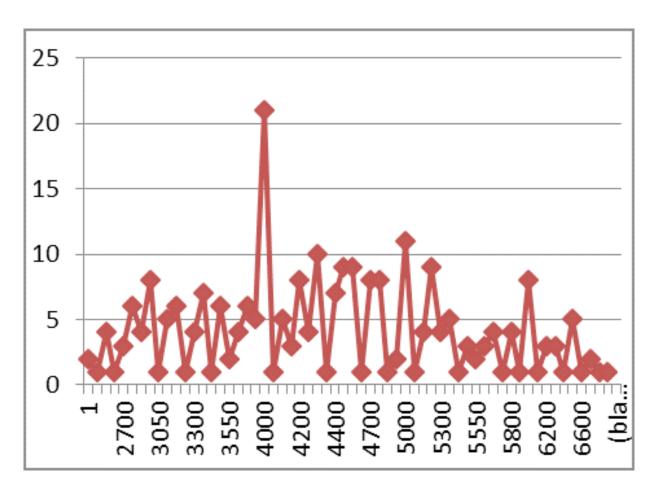
Source: Jozini Auction data, 2016

The tabulation presented indicates that the area is endowed with wealth of livestock. The 200 unsold cattle could mean that the communal livestock are well aware of their value of their animals. According to the NRMDP official auction data across KZN, the standard percentage of animals not sold is usually between 3-4%. In this instance, it was a resounding 42%.

Mr Ndlovu Chairperson of the Jozini Livestock Farmers Association concurred with this view albeit worryingly. 'You have buyers going deep inside the village searching for animals. Here in our area, people are reluctant to sell their animals but for a good reason – price.'

Figure 1 below shows that 20 cattle were sold at a price of R4 000, followed by approximately 10-12 cattle sold at an estimated price range of R4 400 to R5 300. The average income received by sellers (farmers) was at R18 921. Therefore, the farmers who benefited a lot from the auction were those who sold more than one cattle.





Since 2016, the number of communal livestock farmers interest in auctions has dramatically increased. Just in 2018, 7 auctions have been held with a combined income of about R8 million.

Highest income **R** 165 900,00



Number of women sellers

14

Number of men sellers

58

72

Total number of sellers

24%

of women to men

17%

of income generated by women sellers

Highest price *R 13 300,00*









Livestock Auction



Mr Molefe netted R249 300 in a livestock auction at Ndawana Location

By: Kayalethu Sotsha

The KwaZulu-Natal Department of Rural Development and Land Reform (DRDLR) in partnership with the National Agricultural Marketing Council (NAMC) delivered once more. On a very cold day on 20 June 2018, the DRDLR and the NAMC organised an auction at the Ndawana location as part of National Red Meat Development Programme (NRMDP). Despite the harsh weather condition, farmers came in their numbers to honour the event.

There were 184 animals presented and 171 were sold, cashing in R1 226 125.00. Mr Molefe sold 29 heads of cattle, netting R249 300.00 at an average price of R8 596.55. He indicated that he is struggling to raise more animals due to the issue of stock theft. Therefore, the auction presented him with an opportunity to reduce his stock size at a least cost. Although he has a number of options regarding the markets, he says it is cheaper to sell in such auctions because the cost of transport is cut, allowing farmers to have maximum benefits from their sales.

sales". Mrs Gaboliso is a widow with five children who look up to her. She says cattle are one of the main sources of livelihood for her family.

Mrs Nomagagase Eslina Mthembu walked away with R20 775. 00 from selling three heads of cattle. She is 82 years old and is widowed. Her family depends heavily on social grants, but she uses cattle as a buffer against shocks. She also appreciates organised sales and was happy that she could sell three heads of cattle at once.

National Red Meat
Development
Programme (NRMDP)
is a streaming line
of livestock farmers
ferrying in their
livestock for auction
sales



It was also a pleasure to see women represented at the event. Mrs Annie Gaboliso who is 63 years old sold three heads of cattle, taking

A bull that was sold at the highest price - owned by Mr Molefe

home a sum of R15 600.00. When asked about what the auction means to her as a cattle producer, she said: "I am grateful for this opportunity because the informal market demand is not consistent. Sometimes people from the community come to you when they have urgent needs, but you have to wait for months to receive payment. Although I understand that this is how we live as a community helping each other out during difficult times – it also affects you as a seller because you sell also to attend to some of your urgent needs. So I am grateful for such organised



The NRMDP continues to support the previously disadvantaged communal cattle producers. Always, people appreciate the intervention and try to describe the massive contribution it makes to their livelihoods. One of the best aspects of the programme is that it only creates opportunities for the communal farmers and lets them retain full control or rather full ownership of their cattle, without any sort of intervention in farmers' decision-making about what happens to their cattle.

For more information, contact Kayalethu Sotsha at KSotsha@namc. co.za



23 May 2018, Mhlumayo. A streaming line of livestock farmers ferrying in their livestock for auction sales

R1.1 million in Auction Sales

Highest Price R15 200 | 806kg 162 Livestock Presented 91 Communal livestock

Farmers



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When was Siyaphambili Livestock Co-operation established?

The Siyaphambili Livestock Co-op was founded in 2002, at first it was called an Association up until it was converted to Co-operative in 2008. The leadership changes from time to time and currently, we are 11 committee members, 6 females and 5 males.

How did the Siyaphambili get involved in the NRMDP?

The National Agricultural Marketing Council came and approached the Siyaphambili Co-op and enlightened us about the National Red Meat Development Programme. We were at first hesitant but when we got invited to the Ncorha feedlot launch we went back excited and liked the initiative from then on. Since our involvement we have been working hand in hand with all stakeholders. Thankfully, the feedlot was constructed in 2014 and the traditional authority identified a land for us to build the CFP facility.

What has been the positive spin-offs you have seen from the programme?

The presence of the feedlot has changed a lot, especially for our cattle. From supplying tiny cattle to full-blown cattle, it does wonders really for our pockets. Even the taste of it, it is of a well standard grade. Another thing that we really appreciate about this programme are the auctions organised right here at this feedlot. Auction sales I must confess are good and it has become a norm and culture for there to be auctions. It is the community that wants them.

How do you balance the interest of your members, government and community as a whole to keep the programme alive and going?

The Siyaphambili Co-operation holds two meetings every year and then every month the executive holds theirs. We balance all the interests of our stakeholders through arranging meetings in time to tackle all the current issues and challenges arising.

The NRMDP is expanding to other areas and provinces, what advice can you give other Chairpersons in managing the operation of the programme?

Firstly, I would highlight the fact that they are very much lucky to be receiving this programme in their respective areas because this marks the start of change in their lives. I would advise them to pay attention to all the Terms and Conditions of this programme, in order for them to run it successfully. Again they should also embrace the auctions so that they can witness the positive results of this programme through the well prices they would receive.

In your view, what can government, farmers and community do more to take the programme forward?

The community should bring their cattle to the feedlot, government should support by not staying far from the farmers and leave them alone with the CFP as there are lots of things that will be very difficult for them to run in the period of 5 years.



Tackling a triple challenge of poor access to land, lack of finance and lack of market access for communal livestock farmers in South Africa

By: Kayalethu Sotsha

raditionally, livestock in South Africa remains one of the most important sources of livelihood for the poor and has also been a good commodity for cushioning poor rural households against shocks. Communal livestock farmers account for about 40% of the available livestock in the country (DAFF, 2013). However, these farmers are characterised by a lack of marketing infrastructure such as regulated grazing (camps) (accompanied by inability to purchase feed to supplement poor communal grazing land), auctioneering facilities and rural feedlots. In addition to marketing infrastructure, these farmers have poor access to medication (caused by low income) and are unable to implement ideal breeding systems. Therefore, the challenges faced by communal or smallholder livestock farmers appear to be threefold. They include poor access to proper grazing land, inability to procure inputs and lack of access to formal markets (land, finance and markets).

The National Red Meat Development Programme (NRMDP) is one of the flagship programmes, if not the only flagship programme, in the country that seeks to address all three challenges holistically. The programme was inherited by the NAMC in 2009 after the closure of ComMark and later boosted by the Department of Rural Development and Land Reform (DRDLR) in 2013. Other stakeholders that are actively involved in the implementation of the programme include the Department of Agriculture, Forestry and Fisheries (DAFF), its provincial departments such as the EC DRDAR, the municipalities, the traditional authorities and once-off support by WBHO (for the Umzimkhulu Programme).

The main aim of the programme is to eventually integrate communal livestock into the mainstream markets. Moreover, the programme has additional socioeconomic impacts, in the form of localised employment creation, catering services, and transport opportunities, thereby adding disposable income that enables poverty reduction, enhances food security, and increases the affordability of quality education and health services. Examples can be seen in the pictures below.

The pictures highlight examples of the far-reaching impact of the programme. In other words, besides the primary focus of connecting farmers with the formal markets and systematising the informal markets, the programme also creates opportunities for unemployed graduates (through provincial coordination, feeding facility administration and animal field officers), unemployed youth (through herdsmen), localised small business enterprises (through construction, feed, medication and water supplies, sanitation services as well as logistics and catering.



Mr Nkosana Tshabalala is from Utrecht, under the Amajuba District Municipality of KwaZulu-Natal. He retired from work in January 2008 and became a smallholder farmer farming with cattle (36), goats (56), sheep (30), pigs (5) and countless chickens (as he puts it). He sells mainly in the informal market and often takes advantage of gatherings such as auction sales, social grant payment stations and so on to sell his livestock. When asked specifically about the role played by the DRDLR through the NRMDP, he highlighted several things.



Some of the business opportunities created for rural households





Firstly, he applauded the department for creating opportunities, not only for farmers to sell cattle at auction, but also for enabling farmers and other small business enterprises to sell other goods and products on days such as auction days. He made an example about his chickens, saying that he managed to sell close to 10 chickens in a space of about two hours. He indicated that the income he receives from selling livestock assists him to meet household needs such as buying food and inputs and increasing stock. He also highlighted that it becomes a bit easier to afford school uniforms for

schoolgoing children. "Overall, when the household is able to generate income and make a living, everybody becomes happy."

Overall, when the household is able to generate income and make a living, everybody becomes happy

The NRMDP is one of the most comprehensive programmes that holistically attempts to reduce the effects of poverty and food insecurity in rural communities. The government of South Africa needs many more such programmes and may the Department of Rural Development and Land Reform continue to support this programme for the betterment of rural communities and the absorption of unemployed graduates under the current situation of constrained economic growth and high unemployment. Furthermore, the lesson learnt so far is that the informal market is quite strong in the

case of livestock. Therefore, a plan is required for how to structure this market to operate parallel to the formal market.

For more information, contact Kayalethu Sotsha at KSotsha@namc.co.za.





Dannhauser WCUVOVV first time sellers

n the 4th May 2018, Dannhauser Municipality conducted an Auction Sale for the first time. The NRMDP team led by KZN Department of Rural Development and Land Reform galvanised around 71 communal livestock farmers. Close to R1.1 million was generated with 152 livestock sold. Three families from the village in Springbok where Mavimbela, Zulu and Ngcobo family combined walked away with R89 758. They sold 16 cows with calves.





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APR - JUL (2018/19) KZN NRMDP AUCTIONS







290
Beneficiaries



†251 Male sellers



Building farmers' understanding of structure, operation, requirements of formal markets through broadening, deepening, and reducing distance to markets in emerging/communal farming areas by training, practical assistance to align age, health, breeding of animals more closely with market demand



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