

ANNUAL REPORT 2020/2021

CAPE WOOLS SA CONTRACT TRANSFORMATION

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

PREPARED BY MR Z. MBATSHA



1. Market Readiness and Market Access

- A total of 401 sheds had been visited by 5 production advisors in 2020/2021 period.
- Farmers were trained and advised on proper sheep shearing techniques and mentored on clip preparations for the market.
- 1 190 sheds sold their wool through formal auction system at 34 sales, consisting of 5 481 lots.
- 369 lots were sold at above 80% of the CWSA market indicator; 43 lots sold above the market indicator.

Table 1. Communal Wool Marketed through the Formal Wool Market 2004/05 to 2020/21 (CWSA).

TRANSKEI & CISKEI TYPES OF WOOL (LOT RANGES)					
2004/05 - 2020/21 SEASONS					
SEASON	VALUE	MASS	LOTS	BALES	AVERAGE PRICE
2004/2005	18 111 729,23	2 042 729,1	2 538	13 808	R 8,87
2005/2006	14 744 245,76	2 205 169,9	2 389	14 548	R 6,69
2006/2007	34 481 396,42	2 419 663,2	3 103	16 605	R 14,25
2007/2008	45 340 347,21	2 633 796,1	3 788	17 956	R 17,21
2008/2009	31 157 914,25	2 494 214,0	3 822	17 363	R 12,49
2009/2010	60 432 983,71	2 776 867,8	4 343	19 353	R 21,76
2010/2011	71 749 104,17	3 027 276,3	5 085	21 237	R 23,70
2011/2012	88 442 521,03	2 782 370,7	4 660	19 755	R 31,79
2012/2013	108 248 805,28	2 842 409,1	4 686	20 187	R 38,08
2013/2014	137 919 367,70	3 806 993,5	6 368	26 740	R 36,23
2014/2015	130 849 387,92	3 582 122,6	6 363	25 252	R 36,53
2015/2016	233 618 024,81	4 462 089,1	7 832	31 689	R 52,36
2016/2017	299 882 007,84	5 812 641,3	9 138	39 964	R 51,59
2017/2018	383 607 431,04	5 422 122,3	9 569	38 617	R 70,75
2018/2019	336 979 827,63	4 737 000,0	9 021	33 510	R 71,14
2019/2020	289 475 740,22	5 876 741,3	9 121	39 132	R 49,26
2020/2021	260 451 284,03	5 455 470,8	9 421	36 233	R 47,74

Table 2. Shearing Shed performance against the CWSA Market Indicator (CWSA).

Active South African based shearing sheds - 2020/21 Season	
Description	Count
Number of Sheds that marketed in the 2018/19 season	1 190
Number of Sales these sheds marketed on	34
Number of Lots Sold	5 481
Number of lots above 80% of Indicator	369
Number of lots above Indicator	43

- Lockdown regulation measures due to Covid 19 resulted in Production Advisors not being able to train and advise producers on management, feeding, treatment of livestock, etc. as extensively as

before, especially when most of the ewes were lambing close to and during winter (outside of the recommended lambing season), resulting in a high percentage of lambs lost.

- The challenges due to unfavourable economic conditions (also as result of the impact of Covid 19 locally and internationally, job losses and loss of household income) resulted in many communal producers to be forced to sell their wool to informal traders to access immediate cash for prominent household needs.

- Persistent drought conditions contributed towards lower wool production, aggravated by general overgrazing of natural pastures.

Below are photos typical of informal traders transporting wool after buying from communal producers.



2. Training and Coaching

- 288 short courses on shed management, money market, basic flock breeding, basic flock nutrition and basic animal health were held.

- 1 643 individual farmers attended these short courses.

- Targets were not achieved (3 020 attendees) due to limits on numbers that may attend in groups due to Covid 19 regulations.

Pictured below are Farmers attending NWGA training sessions in shearing facilities.





3. Management information and economic study groups

- 9 weighing projects were Identified and serviced in the whole of the Eastern cape in 2020/2021 period.

- 1 site in Region 20, 2 sites in Region 21, 2 sites in Region 23, 2 sites in Region 24 and 2 site in Region 25 (see table below).

Wool Growers' Association	Region	Weaning mass (kg)	Lamb survival (%)	Ewe mortality (%)	Ewe mass (kg)
Ezimpuku	21	23	100%	0%	33
Mdolomba		26	60%	24%	39
Khulile		27	100%	8%	39
Percy	23	31	64%	0%	49
Upper Cala		31	64%	0%	50
Pakameni	24	25	64%	24%	34
Magadla		23	76%	24%	33
Dulciesneck	25	32	72%	28%	35
Wittenbergen		29	44%	0%	41
Average		27	72%	12%	39
Min		23	44%	0%	33
Max		32	100%	28%	50

- Lambs have less weaning stress when weaned at weights of > 24kg and grow faster. Although weaning weights seem to be good, lamb survival rates are far too low.
- Production management practices (i.e., keeping lambs on kraal while ewes are allowed to graze on veld during the day, overgrazing, lack of proper lambing and mating season) result in high mortality rates amongst lambs and ewes in many cases. This remains a challenge in the communal farming environment.

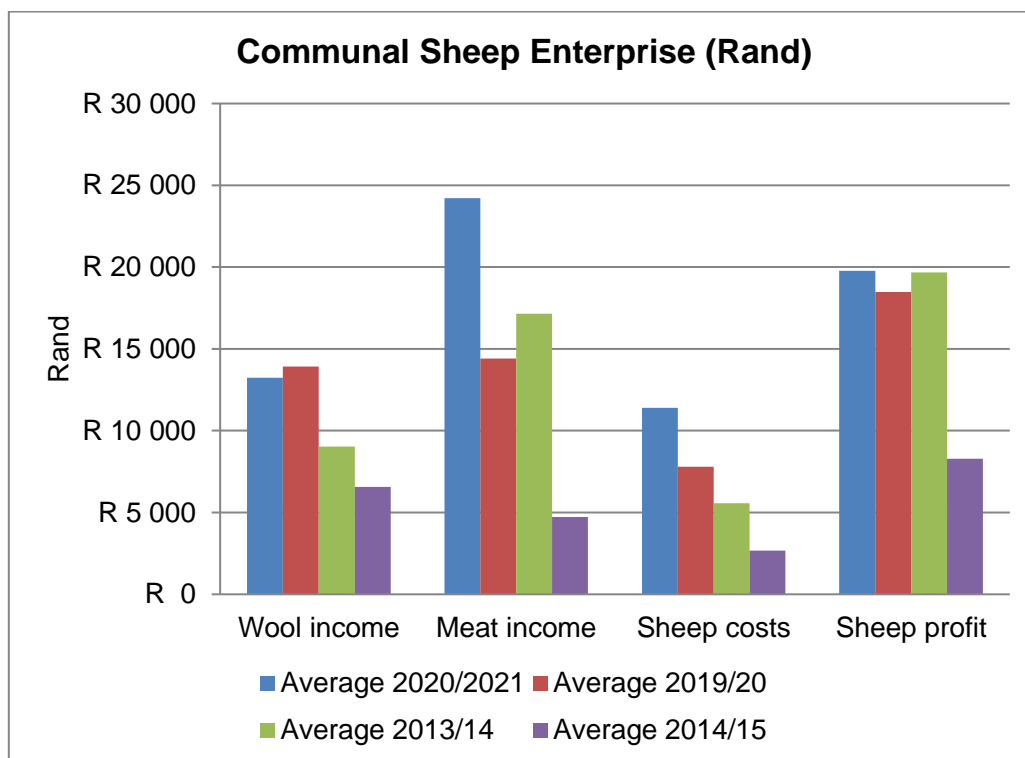
Pictured below is weighing of sheep in progress.

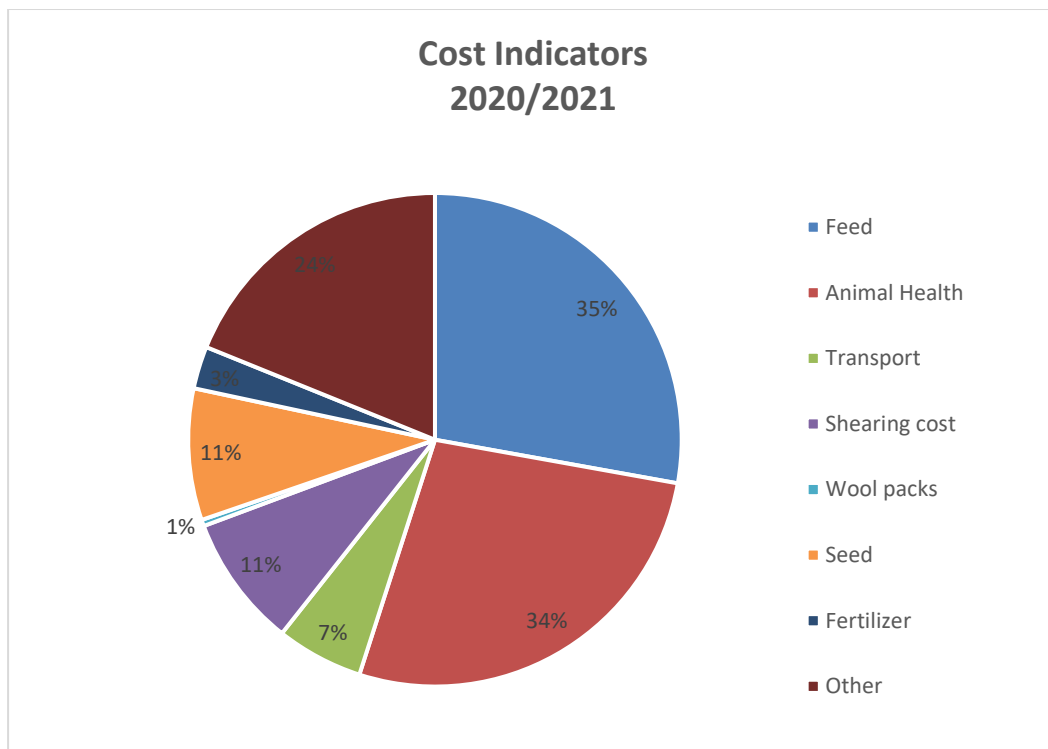
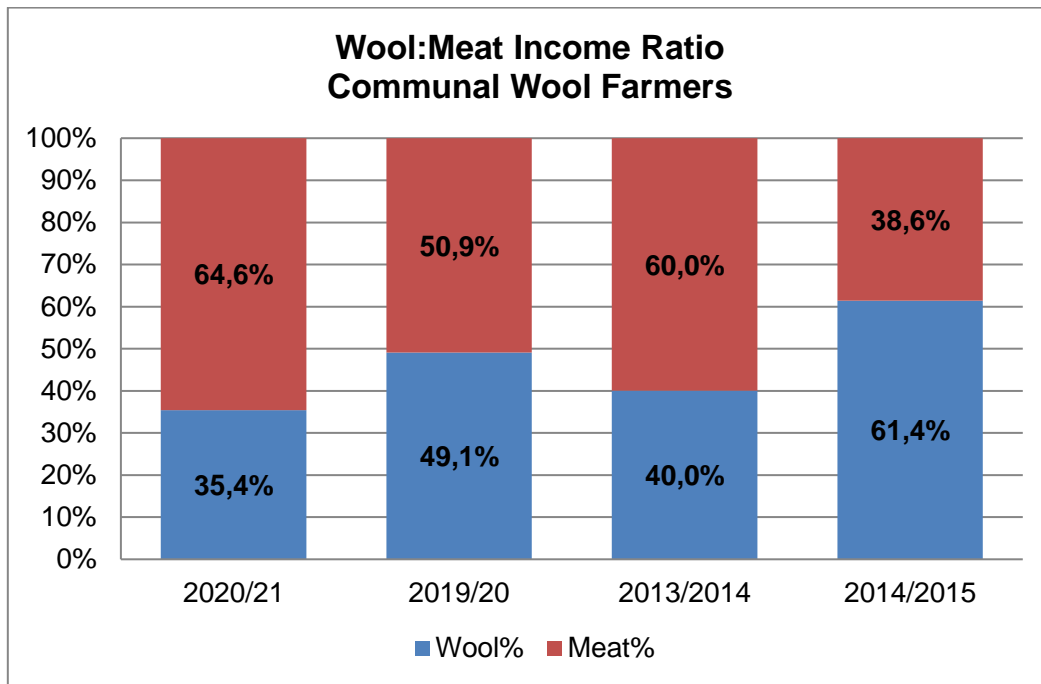


- 23 individual farmers participated in the economic analyses program (Green books).

- Information on cost of inputs, stock sold, stock bought and slaughtered, kilograms of wool produced, and wool income received from the sale of wool were recorded.

Figures below provide an indication of the Farm Management Information gathered from 25 individual participants in the program. It is extremely difficult to record some of the information, as there are no clear mating/lambing season, as well as weaning dates to record sheep numbers accurately.





4. Other interventions

- Number of farmers meetings attended = 43
- Number of congresses = None (Due to covid 19)
- Number of roadshows = none (Due to covid 19)
- Messrs. SK Makinana, Lawrens Maduna and Zithulele Mbatsha met with the Chairman of the House of Traditional Leaders, as well as the MEC and senior managers of DRDAR (EC) on development support towards wool sheep producers. No response yet from the MEC, but the House of Traditional Leaders gave their official support towards this development support.
- There is good cooperation between NWGA Production Advisors and departmental Extension Officers in the field.

5. Competitions

- Number of flock competitions = 2 (region 21 and region 24)
- Number of shearing competitions = 8

6. Infrastructure Development

Four shearing sheds were constructed, funded by Sibanye Stillwater mines:

1. Nkululeko shed - Cofimvaba -Region23
 2. Silulutho – Tsomo - Region 23
 3. Masizakhe – Cala - Region 23
 4. Beyele – Ngcobo - Region 23
- Training was conducted in all four sheds on:
 - o Sheep shearing
 - o Wool class training.
 - o How to use shearing equipment.
 - o Sheep selection.
 - Beyele shed purchased good quality rams and ewes, assisted by NWGA Production Advisors, which had a significant impact on their income (see highlights par. 8).
 - Many farmers from these sheds had also bought their own rams to upgrade their flocks, assisted by NWGA Advisors to source quality sheep from reliable commercial breeders.

New shearing infrastructure to be proud of, funded by private sector and constructed by NWGA.





Two sheds were constructed by NWGA, funded by First Rand Foundation:

1.Mnqaba James shed - Middledrift- Region 21

2.Castle Rocks shed - Mount fletcher - Region 25

- sheep shearing and wool classing will be done in these sheds in the coming shearing season.
- 5 rams were handed to Kamastone shed (Whittlesea - Region 21) and Ludumo shed (Lady Frere - Region 23) and were sponsored by First Rand Foundation.
- About 75 rams were bought privately by farmers who needed good quality rams.

Old Shearing structure at Castle Rocks: Region 25, replaced by a new shed funded by First Rand Foundation.



New Shed (Castle Rocks: Region 25) with handling-, dipping- and ablution facilities, as well as wool press, bins and other shearing equipment (pictures below).



7.Challenges of Communal Wool Sheep Producers.

NWGA Production Advisors have identified the following challenges facing Communal Wool Sheep Producers:

- Genetic Improvement of communal flocks through introduction of quality rams and ewes through scientifically based programs.
- Shearing Infrastructure. It is estimated that only about 20% of wool producing communities in communal areas have access to proper shearing infrastructure to harvest, class and prepare the clip effectively for the formal wool market.
- Stray dogs and predators.
- Access to inputs i.e., animal health products, feed.
- Stock- and wool theft, in some instances with force (including robberies).
- Fencing (camps) linked to the issue of land ownership in communal areas.
- Lack of proper mating and lambing seasons, consequently affecting sound disease prevention (dosing, vaccination, dipping) programs.
- Parasites and related diseases, including red lice, wire worm (in high rainfall areas), heartwater, etc.

8. Highlights

Even though conditions to perform production advisory services optimally were extremely challenging due to Covid 19 restrictions, some highlights were possible:

- NWGA Production Advisor from Region 23 managed to arrange 27 wool presses, funded by the local Municipality for shearing communities in Mt Frere and Mt Ayliff, which were handed over on 14 June 2021.
- 100 Communal producers were assisted by NWGA Production Advisors to select and purchase 150 rams to improve the genetics of their flocks.
- At Bayele shearing shed near Ncqobo, a wool sheep producer was assisted to select the top ewes to remain in the flock, while the inferior ewes were sold and replaced with quality ewes, increasing wool income fourfold from 50% less sheep. The wool was marketed as AM, separately from the rest of the wool marketed through the shed at an average price of R106.50/kg, compared to the crossbreed wool (XW) from the rest of the clip only fetching an average price of R17.60/kg. This emphasises the need and value of a Genetic Improvement Program, that will drastically contribute towards wool income from less sheep, consequently also relieving pressure on the natural resources due to overgrazing.
- Two Production Advisors were contracted for two years under a contract with Ethical Trade Norway (ETN), assisting to improve the capacity of NWGA to support wool sheep development initiatives.
- NWGA initiated some initiatives towards implementation of the sustainability strategy of CWSA in communal areas. A questionnaire to be used in a pilot program amongst an initial 10 Communal sheds has been developed in cooperation with CWSA. Training of advisors and rollout of the project will commence in 2021/22 financial year.

Signed at King Williamstown on 27 August 2021



Z Mbatsha

Manager: TRAINING AND DEVELOPMENT