



**NATIONAL EMERGENT RED MEAT PRODUCERS ORGANISATION**

Reg No: 1999/0004505/08; NPO No. 034-494-NPO. Provisionally registered with DHET- Reg. No.: 2010/FE/08/005

42 Ilkey Road, Lynwood Glen; PO Box 36461, Menlo Park, 0102, Pretoria; Tel: +27 12 361 9127;

Fax: +27 12 361 4763; E-mail: [info@nerpo.org.za](mailto:info@nerpo.org.za)

---

## Business Plan for Production Development

Submitted to the Red Meat Industry Forum for funding by the Production  
Development Levy of November 2014 – October 2018

Revised March 2014

---

**Contact:**

Dr Langelihle Simela (Executive Director)

Email: [fsd@nerpo.org.za](mailto:fsd@nerpo.org.za); Cell: 083 677 8631

Mr Aggrey Mahanjana (Group Managing Director)

Email: [gmd@nerpo.org.za](mailto:gmd@nerpo.org.za); Cell: 082 556 7297

# Table of Contents

<b>1. Background.....</b>	<b>3</b>
1.1 Preamble .....	3
1.2 NERPO's intervention .....	3
1.3 NERPO's capacity as a Service provider.....	4
<b>2. Approach to production development.....</b>	<b>5</b>
2.1 Influence policy and legislation in favour of emerging farmers .....	5
2.2 Facilitate sound decision making.....	5
<b>3. Budget: November 2014 – October 2018 .....</b>	<b>7</b>

# 1. Background

## 1.1 Preamble

The National Emergent Red Meat Producers’ Organisation (NERPO) has been representing the interests of smallholder farmers as well as facilitating and providing access to technical support and information for over 16 years. According to feedback from the emerging livestock farmers, the three factors that could propel them to being successful farmers are:

- Appropriate legislation and policies that create a conducive environment for the growth and development of the sector.
- Entrepreneurial skills for managing livestock businesses.
- Appropriate and timely information, which would enable them to make informed decisions about their livestock businesses (such as access to inputs, markets, new technologies, etc.).

The red meat industry affirms the importance of production development, more specifically, “unlocking the red meat potential through commercialisation, technology transfer and training”. Consequently this is one of the research focus areas of the industry.

Some of the key matters that need to be addressed in order to facilitated production development are appropriate on and off farm infrastructure, access to production animals and inputs, access to usable technical and market information and to well-functioning marketing and credit systems. Production development in the emerging livestock sector should also encourage efficient utilisation of the natural resources (especially the veld) both on privately controlled-land and communal land-based enterprises. Ultimately, it should enable farmers to run viable livestock enterprises that are environmentally and economically sustainable.

NERPO already some initiatives in place to facilitate production development; namely: the farmer training and mentorship programme which is partly funded from the transformation of primary production component of the red meat industry levy. Secondly are the credit facilities that are offered through NERPO Financial Services (Pty) Ltd., and which are intended for the purchase of livestock, farm infrastructure improvement and the purchase of appropriate machinery. Therefore the two major aspects that need to be addressed are influencing legislation and policies in favour of the emerging livestock farmers and the provision of accurate and timely information.

## 1.2 NERPO’s intervention

In its strategic document, NERPO summaries what ought to be done in order to influence policy and legislation as well as provide farmers with information as follows:

<b>Influence policy and legislation in favour of the</b>	<ul style="list-style-type: none"><li>• Keep abreast of and advise on intended legislation and macroeconomic developments.</li></ul>
--	--

<b>emerging farmers</b>	<ul style="list-style-type: none"> <li>• Evaluate information obtained on legislation and policies, and respond appropriately.</li> <li>• Disseminate relevant information to farmers for their discussion and inputs</li> <li>• Establish and maintain contact with relevant government and non-governmental agencies that impact on policies and legislations related to the livestock sector.</li> </ul>
<b>Facilitate sound decision making</b>	<ul style="list-style-type: none"> <li>• Collate, interpret and disseminate industry related information to farmers. Such information will include: latest technologies, local and national livestock prices and meat market trends.</li> </ul>

NERPO therefore proposes to undertake a number of activities to influence policies pertaining to the livestock sector as well as share information with primary producers and stakeholders, which will enable them to make sound decisions for the benefit of the sector.

### 1.3 **NERPO’s capacity as a Service provider**

NERPO has a well-developed track record of representing the views of emerging livestock farmers in South Africa. As such, the organisation is represented in all major agricultural forums that pertain to livestock both within the industry and in all spheres of government. Through its affiliations and personnel, NERPO has linkages to the broad agricultural sector within South Africa (e.g. through AFASA, the Agri-Sector Unity Forum, the Southern African Confederation of African Unions and the World Farmers’ Organisation) and hence has access to a wealth of information that could be useful for formulation/implementation of national policies and programmes and for the development of farmer support packages.

NERPO’s sister company, NERPO Financial Services (Pty) Ltd offers various credit facilities to qualifying smallholder livestock farmers, which enable them to grow their livestock enterprises. And the umbrella organisation, the African Farmers’ Association of South Africa (AFASA) is facilitating the development of farmers’ cooperatives, through which farmers will be linked to input and output markets. NERPO also facilitates farmer training and mentorship. All these initiatives need to be complimented with a strong policy environment and appropriate information to farmers and stakeholders. NERPO has been facilitating information sharing and participating in the influencing of policies and legislation since its founding.

## 2. Approach to production development

### 2.1 Influence policy and legislation in favour of emerging farmers

Activities	Outputs	Deliverables
Liaison with farmers at district, provincial and national level	Farmers concerns that should be addressed at local, district, provincial and national levels.	<ul style="list-style-type: none"> <li>Detailed schedule of farmer meetings compiled at the beginning of each year.</li> <li>Reports on outputs of farmer meetings in NERPO News and other media (e.g. agricultural magazines, newspapers, radio, TV).</li> <li>Progress report on the follow up on farmers' concerns in NERPO's Annual Report.</li> <li>Media tracking logs of the coverage of the farmers' meetings.</li> </ul>
<b>Liaison with industry stakeholders and role players and government representatives on various concerns of the sector (e.g. stock theft, unfair trade practices, challenges with animal health, etc.).</b>	<ul style="list-style-type: none"> <li>Participation in all relevant industry forums in order to formulate and influence policies in favour of the emerging livestock producers.</li> <li>Participation in existing government forums as well as initiate and participate in meetings to influence policies in favour of the emerging livestock producers.</li> </ul>	<ul style="list-style-type: none"> <li>Detailed schedule of major issues and meetings compiled at the beginning of each year.</li> <li>Minutes/reports of meetings that NERPO participated in.</li> <li>Feedback on key outcomes to farmers and relevant stakeholders through NERPO News, Farmers meetings and media statements.</li> <li>Report on major policy breakthroughs in the NERPO Annual Report.</li> <li>Media tracking logs of NERPO's comments/inputs on policy issues.</li> </ul>
<b>International liaison</b>	Liaison at regional, continental and international level in order to influence international policies and programmes, learn from and benchmark with other countries.	<ul style="list-style-type: none"> <li>Year plan including international meetings to be attended (e.g. SACA Policy Conference focussing on livestock, ILRI meetings, SADC Livestock Technical Committee, CAADP, Southern African Meat &amp; Livestock Forum, ICOMST, World Meat Congress).</li> <li>Trip reports in NERPO News, Annual Report, and other relevant public media</li> </ul>

### 2.2 Facilitate sound decision making

Activities	Deliverables
<b>Regular communication with farmers on the latest and relevant developments in the sector, policy, production, marketing as well a financial matters.</b>	<ul style="list-style-type: none"> <li>Bi-monthly NERPO News</li> <li>Updates on NERPO Website</li> <li>Smses to farmers</li> </ul>

Activities	Deliverables
<b>Demonstrations of latest technologies and concepts in the livestock sector</b>	<ul style="list-style-type: none"> <li>• Schedule of at least three regional farmer information days in the year.</li> <li>• Outcomes from each of the farmer information days published in NERPO News, website, NERPO Annual Report and any other relevant media</li> <li>• Media tracking log of the coverage of the events.</li> </ul>
<b>Development of farmer information packages</b>	<ul style="list-style-type: none"> <li>• Farmer information brochures on production, marketing and financial matters as well as recent developments in the sector (e.g. climate change adaptation and mitigation; livestock insurance policies, etc.).</li> </ul>
<b>Regular communication with stakeholders on the emerging farmers' position/ perceptions of various policies, farmer support programmes.</b>	<ul style="list-style-type: none"> <li>• Distribution of NERPO News to relevant stakeholders.</li> <li>• List of stakeholders invited to and who attended farmers' meetings and other relevant stakeholder meetings convened by NERPO.</li> <li>• Regularly updated NERPO website with information for agricultural stakeholders.</li> </ul>

It is noteworthy that the main media for communicating with farmers will be NERPO News, use of sms system, local radio stations and use of the NERPO website (though accessed by comparatively few farmers).

Communication with stakeholders will largely be through emails and faxes, NERPO website as well as public media such as radio stations, agricultural magazines and other print media as well as television.

Each year (2014/15, 2015/16, 2016/17 and 2017/18) a detailed programme of action covering all three areas of liaison and three areas of communication and within the budgeted costs will be submitted to the Red Meat Industry Forum. If required, quarterly reports on the activities, income and expenditure will also be submitted.

### 3. Budget: November 2014 – October 2018

	2014/15	2015/16	2016/17	2017/18
<b>Liaison:</b>	<b>R 886 148</b>	<b>R 966 706</b>	<b>R 1 063 377</b>	<b>R 1 168 103</b>
Liaison with producers	R 398 824	R 435 103	R 479 439	R 525 552
Liaison with industry and stakeholders	R 398 824	R 435 103	R 479 439	R 525 552
International liaison	R 88 500	R 96 500	R 104 500	R 117 000
<b>Communication:</b>	<b>R 529 568</b>	<b>R 590 581</b>	<b>R 649 639</b>	<b>R 716 214</b>
News magazines & bulletins	R 325 000	R 361 000	R 398 000	R 439 000
Annual report	R 93 162	R 103 050	R 112 701	R 123 745
Website maintenance & updates	R 30 469	R 33 844	R 37 313	R 41 156
Faxes/telephone/e-mail / smses	R 60 937	R 67 688	R 74 625	R 82 313
Inputs into public media (e.g. radio, television and print media)	R 20 000	R 25 000	R 27 000	R 30 000
<b>Admin Costs</b>	<b>R 157 302</b>	<b>R 173 032</b>	<b>R 190 335</b>	<b>R 209 369</b>
<b>Total</b>	<b>R 1 573 017</b>	<b>R 1 730 319</b>	<b>R 1 903 351</b>	<b>R 2 093 686</b>