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**THE RED MEAT INDUSTRY FORUM TRANSFORMATION BUSINESS PLAN AND BUDGET
IN ACCORDANCE WITH THE GENERIC NAMC TRANSFORMATION GUIDELINES JULY 2014
AS AMENDED FOR THE PERIOD 5 NOVEMBER 2014 – 4 NOVEMBER 2015**

DECEMBER 2014

1. INTRODUCTION

On 5 November 2014, the Minister of Agriculture, Forestry and Fisheries approved the application for the introduction of statutory measures (statutory levies, registration and submission of records and returns) in the South African red meat industry, for a period of four years to lapse on 4 November 2018.

The Minister also approved that the levy income be spent as follows, namely that –

- 70% of the levy income is spent on generic functions relating to consumer assurance, consumer education, research and development, liaison and production development;
- Not more than 10% on administration costs; and
- **At least 20% on transformation (development of emerging farmers and other role-players in line with the NAMC's new guidelines on transformation). The new transformation guidelines entail *inter alia* that the administrator of the statutory measures submit on an annual basis, three months before the financial year a business plan regarding their transformation activities envisaged for that financial year.**

Furthermore, that the statutory measures be valid for a period of four years subject to the following conditions:

- That the statutory levies be audited by the Auditor General, with the percentage allocated towards transformation clearly indicated;
- That surplus funds should not form part of the assets of the administrator of statutory levies and be utilized with the approval of the Minister after the lapsing of the levy (after four years);
- That levies be accounted for, in a manner and to the extent acceptable to the Auditor General, separately from any other funds or assets under the control of the levy administrator;
- That the administrator of statutory measures maintains a database of black role-players and their market share in order to monitor the progress of transformation in the red meat industry; and
- That the NAMC has observer status on the Board of the RMIF to ensure compliance with the original intent of the application.

The relevant Notices were published in Government *Gazette* 38199 of 11 November 2014.

2. TRANSFORMATION ACTIVITIES IN THE RED MEAT INDUSTRY (EXCLUDING THE PORK INDUSTRY)

2.1 Red Meat Industry Forum and Service Providers

The Red Meat Industry Forum (RMIF) represents all the role players in the red meat industry and conducts its affairs according to its Constitution. Its prime function is to formulate industry policy, identify service providers and assist in sourcing funding for the essential red meat industry functions.

The voluntary member organizations represented on the RMIF are the:

- Red Meat Producers' Organization for Small-stock (RPO);
- Red Meat Producers' Organization for Large stock (RPO);
- National Emergent Red Meat Producers' Organization (NERPO);
- Red Meat Abattoir Association (RMAA);
- South African Meat Processors' Association (SAMPA);
- South African Pork Producers' Organization (SAPPO);
- National Federation of Meat Traders (NFMT);

- Skins Hides and Leather Council (SHALC);
- Association of Meat Importers and Exporters (AMIE);
- South African Feedlot Association (SAFA);
- South African Federation of Livestock Auctioneers (SAFLA);
- South African National Consumer's Union (SANCU); and
- Federation of Meat Traders' Employees Union (FMTEU).

Service providers that will deliver on transformation in the red meat industry will be from the following nationally representative industry structures:

- Red Meat Producers' Organization (RPO);
- National Emergent Red Meat Producers' Organization (NERPO);
- Red Meat Abattoir Association (RMAA);
- National Federation of Meat Traders (NFMT);
- South African Feedlot Association (SAFA); and
- South African Meat Industry Company (SAMIC).

The RMIF appointed a Levy Committee to oversee the allocation and audit of levy funds to the service providers and has requested that each service provider submit a certificate from their auditors 60 days after 28 February of each year confirming that the statutory levy funds were utilized in accordance with the approved budgets and business plans as submitted.

2.2 Service provider criteria

The red meat statutory levies are collected along the entire chain within each species and shall be used for the benefit of the entire red meat industry within that species.

- An annual detailed budget of each transformation activity by a service provider has to be authorized in principle by the RMIF before final verification and allocation by the Levy Committee;
- Levy funding will be allocated to service providers on a quarterly basis pro rata all levies collected versus the budgeted amount per species and function;
- No specific group or groupings in an industry may benefit alone to the exclusion of others from the service;
- All printed, audio or visual material on functions funded from levy funds shall state, on behalf of the RMIF of South Africa;
- No trading, business venture of any nature or acquisition of assets will be funded;
- A Service Level Agreement contract between the service provider and the RMIF, stating the exact application according to the agreed transformation activity(s), will be undertaken;
- The onus will be on each service provider to maintain a recognised independent accounting system to record all income and expenditures;
- An annual report for each transformation activity on actual projects funded will be required from each service provider; and
- In the event of non performance against agreed upon contracted projects it may be required of the service provider to repay all or part of the allocated funds to the Levy Administrator.

2.3 Compliance with NAMC guidelines

The RMIF has taken care to ensure that this submission complies in terms of pillar 1 and 2 on page 2 of the Generic NAMC Transformation Guidelines July 2014 as amended.

Pillar	Activities (examples)
1. Enterprise development	<ul style="list-style-type: none"> • Production material/inputs • Extension services • Mentorship • Soil preparations • Accreditation (certification for accessing export markets) • Market facilitation (Assist smallholder farmers to access the markets) • Business plan development • Industries to assist black farmers to gain access to finance
2. Skills development	<ul style="list-style-type: none"> • Bursaries • Farmers and other role players in value chain • Farm workers (if motivated properly due to Agri-SETA cuts)

2.4 Activities to be funded

- Enterprise development and skills development of the developing primary production sector
- Enterprise development and skills development of the developing secondary sector

3. BUSINESS PLAN 2014/15

The RMIF stands firm that transformation and development is an important responsibility of the industry and should be extended to represent the interests of smallholder farmers, developing processors, abattoirs, butcheries, tanneries, agents etc. across the entire red meat value chain. Role-player organizations are in the best position to initiate and facilitate developmental programmes in their own fields of expertise.

In this context the RMIF thus believes that these organizations will be best placed to achieve these objectives, and that the onus should be on them to further the developing sector. Accordingly, the RMIF undertakes to ensure that at least 20% of levy funds will be spent towards developing that part of the red meat industry, and will be utilized for agreed upon projects that can be quantified.

The following main activities have been identified as cardinal to the transformation of the red meat industry.

3.1 Skills development and enterprise development of the developing primary production sector

The major support to smallholder farmers will be supplied by the National Emergent Red Meat Producers Organization (NERPO) and the Red Meat Producers Organization (RPO) and will continue to focus on the following aspects:

- Farmer training and mentorship;
- Optimal utilization of available land and development of infrastructure;
- Animal husbandry, production development and improvement of quantity and quality of saleable livestock;
- Development of entrepreneurial skills;
- Providing access to technical support;
- Improving smallholder farmers' access to markets;
- Encouraging collective action by the smallholder farmers so that they may attract discounted prices in input procurement and lower transaction costs in bulk marketing; and
- Providing access to development finance designed to enable farmers to grow their livestock enterprises.

3.1.1 The National Emergent Red Meat Producers Organization (NERPO)

Current smallholder farmer performance

NERPO surveys have found that developing smallholder farmers producing red meat own on average 60 cattle. 45% of the herd consists of cows with a 40% calving percentage. Based on these assumptions, the average calf output per farmer is 12 calves per annum. If the farmers join in groups of 20, the total calf output per group would be 240 calves per annum. If the farmers implement the basics from the training and mentorship programme, it is assumed that they could improve their herd composition to 55% breeding cows and achieve a 55% calving percentage over 4 years, which would translate to 330 calves per group per annum and therefore increased competitiveness in the market.

NERPO's capacity as a service provider

NERPO is accredited by Agri-SETA, Services SETA and for the implementation of Master Mentorship (a formal mentorship programme that was initiated by DAFF in 2006). NERPO Financial Services (Pty) Ltd offers various credit facilities to qualifying smallholder livestock farmers, which enable them to grow their livestock enterprises. NERPO Field Agents would facilitate training and mentorship and would engage established commercial farmers as mentors. Such mentors would be identified and selected by the participating emerging farmers from their own farming area.

3.1.1.1 Farmer training and mentorship

Objective:

- To provide technical skills, market information and guidance to at least 300 smallholder farmers per annum and mentorship to the same farmers for at least two years
- To encourage farmers to work together and to collectively take advantage of the benefits of bulk purchases and sales, and reduce overhead costs

Approach: 15 groups of 20 farmers would participate in the training and mentorship programme over two years

(1st year)

Farmers would be trained in four basic components:

- Record keeping (keeping basic records of livestock and finances);
- Business planning (writing a simple five year business plan towards optimal utilization of land);
- Herd health management (developing and implementing a basic herd health management schedule);
- Basic nutrition (developing a basic feed and supplementation programme); and
- Financial management (basic financial planning and management).

(2nd year)

Farmers would be assisted to implement the above aspects that they have been trained in, in their livestock enterprises. Mentors would be contracted to mentor and advise the farmers on best practices suited to their unique livestock enterprise.

15 Groups of 20 farmers to form/join secondary cooperatives at district level, where input procurement and market access could be further coordinated (The development of secondary marketing cooperatives is being promoted by the national government through the Department of Trade and Industry, and it is likely that a number will be established in the medium term and hence it would be prudent to assist smallholder farmers to effectively participate in this initiative).

Deliverables:

- At least 300 smallholder livestock farmers (15 groups of 20 farmers) trained in basic primary livestock production and entrepreneurship
- Records illustrating development of each of the 300 farmers during the period of intervention
- At least 15 groups of 20 farmers that increasingly engage in collective approaches for procurement of inputs, and ultimately for access to markets as illustrated by input costs records and collective cost saving, volumes of marketable livestock and collective leverage and comparisons of cost savings and benefits of collective farmer approach versus individual smallholder farmer actions

3.1.1.2 Production Development

The red meat industry affirms the importance of production development, more specifically, “unlocking the red meat industry potential through commercialization, technology transfer and training”. Production development and improvement of quantity and quality of saleable livestock is therefore a focus area of the industry.

Objective: Some of the key matters that need to be addressed in order to facilitate 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 veldt) both on privately owned-land and communal land-based enterprises. Ultimately, it should enable farmers to run viable livestock enterprises that are environmentally and economically sustainable.

Approach: NERPO would undertake a number of activities to influence policies pertaining to the smallholder livestock sector as well as share information to enable them to make sound decisions to transform and benefit the red meat industry

Deliverables:

- Detailed schedule of smallholder farmer meetings and 3 regional smallholder farmer information days
- Reports on outputs of smallholder farmer meetings and information days in NERPO News (bimonthly) and other media
- Progress report on the follow up of smallholder farmer’ concerns in NERPO’s Annual Report
- Detailed schedule of major issues and meetings compiled at the beginning of each year.
- Report on major policy breakthroughs in the NERPO’s Annual Report
- Annual plan including international meetings to be attended
- Development of farmer information packages on production, latest technologies, marketing, financial matters and recent developments in the sector

3.1.2 The Red Meat Producers Organization (RPO)

In order for livestock farming to be profitable, sustainable and globally competitive it is important that producers are provided with the correct information to make informed decisions and that they are supported through extension, training, skills development and education to expand capacity.

RPO's capacity as a service provider

The Milk Producers Organization (MPO)'s Institute for Production Development as service provider to the RPO is accredited by Agri-SETA.

Production Development

Objective: Training of smallholder livestock farmers on commercial cattle and small stock farms in terms of livestock health concerns, stock theft prevention, predation prevention etc.

Approach: The Institute for Production Development would train groups of 20 smallholder livestock farmers on farm over 5 days in different disciplines in the language of choice

Deliverables: At least 25 smallholder livestock farmers trained in animal husbandry and social economic empowerment courses

3.2 Skills development and enterprise development of the developing secondary sector

3.2.1 The Red Meat Abattoir Association (RMAA)

RMAA's capacity as a service provider

The Association is SAATCA accredited.

Technology transfer in HAS, HACCP and auditing

The Meat Safety Act, 2000 (Act No. 40 of 2000) requires an abattoir to be managed in accordance with a prescribed hygiene management and evaluation system as part of the essential national standards (section 11 (1) (e) of the Act).

The abattoir owner is required, in terms of the red meat regulations (Part III, section 49 (e)), to assess the hygiene status of the abattoir by means of the Hygiene Assessment System (HAS) and to provide this information to the provincial executive officer. Although the provincial executive officer of each province has received the delegated authority to approve a slaughter facility, do routine inspections or issue instructions at abattoirs, it remains a national responsibility to provide for and evaluate the application of essential national standards at abattoirs.

The Red Meat Abattoir Association (RMAA) requested the DAFF to provide for a national evaluation system in 1999 and assisted in the process of the development of the Hygiene Assessment System (HAS) currently provided for in the regulations. The Hygiene Assessment System has been adopted by the provinces and the standardized documents are being used by all the provinces. Provinces are required to do an honest evaluation of existing resources, i.e. manpower, equipment, finances etc. to determine whether the goals of legislation can be achieved. In those provinces where ample provision exists, not much more would be required by the scheme

and actual capacity building in standardized evaluation procedures may already have commenced. Shortage of staff, transport or time allocated to abattoir visits could compromise the success of the scheme and it is assumed that meat safety is probably already compromised and merits urgent attention by certain provinces.

Since standards at all abattoirs are not the same due to provincial variations of standards, all abattoirs should be audited to ensure the quality of their products. The implementation of the Abattoir Rating Scheme could provide a standardized list of rated abattoirs which could simplify the sourcing of meat. This includes verification audits by the NARS Committee.

Objective: The purpose of an abattoir audit in terms of the Hygiene Assessment System (HAS) is to evaluate and rate the statutory compliance of the abattoir to the Meat Safety Act, 2000 (Act No. 40 of 2000) and the applicable red meat regulations, on a national basis and include verification audits by the NARS Committee of which the Red Meat Abattoir Association (RMAA) is a member.

Approach:

- Internal audits are provided by abattoir management on a monthly basis. The provincial inspector is responsible for the validation of the monthly HAS report by way of his own audit, a sampling evaluation of a particular section of the abattoir at least every three months
- The Association presents training to government officials and internal auditors on HAS & HACCP, audit principles and regulatory requirements to ensure minimum standards. Verification audits are performed when RMAA officials visit abattoirs and verify previous audit findings whether it be from government or from other auditing bodies. These audits could also be performed as part of the National Abattoir Rating Scheme (NARS) project
- Aspects covered during Verification Audits include: Previous audit scores and findings/non-conformances (corrective actions that have already been completed is recorded), laboratory sampling program, HAS procedures & records, Ante Mortem & Meat Inspection and a Walk-Through Audit

Deliverables:

- HAS & HACCP Training: to provide 40 learners (and government officials) with the necessary knowledge and skills to implement a Hygiene Management System in an abattoir
- Lead Auditors Training: to provide 5 learners (and government officials) with the accreditation and certification to conduct audits for compliance and legislation and regulatory requirements

The RMAA in conjunction with DAFF resolved to establish and implement a national evaluation system and to seek approval for provision of this system in terms of the Meat Safety Act, 2000 (Act No. 40 of 2000). The RMAA wishes to implement the system and ensure compliance to the national evaluation scheme for red meat abattoirs in conjunction with the national and provincial veterinary authorities.

3.2.2 The South African Meat Industry Company (SAMIC)

Levy Inspection Function

The Minister of Agriculture Forestry and Fisheries assigned SAMIC as an Inspection Body and SAMIC officials do inspections at all the levy collection points, according to the legislation on behalf of the Red Meat Levy Administrator.

Approach: SAMIC visits classification abattoirs twice per annum and non-classification abattoirs once per annum. Slaughter figures are collected and compared to figures submitted on levy return forms. The Minister recommended that SAMIC appoint previously disadvantaged individuals as officials

to promote transformation in the inspection environment and agreed that their costs could be funded from the transformation part of the levy

Deliverables: SAMIC has adhered to the Minister's request and has appointed 3 black inspection officials

3.2.3 The National Federation of Meat Traders (NFMT)

Meat Cutting Technician Training

Prior to the promulgation of the Skills Development Act, the red meat industry had a training scheme which facilitated training in the handling and preparation of retail meat cuts. The Meat Trade has been unable to consolidate and introduce any form of training since the introduction of the Skills Development Act for reasons that are not germane to this business plan and as such, a critical shortage of skills exists in the trade. It is the intention of the NFMT to re-introduce training outside the purview of the Skills Development Act and certain of the levy funding would be used to facilitate this section for the benefit of all role-players and with particular reference to the advancement of skills of meat cutting technicians from the previously disadvantage sector.

It is quite obvious that the funds required for the effective training of technicians at the distributive level of the Meat Trade would be considerable and Meat Traders who wish to have technicians trained, would have to contribute financially to this cost. Levy funding would be used to facilitate the set-up and monitoring of the training facility which would be funded on a user pay basis and it is hoped that one day, the Trade would be able to benefit from funds that it has contributed to the Skills Development Act to fund this function.

The NFMT has implemented effective basic training of meat cutting technicians at the distributive level of the Meat Trade and can report that a training facility has been established and has trained students to a level of a Grade II, Meat Cutting Technician.

Objective: To train to a level of a Grade II Meat Cutting Technician

Approach: 7 groups of 5 students would participate in the skills development programme over 3 weeks

Deliverables: 35 trained Grade II Meat Cutting Technicians

3.2.4 The Red Meat Producers Organization (RPO)

Red Meat Culinary Training Academy

South Africa has a ballooning youth population, the majority of which falls within the emerging middle class. Unemployment is still relatively high in this sector, while under and over nutrition persists, increasing the financial burden on society.

There is a significant gap in the knowledge of many South Africans regarding the basics related to the safety, handling, culinary application, marketing and health aspects of red meat. This is also notably observed with formal and informal employees within the red meat trade, including butchers and block men at retail level, caterers and informal traders including street food vendors and owners and employees of spaza shops selling fresh or frozen meat. The individuals from the informal sectors are important links to a majority of often difficult to reach black, emerging consumers, while formal retailers and their employees can also play a pivotal role in educating a large proportion of consumers and answering to their concerns.

These trade individuals at grass roots level, from both the formal and informal sectors, can thus play a notable role in improving and expanding the red meat industry and consumer trust, through communicating the correct information to consumers, ensuring safety and quality of produce sold, presenting produce in a marketable way and promoting consumption through culinary knowledge.

Improving the red meat industry in such a way in both emerging and established sectors will have multiple impacts on society, including economic, social and health (food security) benefits.

The proposed Red Meat Culinary Training Academy will establish a platform to train selected young, previously disadvantaged individuals on aspects related to culinary applications, food safety, handling, marketing and health related aspects related to red meat. The Academy will through this skills-programme empower these individuals to become the future trainers within the red meat industry, who will on their turn reach trade individuals at grass roots level.

The successful graduates of the Academy will furthermore be utilized within the activities of an Educational Enterprise to educate informal traders (street vendors and spaza shop owners and employees selling fresh and frozen meat), as well as other red-meat trade employees such as black butchers, block men, caterers etc. This programme will thus have a dual transformation benefit, including (1) skills development and employment opportunities for young individuals trained through the Academy, and (2) promoting red meat trade through education of individual traders which are often hard to reach at grass roots level.

Objectives:

- Skills development of previously disadvantaged South Africans to become trainers in red meat culinary, handling, safety and marketing-related applications, through the establishment of a Red Meat Culinary, Handling, Safety and Marketing Training Academy
- To identify platforms and means to utilize these newly skilled trainers as trained by aim 1, through further enterprise development of the red meat industry. Specific focus will be placed on training of informal traders, black butchers and other meat-related employees at retail stores and butcheries throughout South Africa. This will enable the trainers from aim 1 to pursue careers, while simultaneously contributing to the enterprise development of the informal and formal red meat traders

Deliverables:

- Skills development:
 - Establish the Red Meat Culinary Training Academy including lessons on culinary, handling, safety, marketing and health aspects of red meat;
 - Development of relevant training material, including presentations, videos and printed media;
 - Identification of previously disadvantaged individuals to enrol in the programme;
 - Training of individuals; and
 - Evaluation & skills certification of successfully trained individuals.
- Enterprise development:
 - Establish opportunities where trained individuals can educate and communicate with informal red meat traders, black butchers and other meat-related employees at retail stores and butcheries;
 - Development of material to be used during educational activities at grass-roots level; and
 - Roll out educational activities and dissemination of material by the trainers to informal traders (including fresh red meat traders and street food vendors), black butchers and other meat-industry and trade employees.

3.2.5 The South African Feedlot Association (SAFA)

The Red Meat Chefs Academy (“A si phekeleni impilo” – Let’s cook for life)

A skills and development initiative in association with the South African Chefs Association (SACA)

- Objectives:*
- To provide up skilling of previously disadvantaged individuals with an interest in the hospitality, food & beverage, restaurant and catering sector
 - To provide an opportunity for each student for self-employment, to create employment, service tourism industry needs, contribute to the economy, and raise the quality of the hospitality and catering sector
 - To create a sustainable enterprise development programme
 - To offer individuals the opportunity to obtain relevant catering and business skills to ensure that they reach their full potential
 - To issue each successful caterer with relevant industry recognized certification
 - To continually measure and monitor the caterer’s performance on completion of the programme and offer additional support in the form of workshops, marketing and networking of new catering initiatives through electronic media

Approach: The Red Meat Academy Training Programme would accommodate 2 groups of 14 learners or programme (28 in total per annum) in the Centre of Culinary Excellence for a 24 week period for each group in 2015

- Deliverables:*
- Certification: this programme will carry the certification and endorsement of the SA Chef’s Association. The modules will be based on unit standards registered on the NQF (National Qualifications Framework), and quality assured by the HTA (Hospitality Training Academy)
 - Cook-off Competition: the grand finale, where all 28 students will have the opportunity to enter various categories and compete against each other, showcasing their newly acquired skills. The main focus will be to introduce red meat to the entry in a way that is innovative and informative

4. PROPOSED BUDGETS

Table 1: RMIF Levy Application 5 Nov 2014 - 4 Nov 2015 Forecast Transformation Income

		Rate of levy	Per annum	Transformation 20%
Cattle	Abattoirs	R7.81 per head	R 18 386 700	R 3 677 340
	Imports	R871 per container	R 2 169 161	R 433 832
	Livestock agents	0.077% of	R 247 244	R 49 449
	Tannery	R0.0151/kg	R 802 262	R 160 452
	Hides exports	R0.0151/kg	R 237 574	R 47 515
	Subtotal Beef		R 21 842 942	R 4 368 588
Sheep	Abattoirs	R1.52 per head	R 6 924 577	R 1 384 915
	Imports	R871 per container	R 899 676	R 179 935
	Livestock agents	0.077% of	R 91 215	R 18 243
	Tannery	R0.0151/kg	R 35 062	R 7 012
	Skins export	R0.0151/kg	R 109 909	R 21 982
	Subtotal Small Stock		R 8 060 439	R 1 612 087
Manufacturers	/Meat Processors	R0.0151/kg	R 967 395	R 193 479
Retailers	/Butcheries	R495 per outlet	R 1 212 750	R 242 550
TOTAL			R 32 083 526	R 6 416 705

5. Table 2: Transformation Expenditure Budget by Service Provider by Activity 5 Nov 2014 - 4 Nov 2015

Transformation Activities	TOTAL
3.1.1.1 NERPO Farmer Training and Mentorship	R 2 235 613
3.1.1.2 NERPO Production Development	R 1 573 017
3.1.2 RPO Production Development	R 75 000
3.2.1 RMAA Technology transfer in HAS, HACCP and auditing	R 179 130
3.2.2 SAMIC Levy Inspection Function	R 562 478
3.2.3 NFMT Meat Cutting Technician Training	R 242 550
3.2.4 RPO Red Meat Culinary Training Academy	R 774 459
3.2.5 SAFA The Red Meat Chefs Academy	R 774 459
Total Budgeted	R 6 416 705

6. ADDITIONAL TRANSFORMATION ACTIVITIES IDENTIFIED BY THE INDUSTRY AS PRIORITY

During the May 2014 discussion with the NAMC transformation audit committee, the RMIF expressed concern with regards to the cut back (in some cases up to 70%) in funds from Agri-SETA for training. The RMIF would like to appeal to the NAMC to again consider training within the transformation ambit. In other words, statutory funds earmarked for transformation must be available to finance skills development of employees to significantly transform the red meat industry. The RMIF would like to emphasize that training in some sub-sectors does not qualify for any SETA funding and unless funded by industry would not be undertaken.

These include:

- Development in the rural areas on the making of leather goods;
- Contributing to the training of leather technologists;
- Education to emergent livestock agents and farmers on the different marketing channels available; and
- Education to black consumers on meat preparation methods, economical carcass cut utilization and the value of red meat product in healthy family meals. These were highlighted during a previous national consumer survey as being reasons for black consumers eating less red meat than two years prior to the survey.

Additional transformation activities identified by the industry as priority include:

- Production, distribution and technical support of seasonal training manuals;
- Translation, production and distribution of existing manual for the prevention of stock theft;
- Development, production, translation and distribution of manual for predation management;
- Federation of Red Meat Producers' Proposal - Livestock Development Programme for Communal Livestock Producers in South Africa (Annex A);
- Skills development de-boning technicians; and
- Skills development of black owned abattoirs.

7. RED MEAT INDUSTRY REQUEST

The present approved statutory levies came into effect on 5 November 2014 and therefore the RMIF would like to invite the NAMC to comment promptly on the Transformation Business Plan and Budget submitted.

8. IN CLOSING

The 20% of the levy funds from the red meat industry to be allocated to transformation relates to roughly R 6.4 million per annum, which as explained to the NAMC transformation audit committee is a relatively small amount when seen in terms of Enterprise Development in the industry.

The RMIF has therefore endeavored to identify transformation activities for funding across the various industry subsectors, but judged to have a large impact on transformation progress in those subsectors.

While these activities are ventures new to the RMIF, the measurable deliverables will be continuously monitored and will go through a correction process during the levy period in question.