



## **THE WOOL SHEEP DEVELOPMENT PROGRAM IN COMMUNAL AREAS OF SOUTH AFRICA.**

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### **1. INTRODUCTION**

The National Woolgrowers' Association of South Africa (NWGA) is a producers' organization representing wool sheep farmers. The NWGA was established in 1929 with the objective to act as a mouthpiece for wool producers in South Africa and to promote their interests.

The mission of the NWGA is the promotion of a sustainable and profitable wool sheep industry in South Africa. This mission is supported by six strategic objectives.

### **2. THE CHALLENGE**

The NWGA embraced the transformation of South Africa and today it is a truly representative organization for all wool producers in SA. More than 50% of the 10 000 members are black communal and emerging farmers. These members are represented on all levels of the NWGA, including the National Management Committee, – Executive and – Congress, as well as other relevant structures of the wool industry (i.e. Wool Trust and Cape Wools SA). This allows for participation of all wool producers on all levels of decision-making, including government and organized agriculture.

On a regional level, the challenge was to ensure that the emerging wool producers are empowered by the Association.

The NWGA aligned its strategies with the Strategic Plan for Agriculture and the Medium Term Expenditure Framework (MTEF), also considering Vision 2030.

### **3. BACKGROUND**

Wool development is (and was) an important catalyst for rural economic development in South Africa for more than two centuries and is also a vehicle for capacity building, skills transfer and poverty alleviation. Various stakeholders have entered into a joint venture to improve the livelihoods of these rural people.

This paper aims to give an overview of the Training and Development program of the NWGA, focusing on communal wool sheep production areas.

#### **3.1. Wool Production in SA**

Wool production in South Africa is currently about 45 million kg per annum. Communal and emerging wool farmers produce 12% of the national clip and are mainly located in the communal areas of Eastern Cape and Kwazulu-Natal, as well as Thaba Nchu and Qwa-Qwa (Free State).

These areas produce just over 4 million kg of wool annually, of which 3.55 million kg is marketed through brokers on the formal auction. There are 846 communal wool producing communities in the Eastern Cape with facilities that vary from old and poor constructions with insufficient equipment, handling facilities and no dipping facilities, to sheds that are well constructed with the entire necessary infrastructure for effective wool harvesting, classing and marketing.

More than 90% of the South African clip is exported.

#### **3.2. NWGA Training and Development Program**

The NWGA initiated its training and development program in communal areas during 1997. This program is based on the following activities:

- Upgrading of existing- and construction of new shearing infrastructure (shearing sheds, handling facilities, shearing shed equipment, dipping facilities);
- Marketing support;
- Genetic improvement of communal flocks through the introduction of quality rams; and
- Training and mentorship.

### **4. PROJECT PLANNING AND IMPLEMENTATION**

#### **4.1. The Beneficiaries**

The direct beneficiaries are more than 17000 communal farmers in the Eastern Cape alone.

Various stakeholders are involved to support the project financially and technically. These include the Wool Industry (through Cape Wools SA), National-, Provincial- and Local Government, University of Pretoria, Wool Brokers, Foreign Donors and Development Trusts, AgriSETA and Private Organizations.

## **4.2. Project Organization**

The NWGA Production Advisory Service plays a leading role to coordinate the involvement and support of these institutions. The NWGA has offices in Mpumalanga, Kwazulu-Natal, Free State, Western-, Northern- and Eastern Cape. Eight Extension Officers employed by Provincial Departments of Agriculture are currently seconded to NWGA on full time basis, complementing a more than 30 strong personnel corps.

The NWGA Production Advisory Service is furthermore strengthened by an extremely capable and experienced Shearing Instructors' Section, strongly supported by an effective administration. The NWGA Head Office is based in Port Elizabeth.

## **5. ASSESSMENT OF PROJECT**

### **5.1 Genetic improvement**

This project is the main driver behind the integrated Wool Sheep Development Programme within the communal areas of the Eastern Cape Province and is aimed at the genetic improvement of woolled sheep in communal areas to contribute towards increased income. The genetic potential of sheep with regards to reproduction, growth and quality as well as quantity of wool is viewed as an essential element of a larger holistic approach towards increased production of woolled sheep in these areas.

This project also involves administration, planning- and evaluation meetings with commercial breeders, communal executives, directors of veterinary science and research and animal production (Dohne Agricultural Development Institute). The planning and implementation committee for genetic improvement includes representatives from the NWGA, communal farmers, and the Dept. of Rural Development and Agrarian Reform in the Eastern Cape.

This project consists of 3 distinct processes, namely:

- (i) The removal of rams of inferior genetic make-up from communal flocks, to be exchanged for quality rams;
- (ii) The distribution of approximately 3 000 rams / annum, selected from two commercial group breeding schemes, to identified communities; and
- (iii) Training and support to farmers in sheep management and breeding.

#### Training and support

Flock Competitions were introduced to all regions as a participative means to evaluate the offspring of quality rams. All communities, as well as individual farmers, participated and competed. The objective of these flock competitions is to inform and physically show communities/farmers the difference between a superior animal and an inferior one, the importance of a selection programme to improve the quantity and quality of wool and eventually the income received per animal.

These competitions created an opportunity to promote the Genetic Improvement Scheme and to link communal producers with commercial farmers. Farmers were also given the opportunity, during an extensive briefing session, to ask questions and clarify issues from their constituencies.

A study was undertaken by Grootfontein Agricultural Development Institute (GADI) to determine the impact on the progeny of improved rams (commercial) in comparison to that of communal rams. 100 communal ewes were mated with commercial rams and 100 communal ewes with communal rams. The results of this Progeny test are presented in Table 1.

<b>Traits</b>	<b>Commercial rams (mated with communal ewes)</b>	<b>Communal rams (mated with communal ewes)</b>	<b>Difference (improvement)</b>
Greasy fleece weight (kg)	2.8	2.4	+16%
Fibre diameter $\mu$	18.4	20.0	-8%
Clean yield (%)	76.3	68.5	+11.4%
Clean fleece weight (kg)	2.14	1.64	+30.5%
Clean wool price (R/kg)	43.38	36.55	+18.7%
Clean wool income (R/kg)	92.67	60.09	+32.6%

It is clear from Table 1 that this project contributes significantly towards the improvement of the quality and quantity of wool produced.

To date the program has managed to introduce 30 856 rams into communal flocks over the past decade. The target is 72 000 rams, but financial constraints have been the main reason for the relative slow progress.

Examples of the impact of the program have shown that communal farmers have increased their income from wool more than tenfold. See table 2 on the results that were achieved within the program since 1997.

Table 2. Wool marketed through the commercial market (auction) and income of communal wool producers in the Eastern Cape. (Stats supplied by Cape Wools SA).

Season	Kilogram	Value (Rand)	National R/kg	Communal R/kg
97/98	222 610	1 502 908	1 225	675
99/00	336 700	1 965 557	1 102	584
01/02	535 911	6 927 640	2 277	1 293
03/04	2 029 556	17 768 955	2 109	876
06/07	2 345 991	30 791 496	2 594	1 313
08/09	2 666 933	43 149 706	2 548	1 618
10/11	3 027 276	71 749 104		2 370
11/12	3 555 077*	113 015 898	3 657	3 179

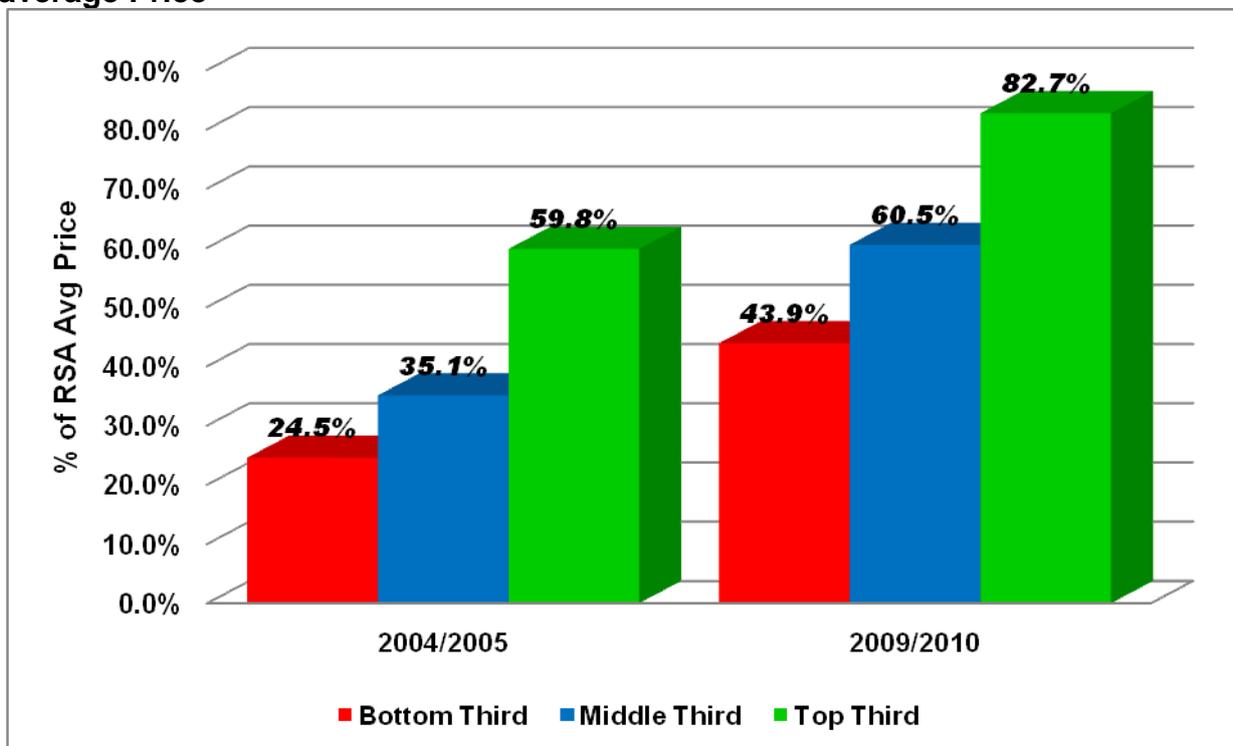
\*Please note that the total volume of wool delivered to the formal market in 2011/12 was 3.55 million kg, of which 2.78 million kg has been auctioned to date.

## 5.2 Income Statistics

The % increase of prices in relation to the national average and the % increase in the price differential between communal and commercial wool improved significantly since the 2004/2005 season. From Fig. 1 it is clear that:

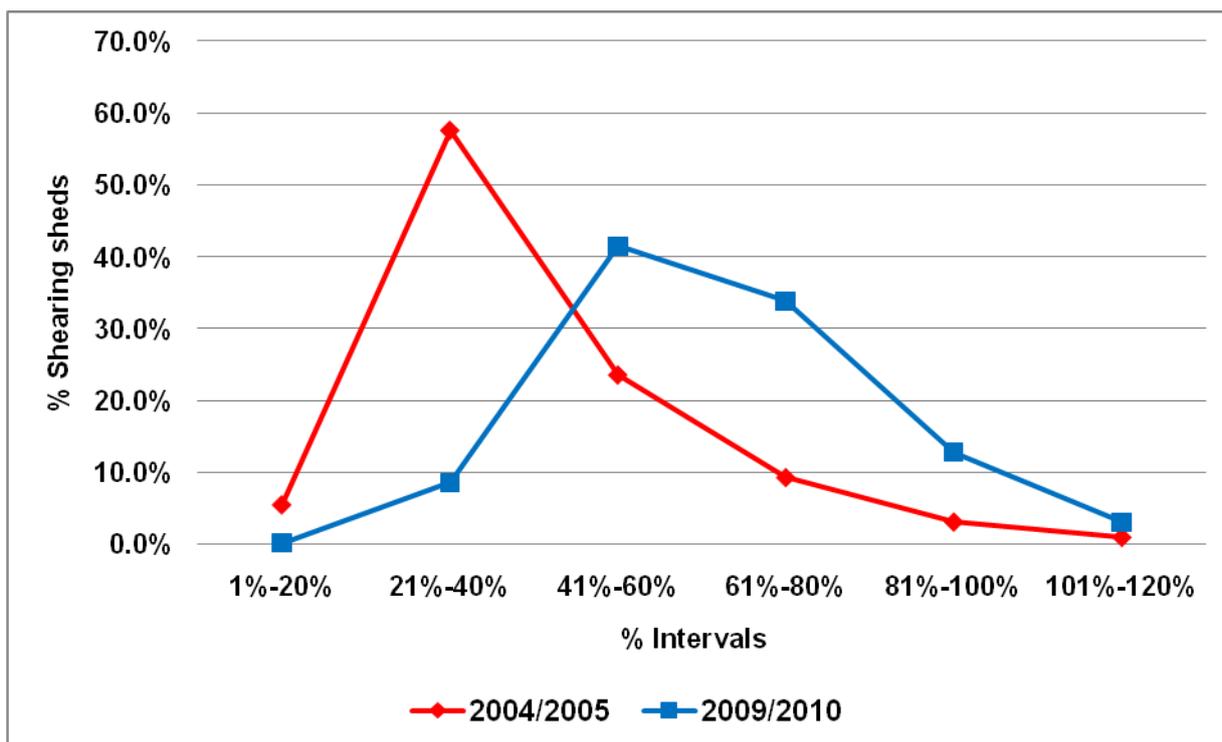
- within each category prices increased in relation to the national average; and
- the price differential between the communal and commercial producers improved (narrowed) significantly.

**Fig. 1. Comparative income of wool producers in communal areas vs. national average Price**



From Fig 2 it is clear that during the 2004/2005 season 58% of the shearing sheds fell within the category of 21 – 40% of the national average, whereas during 2009/2010 season only 9% of the sheds fell within this category. It is significant that over the last 5 years all shearing sheds managed to improve their income from wool (also in relation to national average prices). This is very encouraging as it supports a strong tendency that communal farmers are progressing from emerging to commercial levels.

**Fig. 2. Percentage shearing sheds per percentage price interval**



**5.3 A socio-economic survey** conducted also reflects the positive impacts of this program on rural livelihoods.

The NWGA commissioned a study to analyze the impact of the training and development program in communal areas of the Eastern Cape. The following impact on household income (internal income) is highlighted.

**Income from sales of wool and mutton improved to:**

- 47% of internal income in 2004
- 59% of internal income in 2006
- 65% of internal income in 2009

**Trends in social indicators for the period 2004 – 2009:**

- Number of households with children going to bed hungry has declined from 43,1% to 27,3%;
- The number of households with savings accounts has increased from 56,9% to 77,3%; and
- The number of households having to borrow money for school fees has decreased from 78,4% to 52,3%.

## **6. CONCLUSION**

The NWGA is proud of the impact of the program in communal wool producing areas. This program has made it possible for communal farmers to participate in the export market with commercial farmers, earning foreign currency and impacting very positively on the economy of these areas.