

FIRST PROGRESS REPORT

CAPE WOOLS SA TENDER: PRODUCTION ADVISORY SERVICES 1 JULY 2013 – 30 JUNE 2015

REPORTING PERIOD

1 JULY 2013 TOT 31 DECEMBER 2013

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CAPE WOOLS SA

FIRST PROGRESS REPORT

EXECUTIVE SUMMARY

- 1 The service delivery model in the commercial areas was restructured in order to re-align it with the services required by the CWSA contract.
- 2 There was a decline in the number of economic study group participants. Contributing factors were identified and corrective measures implemented.
- 3 The CWSA contract services 1, 2, 3, 5, 7, 9 & 10 are on track. Statistics of activities are on par or better than targets set in the contract.

Service 5 (Paid professional advisory service) proves to be a challenge since the National Scientific Act (Act 27 of 2003) makes it obligatory for paid agricultural consultants to register as Professional Natural Scientists. This is receiving attention.

Service 4 (Project for developing an online production advisory survey) was outsourced by CWSA. The NWGA Production Advisory Service takes actively part in this process.

- 4 A survey on the training needs of shearers and wool handlers have been completed.
- 5 A study on the fault clip reports of the past four seasons have been completed.
- 6 The Code of Best Practice for shearers and wool handlers has been updated.

1 PREAMBLE

In an attempt to re-align the production advisory services in the commercial areas with the CWSA contract it was necessary to reposition the service. The aspects that received attention were the service delivery model (including the delivery of economic advice) and evaluating the points of presence and service delivery areas per Production Advisor. This process was implemented without disrupting service delivery to beneficiaries too much.

1.1 Repositioning of the service delivery model

The service delivery model was revised by adding demonstration farms to the current model. The new model thus consist of group actions, demonstration farms, the use of media and general services.

1.1.1 Group Actions

This is where the Production Advisor uses extension methodologies like study groups, information days, panel discussions, discussion forums, short courses, winter schools, farmers' tours, sheep rally's, etc. to transfer best management practices to the target market in his area. It is anticipated that a Production Advisor will spend approximately 60% of his available time using this method of technology transfer.

Each Production Advisor compiled a list of specialists in the field of wool sheep management operating in his area. He will make use of these specialists during group actions. Each Production Advisor also works in close collaboration with the field personnel of two biggest wool brokers, i.e. BKB & CMW.

Priority fields identified to be addressed through group actions are sheep reproduction, wool production, contamination, clip preparation and wool harvesting management (including shearing, classing and shearing shed management).

1.1.2 Demonstration Farms

Five years ago the NWGA introduced a concept of so called “monitor farms” with the predator control programme of Niel Viljoen. The objective was to demonstrate the advantages of proper predator control. This concept has proven to be very successful.

It was therefor decided to introduce the very same concept as an extension service tool for the Production Advisors. Instead of calling it “monitor farms” it is called “demonstration farms”. The objective it to demonstrate the value of performing so called Best Management Practices.

Each Production Advisor identified between three to five demonstration farms in his region. The rest of the process to be followed is as follows:

- 1 Each Production Advisor compiled a manual with the Best Practices for Wool Sheep Management & Production for his specific area of service delivery. These best practises are then to be introduced on the demonstration farms (if not already followed) after a thorough evaluation of current management practices.
- 2 All relevant production and economic records are kept, to be analysed, evaluated and used with a host of diagnosis tools at the end of each production year. Afterwards, the necessary corrections will then be introduced in the demonstrations farm’s management program.
- 3 The demonstration farms will serve as a point where some of the group actions will take place.

It is anticipated that approximately 15% of a Production Advisors time will be spend directly incorporating demonstration farms in their service delivery program.

1.1.3 Use of media

Generally farmers do not read much. Nevertheless, the production advisors are urged to write easy-to-read articles on popular aspects of wool sheep farming, i.e. contamination, etc. It is anticipated that the Production Advisors will spent approximately 12.5% of their time using media to service the CWSA contract.

1.1.4 General Services

Other methods of servicing the CWSA contract include attending and contributing to industry meetings, attending ram auctions, visiting agricultural associations, attending agricultural shows, organizing and judging flock competitions, etc. It is anticipated that approximately 12.5% of a Production Advisor's time will go into these actions.

1.1.5 Programming of a Production Advisor's time

Each Production advisor submitted an action plan, outlining his actions on a monthly basis until 30 June 2014. These action plans were forwarded to the relevant NWGA provincial chairpersons.

The Production Advisors were instructed to prioritise and stratify their time base on the wool produced in a district over the past three seasons, as well as the potential for the expansion of wool sheep farming.

1.1.6 Actions & Targets as per the CWSA Contract

If one take the actions and intervention targets as was set out in the tender application of the NWGA and multiply each of the targets with the average time it takes to complete a target, it was calculated that on average a Production Advisor would need approximately 336 days per year to achieve them (see Table 1). On average a full time employee has only 225 working days per annum available (i.e. 11 months X 21 days per months – 6 public holidays). The intervention targets were therefore amended to be in line with the number of working days available per annum, with only minor changes made to the priority actions. It was also extended to include new services as per the new service model.

Table 1 Intervention targets per Production Advisor

Action	Targets as per contract	Days required per action	New Targets
Study Groups: Economics (Number of Participants)	28		30
Study Groups: Meetings	0	3	5
Training: Lectures	23	2	12

Training: Short Courses for labourers	8	2	12
Discussion forums	2	1	12
Individual visits	31	1	12
Enquiries Telephonically	700	0	120
Problem animals	20	1	12
Ram clubs	9	1	4
Flock competitions	10	1	4
Information days	9	3	4
Tours	5	4	3
Use of traditional media	10	1	12
SMS's	36000	0	36000
Own affairs	30	2	12
Shows/Exhibitions	15	1	3
Demo farms: Participants	0	0	5
Demo farms: Management Plans & Data Feedback	0	3	12
Fault Clip Reports: Feed-back to producers	0	0,2	60
Emerging Farmers: Meetings	0	2	5
Farmers' Associations: Meetings	0	1	4
Paid Services: Participants	0	1	1

Total days required to achieve set targets

336

231

1.1.7 Economic Study Groups

Some shortcomings were identified in this service, i.e. the current methodology of obtaining producers' information is too cumbersome, there is a lack of proper diagnostic tools to properly evaluate a producer's farming business, too little feed-back is provided to the participants in order for him to make informed corrective decisions, the feed-back is too late and the feed-back is provided by a person who does not have an intimate knowledge of the participant's farming conditions.

This process has been improved. The process of obtaining the data from the participant has been simplified. Improved diagnostic tools have been introduced. The level of feed-back will be improved due to the improved diagnostic tools introduced. The timing of feed-back is to be improved for the end of the 2014 financial year. The production Advisors will be the first "line of defence" in this process. They have been trained in the improved methods of data collection and providing feed-back.

1.2 Points of Presence of the Production Advisors

A study is currently underway to establish whether the deployment of the staff is in line with the objectives of the CWSA contract.

2 REPORT ON SERVICES RENDERED

2.1 SERVICE 1 - Delivery of advisory service

See Table 2 for the statistics in the commercial areas.

TABLE 2 Production Advice & Training (Commercial Areas) intervention targets vs achieved (first 6 months of 2013/14 contract year)

Action	Targets	Achieved	% Achieved
Study Groups: Economics (Number of Participants)	180	66	37
Study Groups: Meetings	30	15	50
Training: Lectures	72	36	50
Training: Short Courses for labourers	72	9	13
Discussion forums	72	9	13
Individual visits	72	32	44
Enquiries Telephonically	720	570	79
Problem animals	72	17	24
Ram clubs	24	10	42
Flock competitions	24	10	42
Information days	24	19	79
Tours	18	3	17
Use of traditional media	72	33	46
SMS's	36000	9322	26
Own affairs	72	98	136
Shows/Exhibitions	18	24	133
Demo farms: Participants	30	16	53
Demo farms: Management Plans & Data Feedback	72	8	11
Faul Clip Reports: Feed-back to producers	360	4	1
Emerging Farmers: Meetings	30	22	73
Farmers Associations: Meetings	24	9	38
Paid Services: Participants	6	2	33

Average Achieved

47

See Table 3 for the statistics in the communal areas

TABLE 3 Production Advice & Training (Communal Areas) intervention targets vs achieved (first 6 months of 2013/14 contract year)

Action	Targets	Achieved	% Achieved
Information Days	55	51	93
Economic Study Groups: Participants	20	24	120
Discussion Forums	2	3	150
Use of traditional print media	6	3	50
Use of electronic & social media	6	0	0
Individual visits & enquiries	800	518	65
Rams introduced	3000	0	0
Shearing competitions	6	3	50
Flock competitions	6	6	100
Reproduction monitoring project	12	12	100
Short courses and shearer training	40	63	158

Not included in the statistics is the drive to establish black farmers as ram breeders who will also provide rams to the communal areas. The process has two components, i.e. emerging commercial black farmers and communal farmers.

Three emerging commercial farmers were identified to be established as ram breeders. They are Mr Maduna from Lady Grey, Mr Kama from Elliot and Mr Mjongile from Kei Road. They were selected by a panel consisting of commercial breeders in the Eastern Cape, executive members of the NWGA in the Eastern Cape and Mr Willem Goosen. They had to pass a list of selection criteria. These producers will now be assisted by the Production Advisory Service of the NWGA and commercial breeders in the Eastern Cape with the vision of providing the first ram to the communal areas by the 2016-season.

Communal “breeders” will participate in a ram club to be established preferably in the Elliot area (the ram club will also be open to commercial breeders). The Production Advisors are busy identifying rams in the communal areas to be tested at the ram club. Those rams that pass the test, will then also be introduced into the communal areas. It is anticipated that the first rams from this project will be introduced into the communal areas during the 2016 production year.

See Table 4 for statistics regarding predator control management.

Table 4 Statistics regarding predator control management

Number of courses presented	14
Number of farmers trained	205
Number of workers trained	356

2.2 SERVICE 2 – Management information collation and dissemination

See Table 2 & 3 for statistics.

2.3 SERVICE 3 – Development of co-operatives

The NWGA negotiated a joint venture with the national Department of Rural Development & Land Reform (DRDLF) where (1) the NWGA will identify five shearing sheds per district municipality with the highest likelihood of succeeding as a co-operative, where-after (2) the NWGA in collaboration with the DRDLF will establish the co-operatives. Part of the agreement is that the DRDLF will train the NWGA Production Advisors in all aspects of the co-operative development. The NWGA is awaiting a signed service level agreement from the DRDLF.

2.4 SERVICE 4 – Paid professional advisory service

With the commencement of the Natural Scientific Professions Act, 2003 (Act 27 of 2003) on 16 February 2004, professional registration of all natural scientists became obligatory. This Act applies to all natural science consultants and practitioners working in any one of the fields of practice listed in Schedule 1 of the Act, including Agricultural Science and Animal Science.

This implies that the NWGA production advisors will have to register with the South African Council for Natural Scientific Professions (SACNASP) before we can render a professional paid service.

Nevertheless, the service has provided 2 paid professional service during the first six months.

2.5 SERVICE 5 – New production and advisory methods

See paragraph 1 of this report.

2.6 SERVICE 6 – SWOT & PESTEL analysis

Not part of this contract.

2.7 SERVICE 7- Bi-monthly monthly calendar

A generic wool sheep management calendar is being published bi-monthly in the Wool Farmer and the NWGA website. Monthly radio interviews is done with RSG and Algoa FM. A comprehensive wool sheep management computer programme was developed and made available as a down load on the NWGA website.

2.8 SERVICE 8 – Project for developing an online production advisory survey

The project leader, Mr David Frisken of RGT Smart), and CWSA were assisted in drawing up a proper questionnaire. Assistance was also provided in the planning of the sample distribution.

2.9 SERVICE 9 – Provide shearer training

See Table 5 for statistics.

TABLE 5 Shearer training intervention targets vs achieved (first 6 months of 2013/14 contract year)

	Intervention Target	Achieved	% Achieved
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New recruits - Blade shearing	260	348	134
Intermediate and advance - Blade shearing	150	94	63
New recruits - Machine shearing	130	142	109
Intermediate and advance - Machine shearing	120	53	44
Total	660	637	97

Not reflected in the above statistics is the fact that the CODE OF BEST PRACTISE – SHEARERS has been updated. This chapter deals with standards for shearer accommodation and amenities, as well as proper shearing facilities for improved shearer productivity.

A needs analysis on the annual shearers and classers to be trained were completed. The survey was conducted by means of a questionnaire which were sent to all known shearing contractors. Table 6 contains the feed-back received.

Table 6 Shearing and wool classing needs as was established through a questionnaire survey

Shearer training	Beginner	Intermediate & Advanced
Machine shearers	134	33
Blade shearers	120	20
Wool handling training	Springbuck head	Other
	12	74

2.10 SERVICE 10 – Provide wool classing training

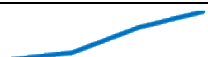


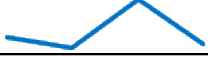
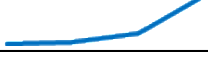
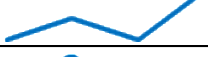



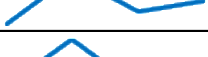

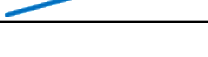
A detailed study was performed on the clip fault reports of the past four wool seasons (2009/10 to 2012/13). A summary of the results is shown in Table 7. The most important result from this summary is that the clip fault reports increased from 232 to 2159 over the four years. After discussions with the buyers on this trend, it was concluded that this increase was probably most related to the fact that the buyers started to report clip faults more consistently over the reporting period

The most surprising results of this study were:

- i that very few producers consistently receive clip faults (faults are therefore generally not recurring),

- ii that the majority of clip faults are placed on lots of wool that are entered into the auction system by brokers, hawkers, traders, speculators and feedlots.

TABLE 7 Summary of results of the clip fault survey

	2009/10	2010/11	2011/12	2012/13	Change 2009/10 - 2012/13
Mixed lengths	86	201	622	901	
Mixed quality	15	20	18	64	
Sweaty pieces in main line	3	0	1	0	
Pieces and belly line urine/dung stained	4	1	14	2	
Contamination: Baling twine, plastic	20	50	199	839	
Black hair	2	12	2	24	
Kemp/Medullated fibre	3	6	2	3	
Contamination: Paint, marking ink	62	344	219	295	
Contamination: Cigarette butts, etc.	0	1	2	0	
Contamination: Metal wire, clips, etc.	0	4	1	2	
Contamination: Other	37	282	31	29	
TOTAL	232	921	1111	2159	

A survey on the training requirements of wool classers and –handlers was completed. See results in Table 6 above.