

**ANNUAL REPORT JULY 2020 TO JUNE 2021**

**CAPE WOOLS SA TENDER:  
COMMERCIAL PRODUCTION ADVISORY  
SERVICES**

**(CONTRACT PERIOD 1 JULY 2020 – 30 JUNE 2021)**

**REPORTING PERIOD**

**1 JULY 2020 TO 30 JUNE 2021**

**PREPARED BY:**

JL VENTER

Acting Manager: Commercial Advisory Service

NATIONAL WOOL GROWERS' ASSOCIATION

P O Box 34291

**NEWTON PARK 6055**



## ABSTRACT

The COVID-19 pandemic and the lock-down measures enforced by government impacted on the reporting period considerably. Nevertheless, a satisfactory level of service delivery was obtained for most of the services, thanks to the diligence of the Production Advisory team.

The highlights of the past six months can be summarized as follows:

### Commercial areas:

Number of new participants in the reproduction training program	= 91
Number of participants in economic study groups	= 22
Number of tours and group visits conducted	= 9
Number of people trained in predation management	= 59
Number of farmers contacted with clip faults	= 186
Number of farm workers trained	= 800

## ANNUAL REPORT 1 JULY 2020 TO 30 JUNE 2021

Despite the COVID-19 pandemic a satisfactory level of service delivery was obtained for most of the services. On average 45% of the set targets were met.

### SERVICE 1: DELIVERY OF ADVISORY SERVICES

#### 1.1 Description of Service

Deliver world class technology and skills to South African wool farmers.

#### 1.2 Purpose of Service

The purpose of a production advisory service is to transfer current knowledge on:

- Stock management, breeding, reproduction, and management practices;
- Grazing and pasture practices and management and supplementary feeds;
- Predation;
- Genetics;
- Shearing and wool classing;
- Financial planning and risk management through economic study groups;
- Biosecurity and animal health and disease management;
- Marketing practices, market access and risk conditions;
- Sustainable wool production, and
- Continued liaison with all relevant government departments, in order to enable producers to succeed with their farming enterprises.

### **1.3 Deliverables**

- Dissemination of information to all producers of wool.
- Deliver the services, including but not limited, to those identified below.
- Promote and participate in an online production advisory survey as determined by CWSA.

## **2. Defined Outcomes and Targets per Agreed Programme**

### *2.1 Reproduction Programme:*

#### **Outcomes:**

- Improving farmers' understanding, ability to identify and putting-into-practice those factors that (1) improve conception rates, fecundity, lambing and weaning percentages and (2) decrease lamb mortality;
- Lifting the average weaning percentage rate of wool sheep in South Africa.

#### **Targets:**

- Maintain farmer training course schedule as approved by Cape Wools.
  - A total of 91 farmers participated in the training programme during the reporting period.
- Monitor current participants in the course.
  - Individual visits were conducted with 2 farmers with low reproduction figures to determine the reasons for this low fertility. In one of the cases enzootic abortion was suspected and was later confirmed by a Veterinarian. In the second case the ewes lost condition after mating and placenta development were restricted as a result.

### *2.2 Economics of Wool Production:*

#### **Outcomes:**

- Improving farmers' understanding, ability to identify and putting-into-practice those factors that (1) maximise income and (2) either optimise or minimise expenditure;
- Improving the average profitability of wool sheep farming in South Africa;
  - One of the study groups improved their average Nett Farm Income (NFI) by 50% over a period of 4 years as a result of advice provided, based on NWGA Farm Management Analyses of their farming enterprises.
- A minimum of 100 wool sheep farmers per annum participating in economic study groups (including participating in economic study groups of other institutions, i.e. agricultural co-ops, etc.).
  - A Total of 22 farmers participated in the economic study groups during the reporting period. The reason for this decrease is not entirely clear, however some participants indicated that they were not ready to participate because of the lockdown.
- Promote practical advice to participating wool sheep farmers with the aim of increasing gross margins.
  - Meetings with groups and individual participants were held on 9 occasions.

### 2.3 Marketing Conversion to Wool and farmer interaction:

#### Outcomes:

- Provide mutton sheep farmers with a range of scenarios of how to change over to wool farming without disrupting cash flows and short-term profitability too drastically.
- Continued interaction and communication with wool farmers to determine problem areas or requirements.

#### Targets:

- Maintain and disseminate a range of scenarios of how to convert to wool sheep farming with the least detrimental effect over the short term.
  - These scenarios were updated on a continuous basis.
- Hold information days and publish relevant information in a format most suitable.
  - Two articles were submitted to- and published in the Wool Farmer and Veeplaas magazines.
- Increase in wool production within the area.

### 2.4 Threats to Wool Sheep Farming:

#### 2.4.1 Predation

#### Outcomes:

- Provide farmers with best practices in terms of predation management. Mr. Neil Viljoen is regarded as the South African authority in this field.

#### Targets:

- Train at least 180 farmers and farm workers annually in predation management.
  - During the reporting period 59 people were trained. Farmers were not willing to allow outside workers on their farm especially at the height of Covid-19 infections. This hampered the number of workers trained.

*Farmworkers attending Predation Management course near Jansenville.*



#### 2.4.2 Disease Preparedness

#### Outcomes:

- Increase Rift Valley Fever (RVF) awareness and ensure their vaccination is done to the prescribed protocols.
  - Social media is used to make farmers aware of the threat and advice is given on vaccination. The results of the RVF trials are communicated to the farmers.

- Articles were published in the Wool Farmer regarding RVF and the importance of preventative measures.
- One Health Alliance was requested by NWGA through NAHF to develop an on-farm contingency plan during a RVF outbreak, of which a draft is already tabled.
- Each of the 120 farmers visited during a SCWS audit, were informed about the risk of a RVF outbreak
- Increase awareness of basic biosecurity principles.
  - The SCWS audits provide ample opportunity to make farmers aware of biosecurity.
  - A Bio-security article was published in the Wool Farmer and an article on Bio-security during shearing was also published.

#### 2.4.3 Contamination:

##### **Outcomes:**

- Considerable reduction in cases of wool contamination.

##### **Targets:**

- Provide feedback to producers with clip faults (on a weekly basis).
  - A total of 186 people were contacted during the reporting period. Three articles were also written on this subject.
- Compile an annual report, highlighting the change in the fault reports and implement remedial action.
  - This report has been compiled and is attached to this report (See Annexure A).
- Distribute Cape Wools shearing shed bins through everyday activities and through agri-business outlets.
  - Most of these bins are distributed, on a regular basis, by the advisors and shearing instructors.

#### 2.4.4 Management and Information Collation:

##### **Objectives:**

- To collect and report on productivity and profitability data

##### Focus areas:

- Economic study groups (maintain).
  - The number of participants decreased from 82 to 22. This service is no longer free of charge and some farmers therefore didn't participate in this analysis this year. The forms for the next reporting period received currently amounts to 30. It appears that the drought also played a role in the decrease in numbers. The averages of the participating study groups were calculated, and feedback were provided to all participants.

Study group members from Burgersdorp (left) and Bedford (right).



**Outcomes:**

- Better understanding of the management regime;
- Preferred methods of technology transfer;
- Participation in economic study groups;
  - The average performance of the study group over a five-year period were analysed.
  - Table 1. Results of the analysis done on average performance of the Trompsburg study group from 2016 to 2019

YEAR	2016	2017	2018	2019
UNIT	R/SSU	R/SSU	R/SSU	R/SS
CATEGORY	GROUP AVERAGE	GROUP AVERAGE	GROUP AVERAGE	GROUP AVERAGE
GPV	660.97	965.25	865.52	1038.47
DAVC	236.74	292.56	212.43	235.04
GM	433.23	672.69	653.09	803.42
OC	205.03	290.98	249.98	313.52
NFI	228.20	381.71	388.11	489.91

GPV      Gross Production Value

OC      Overhead Cost

DAVC    Direct Allocatable Variable Cost (Direct cost)

NFI      Nett Farm Income

GM      Gross Margin

- The results of the final effect of this goal-orientated extension service from 2016 up to 2019 are as follows:
  - The GPV of the group average increased with 57.11% from R660.97/SSU in 2016 up to R1038.47/SSU in 2019.
  - The DAVC of the group average decreased with 0.72% from R236.74/SSU in 2016 to R235.04/SSU in 2019.

- The OC increased with 52.91% from R205.03/SSU in 2016 up to R313.52/SSU in 2019. The NFI increased with 114.68% from R228.20/SSU in 2016 up to R489.91/SSU in 2019.

See Annexure B for scientific article prepared and accepted for the annual congress of the SA Society for Agricultural Extension (SASAE).

- Participation in the ewe productivity project.
  - No producers participated in the ewe productivity report.

Signed at Bloemfontein on 27 August 2021



JL Venter

**Acting Manager: NWGA COMMERCIAL ADVISORY SERVICE**