

A GOAT AGRI-BUSINESS PLAN FOR KZN



Jointly compiled by:

*Department of Agriculture and Rural Development, KZN
Heifer International South Africa and
Mdukatshani Rural Development Trust
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A: BUSINESS DESCRIPTION

A1. Nature of Business

1.1 Executive Summary

The Goat Master Plan for KZN outlines a multi-sectorial approach towards improving the productivity of the existing indigenous goat flocks of KZN towards creating food security in some of the poorest communities of KZN.

The approach taken is to annually identify dip tanks in the selected areas and to assist with training and improved production towards commercial marketing by the local small scale goat farmers, predominantly women. Youth are to be included towards Agri business ventures in support of local goat production.

This project will be funded and implemented respectively by - Heifer International South Africa, Mdukatshani Rural Development Trust, Department of Rural Development and Land Reform and Department of Agriculture and Rural Development, KZN.

A Five Year plan and budget estimate of R 38 000 000 is envisaged for this project. Reporting will be through the District Technical Steering Committee and Provincial Project Steering Committee established for this purpose.

1.2 Locality

The Goat Agri-Business Plan pilots the following five districts within KZN, namely:

- Msinga (**Umzinyathi**) and Mtshezi (**Uthukela**) local municipalities
- Nkandla (**Uthungulu**) municipal area
- Nongoma and sub ward Jozini (**Zululand**) municipal area
- Umhlabuyalingana and Hlabisa (**Umkhanyakude**).

1.3 Core business

The Goat Agri-Business Plan for KZN outlines a multi-sectorial approach towards improving the productivity of the existing indigenous goat flocks of KZN towards creating food security in some of the poorest communities of KZN.

The Goat Agri-Business Plan directs goat owners towards:

- improving productivity of their flocks through training and extension support;
- health interventions towards improving animal productivity and kidding percentages, survival and specifically twinning;
- as well as the generation of income from the increased offspring;
- marketing and value adding facilities.

The lead organizations participating in the Goat Master Plan include:

- # Heifer International South Africa and
- # Mdukatshani Rural Development Trust

Department of Rural Development and Land Reform

Department of Agriculture and Rural Development.

The participants and beneficiaries of the Goat Agri-Business Plan are the communal small scale goat owners and farmers of KZN: particularly in the Local Municipality areas of Msinga (Umzinyathi District) and Mtshezi (Uthukela District); Nkandla (Uthungulu District); Nongoma and sub ward of Jozini (Zululand District) and Umhlabuyalingana and Hlabisa (Umkhanyakude).

A2. Situation Analysis

Although of reference to the whole of KZN, the Goat Master Plan will target specific areas of KZN, which are deemed suitable for goat production towards unlocking the untapped economic potential that exists in indigenous goats.

Table 1. Broad summary of the target areas

	Msinga municipal area (Msinga and Mtshezi local municipality) (Umzinyathi & Uthukela Districts)	Nkandla municipal area (Uthungulu District)	Nongoma and sub ward Jozini and Hlabisa areas (Zululand & Umkhanyakude Districts)
Size of area	2 500 sq km	1 828 sq km	3 057 km sq
Population	177 000	114 415	80 000
Families	37 724	22 614	19 000
Youth under age 30	71%	69%	74%
Percent relying on livestock for a living	81%	64%	69%
Estimated number of farming families	19 000	16 000	13 000
Estimated Goat numbers	290 000	190 000	91 000

2.1 Social Dynamics

From the 2011 SA Statistics, the following are quoted:

2.1.1 Households involved in Agriculture

Agriculture	Msinga	Umtshezi	Nkandla	Nongoma	Jozini	Hlabisa	Umhlabuyalingana
No. of Households involved in Agriculture	19 999	7 000	13 343	19 109	21 273	7 254	20 140
No. of Households involved in Livestock production	14 283	3 476	8 242	11 715	10 139	4 178	5 437
No. of Households owning Goats	10 738	2 375	4 263	6 422	6 181	2 417	2 415
No. of Households owning Goats: 1 -10 goats	7 308	1 715	3 261	4 861	4 602	1 763	1 789
No. of Households owning Goats: 11-100 goats	3 408	651	994	1 545	1 572	648	621
No. of Households owning Goats: > 100 goats	22	5	8	15	7	6	5
No. of Households owning Goats only	2 221	414	387	777	679	239	287

2.1.2 Household education profile

Education	Msinga	Umtshezi	Nkandla	Nongoma	Jozini	Hlabisa	Umhlabuyalingana
No. of Agricultural Households: without schooling	12 271	2 294	6 411	6 940	9 793	2 735	9 617
with Grade 12	1 156	868	909	2 011	2 236	743	1 787
with Tertiary	332	444	317	556	730	1 138	507

2.1.3 Household employment profile

Unemployment and Level of Income	Msinga	Umtshezi	Nkandla	Nongoma	Jozini	Hlabisa	Umhlabuyalingana
No. of Households with No Income	7 867	2 395	3 588	5 679	9 316	2 371	9 812
Income R1 – R38 400	10 963	3 564	8 872	11 957	10 070	4 239	8 825
Income R 38 400 – R 307 200	569	827	481	994	1 259	370	1 067

2.1.4 Household head profile

Gender	Msinga	Umtshezi	Nkandla	Nongoma	Jozini	Hlabisa	Umhlabuyalingana
No. of Households headed by Males	6 665	3 531	4 806	7 454	9 389	2 900	9 009
No. of Households headed by Females	13 335	3 486	8 537	11 655	11 883	4 354	11 132
No. of Households in Livestock production by sex of Head: Female	9 320	1 625	5 098	6 757	5 239		
No. of Households in Livestock production by sex of Head: Male	4 963	1 852	3 144	4 957	3 900		

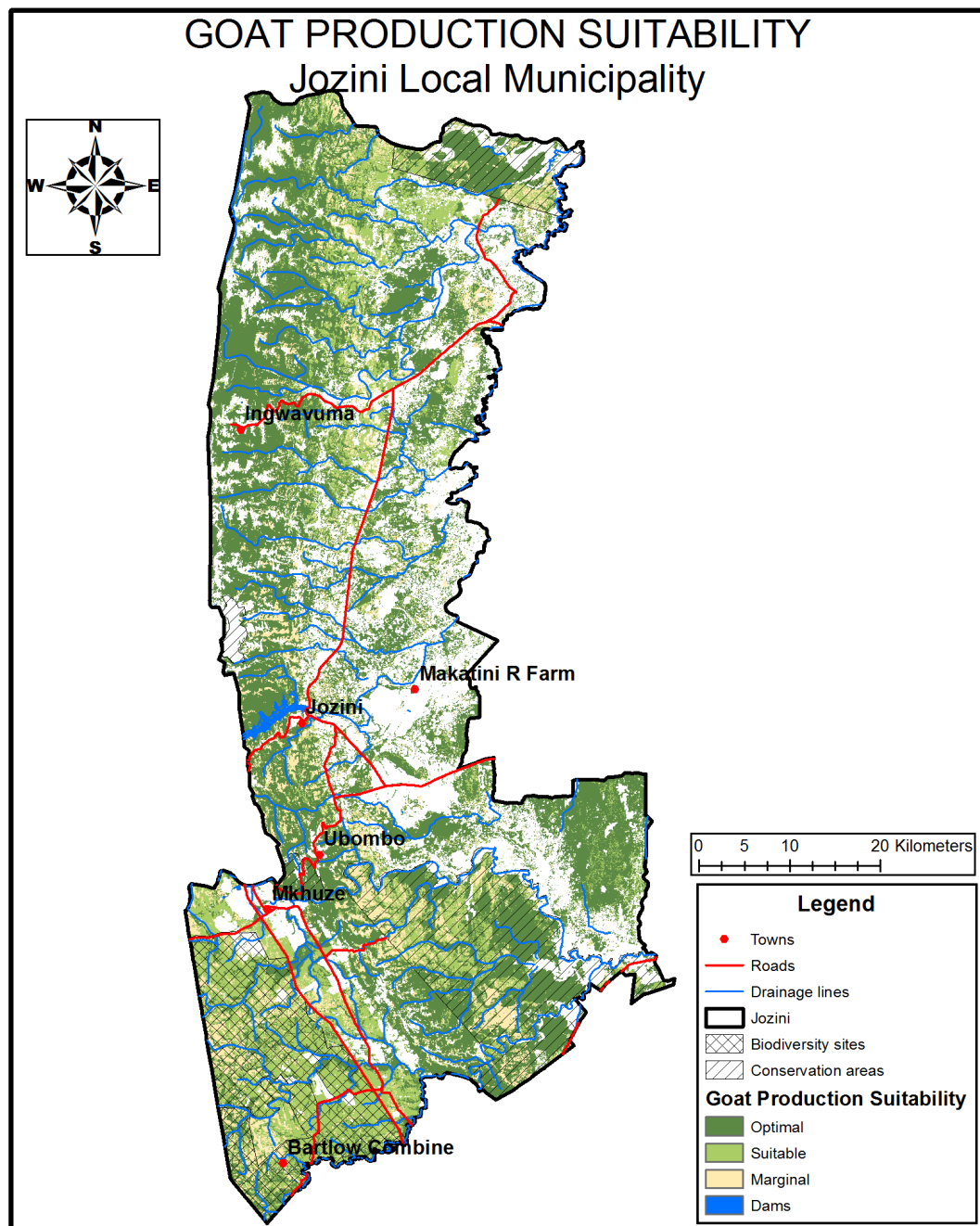
2.1.5 Household age group profile

Age group	Msinga	Umtshezi	Nkandla	Nongoma	Jozini	Hlabisa	Umhlabuyalingana
No. of agricultural households by age group of household head: < 15 years	110	33	126	216	238	62	124
No. of agricultural households by age group of household head: 15 – 34	2 935	1 079	3 806	2 076	3 989	894	3 480
No. of agricultural households by age group of household head: 35 – 45	3 778	1 627	5 182	3 407	5 212	1320	5 246
No. of agricultural households by age group of household head: 46 - 55	4 263	1 677	6 293	4 352	4 941	1 751	4 542
No. of agricultural households by age group of household head: 56 - 64	3 914	1 355	5 358	3 930	2 985	1 439	2 610

3.1 Natural Resources

The Bio-Resource maps of the respective areas included below, indicate broadly the suitability of goat production for the target areas.

3.1.1 Jozini Local

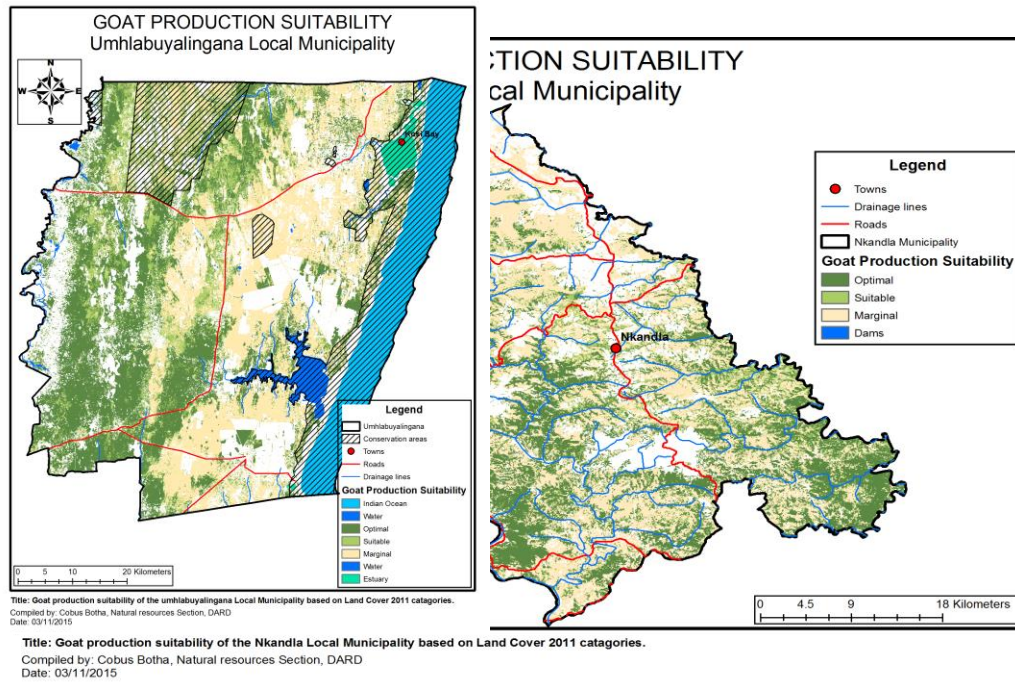


Title: Goat production suitability of the Jozini Local Municipality based on Land Cover 2011 categories.

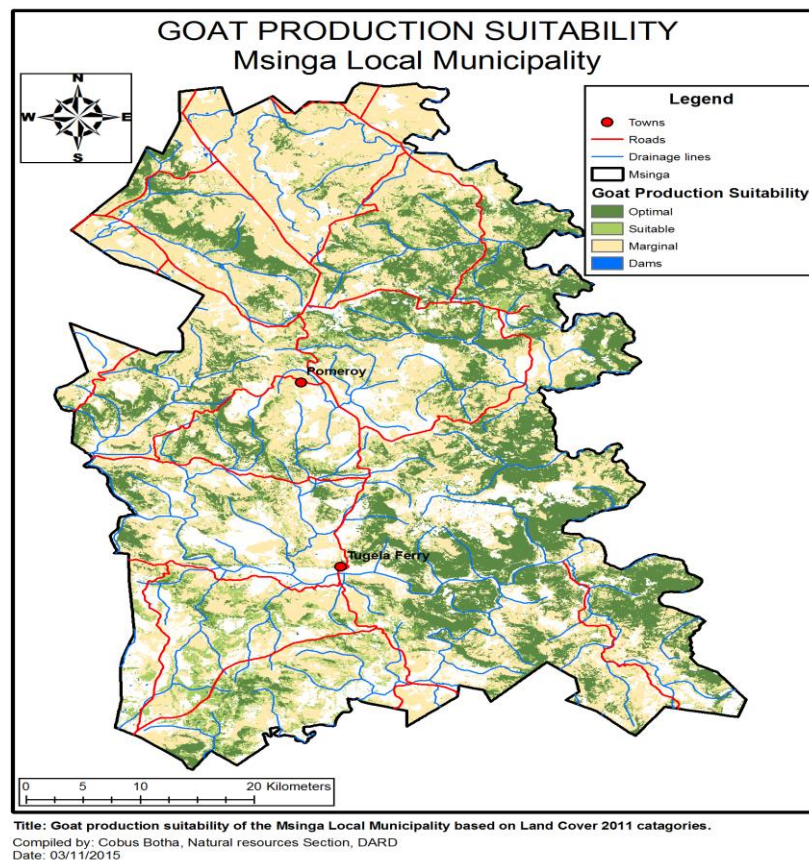
Compiled by: Cobus Botha, Natural resources Section, DARD

Date: 03/11/2015

3.1.2 Nkandla Local

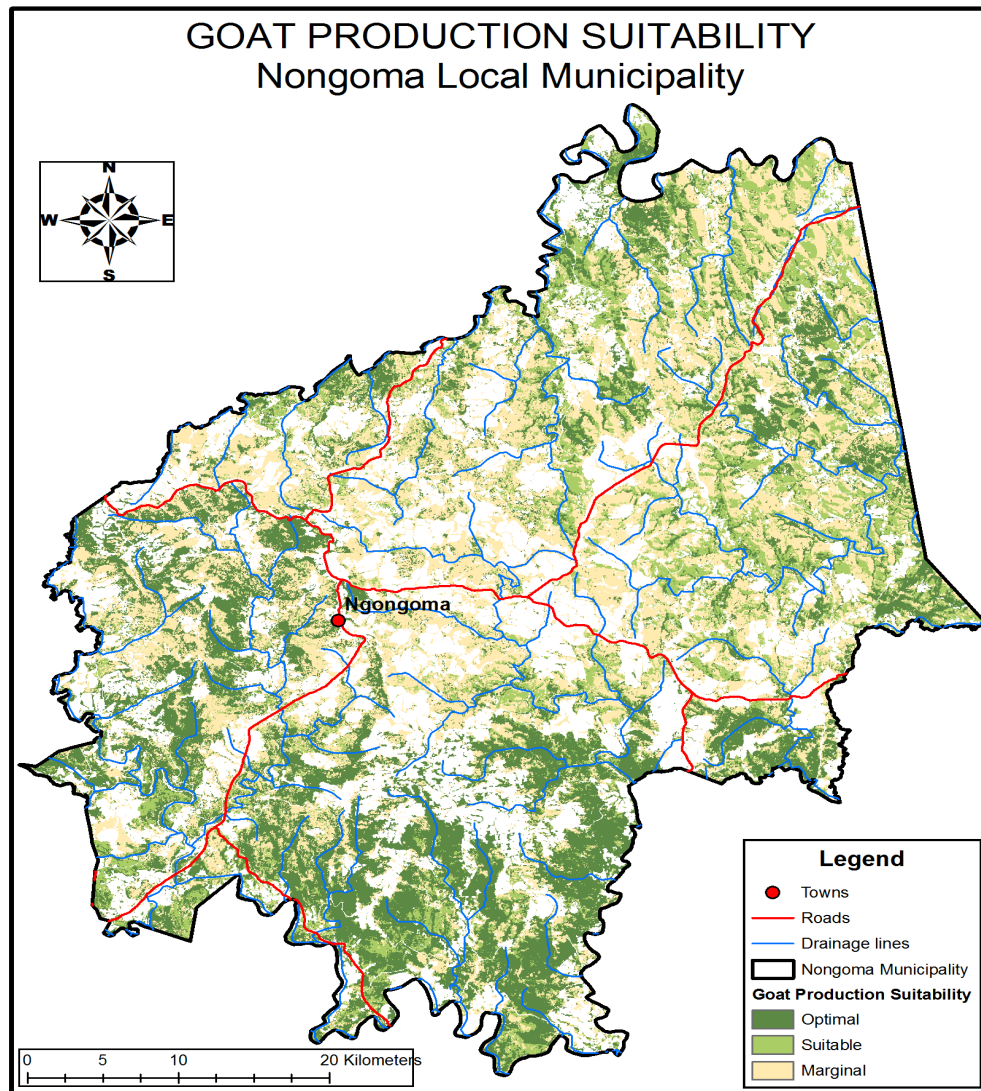


3.1.3 Msinga Local



3.1.4

Nongoma Local

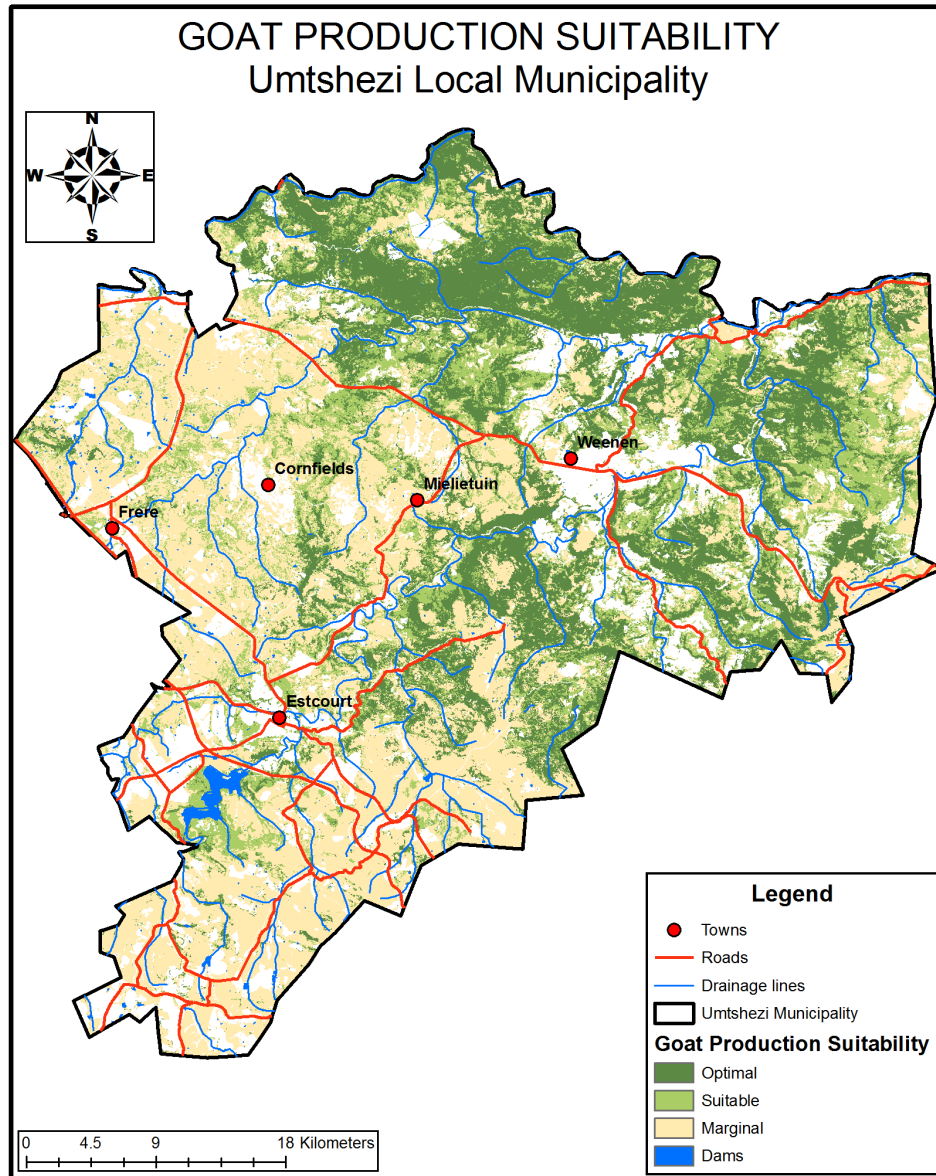


Title: Goat production suitability of the Nongoma Local Municipality based on Land Cover 2011 categories.

Compiled by: Cobus Botha, Natural resources Section, DARD

Date: 03/11/2015

3.1.5 Umtshezi Local



Title: Goat production suitability of the Umtshezi Local Municipality based on Land Cover 2011 catagories.

Compiled by: Cobus Botha, Natural resources Section, DARD

Date: 03/11/2015

4. Objectives

The 5 Year Vision of the Goat Master Plan includes:

- 700 youth jobs created:
 - 280 CAHWs - Two at every dip tank in the targeted areas
 - 420 microbusinesses (block making (140), skins (140), hay processing (140))
- An estimated 100 million rand extra value to livestock herds in the three municipalities mentioned
- 7 000 farmers will be commercializing (marketing) their herds with a focus on women farmers
- Goat productivity doubling in 5 years
- Reduce imports from other African countries of goats
- Start fulfilling export demand of live foot and mouth free goats
- Create a center of excellence on goat research for Southern African goat farmers
- Create publications and training curriculum so as to be able to capture these learning's and to share them outside of the province.

The Goat Agri-Business Plan will also be informing a national intervention around goats, and includes the following objectives:

- Improve productivity of goat herds
- Improve nutrition of mothers and kids
- Health interventions in local goat herds through use of trained Community Animal Health Workers (CAHWs)
- Research that feeds into innovation platforms
- Value chains including market linkages –skins and goat exports
- Formalising and growing the marketing of goats
- Youth job creation in creating microbusinesses to provide feed and related productively improvement measures to farmers

On the community level in these areas, this will lead to:

- Livestock productivity amongst the poorest is increased improving food security
- Wealth generation in herds
- Farmers get to sell improved off take
- Youth are given job opportunities and small business opportunities
- Four districts of the poorest people in KZN are elevated out of poverty

At a later stage the Model can be rolled out nationally for international export.

a. Dip tank operation plan

An annual minimum target of five dip tanks per area is to be set. Each year additional dip tanks are to be identified through consultation with the livestock committees and farmers. The following program is proposed.

i. Target Dip tanks

The following dip tanks have been identified for Year 1:

District	Local / Area	Targeted Dip Tanks
Uthungulu	Nkandla	Mthungwini, Manyana, Owen, Calverly and Mandaba
Zululand	Nongoma	Madwaleni, Sekane, Nxwala, Vungama, Ntabayezulu and Mduna
	Jozini	Nhlonhlela, Madlaka, Mthale, Mpilene and Mangwazana
Umkhanyakude	Mhlabuyalingana	Siphondweni, Hlazane and Munyu
	Hlabisa	Bhukipha, Dabedabe and Mfanela
Umzinyathi	Msinga: Mthembu area	Mashunka, Nodada, Mhlakothi, Sibumba, Mandleni, Ntunjeni, Macanco, Mkhomo
	Msinga: Mchunu area	Mathinta, Nqulwane, Mhlangane, Mhlumba, Siphethweni, Manzimhlophe, Ntanyana, Wilson, Nxamalala
	Mchunu/Zondi area	Thembeni, Fabeni, Dungamanzi
Uthukela		Ncunjane, Nkaseni, Nomoya

Each additional year will see new dip tanks being selected.

ii. Dip tank Support process

The following NGO work process outline is to be broadly followed:

- i) Dips are identified through consultation with livestock associations and vets. Production and traditional authorities are consulted and give support for these pilots in their area.
- ii) A livestock census will be conducted. At each identified dip tank, two volunteers will be identified to help undertake the census. These volunteers, should they prove themselves as Community Animal Health Worker (CAHW) candidates, will be trained to service the area of the dip tanks.
- iii) CAHWs will be supported throughout the period of the project with training and vet kits to start up their own businesses. They will be managed through the Livestock Association.
- iv) A primary role of the CAHWs will be to increase productivity and reduce mother and kid mortality in goats. They will make homemade blocks available for sale to the farmers in addition to other supplementation given the poor nutrition options in the area.
- v) Should the census identify widows or child headed households, they can apply to receive 4 goats plus a ram as part of a larger food security scheme. Strict criteria will be used to determine whether they qualify or not. These farmers will be seen as experimental farmers (feeding and productivity) and will be required to pass on what they receive plus share their learning through relevant community groups.

- vi) Agri hubs (areas where sales and trainings can take place) and agrivet shops, to help bring vet supplies closer to the community, will be set up.
- vii) There will be a group of CAHWs (10) that focus on skin processing and a group focusing on feed supplements (10) in each dip tank area.
- viii) CAHWs and NGO staff will conduct Farmer field days/theme days and exchanges and support small groups to be set up so that they can come together and discuss issues. Each CAHW should have 2 groups (of about 20 women) of farmers they manage to start with.
- ix) Additionally, the CAHWs to work with 10 farmers (lead or experiment farmers) in each dip area to work with kid feeding (creep feeding and structures) with the goal of farmers expanding this among themselves.
- x) The project will support establishing goat sales (market linkages- pension points and auctions).
- xi) The Local Project Steering Committee comprised of staff from Heifer, MRDP, Livestock Association, Goat farmers, CAHWs, Agriculture vet and production, Department of Rural Development and traditional authority will meet and this information will be shared with the Provincial Technical Steering Committee bi-monthly.
- xii) Key Measurables to report on include:
 - Surveys – Pilot dip tanks: farmers, head, livestock type, GPS
 - Operation Plan targets (Health and Feed interventions)
 - Business Plan deliverables
 - Livestock productivity and food security
 - Sales and Wealth generation in herds
 - Youth job and small business opportunities
 - Poverty elevation

iii. Departmental Project Support

The DARD will additionally support identified and approved goat projects according to their Business Plan submissions within its own policy framework.

Extension staff will be trained in and supplied with the DARD Goat training material towards ensuring sustainable extension support to all goat farmers.

A3. Management

The management responsibility of the project will be between Heifer International South Africa, Mdukatshani Rural Development Trust, KZN Department of Agriculture and Rural Development and the National Department of Rural Development.

A joint SLA has been drawn up to take on board the figures that the lead organizations have provided.

3.1 Office bearers

Heifer International South Africa

Mdukatshani Rural Development Trust

KZN D A R D: relevant District Heads, Extension and Vet staff

KZN DARD: Livestock and Research sections

National Department of Rural Development

3.2 Duties

Heifer International and Mdukatshani Rural Development Trust

- Provisioning of matching funds
- Facilitate training and support
- Co-ordinate and facilitate Innovation platforms and research
- Co-ordinate implementation of inputs and material provided.

Department Rural Development and Land Reform

- Monitoring of implementation
- Provisioning of matching funds for inputs and material
- Provisioning of matching funds for payment of NGO services.

Department of Agriculture and Rural Development, KZN

- Research & Technology Development
- Provisioning of matching funds for inputs and material
- Provision of matching funds for facilitation and training
- Provision of bursaries
- Ensuring extensionists are available for, and participate in the relevant training towards future support to goat farmers

3.3 Constitution

The respective constitutions for Heifer International and Mdukatshani Rural Development Trust are attached as appendix.

3.4 Management Plan

The Goat Agri-business Plan is to be managed at two levels, namely:

3.4.1 Provincial Technical Steering Committee

A Goat Technical Steering Committee chaired by the Provincial Shared Services Chief Director of DRDLR will be created to oversee implementation.

The Steering Committee shall comprise of one representative from each participating party and will constitute itself and develop its terms of reference.

The Provincial Steering Committee shall meet quarterly.

3.4.2 Local Project Steering Committee (Area / District specific)

Each of the three targeted areas shall form their own Local Project Steering Committees towards the management and reporting of activities.

The Local Project Steering Committee shall comprise of:

- a minimum of one representative from Heifer International and Mdukatshani Rural Development Trust;
- representatives from Extension and Veterinary services from DARD;
- a minimum of one representative from DRDLR;
- Nominated representatives from the Goat Farmers and Livestock Committees.

The Local Project Steering Committee will constitute itself and develop its terms of reference.

The Local Project Steering Committee shall meet bi-monthly during September, November, January, March, May and July at the agreed Local Agricultural Office.

DARD shall be responsible for the co-ordination and recording of meetings.

Minutes will be shared with the Provincial Steering Committee.

3.4.3 Training needs

Departmental staff will be trained into Goat production techniques by attendance of the local departmental Goat Course. It is envisaged that for this purpose annually one course will be presented respectively in the South (Cedara) and North (Owen Sithole) of the province. Additionally, training by eg. Afrivet, is to be provided using agreed upon approved materials.

B: MARKET RESEARCH & ASSUMPTION

1. Potential markets

Whilst the Boer Goat breeders of SA have a structured society and controlled goat sales, our indigenous goat farmers of KZN lack structures and reports of sales are not controlled – being rather opportunistic in nature and serving essentially traditional markets through-out KZN.

2. Market overview and size

To gauge the market is very difficult as sales are local amongst community members and generally not controlled or recorded. Additionally the number of goats imported into KZN from adjoining provinces or countries is equally difficult to quantify. Suffice to say that KZN cannot currently produce sufficient goats for the local market and relies heavily on goat imports into the province.

3. Growth potential

As indicated by the importing of goats into the province, there is sufficient scope to expand the market to meet local consumption. Exports to other provinces or countries are not considered in this five year project but would be relevant in the long term.

4. Consumer Profile

Currently the greatest consumption of goats in KZN is linked to traditional and culture related markets.

5. Competition and market share

Competition is from imported goats. The market share is as yet not quantified.

6. Geographic Market factors

These include distance to consumer and undulating terrain, often necessitating high transport costs.

7. Market Strategy

Due to the high demand of indigenous goats across KZN, the simplest market strategy would be – “to produce and market local”. It is for this purpose that the Goat Agri-business plan is presented.

C: OPERATIONAL PLAN

C1. Enterprise operational plan

The Goat Master Plan directs goat owners towards:

- improving productivity of their flocks through training and extension support;
- health interventions towards improving animal productivity and kidding percentages, survival and specifically twinning;
- the generation of income from the increased offspring;
- marketing and value adding facilities.

An outline of the Key Milestones and interventions towards achieving the Goat operation plan:

- 1.1 Key Milestones towards achieving the Master Plan:
 - 1.1.1 A livestock (Goat) sector analysis of goat numbers and infrastructure available.
 - 1.1.2 Needs and targets and the development of a specific Goat Plan for the target areas.
 - 1.1.3 Integrate Departmental Goat projects into strategy.
 - 1.1.4 Traceable results and methodology
 - 1.1.5 Research and collaboration supporting interventions
- 1.2 Key Interventions:
 - Health
 - 1.2.1 Actively involve the veterinary services.
 - 1.2.2 Improve productivity of flocks to reduce stock mortality.
 - 1.2.3 Treat critical diseases through vaccination and management.
 - 1.2.4 Control ecto- and endo-parasites.
- 1.3 Feed
 - 1.3.1 Manage the grazing lands / range for more and better feed production.
 - 1.3.2 Promote the production and strategic use of supplementary feeding.
 - 1.3.3 Record seasonal diets and supplementation.
- 1.4 Management
 - 1.4.1 Promote goat identification, traceability and record keeping.
 - 1.4.2 Promote disease surveillance.
 - 1.4.3 Record births and mortalities.
 - 1.4.4 Record purchases and sales.
 - 1.4.5 Ensure that pilot research has impact – scale up technologies.
 - 1.4.6 Training of extensionists, CAHW and goat farmers.
- 1.5 Improve linkages to and investment in market facilities, value adding, livestock product and processing. Set up and coordinate regular innovation platforms that feeds into research priorities and research funding.

Specific Interventions in identified Projects include:

1. CAHWs and NGO staff will conduct Farmer field days/theme days and exchanges and support small groups to be set up so that they can come together and discuss issues. Additionally, the CAHWs to work with 10 farmers (lead or experiment farmers) in each dip area to work with kid feeding (creep feeding and structures) with the goal of farmers expanding this among themselves.
2. Health
 - 1.1 Veterinary staff to provide a Veterinary Health Calendar / management plan per pilot dip tank.
 - 1.2 Veterinary staff to assist with oversight of CAHW administering vaccination, dips and required veterinary remedies.
 - 1.3 Veterinary staff with CAHW to collate records of diseases and mortalities and provide to Local Project Goat Committee meetings.
 - 1.4 CAHW to assist with condition scoring, weight records, Famacha and five point check.
3. Feed
 - 2.1 CAHW to record diets and roughage supplementation.
 - 2.2 Promote the availability and use of lick blocks.
 - 2.3 Record the intake of licks of pilot group.
 - 2.4 Promote the availability and use of creep feeding of kids below 2 months.
 - 2.5 Collect and process Stover from the fields for goat feed.
 - 2.6 Promote the use of uncontaminated feed and supplements.
 - 2.7 Ensure adequate fresh water available at all times.
4. Management
 - 3.1 Promote and apply goat identification through tattoos and/or ear tags.
 - 3.2 Record deaths, births and acquisitions of pilot.
 - 3.3 Record sales and exchanges of pilot.
 - 3.4 Promote construction and use of shelters.
 - 3.5 Apply extension and research needs and assessments.
 - 3.6 Identify needs, develop training program and participate in training.
 - 3.7 Extensionists to provide reports to Local Goat Committee.
5. Marketing, Value adding and processing.
 - 4.1 Conduct supply and demand analysis for goats.
 - 4.2 Link local sales to local pension points.
 - 4.3 Promote marketing through existing sale yards.
 - 4.4 Assess viability of additional markets, processing and value adding of goat products.
6. Additional requested Local Projects

Requested and approved Local Goat Project requests shall be developed according to farmer need in line with the Goat Agri-business plan, through the Local Project Steering

Committee. Requests to meet DARD strategy and policy and if approved by the Department, shall be funded accordingly.

These funded projects will also be reported on at the Local Project Steering Committee. The full minutes will be made available for the Provincial Steering Committee.

C2. Training and Extension Plan

Key interventions for training and extension are summarized as follows:

- 2.1 Promote training using material approved by the lead organizations and prepared and supplied by DARD.
- 2.2 Training needs are to be established and implementation reported on at the scheduled Local Project Steering Committee Meetings.
- 2.3 Under the responsibility of the Local Manager: Agriculture, each project / dip tank shall develop its own Extension support plan according to the DARD format.
- 2.4 Each Extension plan shall be reported on at the Local Project Steering Committee Meetings.

C3. Employment, personnel & administrative plan

Personnel actively involved with this project will be employed staff from:

Heifer International South Africa;
Mdukatshani Rural Development Trust and,
KZN DARD.

Administratively these personnel will be managed by their respective line function. Reports on activities would be to their line managers and to the Local Steering Committee established for managing the Goat Agri-Business Plan. The Local Steering Committee in turn would report to the Provincial Technical Committee.