Facilitation and Enterprise Development

(PRJ-0130-2016)

MilkSA

Quarter 2 2016/2016 (April 2016 till June 2016)

Project goals

Goal 1 - Black dairy enterprises data: Visit 5 provinces where there is intensive dairy development activities

Achievements

Current database is being kept up to date and maintained.

No Non-achievements / underperformance has been reported

Goal 2 - Commercialization of black dairy enterprises: Assist 20 black raw milk producers by providing feed and 277 heifers by December 2016

Achievements

This report covers activities performed during April-June 2016. Specific areas of focus are the Sustainable Commercialization of Black Dairy Enterprises Project with the following sub-titles:- National Treasury/Jobs Fund, private veterinary services, progress by Eskom, pasture establishment, milking machines, heifer supply; feed supply; emerging dairy entrepreneur data, emerging farmer competency development and enterprise development facilitation and general transformation liaison.

During the period under review two general meetings with farmers were held and two visits per farm were made to each of the seven of eight beneficiaries in Free State. One Internal Management Committee meeting an three Work Group meetings were held.

National Treasury/Jobs Fund

Q1 2016/17 report was submitted on due date and confirmed by the Jobs Fund. Rescheduling of the project implementation timeline was discussed, done and agreed with the Jobs Fund.

Private veterinary services

There were no veterinary services done during the period under review due to the departure of one of the veterinarians from Harrismith Animal Hospital. During the same period efforts were made to secure another doctor who had been met, briefed about the services needed and he agreed to revert to MilkSA after visiting farmers to assess the situation.

Eskom- Connection of farms to Eskom power.

New quotations were asked from Eskom but when they came back price had doubled from about R600 000 to R1.26M. Eskom was engaged to get reasons for such astronomical hike within a period of less than a year. Eventually the price was brought down to R645 075. Payment has

been done and work is expected to be completed within a period of three months from the dated of payment.

Pasture establishment

No planting of pasture has taken place during the period under review due to drought. Some farmers had already planted their lands. However, planting is expected to be done as soon as the first rains have fallen.

Milking machines

The following farmers' machines have been attended to by the milking machine specialist who reported that all machines were milking properly.

Farmer 5: The farmer was spoken to and said that he was milking with the machine and the problem was Eskom related

Farmer 6: The problem was with vacuum level. The controller was cleaned and the farmer shown how to keep it clean.

Farmer 7: The oiler was leaking and the farmer was shown how to correctly refill oiler bottle.

Farmer 8: The farmer was unable to wash machine which was checked and the farmer shown how to put claw pieces onto jetter plates.

Heifer supplies

Seventy pregnant heifers have been delivered during the period under review as follows:

Mr Loyiso Pepeta (Copperfield Dairy in KZN) 20 heifers.

Ms Nomalanga Ngcobo (Celokuhle in KZN) 20 heifers.

Mr Lekholta Makubo(Free State) 10 heifers.

Mr Malefane Makubo (Free State) 10. heifers.

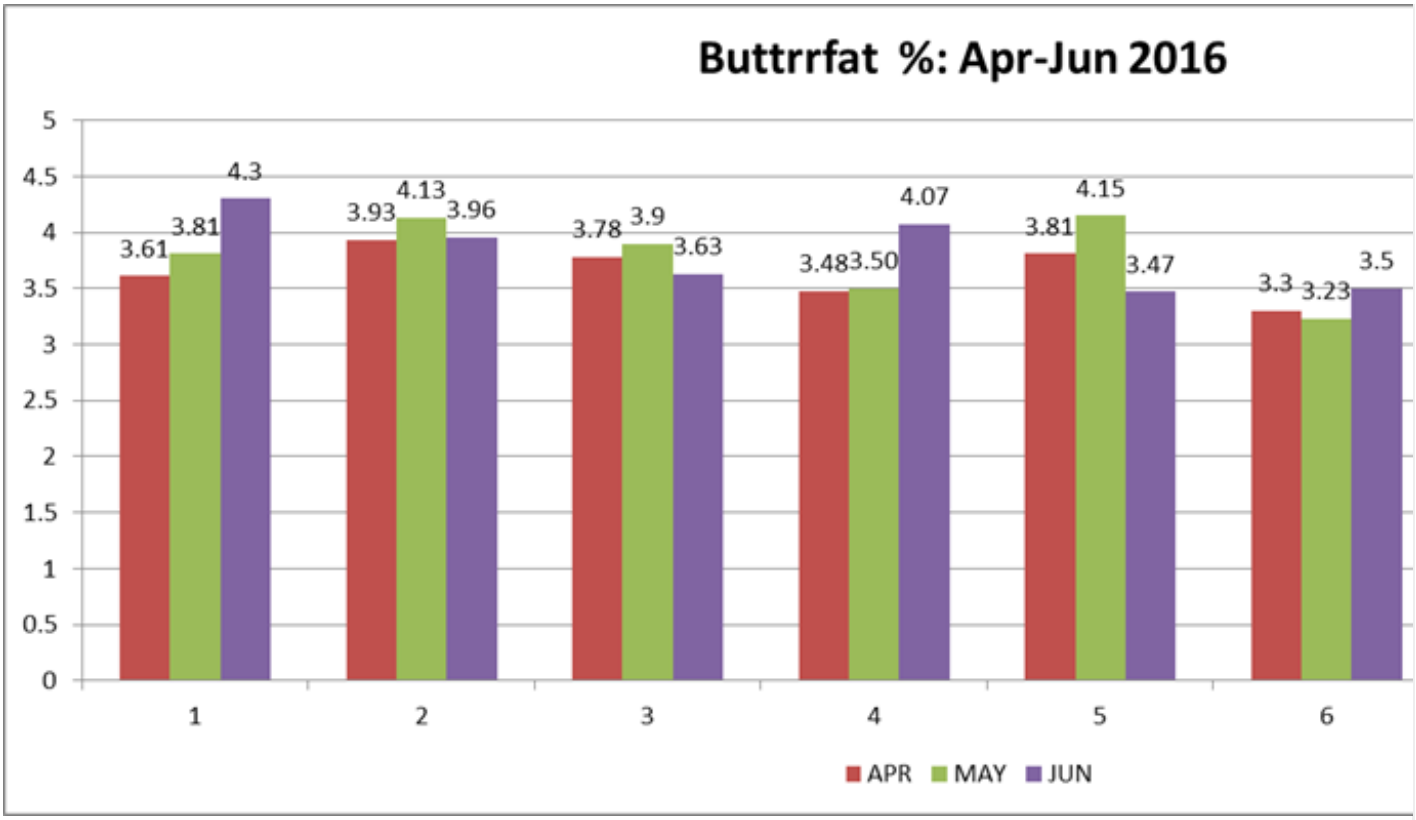
Mr PP Mtlokwa(Free State) 10 heifers.

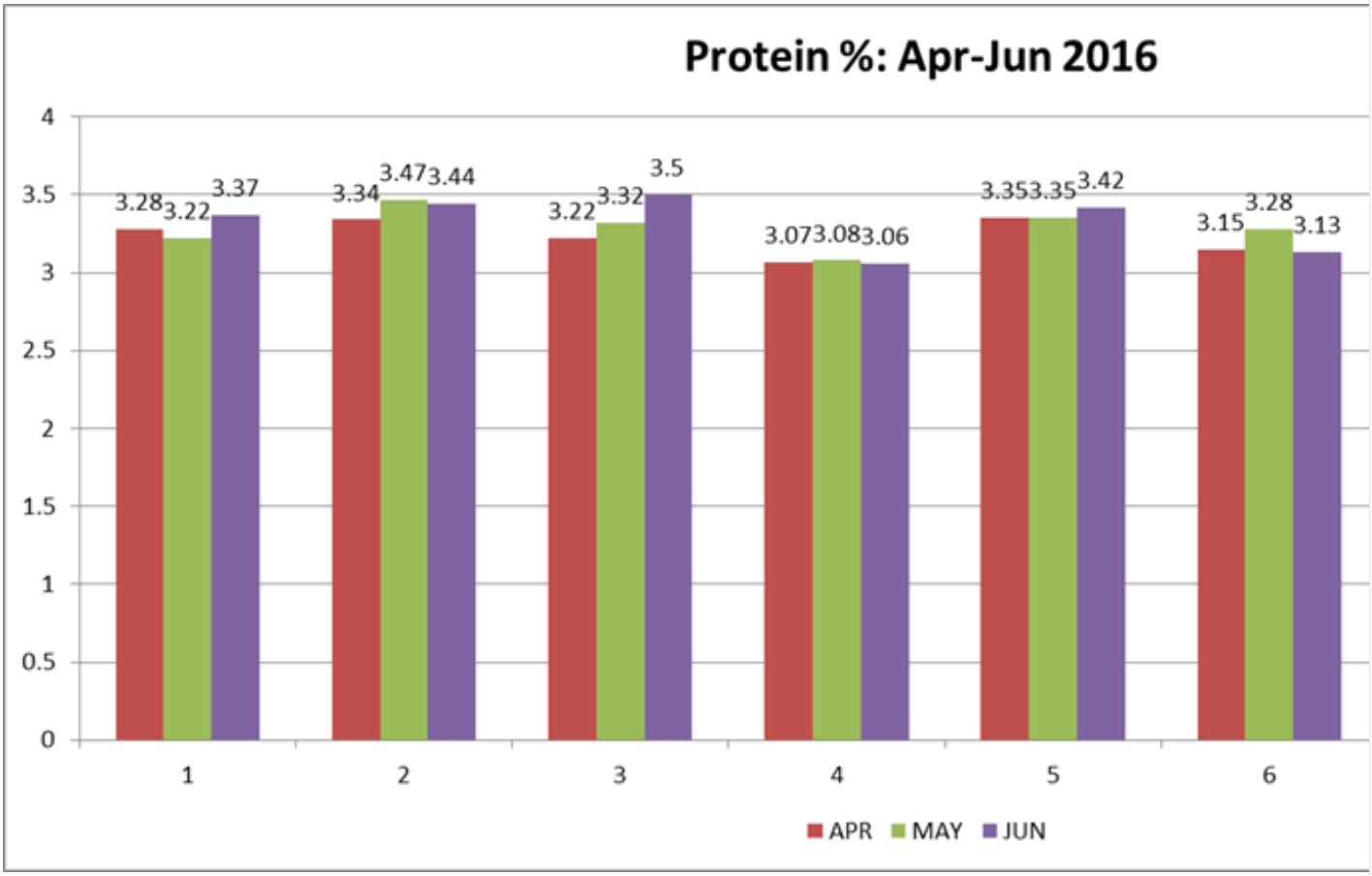
Mr Jan Zim(Free State) 5 heifers.

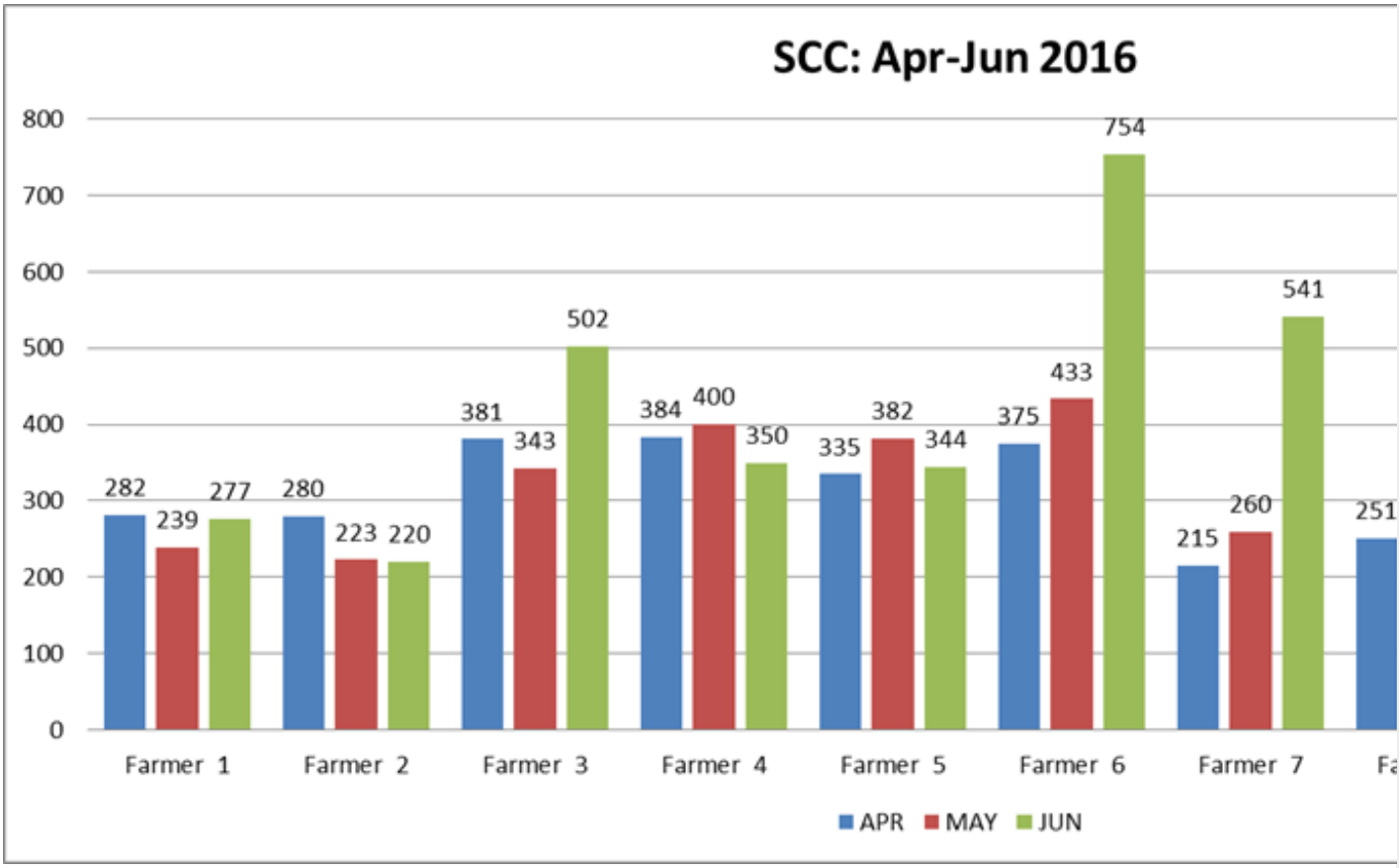
About 250 heifers are planned to be delivered during July-September 2016 depending on the final assessment of fooder situation on the farms.

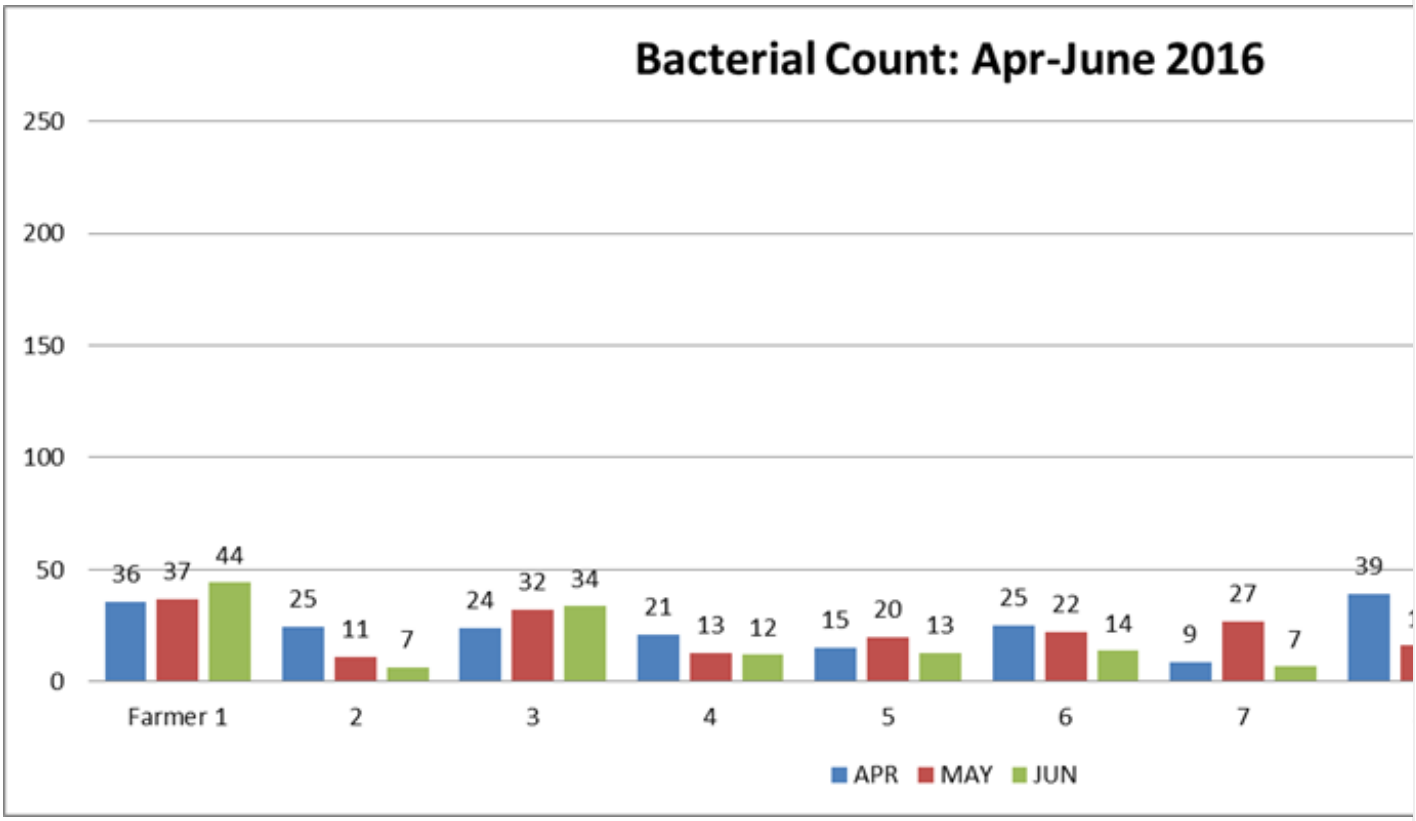
Feed supply

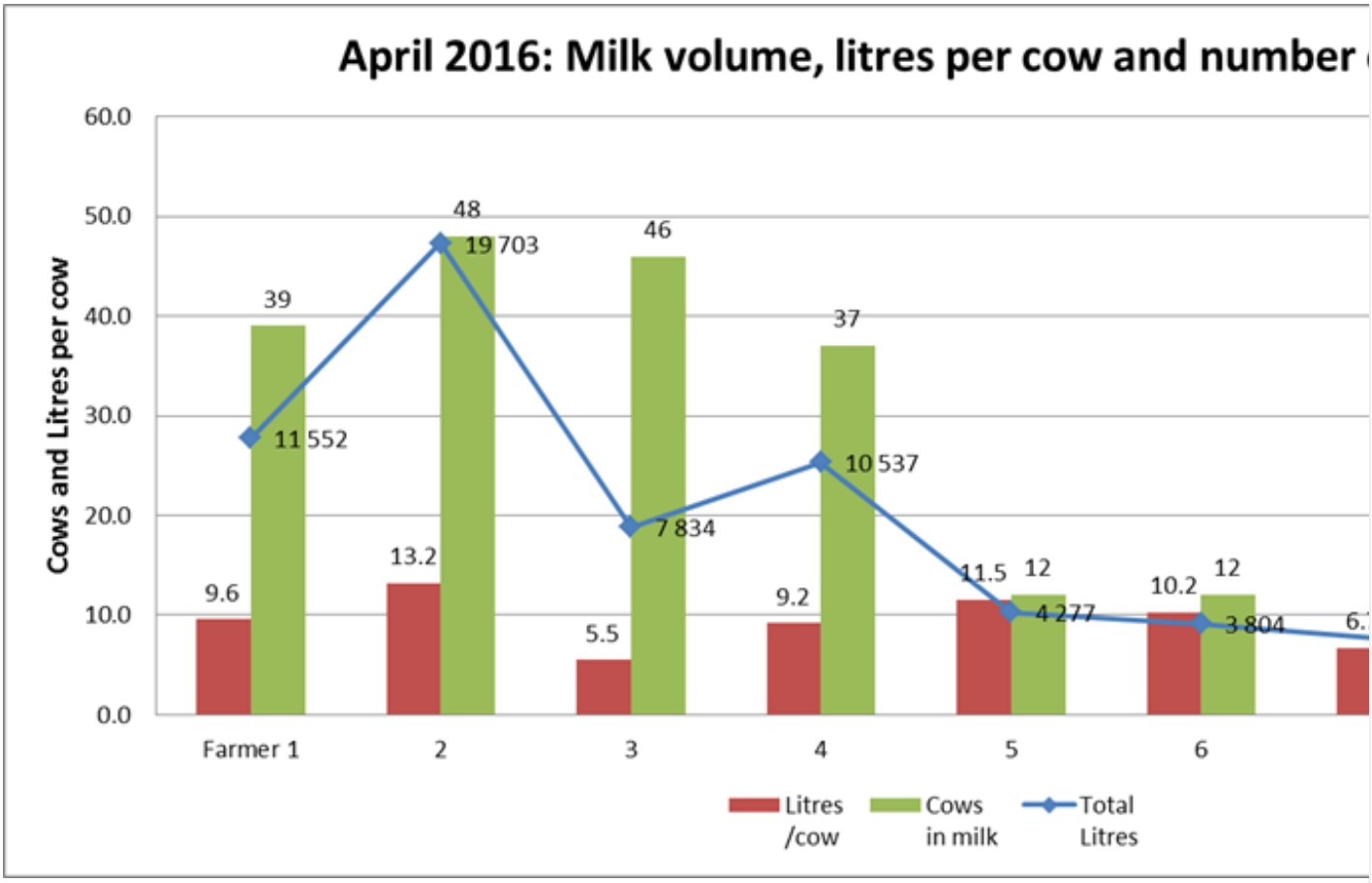
During the period under review 200 tonnes of lucerne were supplied and shared among ten farmers according to their existing herd size and counter performance of each project beneficiary in Free State to fast track delivery of heifers and to mitigate against the current drought. Other 100 tonnes may be supplied during the esuing quarter depending on the availability and price of lucerne.

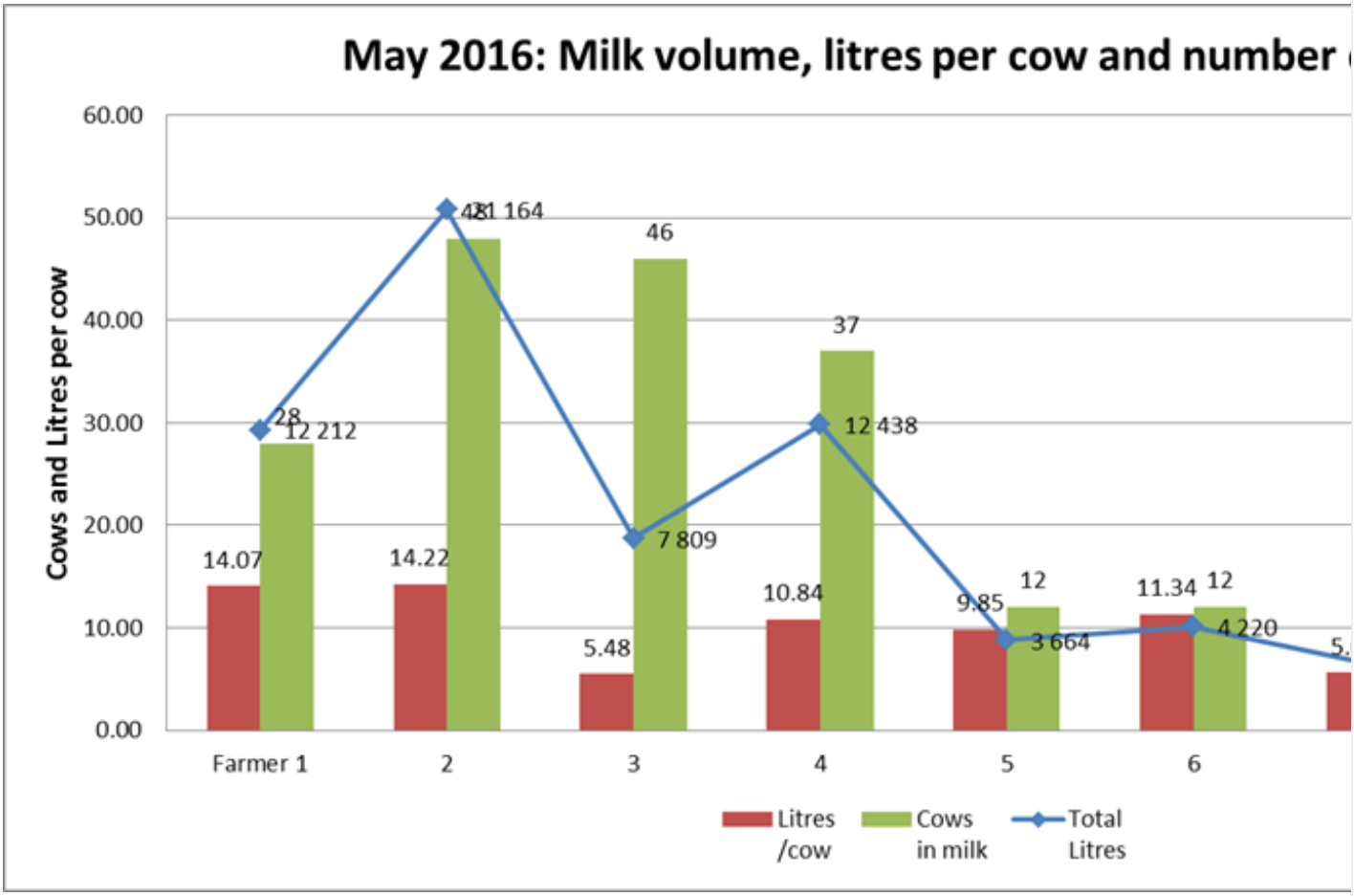

Buttrrfat %: Apr-Jun 2016
5
4.5
4
3.5
3
2.5
2
1.5
1
0.5
0
3.61
3.81
4.3
3.93
4.13
3.96
3.78
3.9
3.63
3.48
3.50
4.07
3.81
4.15
3.47
3.3
3.23
3.5
1
2
3
4
5
6
APR
MAY
JUN

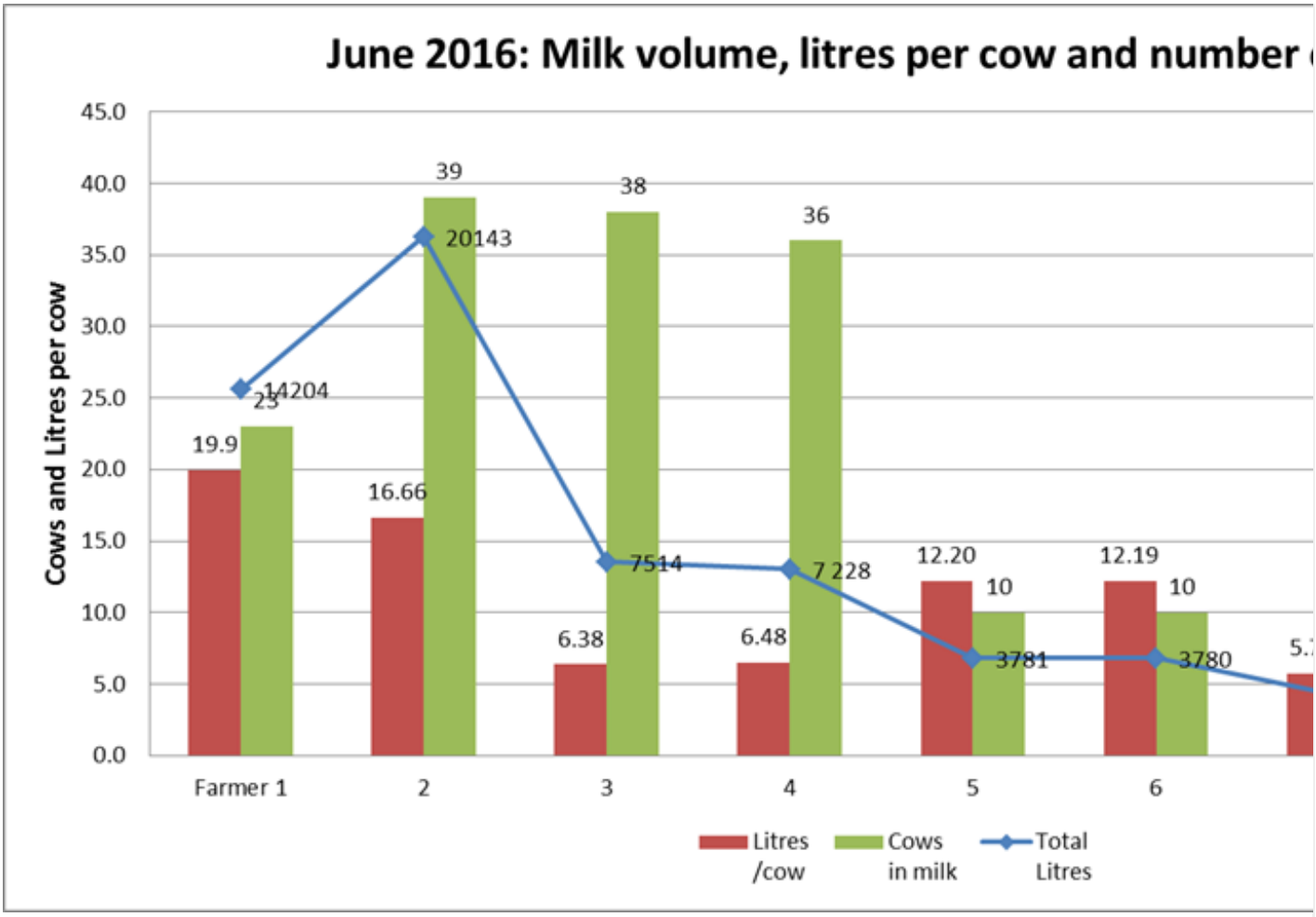

Protein %: Apr-Jun 2016
4
3.5
3
2.5
2
1.5
1
0.5
0
3.28
3.22
3.37
3.34
3.47
3.44
3.22
3.32
3.5
3.07
3.08
3.06
3.35
3.35
3.42
3.15
3.28
3.13
1
2
3
4
5
6
APR
MAY
JUN

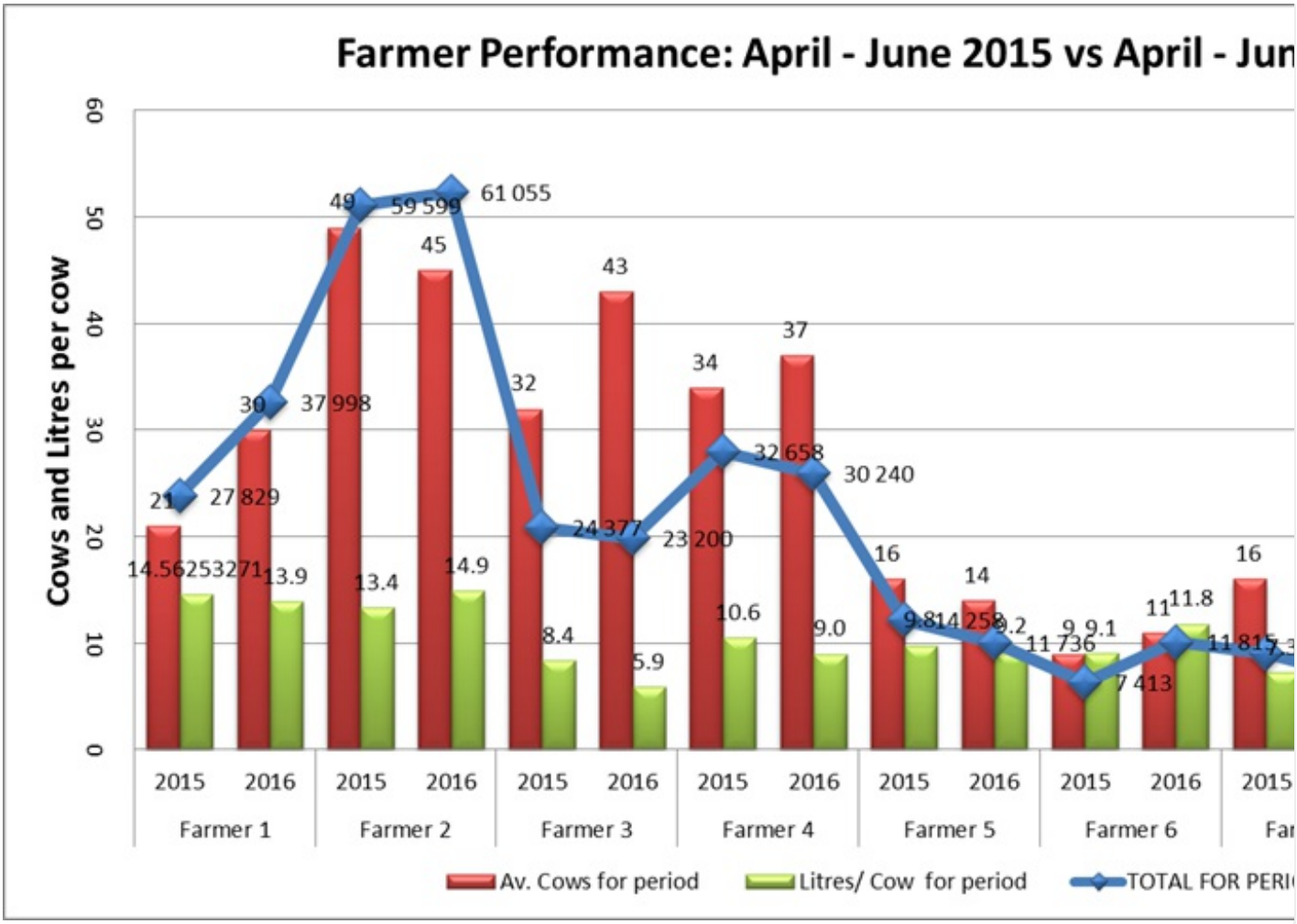

SCC: Apr-Jun 2016
800
700
600
500
400
300
200
100
0
282
239
277
280
223
220
381
343
502
384
400
350
335
382
344
375
433
754
215
260
541
251
Farmer 1
Farmer 2
Farmer 3
Farmer 4
Farmer 5
Farmer 6
Farmer 7
APR
MAY
JUN


Bacterial Count: Apr-June 2016
250
200
150
100
50
0
36
37
44
25
11
7
24
32
34
21
13
12
15
20
13
25
22
14
9
27
7
39
Farmer 1
2
3
4
5
6
7
APR
MAY
JUN


April 2016: Milk volume, litres per cow and number
Cows and Litres per cow
60.0
50.0
40.0
30.0
20.0
10.0
0.0
9.6
39
11 552
13.2
48
19 703
5.5
46
7 834
9.2
37
10 537
11.5
12
4 277
10.2
12
3 804
Farmer 1
2
3
4
5
6
Litres /cow
Cows in milk
Total Litres


May 2016: Milk volume, litres per cow and number
Cows and Litres per cow
60.00
50.00
40.00
30.00
20.00
10.00
0.00
14.07
28
12 212
14.22
48
21 164
5.48
46
7 809
10.84
37
12 438
9.85
12
3 664
11.34
12
4 220
Farmer 1
2
3
4
5
6
Litres /cow
Cows in milk
Total Litres


June 2016: Milk volume, litres per cow and number
Cows and Litres per cow
45.0
40.0
35.0
30.0
25.0
20.0
15.0
10.0
5.0
0.0
19.9
25
14204
16.66
39
20143
6.38
38
7514
6.48
36
7 228
12.20
10
3781
12.19
10
3780
Farmer 1
2
3
4
5
6
Litres /cow
Cows in milk
Total Litres



No Non-achievements / underperformance has been reported

Goal 3 - Liaison and facilitation: DAFF, Provincial Governments, other stakeholders

Achievements

The main objective of Enterprise Development Facilitation and Liaison is to promote partnership with other stakeholders with similar development goals, facilitate access by project beneficiaries to resources and gather current development intelligence critical for the success of transformation programme. During the period under review engagements were made with the following stakeholders/ institutions.

Meetings with various stakeholders regarding various things ranging from the supply of milk, buyers of milk and transformation within agriculture:

Potato South Africa- transformation symposium. The symposium was attended on the 11 June 2016 in East London. It was learnt that Potato South Africa would focus on a few beneficiaries to ensure adequate support in terms of technical know-how and inputs which is critical to enhance success and sustainability.

Limpopo Agriculture- The meeting was organised to discuss the supply of raw materials to the processing industry. Mentioned was made of certain crops leaving the country while local processing plants were failing to procure sufficient quantities.

Potential buyer of milk in Gauteng- A potential buyer of dairy products was pointed to potential suppliers of dairy products for a school feeding programme.

Supplier of milk/ processor – Eastern Cape given contact details of processors of milk

NAMC- meetings were held regarding commercialization project, new levy application approach by SAMPRO and dairy products for school feeding scheme.

ARC- KZN was approached for assistance regarding testing of milk for somatic cell count and bacterial count by new potential project beneficiaries who were not selling to a registered buyer. Farmers were assisted and given somatic and bacterial count results.

Mpumalanga Department of Agriculture-discussion took place regarding challenges faced by an emerging dairy enterprise in Lydenburg and arrangement was made to meet with the chair of the company.

Old Mutual-Masisizane was engaged regarding financial loans for project beneficiaries. The process was temporarily put on hold due to drought but is currently being finalized. The funding will help farmers to pay for services or acquire assets which MilkSA cannot pay for.

No Non-achievements / underperformance has been reported

Income and expenditure statement

Income and expenditure statement	No file has been uploaded
Unnecessary spending during period	No

Popular Report

No file has been uploaded

Additional documentation

Management Account April - June 2016.pdf

Statement

Levy funds were applied only for the purposes stated in the contract	Yes
Levy funds were applied in an appropriate and accountable manner	Yes
Sufficient management and internal control systems were in place to adequately control the project and accurately account for the project expenditure	Yes
The information provided in the report is correct	Yes