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Promoting market access for South African agriculture

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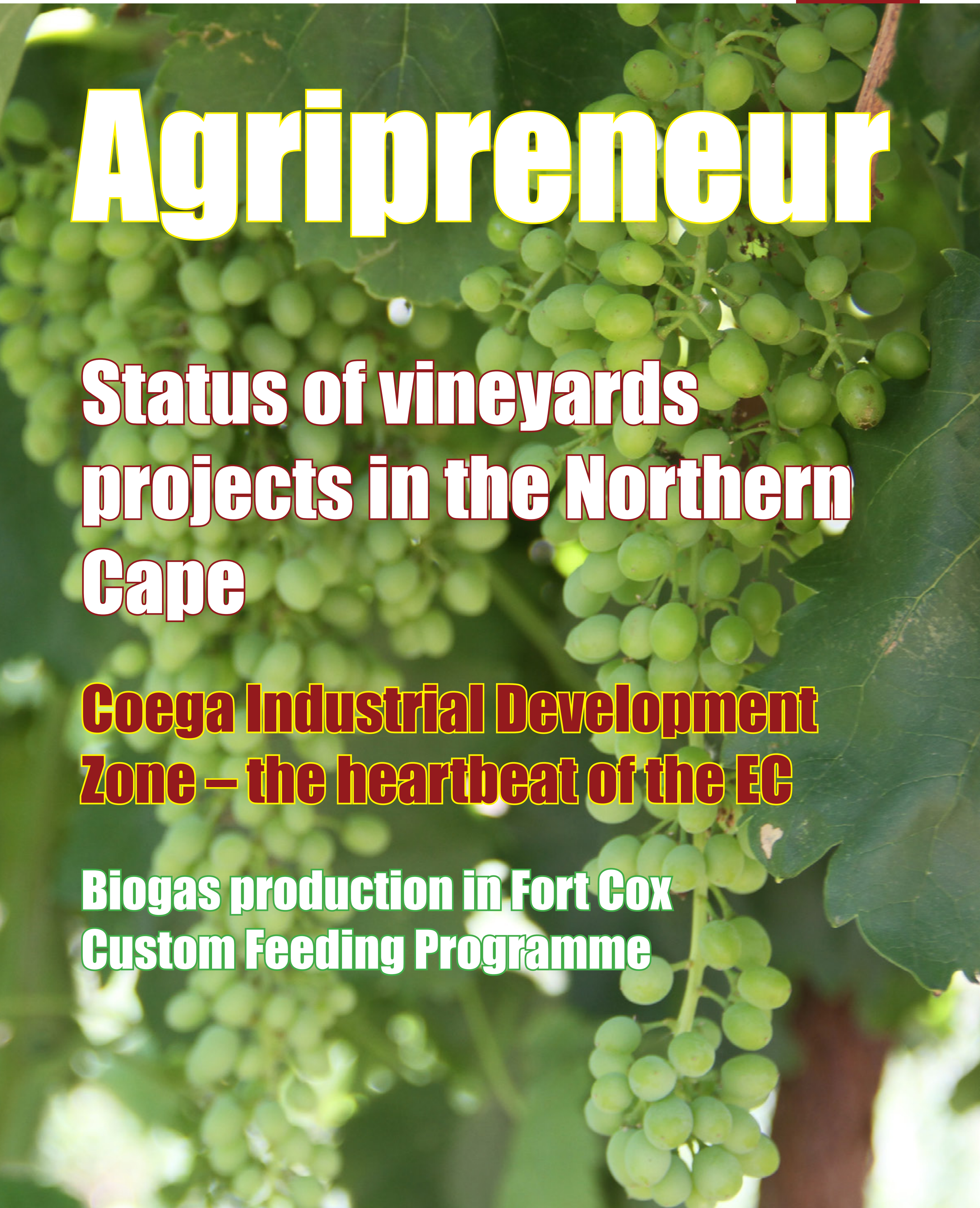

Agripreneur

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PREFACE

This is the seventh publication of the Agripreneur edition from the National Agricultural Marketing Council (NAMC). The Agripreneur aims to communicate business-related information among smallholder farmers. Agriculture is a business and therefore this edition was designed to share information on business development and to inform farmers on the dynamics of the farm business in hope of improving entrepreneurship skills of the farmers.

In addition, smallholder farmers face several challenges in their business environment, which negatively affect the marketing of their commodities. Through this publication, the NAMC seeks to create a platform where farmers, particularly smallholders share their knowledge and skills, challenges, experiences, and insights with each other. It is believed that this publication will assist smallholders to learn from each other, develop strategies, adopt models, and become part of the value chain by marketing commodities that meet quality standards and are safe for consumption.

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The status of vineyards projects in the Northern Cape

By Kayalethu Sotsha and Thulisile Khoza

South Africa embarked on a land reform programme as an endeavour to close the gap between black and white farmers in terms of land ownership inequalities. However, this initiative has been slow, considering its initial targets. For example, the target was set for the entire land reform programme to redistribute 30 percent of the commercial farmland within five years (1994 – 1999), which was subsequently extended to 20 years (1994 – 2014) (Lahiff, 2007). Although a lot has been achieved during this period, the target has not yet been achieved to date. Hence, (for example) the lodgment of claims was extended from 1 July 2014 to 30 June 2019 (5 years) through the Restitution of Land Rights Amendment Act of 2014 (National Treasury, 2015).

One of the most notable and popular obstacles is the fact that land reform is based on a willing-buyer willing-seller approach, which is against expropriation of land without compensation. This implies that the current owners (white farmers) of most of the agricultural land dictate where, when and at what price to sell their farmland. As such the price of land tends to be too high for the prospective beneficiaries. Hence, the Settlement and Land Acquisition Grant (SLAG), which was later replaced by the Land Redistribution for Agricultural Development (LRAD) grant, was put in place to assist prospective beneficiaries to afford land.

In addition, the Comprehensive Agricultural Support Programme (CASP) was introduced to provide post-settlement support to the targeted beneficiaries of land reform. This probably aroused from the recognition that redistribution of land is necessary, but not sufficient to guarantee the success in terms of poverty reduction and food security for the previously disadvantaged as noted by van Zyl, et al. (2001).

It was envisaged that land reform has a potential to provide sound basis for future growth of output and employment in the agriculture sector, and it would gradually eliminate inequalities in land access. However, there are concerns that those who have benefited struggle to maintain the production capacity of the acquired farms. This is due to a number of reasons, which include farm size, low (or lack) of ability to acquire other necessary inputs such as implements, machinery and labour; the availability of infrastructure and the knowledge of how to maintain the existing infrastructure coupled with availability of post-settlement support. The CASP fund is meant to address such concerns.

Currently, there are nine vineyard development projects on DRDLR and NAMC MoU which had budget allocated for the 2015/16 financial year on the vineyard development implementation plan. However, this article gives a brief background of some of just a few projects; where they are, who the beneficiaries are, the extent of development under the vineyards, jobs created, and some of the challenges faced by the farmers. The projects were acquired through LRAD and they are funded by CASP.

In terms of the institutional arrangements and management, DRDLR collaborates with the Department of Agriculture (DoA), the local municipalities, the project managers, the beneficiaries and other relevant role-players. The National Agricultural Marketing Council (NAMC) implements and monitors the projects through its Agribusiness and Agro Food Chain units, respectively.

The status of vineyards projects in the Northern Cape



Coboob farm
Coboob comprises of 7 beneficiaries, all of which are former employees of the previous farmer. The farm size is 49 hectares (ha), but only 10 ha is planted vineyards. The area was planted in September 2016 by DRDLR. The farmers currently rely on 4 ha of mangoes (cash crop) for cash flow, as the vineyards normally take about five years to mature. The mango trees will be taken out and replaced with vines in the medium to long term. The farm has created 52 jobs, most of which are seasonal. The beneficiaries anticipate that the farm has a potential to create 30 permanent jobs in the long term.

Challenges:

Water pump – there is no electricity on the farm; therefore the beneficiaries use a generator for irrigation. Now, the challenge is that the generator is old and a bit challenging to work with. Furthermore, it is expensive and not efficient because it can only irrigate 2 ha at a time.

Pella development
The farm is situated in a small area known as Pella, under the Khai-Ma local municipality. It is an 85 ha farm of which 52 ha used to be under rose geranium development (which collapsed). After the collapse of the rose geranium initiative, the DoA contributed a grant of R11 200 000.00 over 2013/14 and 2014/15 financial years, for the development and establishment of 33 ha of table grapes. So far, 15 ha were planted in September 2016 and the other 15 ha is under construction. About 40 construction jobs have been created.

It has a management committee consisting of 7 farmers with 4 males and 3 females. The land is owned by Khai-ma local municipality. 30 households form part of the beneficiaries of the project. The project has a storage facility on the farm and a dam.

Challenges

The intended date of completion was March 2016, however the biggest challenge with the site is the fact that the farm land consist of sandy soil causing the construction of trellis to be difficult. This is why the trellises are being constructed at very slow pace. This has delayed the work and will impact progress.

Furthermore, the farm pumps water from the Orange River into a constructed dam near the planted area. This requires an upgrade of the electricity grid, which is not complete yet. Further challenges include a broken water pump, and there are no funds to fix it in the 2016/17 financial year. In addition, there is lack of funds for operating costs. This means the planted area is not irrigated and the risk is that some of the trees may die.

Blocuso Trust Vineyard Project

Blocuso is situated in the Soverby area, which is located at about 10 kilometers from Keimoes. It falls under the Kai Garib local municipality of the ZF Mgcawu District Municipality. In 2000, the farm was bought by 466 families living in Bloemsmond, Soverby and Currieskamp areas (hence it is called Blocuso) from the Independent church of Gordinia at a value of R1.4 million. This transaction was financed through SLAG (R16 000 subsidies to each of the 466 families). A trust was developed to manage the land on behalf of the beneficiaries. In 2010, the Blocuso Agricultural Primary Cooperative was established to farm the 216 has on behalf of the Blocuso Trust and beneficiaries. The cooperative consists of five males, one female farmer and fourteen permanent farm workers (nine males and five females).

The project received funding from DRDLR from 2006 to date. The DoA also contributes to the funding. Main developments achieved so far include:

- 2006 – 2012 - Bulk water system (reservoir, pumps, pipelines and a pump station), soil preparations, development of 18 ha of Villard Blanc (wine) (including the irrigation system and construction of trellis system)
- 2012 – 2015 - 5 ha of Merbein (raisins) was developed
- 2013 – 2015 – Further 12.13 ha of Merbein was developed
- 2015 to date – A further 5.1 ha of Chenin Blanch (wine) has been developed

The farm has contract arrangement with (i) the Orange River Wine Cellar (OWK) for the 18 ha of Villard Blanc produce, (ii) Pioneer Foods for the 17 ha of Merbein produce.

In terms of jobs creation, the farm employed a board of directors (6 members) – their ages range from 42 – 78 years. In addition, the project employs temporary workers using a monthly rotational system, where (for example) they employ 45 (15 monthly) different temporal farm workers during the pruning season (July, August and September), and 40-80 temporal workers are employed during harvesting. There are 16 permanent employees (eleven males and five females) with the age range of 23-56 years.

A mentor was appointed from 2009 to 2014. The mentorship was then stopped in 2014 reason being, the farmers felt that they are fit enough to take care of the business on their own; and so far, they are doing well.

Challenges

The project is not yet sustainable and it still largely depends on financial support for operational costs and infrastructure development. The farm has 216 ha of water rights, but so far only 49.7 ha have been developed. As a result, the farm is in arrears of about R1,9 million at the Department of Water Affairs for 216 ha water rights. Hence, the key plan for the farm business is to expand the business venture to its full potential within the next five to ten years. One of the praiseworthy attributes of the beneficiaries is that they have contributed about R1, 3 million in 2015 and they believe that this will make a huge difference in assisting to achieve their goal of making the project to operate at its full potential.


Trellises construction and vineyard development

Silver moon investment

Silver moon investment

This farm is owned by one farmer, the other nine farmers sold their shares because the farm was not doing well. The farm comprises of 102 ha, with 53 ha under irrigation and the rest is under dry land production for now. In August 2014, 13 hectares were planted and 300 kg of raisins was harvested during January 2016. In 2015, soil preparation was completed on a further 11 hectares, but due to water challenge, only 3 hectares were planted although the trellis construction was not complete. The challenge noted here, was the shortage of poles for the construction of the trellises. Furthermore, the farmer has no drying facility.

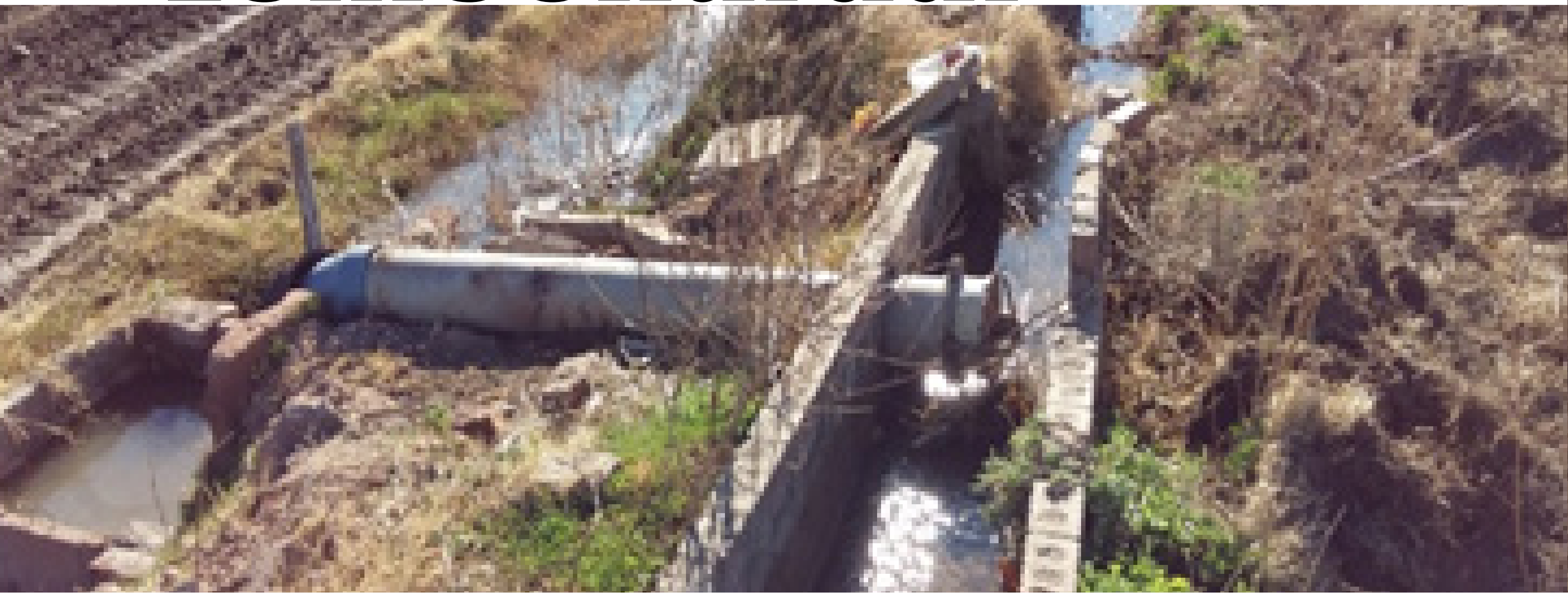
Challenges

Silver moon has reported that there is no enough picking crates or drying trays. Hence, there will be a challenge during the harvesting period since it is expected to harvest between 10 and 12 tons per ha on the first vines. Irrigation water from the canal is not enough; hence the installation of more pipes is needed to enhance the irrigation efficiency. The need for assistance with weed control program was highlighted.

Lessons

The farmer is saving on the expenditure from the budget allocated for each financial year. He indicated that the budget of R350 000.00 is small and not enough for the whole financial year. Therefore, he uses the savings as a carry over to the next financial year. In November 2016 he had no money to pay his workers and he indicated that if the money from DRDLR is not deposited into his bank account by the end of the month, he will sell his sheep so that he can pay the workers. His main concern is the relationship he has built with the workers. He wants to keep them happy – he believes their relationship is mutual. He foresees a brighter future for the business, particularly when the vines begin to mature. He has planted more than 80 rows of picken nuts and some Lucerne as a diversification strategy. The farm currently employs 7 permanent workers and 40 seasonal workers from the surrounding communities.

Lemoendraai



Lomoendraai Agricultural Association was formed by individuals (PDI's) who privately own land along the Orange River. In 2013, the Northern Cape Department of Agriculture, Land Reform and Rural Development (DALRRD) went into discussion with Lomoendraai Agricultural Association after the realization that they could not utilize all the irrigation land available for the purpose of vineyard development due to the costs of vineyard establishment. The association had 40 ha of prime agricultural land to be developed, however, they came into an agreement that 30 ha from members of the association will be made available for the vineyard development. Department of Agriculture Land Reform and Rural Development then partnered with OWK for management of soil preparation and construction of trellis. 10 ha were reserved for sub-surface installation. The remaining land from the 40 ha was reserved for Lucerne production.

The total land that was bought and transferred to the projects is 100 ha of which 40 ha was earmarked for grape production. Irrigation land is used for crops like Lucerne and rational crops like maize. This project established vineyards to a total of 30 ha during 2014/15. There are currently 4 farmers managing the project. 16 ha of vineyard were planted in 2015. A total of 16 trellis materials were contracted in the financial year 2015/2016. Implements bought were, tractors (X2), trailers (X6), slasher, shedder and mist blower.

Challenges

Concerns raised were distance that the water must travel, high maintenance cost of canals, inefficient use of water, high cost of managing the weeds on and in canal as well as in vineyards. There is a need for assistance with comprehensive weed control program, subsurface drainage and pipes to feed the water to the vineyards.

Eksteenskuil

Trellises

Eksteenskuil is situated in the Kai Garib Municipal area and is located 5 km from Keimoes and about 40 km from Upington. Farmers within the area mostly work under an uneconomical land of 3 ha plots and only 40 percent have title deeds.

The total area of land is 2100 ha spread over 17 islands in the Orange River Floodplain. 621 ha has been reserved for vine development, however, only 41.14 ha has been productive up to this year (2016). Out of the total area 609.14 ha is used for crop production. The Eksteenkuil community is mostly a farming community with a population of about 2000 inhabitants of which 119 are small scale farmers. Eksteenkuil consist of 32 farmers who produce both wine and raisins. The trellises were constructed in an area of 10 ha after receiving a 5 ha of trellis materials, fertilizer and herbicides during 2015/16 financial year. The soil was then prepared on the 10 ha land.

Challenges

Insufficient irrigation water which is attributed by the sharing of canals, maintenance issues lack of pipes to move water to the vineyards, poor roads, and electricity and storm water managements.

Conclusion

The vineyard farms are doing relatively well. Like in any other business, challenges are inevitable in the farm business. What matters is how the farmers deal or approach the challenges they face. It is appreciated that there are farmers that do not look up to government for financial support in all the aspects of the farm business. Such farms have a better such of success even after the support from government stops. Some farmers tend to forget that the sustainability of their farm business largely depends on their commitment to make the farm work. This is key.

Reference:

Lahiff, E. (2007). “Willing buyer, willing seller”: South Africa’s failed experiment in market-led agrarian reform. Third World Quarterly, 28(8), 1577–97.

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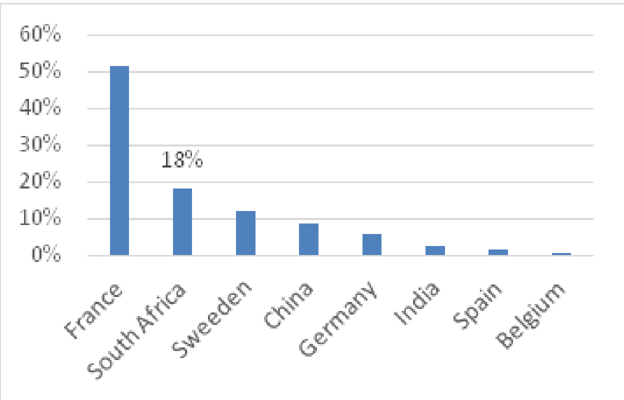
Coega Industrial Development Zone – the heartbeat of the EC

By Bonani Nyhodo

The Nelson Mandela Metro is the economic hub of the Eastern Cape Province, with two harbours in close proximity (Port of Ngqura and Port of Port Elizabeth), serving as the gate way to the area and the greater Eastern Cape. A huge proportion of South Africa's wool and mohair are shipped out of South Africa using the Port of Port Elizabeth (almost all of the Eastern Cape and Lesotho wool). The Port of Ngqura is located within the Coega Industrial Development Zone (IDZ). The Coega IDZ is the new point of gravity for investments into the Nelson Mandela Metro with a total investment value of over R7 billion.

Presented in Figure 1 are the sources of the investments. There are about thirty-three investors originating from eight countries that have invested at the IDZ. The biggest single investment is on energy and it is coming from



France. South African investment accounts for 18 percent of the total investment and is the only country that invested on agro-processing. Figure 1 presents sources of Coega IDZ investments (by share of the total). Source: Coega (2016).

Investments in Coega are easily distinguishable by sectors as presented in Figure 2. It is clear that energy is by far the biggest contributor to the investment including renewable energy. The automotive industry was second followed by other sectors and then logistics. Agro-processing was the smallest, accounting for only 2% of the total value.

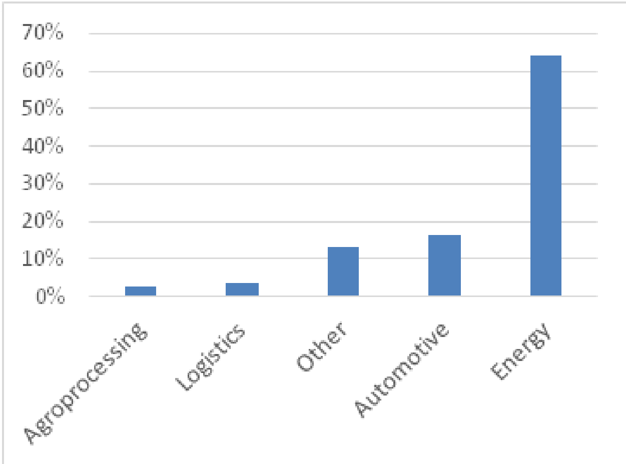


Figure 2: Classification of the total investment by sectors (share). Source: Coega (2016)

Figure 3 outlines the four agro-processing investments in Coega IDZ with the biggest looking at tomato processing (Cape Concentrate). There have been a number of challenges with facility and associated policy changes were made to ensure that it succeeds. The dairy investment is the third biggest following investment in dynamic commodities and lastly digistics.

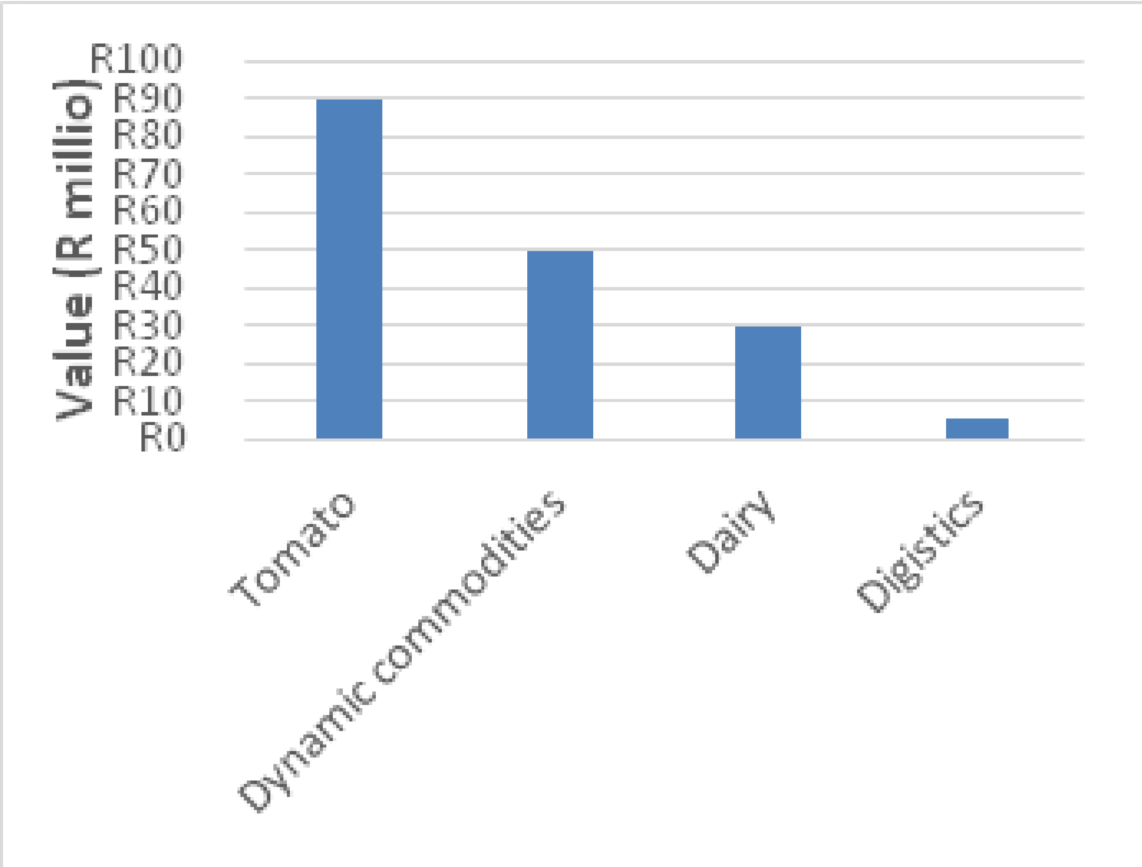


Figure 3: Value of Agro-processing investments (in R' million). Source: Coega (2016)

Conclusions

There is processing capacity that was created. The amount of gap, if any, that exist could only be uncovered through direct engagements with the investors. In short, there is a case to argue that entrepreneurs in agriculture need to look at the IDZ as an opportunity.

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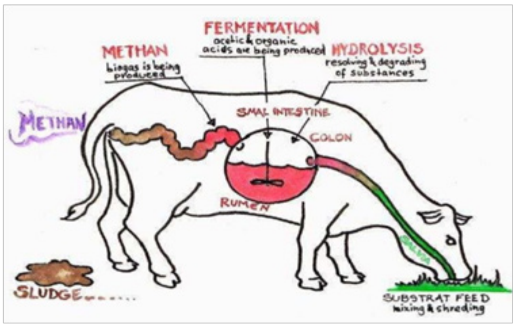
BIOGAS PRODUCTION IN FORT COX CFP

By Lindikaya Myeki

Background

The increasing production of organic waste is a great concern for the society. This is no exception to the custom feeding programme of the National Agricultural Marketing Council (NAMC). The Fort Cox Custom Feeding Programme has piloted the biogas production using the animal waste from the facility. This concept emanates from the production of methane gas during the process of digestion in the stomach of cattle kept in the programme. This is depicted in Figure 1.



Methane production in ruminants

The process of biogas

The process is the same as in Figure 1 when using apparatus. Fresh dung is collected from the cattle holding facility and then stored in a catchment as depicted in Figure 2 and 3.

Collection of dung

This is followed by biogas digestion, which generates gas used for cooking as indicated in Figure 3.

Biogas digestion and usage

The use of gas

The gas produced from the biogas production process in Fort Cox Custom feeding programme is used for cooking only. Biogas is one of the latest innovations in South Africa, which seeks to meet the demand for clean, renewable and less harmful energy.

The National Red Meat Development Programme (NRMDP)

The NRMDP is an initiative of the NAMC, funded by the Department of Rural Development and Land reform (DRDLR) whose aim is to increase the income that smallholder farmers earn from raising cattle, through greater and more beneficial participation in formal red meat markets. Although the programme focuses primarily on meat, there is an opportunity to expand the scope of the program through biogas production as piloted in Fort Cox CFP. This would be beneficial to the communities served by the programme, even to households that do not own livestock.

Therefore, biogas production in the custom feeding programmes of the NRMDP is one innovation that can provide the opportunity to unlock access to clean and renewable energy, thereby reducing carbon emissions in the rural areas. Thus, it can reduce the pressure exerted on the national electricity grid and speed up service delivery to rural communities.

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EHLANZENI RED MEAT DEVELOPMENT PROJECT: NRMDP expands its foot print to the Mpumalanga Province

By Thulisile Khoza and Xolile Ngetu

The National Red Meat Development Program (NRMDP) finally expands its foot print to the Mpumalanga Province. The National Agricultural Marketing Council (NAMC) has signed a Memorandum of Understanding (MoU) with the Department of Rural Development and Land Reform (DRDLR) to facilitate the implementation of the NRMDP in Ehlanzeni District (Mpumalanga Province). The DRDLR, Rural Enterprise Development (REID) unit has allocated a budget of R2.5 million for 2016/17 financial year specifically for Ehlanzeni NRMDP.

Mzinti red meat cooperative has been identified to manage the Ehlanzeni NRMDP. They own an abattoir and feedlot which are adjacent to each other. The cooperative consist of 157 members. The Mzinti red meat abattoir and feedlot sites are situated to the east of Mzinti, approximately 28 km to the south of Malelane within the eastern boundary of Mpumalanga Province. And they are bordered by the non-perennial Mnywane River and approximately 1km to the north of the Mzinti River.

The Department of Agriculture, Rural Development and Environmental Affairs (DARDLEA) has supported the co-op with funding for the habitat assessment that was conducted in 2015, for the abattoir and feedlot. They also assisted with a business plan which has been updated in October 2016. The NAMC has been tasked to implement the business plan through the NRMDP.

The NRMDP encourages black communities to participate in the entire value chain of the red meat industry. The program focuses on strengthening farmers in primary production, offering training needs on market (formal/informal) and developing infrastructure in the form of custom feeding facilities. Through the NRMDP, farmers are provided with a custom feeding program (CFP).

In this program farmers are in full control of the day-to-day operation of the CPF. Even the people employed to take care of the animals and other inputs within the facility are selected and monitored by the farmers. The NAMC, DRDLR and other stakeholders assist with administrative management. They also provide feed and other inputs and salaries for employees.

Mzinti feedlot facility

The Mzinti Co-op has received funding for infrastructure development from DRDLR, Rural Infrastructure Development (RID) unit, through the assistance from DARDLEA. The money was used to put up a feedlot of 600 cattle caring capacity of which 100 caring capacity is reserved for hospital purposes. They also built administrative office, feedlot pan, shed, carcass and disposal trench, fencing, and connection of water supply.

With the support provided to the Mzinti co-op for the abattoir and feedlot put in place, the structures are still not functional. Hence a decision was made to bring in the NRMDP to ensure the operationalisation of both the abattoir and feedlot. The support from RID gave an opportunity to fast-track the process of operationalizing Ehlanzeni NRMDP since most of the structures have been completed. The co-op also decided to rent out the abattoir for a period of three months starting from October 2016.

This indicates that the infrastructure component from the proposed Ehlanzeni NRMPD activity plan will have to be omitted. This also entails that the initial budget for the project will be less than the actual. The Actual budget for the Ehlanzeni NRMDP project was approximately R5 million. However, the DRDLR: REID has allocated only R2.5 million for the implementation of Ehlanzeni NRMDP. Hence, the activity plan had to be adjusted to accommodate the available budget.

The key elements of the proposed operational plan for the feedlot include, training, consumables (animal feed), planted pastures (braze seed), CFP operationalization (salaries for employees), marketing and travelling (accommodation, transport costs). There was an agreement among the stakeholders that braze seed will be planted and will be used for pasture since Ehlanzeni area has been identified as suitable for this crop.

A stakeholder meeting was held on the 26th of October 2016 to discuss the developments made to date, introduce the NRMDP and also discuss the sections for intervention for the operationalization of the Ehlanzeni NRMDP. There was also a site visit to Mzinti abattoir and feedlot to assess the progress made by RID before the implementation of NRMDP.

Stakeholders' site visit at Mzinti feedlot

Challenges identified by the co-op with regards to the Red Meat Project included, amongst others: lack of access to clean water, They do not have Cattle, lack of financial capital, No security, Feed, Medication, Technicians, and farming equipment for planting pasture. The organization mentioned that as the project starts to be operational they aspire to produce weaners and have a milk store so as to add value and increase revenue.

A mini-workshop was held on the 08th of November 2016 to train Mzinti red meat co-op committee members on the daily management of the Ehlanzeni NRMDP. A request was made by the committee members to host similar training workshop for all members of the Mzinti co-op. This was done on the 8th of December 2016.

The NAMC is also responsible in identifying stakeholders to be engaged throughout the program. Rural development have offered full financial support through RID and REID to the Mzinti red meat project. Therefore, they expect to see the operationalization of the project. The support is offered with the aim of encouraging entrepreneurship among farmers.

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Showcasing the agricultural infrastructure projects - African Agri-Investment Indaba

By Realeboga kgobokoe, Stephen Monamodi and Ndumiso Mazibuko

The inaugural African Agri-Investment Indaba collated hopeful projects with potential funders. The event was hosted at the Cape Town International Convention Centre 28-30 November with the aim of facilitating fruitful discourse on factors that affect investor confidence in South Africa, particularly in Agriculture. The conference had three legs running concurrently: a panellist driven discussion of the issues at hand, an exhibition of the various organisations involved in agribusiness in the country and an investment discovery session.

Honourable Senzeni Zokwana, Minister of Agriculture, Forestry and Fisheries stressed the importance of increasing food production to meet demand as one of government's concerns is to alleviate poverty. He also emphasized that government and the private sector needed to work together if they have any hope of achieving goals stated in the NDP. Another noteworthy speaker was the former finance minister and current Resident Advisor at Thebe Investment Corporation and Non-Executive Board Member at Allan Gray, Nhlanhla Nene. His speech focused on barriers to entry into the South African market and challenges within the value chain that face agribusinesses. He stressed the importance of there being a full understanding of the value chain if any agricultural business is to succeed. He cited increased competition as a key aspect to supporting investment growth.

The Western Cape Department of Agriculture was prioritizing agro-processing and upgrading of ports and harbours. Aquaculture, fisheries, vineyard and pome stone were significant projects yielding positive results more especially for the South African exports said MEC of WCDA Alan Wide. Another province that identified

agriculture as a potential economic boost was Gauteng which established agri-parks and 8 major processing value chain projects lamented Loyiso Mkwana, Deputy Director General: Natural Resources Management. This indeed set the tone for the conference discussion as investment had to be geared to upscaling youth, addressing water challenges and over grazing, export impediments into Africa, mismatch or miscommunication between agriculture and science/technology, female empowerment in agribusiness and the types of training including development offered to smallholder farmers had to be reviewed.

By all accounts captains of the agricultural industries were represented including other African country investment agencies. The Indaba also gave an opportunity to assess or review government, industry and private business infrastructure projects. Fundamentally, the Indaba provided space to discuss collaborations. The exhibition side of the conference was an opportunity for organisations to showcase their services and it presented ample opportunity for networking. There were many different stalls, each bringing something unique to the proverbial table.

The NAMC had its own stall but had partnered with 4 other organisations. Namely the Department of Agriculture, Forestry and Fisheries (Aquaculture Directorate), Prodev CARA, the Elundini Municipality and Department of Agriculture, Forestry and Fisheries (Forestry Kwa-Zulu Natal). The purpose involvement in the Indaba was threefold: a) to get potential candidates to sign up for the appropriate schemes and training programmes, b). to encourage potential investors to sponsor the various programmes and initiatives and c) to determine if there could be any collaboration between the NAMC and participating industry players on various projects and initiatives.

The conversation about how to increase investor confidence in South African agriculture is an extremely important one that fosters the formulation of effective strategy in the advancement of the sector. Events such as these facilitate an ongoing conversation and bring industry players together to collaborate for the advancement of our economy.

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The National Red Meat Development Programme continues to extend its foothold

By Kayalethu Sotsha

The National Red Meat Development Programme (NRMDP) continues its immense contribution to communal farmers' formal market access, this time in Nquthu. Nquthu is a local municipality that is situated in Umzinyathi District Municipality of the KwaZulu Natal Province. The municipality covers 5.31 km2 accommodating just over 5000 people, of which 98% are Black Africans.

On 02 December 2016, Nquthu hosted its first cattle auction in about 30 years. Many would agree that the date was somewhat ideal for an auction in the communal space, and the prices were expected to be good. However, there was a concern that farmers may not want to sell their animals for a couple of reasons. First, it was the first auction after many years so farmers were expected to be a bit sceptical given that there is neither no custom feeding facility nor auction pan within Nquthu. Second, the area has received some rain; as a result pastures are green again and the animals are slowly recovering from the effect of the severe drought that was experienced in 2015/16 season. In addition, the weather was not looking good a day before the auction and there were about 25 animals delivered into the auction pans around 5 PM. This was a great concern to organizers, given that Nquthu has got about 80 or more communal dipping facilities from which the animals were collected.

Cattle ready for pickup after the auction

However, things turned around on the day of the auction as the weather cleared and more animals arrived in the morning. In total, 52 animals were presented, 47 were sold and only 5 were not sold. The 5 animals were not sold because sellers were not satisfied by the price offered. The 47 animals that were sold comprised of 29 oxen, 8 cows and 10 bulls. The auction generated R276 050.00 with an average price of R5 873.40. The animal that fetched a highest price was a bull sold at R12 000.00 and the lowest price was R3 000.00

The most expensive bull took Dr. Ngetu for a run

Some of the farmers that were interviewed after the auction said they saw the auction as a success and were happy about the prices offered. Many of the farmers did not participate and said that they regret not bringing their animals to be sold in the auction. The farmers also added that they expect a higher participation in terms of the animals brought to the auction in the next round. They think that this auction was a demo of what the NRMDP is all about.

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