

BUSINESS PLAN AND BUDGET FOR EMERGING PRODUCERS' ENTERPRISE DEVELOPMENT :

2018 – 2020



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1. INTRODUCTION AND BACKGROUND

1.1 BACKGROUND

The total number of cattle in South Africa are currently estimated at 13 601 000. It is assumed that 42% of cattle in the RSA are owned by emerging/communal farmers, which means that this sector owns more or less 5 733 000 cattle. The total number of sheep in South Africa are currently estimated at 24 607 000. The emerging/communal sector owns 12% of this sheep.

The emerging/communal sector owns 4 268 000 or 71 % of South Africa's 5 998 000 goats. In South Africa there are 613 662 households who owns cattle, 215 034 who owns sheep and 429 065 who owns goats.

There is a need for the skills development of emerging/communal and commercial black producers/owners in terms of training and enterprise development. The commercial sector off-take percentage for beef cattle is currently 32 %, it is 8 % in the emerging sector and 6 % in the communal sector. It is clear that there is great potential for the industry to increase its take-off.

NERPO envisages assisting 200 emerging farmers with enterprise development during the remaining part of the NAMC scheme period. These 200 emerging farmers represent only 0.03% of cattle owning households. The remaining 99.7% are emerging and communal farmers, owing on average 10 cattle per household, not to mention the households who own sheep en goats. There are thus a huge number of cattle-, sheep- and goat emerging/communal farmers who do not have access to any

form of assistance in terms of skills development and knowledge to develop their own enterprises.

The Federation of Red Meat Producers already identified this vast need for training and practical skills development regarding animal husbandry, animal health and basic business skills, among others, to develop small scale enterprises.

The extension services offered by DAFF are not satisfactory, resulting in the emerging community frequently seeking assistance for skills and development opportunities from the red meat industry. It is clear that DAFF's extension services do not provide all the answers. There is a need for skills development that is practically orientated.

1.2 TRAINING FOR 2016 - SUCESS STORIES

Basic herd and animal health management



Training presented in 2016 were **Basic herd and animal health management**. The manual covers aspects such as cattle breeds, selection criteria, herd composition and livestock herding, -handling and -husbandry practices.

Herd health management covered bio-security, structured observation and evaluation of sick animals, disease identification and treatment, immunity and vaccination programmes as well as and internal and external parasite control.

The training programme for 2016 commenced during June 2016.

The training courses focused on basic herd and animal health management; nutrition and pasture management; reproduction management and farm business management.

North West RPO

The course was presented at Agri Wildebeeshoorn at Gemsbokvlakte. MSD and Molatek/RCL Foods contributed as sponsors for the event. A total of 15 emerging farmers attend the event. Seven (7) of these members are also NERPO members. Mr Flip le Roux and Jan van Biljon assisted the instructors Hezekiel Matlamela and Wilfred Phaahla with the practical demonstrations.

The course was enthusiastically perceived, and the learners actively participated, especially during the practical demonstrations.



Dehorning



Dipping



Free State RPO

The course was presented at Sernick in Edenville. A total of 19 students attended the course, from which nine (9) members are also NERPO members. Mr Patrick Sekwatlakwatla assisted the instructor, Hezekiel Matlamela.

Body condition scoring



Ear tagging and branding

Eastern Cape RPO

The course was facilitated by Hezekiel Matlamela and Nelis Potgieter, Charles van der Spuy and Fanie Bekker assisted with the organization and practical demonstration of the event. Seventeen (17) students attended the course, none of them being NERPO members. Feedback regarding the presentation, learning material and responsiveness of the students were very positive.



Ear tagging and castration



Branding

1.3 TRAINING SCHEDULE

RPO North West: 20 – 24 June 2016

RPO Orange Free State: 18 – 22 Jul 2016

RPO Eastern Cape: 29 Aug – 2 Sep 2016

RPO KZN: 19 – 23 Sep 2016

RPO Mpumalanga: 26 – 30 Sep 2016

RPO Gauteng: 10 – 14 Oct 2016

RPO Northern Cape: 31 Oct – 04 Nov 2016

RPO Limpopo: 14 – 18 Nov 2016

RPO Western Cape: 2017

2. OBJECTIVE / OUTCOME

Based on the identified need in the industry, the RPO envisions training and developing approximately 160 emerging / communal farmers per year. The training will be proportionately presented to accommodate the emerging/communal farmers in all nine provinces.

The training courses will be limited to the most important requirements that have been identified, which includes animal husbandry and animal health practices as well as basic farm business and management practices focusing on specific issues such as cash flow. These courses are AgriSeta accredited and will be presented in 5-day courses. These courses are expanded to include pasture management and reproduction.

The training will furthermore be adjusted to accommodate the typical production areas being cattle, sheep or goats.

The training is balanced between a 70% practical skills development and 30% theoretical knowledge learning.

The RPO already established a successful reputation of training through skills development courses to a vast number of farmworkers of commercial cattle, sheep and goat farmers.

3. METHODOLOGY

The RPO provincial branches, in collaboration with NERPO, will identify and coordinate the emerging farmers to participate in the training effort. Coordination will include the provision of a theoretical course and practical demonstration facilities as well as the logistical arrangements for the attendees.

The RPO also envisages introducing the emerging farmers to accessible animal health companies and promoting the opportunities for Public Private Partnerships in the promotion and presentation of the various training courses.

Extension officers will be approached to attend the training course and also establish network opportunities for collaboration between emerging/communal farmers and governmental structures.

Students will be assessed on the theoretical knowledge and practical skills demonstration to receive a certificate of competence, accredited by AgriSeta and endorsed by the RPO.

4. CAPACITY OF SERVICE PROVIDER

The RPO established the Institute for Production Development in 2009 and since then trained more than 900 farmworkers of the commercial Red Meat Producers. The training course is AgriSeta accredited through the Institute for Dairy Technology (Provider Code: PAET 7675, ETQA ID 694) and presents programs in Animal

Production Levels 1 – 4. The provider’s facilitators, assessors and moderators are also experts operating in the dairy and feedlot industry.

The Institute for Production Development presents courses in English but has the capacity to provide the skills programs in any indigenous language of choice. The Institute's outcomes are based on practical agricultural training, education and the provision of information services to ensure sustainable farming.

5. BUDGET

BUDGET NOVEMBER 2018 TO NOVEMBER 2020

INCOME	5 NOVEMBER 2018 4 NOVEMBER 2019	5 NOVEMBER 2019 4 NOVEMBER 2020
<u>LEVY INCOME</u>		
Levy Funds	R 1 149 606	R 1 218 582
Total Income	R 1 149 606	R 1 218 582

<u>EXPENDITURE</u>		
<ul style="list-style-type: none"> • Training course presentation, course material, practical demonstrations and assessments for 220 students 	R 920 006	R 975 382
<ul style="list-style-type: none"> • Logistical costs 	R 114 800	R 121 600
<ul style="list-style-type: none"> • Administrative Cost 	R 114 800	R 121 600
✓Financial Services		
✓Bank Costs		
✓Audit Fees		
✓Infrastructure		
✓Office Rent		