National Wool Growers Association Support Programme

Independent Programme Evaluation: Eastern Cape

2020 survey

Commissioned by the NWGA

Performed on contract with Cape Wools SA

Funded by the Wool Trust

Interviews conducted by Contractor:

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1. Background

ComMark Trust (**Com**mercial **Mark**eting) Trust was set up and funded by DfID in 2003. The Trust is now defunct, but its purpose was to demonstrate that the output and value of agricultural products from the rural areas could be increased through more formalised connection to the organised market. By this was meant both improving the products at source and creating functioning links to the formal market system across a broad range of agricultural enterprises including wool and meat. ComMark approached the National Wool Growers Association (NWGA) to collaborate in a series of three annual surveys to determine the impact of the Association's efforts on the value of the wool clip from the rural areas and on the welfare of the participants.

At the time the NWGA already had a support programme under way in the region based on:

- Industry support through a Production Advisory Service;
- Development contracts with government, state owned enterprises, as well as national and international donor funding agencies;
- Access to the formal market for producers;
- Necessary infrastructure such as shearing sheds and equipment; and
- Genetic improvement of the communal wool sheep flocks.

Since its objectives so closely paralleled those of the NWGA, the surveys would in effect present a case study of its premise. These surveys were initially referred to as "Poverty Assessments" which eventually did not seem particularly appropriate. This report therefore is presented as an evaluation of the impact of the NWGA's support programme for wool producers in the Eastern Cape's rural regions.

In terms of its obligations to DfID, ComMark required that the impact of its investment be evaluated over a medium- to long-term time frame. The baseline values were established in the study of 2004 and were updated in 2005, 2006 and 2009. The funds for the current survey were sourced by NWGA via Cape Wools from the Wool Trust. This report is therefore the sixth assessment, five years after the last one that took place in 2015.

It is the NWGA's intention to repeat the survey at three to five year intervals into the future as funds are available. For this reason it has been necessary to make minor modifications to the methodology – this will be covered in the next section.

2. Methodology

2.1 Questionnaire

The survey was based on the 2004 questionnaire, designed for the very specific purpose of gaining base-line data. Adhering to the original questionnaire ensured that the variables were comparable over time, without which the output would have had reduced value.

The design considerations were:

- The questions were intended to identify key pieces of information - not to paint a picture of poverty. It was intended to identify specifically useful pieces of data, rather than use a broad-based approach. While the approach was participatory, the survey instrument was mostly quantitative, because the nature of the indicators sought are quantitative.
- The Household Structure section was originally intended to chart changes in household demography over time – with the assumption that, as income rises, so households tend to grow. Data obtained in the surveys to date suggest that this assumption was not valid: household size is a fairly random variable, responsive to events outside the household economy in the rural areas. Although the household data that has been gathered in this survey does not seem to be indicative of any trend, it is proposed that it be retained for possible future insights that may emerge and therefore be of value.
- The Income data section is intended to capture the income from wool, mohair and other animal products (Internal Income) and to place it within a context of cash income earned or received from social grants (External Income). The shift of balance between these two is one of the trends being followed, also by this study. The shift towards greater self-earned income, through increased agricultural activity and, of course, wool production more specifically, would be a measure of success of the focused efforts of the NWGA.
- An attempt was made in the 2004 survey to capture the expenses of farming, for comparison with the income from it. In the event the figures obtained were very dubious and incomplete, as was the case in 2005 as well. On the other hand, the data gained did give a clear idea of the set of farming practices used by the respondents, which is useful data, especially for the NWGA, as it indicates the degree to which its extension efforts are succeeding. The data have therefore been converted to a binary response, to determine whether the respondent used that particular practice or not. For comparative purposes the 2004 data were also converted (refer raw data tables).

- It is received wisdom that among rural communities, disposable income is first directed to the purchase of more animals – quite a sensible decision in reality. If this is held to be true, then increasing purchases of livestock would be a proxy for increased disposable income, from whatever source. The data on flock and herd size is intended to track this trend.
- Investing in farming assets is an important contribution to long-term economic sustainability of the household. If they are able to do this, then surplus funds for investment are available, another indication of increasing wealth. Although data from all the surveys indicate that cropping has a low priority to wool growers and the primary assets are livestock, these data will continue to be collected for continuity.
- Similarly, households being able to invest in assets that will improve their quality of life can be considered a proxy for increasing discretionary income.
- The general and social questions arise out of insights gained from qualitative surveys done in Amahlati and Intsika Yethu and by FARM-Africa. These were key factors that differentiated between poor and better off households, as identified by focus groups.
- Additional questions on distances and means of travel to places for essential services have been added to the 2020 survey, to track future trends indicating improvement of basic lifestyle. These include travel to schools, clinics, shops and places to sell produce.
- Further open questions have also been added to the 2020 survey which could potentially reflect key risks and constraints to growth and progress, as well as provide an opportunity for farmers to reveal their views on whether their participation is of benefit as well as their vision for their future. Trends in common visions and perspectives have been identified qualitatively and, where possible, indicated quantitatively.
- The number of questions might seem excessive, but they are almost all simple and require little interaction to obtain the data.

2.2 Sample

The original sample drawn consisted of 51 respondents, divided approximately equally between four NWGA Districts. There has been loss of respondents over time due, for example, to deaths, respondents moving out of the survey area or dispersal or loss of the flock through theft. The 2009 survey was based on the total remaining sample of 44 which is a significant reduction. In view of this it was determined that for the future surveys after 2009, missing respondents should be replaced by substitutes, chosen to represent as far as possible the respondents they replace. A

new region, region 25, has been added in the 2015 survey, bringing the total sample size to 57, which is also the sample size for the current 2020 survey.

In 2015, and even more so in the current year 2020, producers have complained about stock theft. Several past respondents have ceased wool production as a consequence of the loss of their flock to theft, which also contributed to the turnover of participants.

For this reason, questions on stock theft have been added to the 2020 survey, which conveyed that 63% of respondents suffer from theft problems, and an average of 24 sheep per farmer of those that indicated theft problems, are stolen per year (a total number of 871 for the year).

3. Field work

The field work was conducted by Mr Ntalo Malizo, a resident of Xolobe Village, Tsomo, who proved to be a very able and efficient enumerator. Mr Malizo took over the surveys from the previous contractor who conducted the surveys from 2006 to 2015. The completion of field work in this project is entirely dependent on the Production Advisors of the NWGA and once again they have been extremely helpful and positive in the execution of the project. Their help is greatly appreciated.

4. Context and Market analysis

4.1 Context

Although the sample size for this study is 57 communal farmers in the Eastern Cape, it is important to see the findings in this report in the broader context of the work done by the NWGA and Cape Wools SA in this regard.

The operational report delivered at the annual NWGA Congress 2019 by the General Manager of the NWGA, Mr Leon de Beer, provided relevant background and context for this study, more specifically around the achievements under the Cape Wools SA contract terms of commercial production, shearer training and communal production.

The NWGA production advisory services received an 8/10 grading from an independent firm contracted by Cape Wools SA.

Over the period that the survey has been conducted (i.e. since 1999), 112 shearing sheds have been constructed by the NWGA, to a total value of R48,6 million – an average of R2,43 million per year, and an average of 5 to 6 sheds per year.

The success of the communal development received a 9.9/10 grading from the Lightstone survey and the highlights for the year are reflected in the following figures:

Genetic improvement (rams)	2999	Wool classing demonstrations / mentorship	202
Number of training courses	280	Information days	99
Farmers attending	6025	Participants in economic study groups	44
Flock competition	12	Sheep weighing projects	20

4.2 Market Analysis

Data provided by the NWGA show interesting trends in the market performance of the communal area wool producers, relative to national figures. Table 1 below provides the comparison.

Marketing season	Kilogram wool	Value (R)	National Average Price of Wool(c/kg)	Communal Areas Average Price of Wool (c/kg)	Price of wool % Communal vs National
97/98	222 610	1 502 908	1 225	675	55%
99/00	336 700	1 965 557	1 102	584	53%
03/04	2 029 556	17 768 955	2 109	876	42%
05/06	2 222 883	14 954 931	1 695	673	40%
06/07	2 345 991	30 791 496	2 594	1 313	51%
07/08	2 809 551	45 514 726	3 239	1 620	50%
08/09	2 756 441	43 149 706	2 548	1 257	49%
9/10	2 807 161	64 676 989	3 222	2 304	72%
10/11	2 890 062	69 124 707	4 015	2 404	60%
11/12	3 555 077	113 015 898	5 236	3 179	61%
12/13	3 461 937	131 842 578	5 537	3 803	69%
13/14	3 806 993	137 919 367	6 016	3 623	60%
14/15	3 582 123	130 849 388	6 863	3 652	53%
15/16	4 462 089	233 618 025	7 668	5 235	68%
16/17	5 812 641	299 882 008	8 156	5 159	63%
17/18	5 422 122	383 607 431	9 967	7 075	71%
18/19	4 737 000	336 979 827	11 260	7 114	63%

lowest percentage
highest percentage
highest kilogram wool and highest value

Table 1: Wool sales through the formal market (commercial auction market) and value of sales from communal area producers in the Eastern Cape (source CWSA).

Key observations over the period the surveys have been conducted include the following :

1. There has been a steady increase in the size of the clip from 2.03 million kilogrammes in 2004 to 3.81 million kilogrammes in 2014, an increase of 87 percent.
2. The value of the clip has increased remarkably, from R17.77 million in 2004 to R137.92 million in 2014, a 676 percent increase over the period. This is due to both the increasing size of the clip and the price, which has increased by four times over the period.
3. There has been a more consistent increase in price of wool percentage of communal versus national, with the second highest in 2017/18 (71%). This year also showed the highest overall value in Rand of wool sold (an almost 22% increase from 2016/17).
4. There were a number of years where the percentage increase in value jumped significantly, for example: an almost 44% increase from 2014/15 to 2015/16, and an almost 39% increase from 2010/11 to 2011/12.
5. Although there has been a marked decline in the yield, i.e. kilograms of wool sold, over the last three years, the price increased over this period. The decline in yield is mainly due to the severe drought conditions.

These trends illustrate quite clearly the value added to the economy of the communal areas by the programme. They also explain why, despite frequent complaints about low prices, the size of the clip and the numbers of sheep continue to rise as is evident in the latest survey conducted.

5. Comment on responses to questionnaire

This section provides interpretation and comment on the responses as captured, under the following categories of variables, which have been transferred to graphs for further analysis of any insightful trends:

- External income
- Internal income
- Total income
- Summary of income data
- Farming practices
- Farming assets
- Livestock numbers
- Social indicators

The responses to the questionnaires are summarised in the raw data tables that should accompany this report. They are available in electronic form from the NWGA.

It should be noted that there are gaps in the data for 2009. This is because due to the frailty of data stored on electronic data bases, the full set of data for that year is not available. Only fragmentary data discovered on a working file are available; hence there are no totals for individual source of income, only the full totals. This is the case for all the charts that follow.

5.1 External income

External income is defined as that income derived from sources external to the community, such as social transfers and other off-farm income, for comparison with income from farming and other local activities, called “Internal income” in the questionnaire. This provides a set of data against which income from wool production can be compared.

The sources of external income, with the variable name indicated in brackets are:

- Pensions (Pension);
- Child grants (Child);
- Full time employment (FTE); and
- Part time employment (PTE).

Surveys included Disability Grants, but this category is not reflected in the analysis, as this seemed to be an exception and therefore not useable to determine trends.

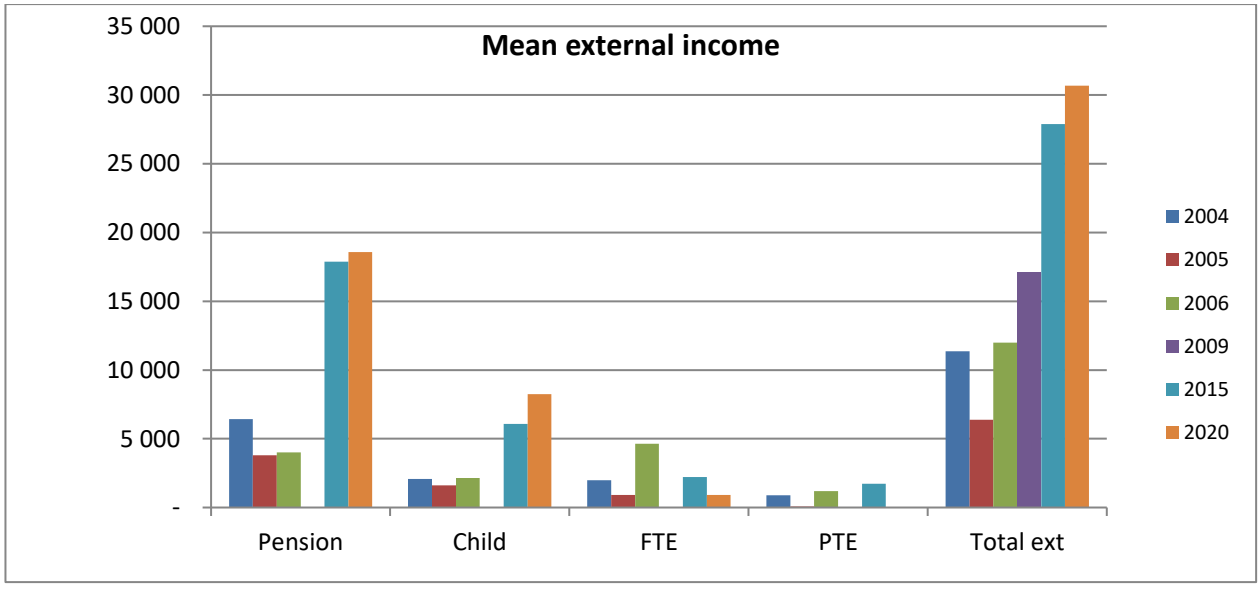


Fig. 5.1: Mean annual external income 2004 – 2020

The main finding here is that social transfers have increased significantly each year since 2005, consistent with the increasing spread of the social grant system.

The values for full time employment (FTE) and part time employment (PTE) remain low, indicating that employment to date has not provided a valuable option in the rural areas.

The average annual household income from social transfers was R23 900 in 2015 and R31 667 for 2020, a very considerable increase over earlier years and a valuable contribution to household income.

The range of total external income values in **2015** ran from R7 920 to R84 000, with **a median** value of R27 480. This is close enough to the **mean** to suggest that the distribution was not severely skewed.

The range of total external income values in the current year **2020** runs from R0 to R144 000, with a **median** value of R27 360, and compared to 2015, this is still close enough to the **mean** of R30 345 to suggest that the distribution is not severely skewed.

5.2 Internal income

The internal income for the sample is derived from a number of sources, which is consistent with the survival strategies rural households employ. The sources of internal income, with the variable name in brackets, are as follows:

- Sale of wool (Wool);
- Sale of sheep (Sheep);
- Sale of goats (Goats);
- Sale of cattle (Cattle);
- Sale of various types of produce (Produce); and
- Trade such as handicrafts or skills (Trade)

.

Additional questions added to the 2020 survey, revealed that only 19% of respondents are producing crops, and that 100% of these are for human consumption, i.e. excludes fodder (feed for animals) or crafts.

A shift away from survivalist to more sustainable income could be possible across a broader spectrum of agricultural produce, which could potentially include the local cultivation of fodder, involving more local processing,

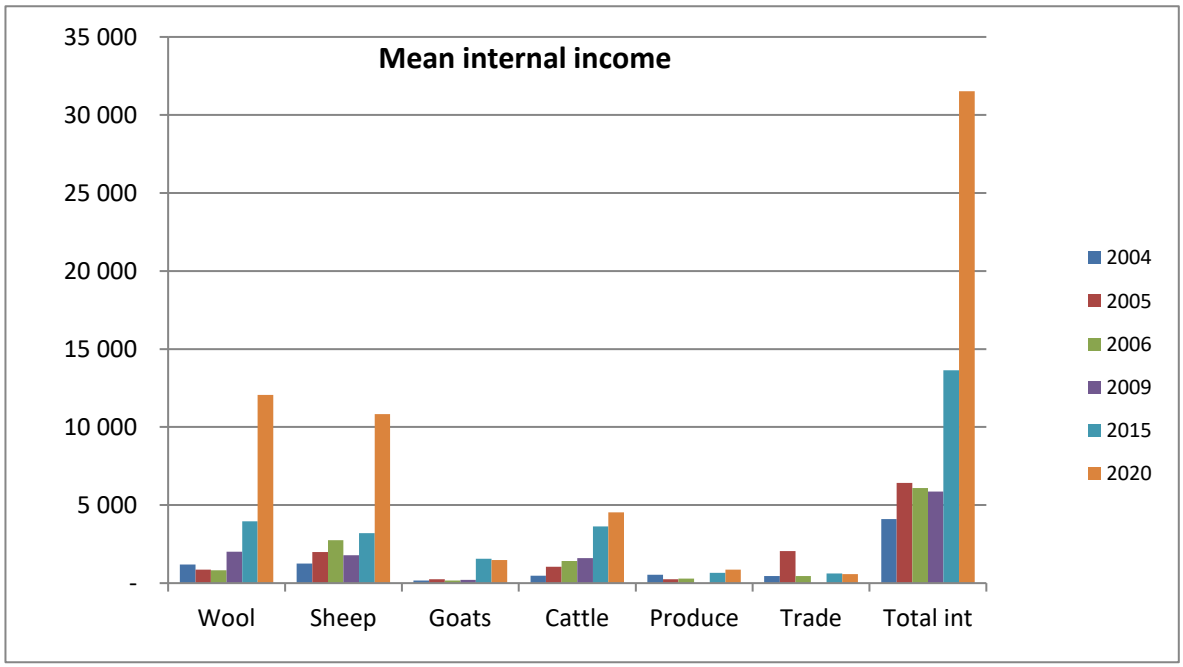


Fig. 5.2: Mean annual internal income 2004 – 2020

The **total internal income mean** for the current year 2020 from sheep including wool and animals amounts to R22 900, adding the sales for goats and cattle then totals R28 900. This is an extremely significant increase from the 2015 figures which were R7 100 and R12 300 respectively.

The range of values for internal income in 2015 was from R620 to R204 000 with a median value of R9 200, which suggests that the distribution for 2015 was skewed towards the higher levels of income.

In the current year 2020, the range of values for internal income is from R1900 to R185 700, with a median value of R20 400 (significantly higher than 2015), and a mean of R32 568, again indicating that the distribution is skewed towards the higher levels of earning.

In contrast, the value of sales from produce amounts to only R864 for the current year, which is not a significant increase from the previous survey period 2015, which serves to show how little agricultural crops contribute to household income in the wool-producing areas and why it appears to receive so little attention. Many of the households have ploughs and cultivators, which it seems might be used for production for household consumption, but the very low ownership of

functioning tractors suggest that commercial crop agriculture is of limited concern to sheep owners.

Figure 5.3 shows that total sheep income has consistently amounted to between 45% and 65% of total internal income over the years, with the greatest increase so far from 2015 to 2020 where the total sheep income amounts to 75% of total internal income.

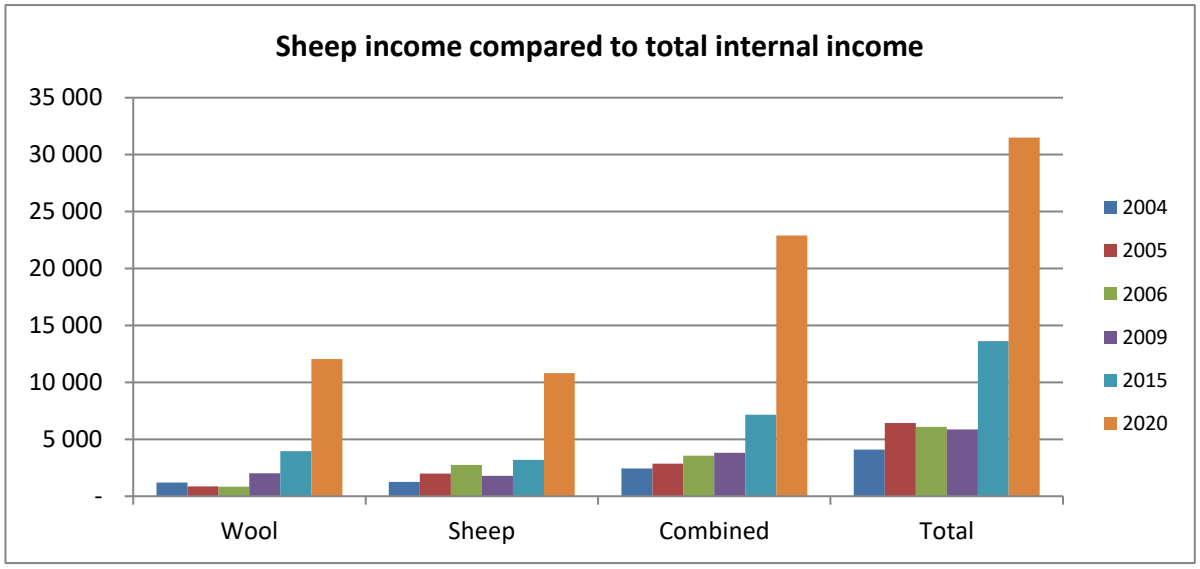


Fig. 5.3 Comparison of sheep product sales to total internal income 2004-2020

It also illustrates the steady increase over the period of the combined income from sheep, as well as the fact that 2009 is the first year since 2004 when income from wool has exceeded that from the sale of sheep. Both forms of income are valid uses of sheep and the practices used to increase one will simultaneously benefit the other.

Figure 5.7 shows that sheep numbers declined from 2005 to 2009, so it is interesting that over the same period combined income from sheep either increased (2005, 2006) or only slightly decreased (2009). Taken overall, the income from sheep has increased significantly, while numbers have decreased. This can only have been achieved if the overall performance efficiency of the flock has increased. The declining trend is reversed in 2015, with a marked increase in stock numbers and therefore income, and this increase continues into 2020.

5.3 Total income

Figure 5.4 shows that total income has increased steadily from 2005 to 2015, and continued to grow into 2020, which will be reflected in the comments on the social factors below.

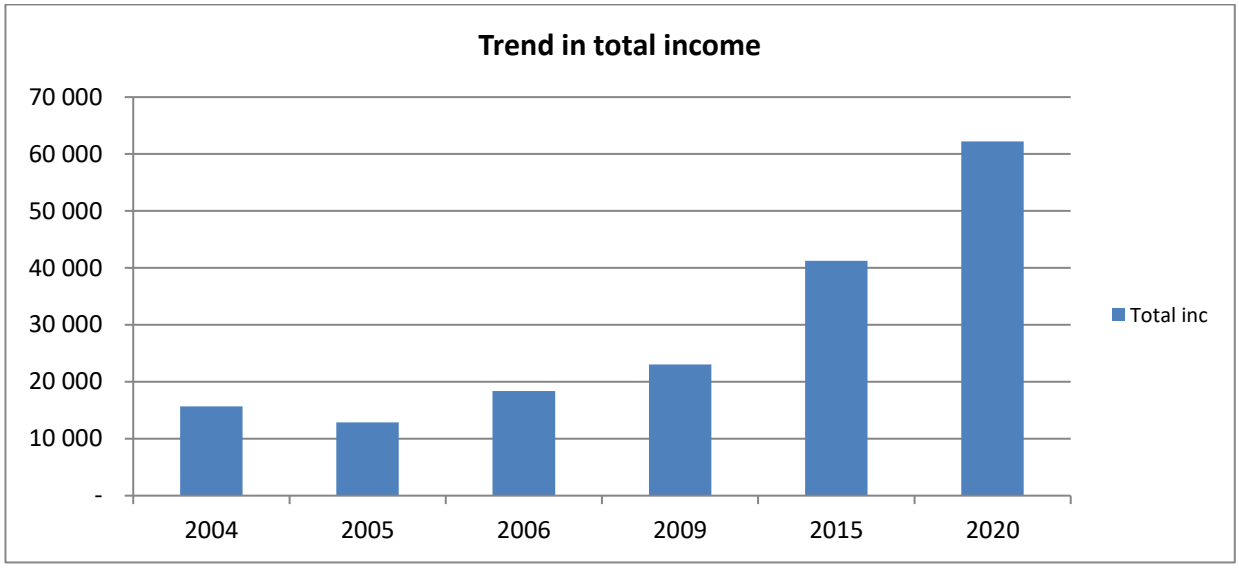


Fig. 5.4: Trend in total income to sample 2004 – 2020

This is a consequence of increases in both external and internal income with the external income the dominating factor, primarily because of increases in social transfers. The range of values for 2015 is from R15 340 to R228 920 with a median income of R41 970, very close to the mean.

The range of values for the current year 2020 is from R5100 to R185 700, with a median income of R52 300, which is relatively close to the mean of R62 600.

5.4 Summary of income data

The income data do not show any unexpectedly large downward trends, except that sales of produce have shown a steady decline since the start of the surveys. Latterly this could be due to drought (evident from comments regarding grazing and fodder concerns), however agricultural production for the market has always been a “last-resort” type of activity because of the many constraints that affect it, not the least the problem of excluding livestock from the gardens or crops. It is possible that this source of income, always small, has declined as other less problematic sources increased.

Total income has increased steadily since 2005, and this is sustained into 2020. There is a significant and sharper increase in sheep wool and meat produce income, which confirms that the sustained efforts and extended work of the NGWA is paying dividends. There is evidence that this has resulted in the easing of financial constraints and the reduction of indications of stress in household finances. These are discussed further under Section 5.8.

5.5 Farming practices

The listing of farming practices was intended to illustrate any improvement in management of the sheep flock. However, from the beginning in 2004 the data have suggested a very high existing level adoption of the important management practices and the trend has continued, showing some improvement in 2015, which continued an upward trend into 2020 for all six practices surveyed.

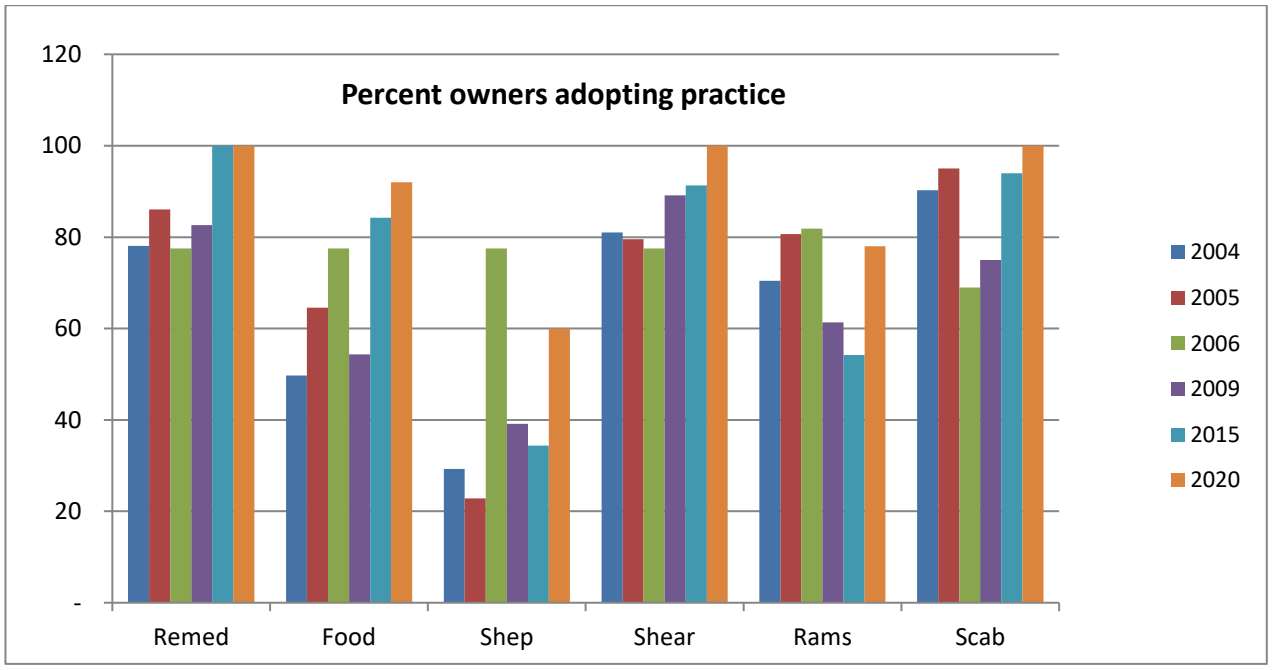


Fig. 5.5: Percent farmers adopting practices 2004-2020

The more important practices in terms of increased quality and quality of clip are:

- **The use of remedies (Remed):** Remedies had consistently been used at a level around eighty percent of the respondents till 2015, when usage climbed to one hundred percent, suggesting that the use of standard range of remedies is sufficient to sustain the present high levels of production. It remained at one hundred percent into 2020.

- **Supplementary feeding (Food):** The use of supplementary feeding is probably related to grazing conditions, and the number of livestock per hectare of grazing land, so it will be challenging to draw the necessary conclusions here. However, it may seem relevant that the increased number of livestock combined with the persistent drought over the last 5 to 7 years running up to 2020, may have been the key drivers behind the increase in fodder provision.
- **The use of improved NWGA rams (Rams)**: The use of improved rams while still at a high level, has shown a steady decline since 2006. This does not necessarily reflect a reduction in the use of quality rams as it is possible that growers are either buying their rams themselves or using progeny of NWGA rams to maintain their genetic levels. From the open comments raised, it is clear that there is a great demand and preference for NGWA rams.
- **Treating scab (Scab):** After a decline in the previous two surveys treatment of scab has recovered to its previously high level, and increased further in the current survey year.

The levels of adoption of key management practices are considerably higher than it was before this programme started and the appearance of the many sheep seen during travel in the area reflects this, with remedies, shearing practices and treatment for scab have reached 100% practice adoption in 2020.

The present impression of good management practices and quality of the stock is in stark contrast to the historical genetic inadequacies and a generally advanced stage of scab infestation prior to these launching of the NGWA initiatives, which included the increased availability and transfer of technology, an integral part of management practices that will create cost-efficiency in the future. Technologies range from the increased use of mobile phones for information sharing, to shearing practices and remedy application.

A number of qualitative open ended questions on farming practices were added to the 2020 survey. The key findings are as follows:

On the question of **who treats the flock with medication**:

- Agricultural officers, extension officers or state vet (58%)
- Self treatment (28%)
- Pharmas, Zoetis, Thalitha, etc (21%).

On the question of **predation management**:

- Farmers having predation problems (75%)

- Predation management method: Hunting (49%), Night kraaling (60%), Shepherding (33%)

Of the 57 respondents, 98% use communal land for grazing, and 2%, i.e. 1 farmer has owned fenced land.

5.6 Farming assets

A basic set of farming equipment is necessary to function in agriculture and equally, an increase in the number of assets would reflect investment of surplus cash in farming infrastructure. The expectation would be that as extra funds become available, there would be investment in farm assets to improve the farm business. Figure 5.6 below, which shows the mean number of each asset class per household, suggests that this has not been the result. Without exception, the trend in farm assets has been effectively level. In the case of poultry[1], there is considerable variability from year to year, consistent with how subsistence flocks are exposed both to predation and disease outbreaks. In some years large numbers of chicks are hatched and raised and in others losses occur as a result of epidemics like Newcastle disease. The variation in numbers does not therefore necessarily reflect deliberate investment or disinvestment in poultry.

What is remarkable is the low number of farming assets owned by households. Only in the case of wheelbarrows (Barrow) does ownership approach one per household. The number of hand tools (Hand) is reasonable, including as it does spades, rakes, picks and hoes, probably sufficient to hand weed a small field or vegetable garden. Even items as essential for subsistence agriculture as animal drawn ploughs and cultivators are not owned by all respondents, in fact by 2009 only approximately a half of the respondents had them and this continues.

This data further confirms the difficulty of sustaining subsistence agriculture even in an environment suited to it, as all of the regions of the study area are. The residents appear to be unable to exploit favourable natural resources because they lack the equipment and finance to do it and the state has yet to develop an effective support programme, which obviously lies beyond the mandate of the NWGA and its associated extension officers.

Real progress would be made if farmers could more rapidly move out of survival and basic subsistence, into more sustainable growth opportunities, which can only be made possible when

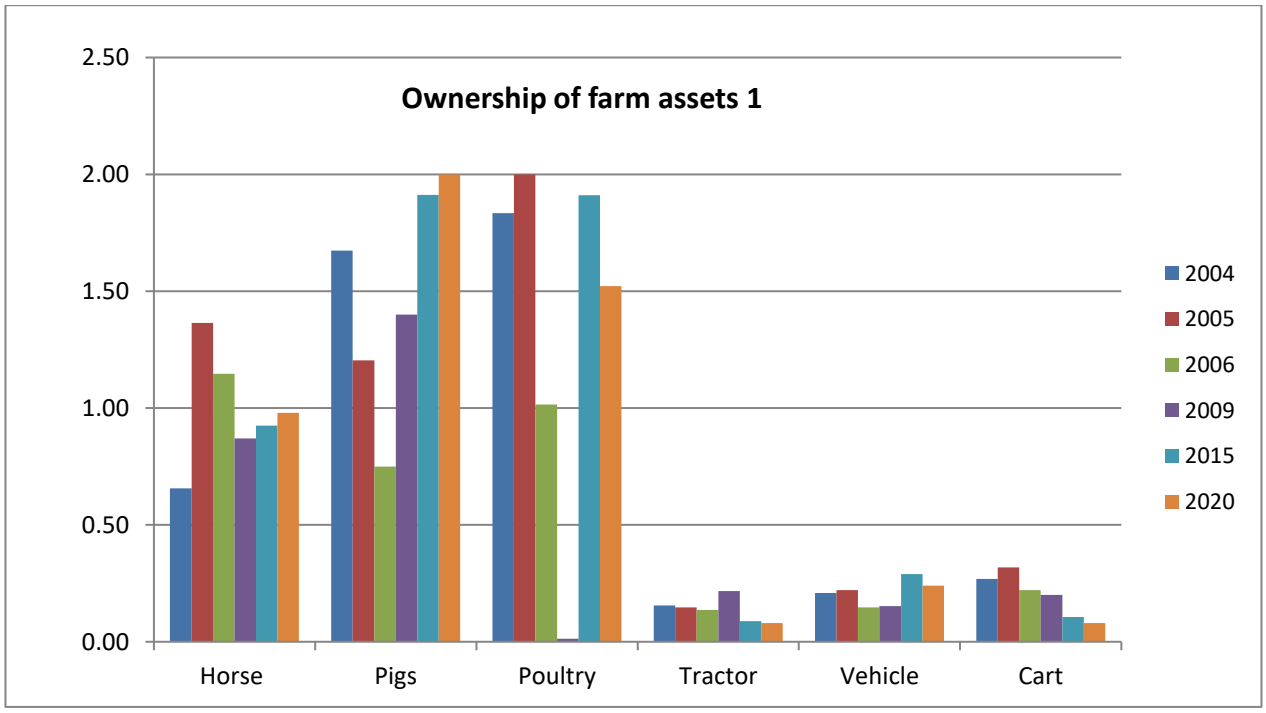
[1] Because the number of poultry owned by the respondents was so much higher than any of the other assets, the poultry totals were divided by ten, to allow the scale to be more indicative. Thus, where in 2004 the number of poultry owned is shown as around 2.1 per household, the actual number is 21.

broader enabling eco-systems are developed, through the introduction of more diverse, extended and inclusive agricultural value chains.

Broader collaboration and interaction with other agricultural bodies could play a valuable role in facilitating this. An example of this would be to explore, not only traditional crops for human consumption, but also a range of crops for animal feed and other uses, especially considering the drought conditions experienced over the last couple of years.

With the envisaged work of Cape Wools SA to extend the wool value chain in South Africa, to develop more local product processing and manufacturing opportunities, and the work of Predation Management SA to enable more animal friendly sustainable green practices, many new employment opportunities would be created, drawing in a younger generation of participants in this industry.

Future surveys would then need to introduce a new “breed” of farming assets, i.e. greater inclusion of various technologies. The Green Growth Knowledge Platform in collaboration with Switch Africa Green, and the Regional Industrial Development work of TIPS (Trade and Industrial Policy Strategies) in South Africa, have been taking great strides to develop Africa into a greater agricultural development and agro-processing and manufacturing continent. Technology will be an important enabler in this.



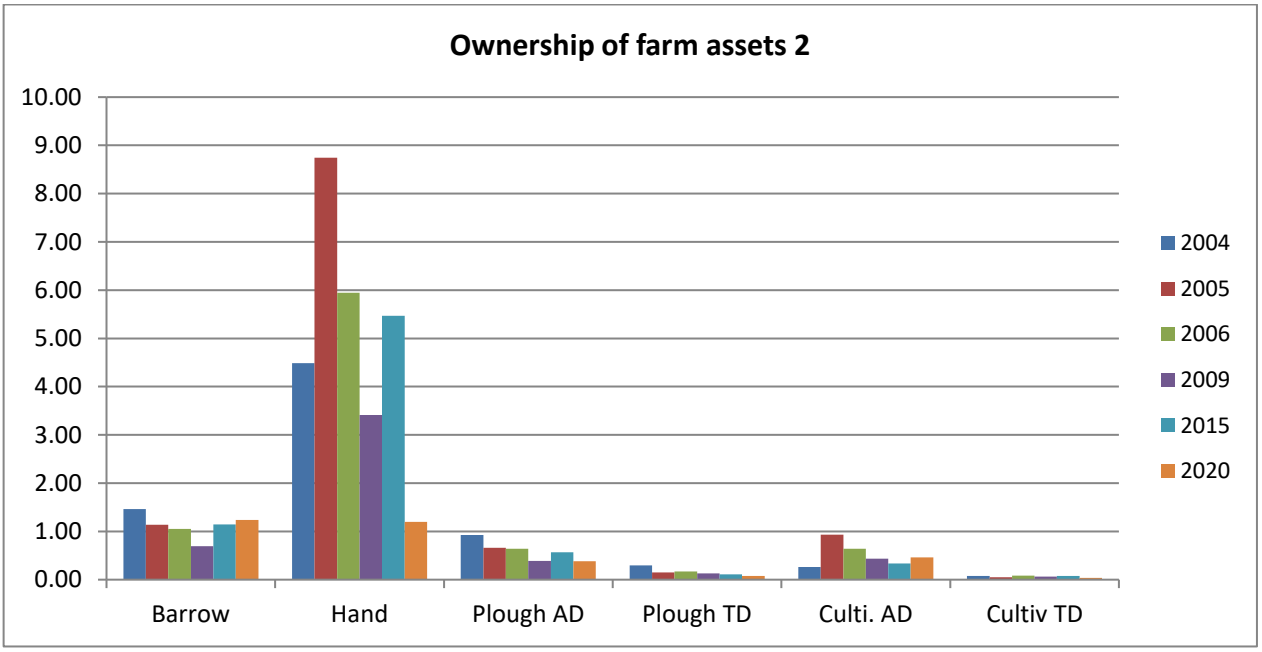


Fig 5.6: Mean farm assets per household 2004-2020

5.7 Livestock numbers

From the graph in Figure 5.7 below it is evident that cattle herd and goat flock sizes have stayed constant at between ten and twenty per household over the eleven years of the survey. The sheep flock had decreased between 2005 and 2009 but in this survey has shown a marked increase to an average of between 80 and 100 per household. At no stage was the decrease in flock size accompanied by a decrease in output, which means that flock efficiency must have improved over the period. The graphs confirm that this trend continues.

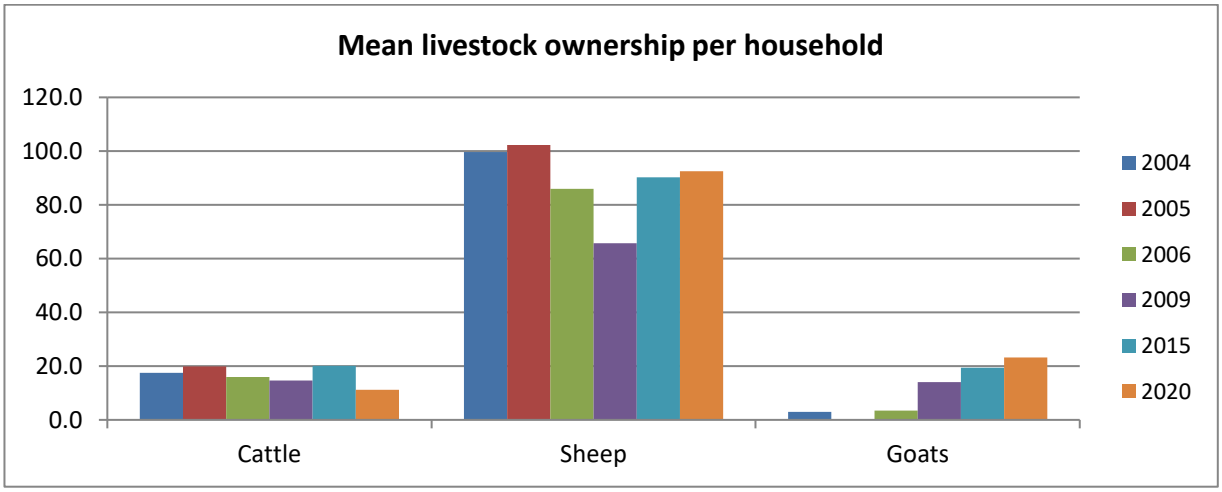


Fig. 5.7: Mean herd and flock size per household 2004-2020

The range of **values, medians** and **means** for livestock herd and flock size for **2015** were:

Class	**Minimum**	**Maximum**	**Median**	**Mean**
Cattle	0	65	9	25
Sheep	5	276	91	113
Goats	0	91	0	24

The range of **values, medians** and **means** for livestock herd and flock size for **2020** are:

Class	**Minimum**	**Maximum**	**Median**	**Mean**
Cattle	0	86	9	13
Sheep	0	476	81	96
Goats	0	220	10	22

Since the sample sizes for the 2015 and 2020 year surveys were the same, i.e. 57, it is worth comparing the range of values, medians and means for these two periods.

Comparisons of the mean and median values for both periods suggest that livestock ownership is skewed, particularly for cattle and goats. However, it is evident that these values are less skewed for 2020 than for 2015.

5.8 Social indicators

There are several key indicators in the data for this section which suggest that there has been a significant easing of financial pressure among the households in the survey.

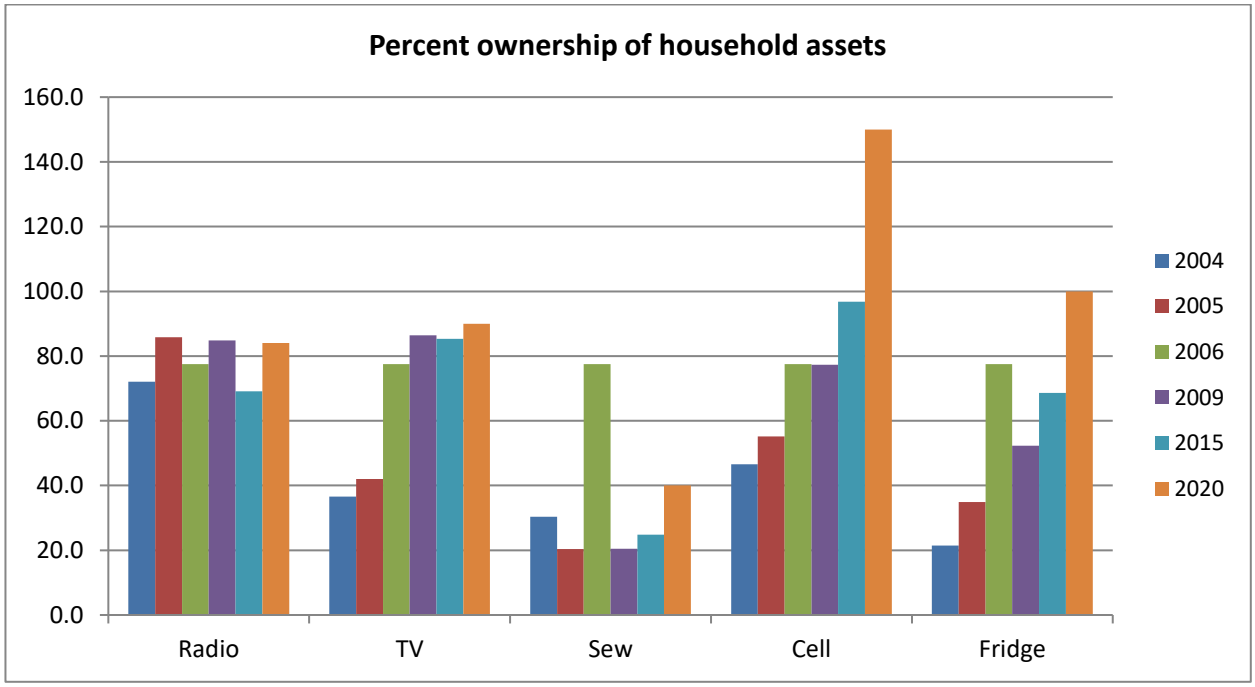


Fig. 5.8: Percent ownership of household assets 2004-2020

Figure 5.8 shows that there was a marked increase in the ownership of television sets (TV) to 86.4% in 2009 and the numbers have been sustained until now. In those villages where electricity is available, ownership of TVs approaches 100% and since the 2009 survey the number of refrigerators has also increased to 100%. Some household even own more than one fridge. These are costly items, indicating that the households have enjoyed an increase in disposable income allowing them, when electricity is available to purchase what are in effect luxuries. The decrease in radios is probably associated with the increase in televisions sets, owned now by over 80% of households.

The penetration of cell phones (Cell) remains high, approaching 100% but with households owning multiple cell phones there are actually more phones than there are households. The penetration of cell phones into the deep rural areas is still one of the greatest opportunities in Africa, and especially rural Africa to leapfrog over years of underdevelopment, without necessarily having to move through hard industrial development regimes to reach more sustainable livelihoods – simple but highly effective means of information sharing, connecting with markets and broader communication and linking into and participating in developmental groups

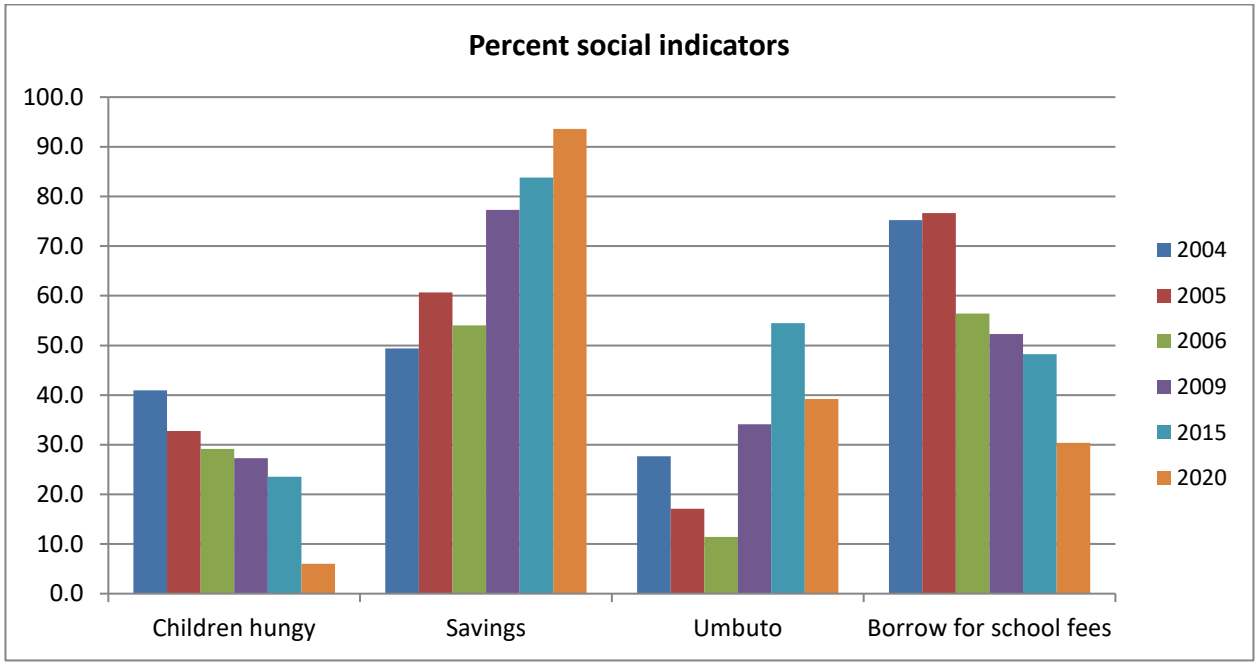


Fig. 5.9: Trends in social indicators 2004-2020

Three sets of data in Figure 5.9 illustrate probably the most significant changes that have taken place in household welfare over the period of the surveys. These are:

- The number of households with children going to bed hungry (Children) has *declined* from 41% in 2004 to 24% in 2015 and appears set to significantly continue downwards to 6% in 2020!
- The number of households with savings accounts (Savings) has *increased* from 49% in 2004 to 84% in 2015 and continued upwards to 94% in 2020. The evident preference for a bank savings account as opposed to an informal Umbuto arrangement is another trend towards modernity, and the assumption could be made that the selling of product (i.e. wool) to a formal market system would have compelled farmers to make use of bank accounts.
- The number of households having to borrow money for school fees (Borrow for) has *decreased* from 77% in 2005 to 48% in 2015, and the trend continued downward to 30% in 2020.

These three indicators, together with those from Figure 5.8 are potent indicators that NWGA has contributed significantly to improving the welfare of wool growers. They illustrate communities that are making significant steps to gain an equitable standard of living.

Questions to obtain further insight into basic standards of living were added to the 2020 survey. These relate to **distances travelled** and **means of travel** to schools, shops, clinics and places to sell produce.

- The average distance to nearest shop (34kms), and predominant means of travel is public transport (75%). Only 20% of respondents own a vehicle.
- The average distance to school (2,7km), and predominant means of travel is walking (89%).
- The average distance to clinic (8,3kms), and predominant means of travel is public transport.
- The little produce that is cultivated and sold (only 19% of respondents) is predominantly sold from the farmers' residences and not taken to markets, so no transport is used for this purpose.

The total average cost of travel per year is R7 220, which is on average 12% of their total annual income. It is an interesting phenomenon that bicycles are not used as a means of travel. It will be interesting to follow these trends in subsequent surveys.

Additional qualitative questions were also added to the 2020 questionnaire, to obtain more open ended feedback on any pertinent or real challenges of the participants. The actual answers have been populated in table format which is available in the attached spreadsheets. The key findings of these are as follows:

<u>Biggest concerns and fears</u>:

- Health, and fear of the Covid-19 virus and dying, that may, such as happened with HIV, leave vulnerable children without parents
- Stock theft
- Safety and security, due to perception of higher income
- Drought and shortage of feed for animals
- Unemployment for children in the future.

<u>Biggest changes in their household respondents would like to make/have:</u>

- New, renovated or big enough proper house for whole family
- Fencing around house and grazing areas
- More opportunity for crop production
- Better quality water and sanitation, and inside toilet.

Biggest changes in their farming practices respondents would like to make/have:

- New quality rams to improve their breed and quality of wool (almost all respondents)
- Fencing of communal land, and/or own land
- Increase in sheep numbers.

The following key trends from the 2015 survey are still evident in the current year 2020 questions.

On the question of the **main reasons for joining the NWGA**, the following trends were confirmed:

- To gain more income through access to the formal market (67%).
- Have greater longer term security (income) for family (28%)
- To improve the quality of the flock and wool (26%)
- To be connected in their work and livelihoods, i.e. greater community efforts (21%)
- To have access to better information and support (5%).

6. Conclusion

The 2015 survey, and now even more so the latest 2020 survey, have confirmed most of the trends established in the previous surveys.

Most important to the NWGA, is that there is a steady significant improvement in the income derived from wool and sheep that has contributed in important ways to improving the welfare of rural communities. This trend is still strongly evident from the 2020 survey.

There is clearly a wide range in the levels of benefit derived from the programme, however, from the broad responses, it can be said that most of the respondents confirmed that they are very happy to be part of the NWGA, and the value they derive from their association, such as the increased access to information and formal wool markets.

There is still a large number of challenges both on a farming and social level, many of which still relate to historical poverty, such as access to clean water, most of which are not in the power of the NWGA to change, as these are issues and challenges that lie in the domain of broader local, provincial and national government. These would include land ownership, basic water and sanitation challenges, support for broader crop cultivation including crops for fodder, and work opportunities for younger generations.

Perusal of the raw data tables might indicate aspects and regions that deserve extra attention. Stock theft appears to be reaching levels where it could have a serious impact on the industry but

it is difficult to see how the NWGA could act effectively against it. Basic safety and security fears are very real, especially amongst female farmers.

The strongest indicator of the value of the NWGA programme is that it has persisted over a long period and has expanded rapidly, with consistent impactful results, while continuing the focus and impact it set out to achieve.

In response to global trends, and to address some of the extended challenges revealed in this report, it is proposed that the NWGA with the support of Cape Wools SA, consider the repositioning of their strategy for even greater reach and broader impact - addressing some of the persistent challenges and emerging risks that continue to be revealed, as well as real risks such as the recent years of drought and the Covid-19 epidemic, the subsequent downturn in the economy, and the unacceptably high unemployment rate, especially under the younger generation. There are great opportunities and lessons learnt from the work of the NWGA, and great opportunities that are evident from trends identified from global initiatives such as the Switch Africa Green, Impact Investing in the Green Economy, and the Green Growth Knowledge Platform.

One of the most immediate opportunities for economic growth and subsequent social benefit and prosperity are in the pursuit of regional agricultural value chains, where we as part of the African continent, need to build our regional economies through lengthening our value chains and investing more in local processing and value adding to raw commodities. As well as the exploration of available and easily deployable technologies to enable these.