



Enterprise Development
(PRJ-0268-2020)
Godfrey Rathogwa

Quarter 4 2020/2020 (October 2020 till December 2020)

Project goals

Goal 1 - Monitor existing Black dairy commercialization enterprises.

Achievements

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Introduction

Sustainable Commercialization Project came into being as a result of 2006-2009 Milk SA statutory levy surplus funds. **Its goal is to promote competitiveness, profitability and sustainability of existing small black owned dairy enterprises by contributing to the reduction of commercial venture impediments.** In order to augment the statutory levy surplus funds, Milk SA Transformation Manager successfully applied for grant funding from the Jobs Fund programme and secured R10.35M. Below follows **Q4 2020** report on the objectives set for 2020 at the beginning of the year.

During the period under review monitoring focused on milk production, fodder flow, animal feeding, and business activities record keeping of sixteen project participants operating in the Eastern Cape, Free State, Gauteng, KZN and North West Provinces. There were 919 cows in milk according to incomplete information received from enterprises and about 962 999 kilogrammes of milk were delivered to buyers of raw milk.

Private Veterinarians have visited some farms and gave the necessary advice to the respective farmers.

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No Non-achievements / underperformance has been reported

Goal 2 - Deliver pregnant heifers to new and existing black dairy enterprises depending on compliance with Milk SA criteria and beneficiary counter performance

Achievements

During the period under review there were no pregnant heifers delivered as no order were placed by existing project participants while newly approved project participants could not be delivered with heifers due to outstanding requirements such milking parlour certificate, TB and CA certificates.

Goal 3 - Deliver feeds - lucerne and dairy meal concentrates

Achievements

A total of 120 tonnes of grade 'A' lucerne were delivered during the period under review. Lucerne was delivered to farmers on a 50:50% cost sharing basis between the beneficiary and Milk SA.

Goal 4 - Supply critical enterprise infrastructure - Irrigated permanent pasture, upgrade milking equipment, ground dams development

Achievements

The milking equipment of one beneficiary was upgraded and the cost of upgrading the milking equipment was shared between the beneficiary and Milk South Africa (+- 50:50% cost sharing basis).

As reported during the previous quarterly report, the sinking of water boreholes, construction of water reservoirs, blocking of rain water on ground and laying of irrigation system still has not yet started due to the delay in farmers getting quotations from service providers and suppliers of capital assets. Where quotations have been received from some of the farmers, we are still waiting for them to show their 50% contribution to the cost of implementing their enterprise development plans.

Goal 5 - Specialized dairy processing assistance by secondary dairy industry experts to black dairy enterprises which are included in the existing "commercialization" project of Milk SA

Achievements

There were engagements between the dairy expert and the work group regarding work programme for 2021. The work was finalised based non one enterprise because there was uncertainties about other two enterprises which were previously denitrified. Notwithstanding uncertainties of other two enterprises, provision has been made for the expert to provide technical advice if challenges with other enterprises are resolved. Furthermore, the dairy expert has engaged the entrepreneur regarding product labelling.

Goal 6 - Dairy business competency development and enterprise performance monitoring

Achievements

During the period under review, a two day workshop was held. During the workshop farmers were learned the following:

- Feeding
- Dairy herd health
- Feeding,
- Fodder flow,
- Calf rearing,
- Fertility,
- Breeding

Goal 7 - Assist existing beneficiaries regarding long term business plans for submitting to DAFF for blended funding and enterprise management

Achievements

Farmers have been given forms to prioritise their needs and indicate where future development funding will come from and sign for their commitments before plans are submitted to DALRRD. Unfortunately most of the forms have not yet been returned and a follow-up meeting is being arranged. Blended funding needs an entrepreneur to make his or her own contribution which can be a loan from a bank.

Goal 8 - Coordinate, liaise with relevant stakeholders and participate in Marketing and Agro-processing Forums

Achievements

During the period under review a meeting was held with NAMC to discuss social responsibility on farms and it was agreed that some money could be used for ablutions purposes if the entrepreneur is prepared to contribute his share of the cost. Furthermore, a follow-up visit to one of

the enterprises which was seen during projects site visit was made.

The NAMC also facilitated other webinar meetings that linked the Milk SA with the Provincial Departments of Agriculture in the Western Cape and Gauteng Provinces. The purpose of the meetings was to improve the stakeholder relation between the Milk SA and the Provincial Departments on promoting dairy industry transformation.

Goal 9 - Maintain and strengthen relationships with Provincial Departments to enhance synergy and enable updating of data on black dairy enterprises

Achievements

During the period under review engagements were made with Eastern Cape, Free State and Gauteng provinces through webinars. Issues affecting dairy enterprises in respective provinces were discussed. Mpumalanga officials were visited at Badplaas, Carolina and Middleburg to assess some projects.

Income and expenditure statement

Income and expenditure statement	ED ITEMISED BUDGET 2020.pdf
Unnecessary spending during period	No

Popular Report

[Milk SA Letter Transformation Business Plan.pdf](#)

Additional documentation

No file has been uploaded

Statement

Levy funds were applied only for the purposes stated in the contract	No
Levy funds were applied in an appropriate and accountable manner	No
Sufficient management and internal control systems were in place to adequately control the project and accurately account for the project expenditure	No
The information provided in the report is correct	No