



NDA

National
Development
Agency



ZAMUKUPHILA PIGGERY CO-OPERATIVE

CLOSE-OUT EVALUATION REPORT

MAY 2014



CONTENTS

Glossary

1. Executive Summary	4
2. Structure of the Report	7
3. Background to the Project	8
4. Zamukuphila Piggery Co-operative: Project Implementation Period 2013-2014 Funding Period	10
5. Relevance of Support and Project	10
5.1 South Africa Context	
5.2 Government Response	
5.3 Role of the National Development Agency	
6. Project Methodology	14
6.1 Unit of Analysis	
6.2 Evaluation Criteria	
7. Results as Stated in the Funding Proposal	15
8. Effectiveness of the Project	21
9. Capacity of the Organisation	21
10. Centre Development	22
11. Impact of the Project	22
12. Sustainability	23
13. Financial Analysis	24
14. Recommendations and Conclusions	27

REFERENCES

SCHEDULE OF DOCUMENTS REVIEWED

GLOSSARY

Abbreviation/ Acronym Description/ Definition

CAHW	Community Animal Health Worker
CBO	Community Based Organisation
CDD	Community Driven Development
CSO	Civil Society Organisation
CRDP	Comprehensive Rural Development Programme
DAEA	Department of Agriculture and Environmental Affairs
DBSA	Development Bank of Southern Africa
DRDLA	Department of Rural Development and Land affairs
DOSD	Department of Social Development
DPLG	Department of Provincial and Local Government
DRDLA	Department of Rural Development and Land affairs
ECRFC	Eastern Cape Rural Finance Corporation
EPWP	Extended Public Works Programme
GAS	Grant Administration System
GDP	Gross Domestic Product
IDP	Integrated Development Plan
ISRDP	Integrated Sustainable Rural Development Programme
ISRDS	Integrated Sustainable Rural Development Strategy
KPI	Key Performance Indicators
LED	Local Economic Development
MDG	Millennium Development Goals
NDA	National Development Agency
NGO	Non-Governmental Organisation
NPO	Non-Profit Organisation
PC	Project Consolidate
PGDP	Provincial Growth and Development Plan
PPPs	Public Private Partnerships
STRP	Small Towns Regeneration Programme

1. EXECUTIVE SUMMARY

The National Development Agency Act No 108 of 1998 states that the National Development Agency's (NDA) mandate is to contribute towards the eradication of poverty and its causes by granting funds to civil society organisations for the implementation of integrated and sustainable community driven programmes and contribute towards the eradication of poverty in areas that income generation.

Importantly, the NDA identifies income generation as an important area for intervention and sets out to support the creation of opportunities for communities to productively use locally available resources to develop less state and aid dependent, more self-reliant households and communities able to care for themselves. Zamukuphila Piggery Co-operative (herein referred to as Zamukuphila) fits neatly within the NDA's focus areas of intervention through grant funding. The current close out evaluation is therefore a part of the elements of the NDA's funding cycle (Project Proposal- Prioritisation- Assessment- Approval-Grant Disbursement- Monitoring- Evaluation).¹

Using participatory research methods, a qualitative approach to information gathering was utilised where a focus group, meetings, face to face interviews were held with key members of Zamukuphila including the Chair (Lukhanyo Sebetwa), Vice- chair (Nomandla Maqokolo), Treasurer (Abongile Sophini), Co-ordinator (Michael Sofaba) and co-operative members (Zimkile Yekiso, Onke Yonzi, Sakhumzi Msindo and Nonkonzo Mfino). Delport Nolangeni- the co-operative's Secretary tendered an apology.

In addition to the above- mentioned interactions, the following documents were reviewed for the evaluation process:

- Zamukuphila constitution/ founding documents
- Zamukuphila interim reports 2013-2014
- Zamukuphila grant application form
- Grant Agreement between Zamukuphila and the NDA
- Narrative and financial report of project progress for the first and second reporting phase
- Zamukuphila project progress reports
- Zamukuphila project files (including activity reports etc.) and;
- Zamukuphila project implementation reports; and

Further a site inspection of the co-operative's piggery was undertaken. The current site- comprising 5 hectares of land was allocated by the local traditional authority, the late Chief Ngubeszwe Njemla to Zamukuphila in 2008.

In terms of the Grant Agreement entered into between the NDA and Zamukuphila for the rolling out of the Piggery Farming Project, the project is 12 month long² and

¹ Monitoring and evaluation is also a requirements stipulated in a Grant Agreement of a project funded.

² See section 3 of the Grant Agreement (Annexure A: Funding Provisions) under the heading: Duration of the Project.

commenced after the signing of the Grant Agreement on 01 February 2013³. The Grant Agreement provides that project implementation shall commence on 01 February 2013 and terminate on 31 January 2014. Further, the Grant Agreement spreads out 3 reporting phases of activity periods, namely: 1st reporting period (31 July 2013), 2nd reporting period (31 December 2013) and the final reporting period (28 February 2014).⁴

The total amount transferred to Zamukuphila is R416 240.00.

The Grant Agreement sets out 5 activities to be implemented, namely:

- a) To create 15 jobs for the co-operative members
- b) To train 15 members in competency skills required for the current farming activities
- c) To purchase feed, medication, 150 piglets for the co-operative
- d) To breed and produce quality pigs for the local market
- e) To earn income from selling pigs

At the time of the current evaluation (19.05.2014) Zamukuphila had implemented all the activities listed above.

1.1 Evaluation Findings

The current evaluation- consistent with the NDA's Strategic Document evaluates the impact of the Piggery Farming Project pursuant to funding support granted for the 2013-2014 period:

- The evaluation finds that the project failed to meet a key deliverable under the Grant Agreement which is to create 15 jobs for co-operative members. 10 jobs were created. The inability to retain members in co-operatives is symptomatic of the generally high mortality rate of co-operatives in South Africa. Zamukuphila is no exception to this national trend. According to co-operative members the failure is due to a combination of factors including the absence of a shared vision, approach and financial trust amongst co-operative members who left in 2012.
- The evaluation also finds that whilst 15 jobs were not created the co-operative has created 10 decent work opportunities where the elements of adequate earning, decent hours of work and a safe work environment have been achieved. 9 co-operative members work as general labourers and earn R1 200.00 p/ month; a Book- Keeper earns R1 800.00 p/ month whilst the Project Co-ordinator earns R2 800.00 p/ month. The monthly earnings exclude the collective savings derived from the co-operatives income which currently sits at R10 004.32 for the 2013-2014 financial year.

³ Section 3.1 of the Grant Agreement.

⁴See section 2 (2.1-2.4) of the Grant Agreement (Annexure A: Funding Provisions).

- The co-operative has successfully met the deliverable of training members in competency skills required to run the piggery farm. 4 training courses/ programmes were attended by 10 co-operative members and two of these are SAQA accredited. The training programmes have enabled Zamukuphila to roll out training to other fledging co-operatives in the Umtata area on Pig Production and Farming- the co-operatives that have benefitted are: Sinethemba Co-operative, Qokolweni Co-operative and Sinenjongo Co-operative. The impact and reach of training programmes targeted at Zamukuphila has thus been felt beyond its environs.
- Purchase of feed for the co-operative: The co-operative has succeeded in managing the transition from being a traditional pig farming operation to a commercial pig production operation and its use of accepted nutritional standards in pig farming is testament to this. For instance the co-operative initially applied conventional diets (bran, samp millies with salt etc.) which over time have been used on indigenous household pigs. The transition to commercial pig production has precipitated a fundamental shift by the co-operative not only in the choice of feed but also in the selection of pig type for production and fertility.
- The co-operative successfully met the deliverable of purchasing feed in that during the project implementation period the co-operative bought creep feed. Creep feed is feed that combines a base of cracked corn, rolled oats, alfalfa, brewer's grain and additional ingredients that include rolled barley, soybean meal, soybean hulls, molasses, dicalcium phosphate and mineral salts. 50kg of creep feed for piglets (0- 4 months) costs R350.00. Creep feed for pigs above 4 months is R290 00 per 50kg. A boar and soar (mature male and female pigs) creep feed on the other hand costs R500 00 per 50kg. 50kg is consumed daily by 22 pigs. Thus on a monthly basis the co-operative buys just over 1500kg of creep feed at an estimated cost of not more than R10 500. Over a twelve month period (project implementation period) the co-operative has spent a total of R64 683.10 on creep feed.
- Purchase of medication: The co-operative successfully met this delivery under the Grant Agreement. During project implementation the co-operative purchased one set of medication for routine medical applications and another for recurring common pig illnesses. The co-operative also bought antibiotics or anti-bacterials to treat coughs and pneumonia and dectomax to treat skin lesions in pigs called mange. The co-operative also bought 10 tooth- nippers to cut piglet teeth 3 days after birth. The co-operative also bought Duroc boar which is a sperm injected on a sow for artificial insemination. The amount spent on medication during the duration of project implementation is R12 344.90.
- Purchase of 150 piglets: The co-operative did not meet the deliverable of purchasing 150 piglets but instead purchased 30 piglets as soon as the first tranche of NDA funding was received on March 2013 (R208 120.00). A further 15 piglets, 3 boars and 2 sows were purchased in July 2013. Of this 50- 3 boars and

2 sows aged 1 year and above and 45 were piglets aged 0-12 months. The boars and sows and 15 piglets aged 8 months were purchased from Graaf Reinet; 10 piglets aged 6 months were purchased from Centani in Butterworth and; 20 piglets aged 5 months were purchased from Noludada in Umtata. In total the co-operative spent R40 950.00 on purchasing piglets. The co-operative conceded that it did not meet the target of 150 as set out in the Grant Agreement out a fear that the piglets will die when purchased in big numbers. Co-operative members contended that they wanted to go through training and procure medicines and the correct feed before they commit the project to 150 piglets at a go.

- The co-operative also failed to meet the deliverable of breeding and producing quality pigs for the local market. Of the 50 piglets bought 24 were separated and killed because they were suffering from tapeworms or measles which cannot be treated and will infect other pigs. The project was left with only 26 piglets from which to undertake artificial insemination. Artificial insemination was re- applied on four healthy sows. 2 sows gave birth to 8 and 15 piglets respectively. The other 2 sows gave birth to 7 and 14 piglets respectively which all died on birth. In total- from an initial investment of 50 pigs- 49 are left. The evaluation finds that the deliverable of breeding and producing quality pigs for the local market was not met. The main contributing factor for failure to meet this deliverable is that the co-operative was suddenly faced with a transition from low level pig production to commercial pig farming and production with its attendant challenges of pig selection, nutritional know-how, timeous detection of illnesses and correct application of medicines.
- To earn income from selling pigs: The evaluation finds that this deliverable was not met. As a result of muted breeding and low pig production a small number of pigs were sold. In the end a total number of 72 pigs have been sold by the co-operative. The sales were recorded during the periods December 2013; February and March 2014. On average 4-6 pigs were sold a month. These sales have stretched over the period of December 2013 to-date totalling 72 pigs.
- The evaluation also finds that whilst some key deliverables have not been met as noted above- a solid foundation has nonetheless been laid for the growth of the co-operative. This period has seen the co-operative embarking on a successful marketing drive which resulted in two supplier agreements being secured with major meat stockists and distributors in Umtata, namely: the Transkei Meat Industries and Mzikantu Meat Industries. The co-operative has also been able to secure a relationship with Umhlobo Wenene and University of Transkei Radio for marketing the co-operative during mid-day slots targeted at promoting small business.
- Lastly the evaluation finds that the co-operative has managed to create strategic partnerships with key stakeholders and this bodes well for the sustainability of the project. For instance- the co-operative has established healthy working relations with the King Dalindyebo Sabata Municipality, Ntinga O.R Tambo

Development Agency, the Umtata General Hospital, the local traditional authority (Chief Monwabisi Morris Njemla) and; the provincial Department of Agriculture and Rural Development.

1.2 Challenges and Lessons Learnt

- The evaluation finds that whilst serious headway has been made in the areas of building long term partnerships with local stakeholders and harnessing the profile of the co-operative through broadcast and other media (i.e marketing the co-operative through printing calendars for distribution etc.) - the transition from low level pig farming to commercial pig production and farming has taken a toll on the co-operative: the separation and termination of 24 pigs after they had been bought and the subsequent death of piglets after birth following artificial insemination procedures are cases in point.
- Lastly the limitations of a co-operative as a commercial vehicle suitable for building and sustaining a viable enterprise is laid bare in the current case. The evaluation notes that the inability of Zamukuphila to empower and create for 15 members is a function of some of the deep seated problems attendant upon the co-operative model. That the co-operative was only able to create 10 instead of 15 jobs as per Grant Agreement stipulation is symptomatic of the generally high mortality rate of co-operatives in South Africa. In the current case- the absence of a shared vision, approach and financial trust amongst co-operative members saw other members leaving in 2012 leaving Zamukuphila with 10 members.

2. STRUCTURE OF THE REPORT

The report is divided into three main parts:

- Part I entails a disposition of the Background to the Project followed by the Relevance of Support and the Project; and the Project Methodology.
- Part II consists of seven sections dealing with the main aspects of the evaluation exercise, namely: Results as stated in the Funding Proposal; Challenges Facing the Project; Effectiveness of the Project; Capacity of the Organisation; Centre Development and the Impact of the Project and Sustainability.
- Part III includes a Financial Analysis followed by concluding sections dealing Lessons Learnt and Recommendations.

3. BACKGROUND TO THE PROJECT

Zamukuphila was formed in 2003 by the current co-ordinator Mr Michael Sofaba, Mr Thamsanqa Mabusela and Mr Vuyani Msindo initially as a close corporation with its principal business being to buy, rear and sell pigs for slaughter at abattoirs and butcheries. According to Sofaba the three members owned equal shares in the

business. The business struggled to make profit and by 2008 Msindo and Mabusela had resigned.”⁵ Realising the need to involve a sizeable number of people in the running of the business Sofaba formed a co-operative in 2008 comprising of the following members: Mr Delpont Nolangeni, Ms Bathabile Soga, Mzwabantu Dyayinga, Nolufefe Baleni, Nomhlobo Wezile and Sinethemba Mbulungwane.⁶ Zamukuphila was registered as a primary agricultural co-operative in 2008. After formation the co-operative set out to secure a site for the piggery farm. The late Chief Ngubeszwe Njemla (succeeded by his son Monwabisi Morris Njemla in 2013) who is the custodian of 240 plots of tribal land scattered across Umtata in the Dalindyebo Sabata Municipality allocated 2 hectares of land to the co-operative in 2008. It is also in 2008 that the co-operative’s right over the land was formalised through the issue of a Permission to Occupy Certificate (PTO) on 07 March 2008 by the Umtata Magistrates Court.

In 2009 the co-operative approached the Small Enterprise Development Agency- an agency of the South African Department of Trade and Industry (the dti) for business support. The agency prepared and submitted proposals for the co-operative to various institutions. Through SEDA’s support the co-operative secured financial and non-financial support from the DTI and the O R Tambo District Municipality. The DTI granted the co-operative R296 000 in financial support and the OR Tambo District Municipality built a store house for pig feed and fenced the co-operative’s site (2 hectares of fencing). The store house is an addition to the current 60 sq/m pig sty with 15 subdivisions.

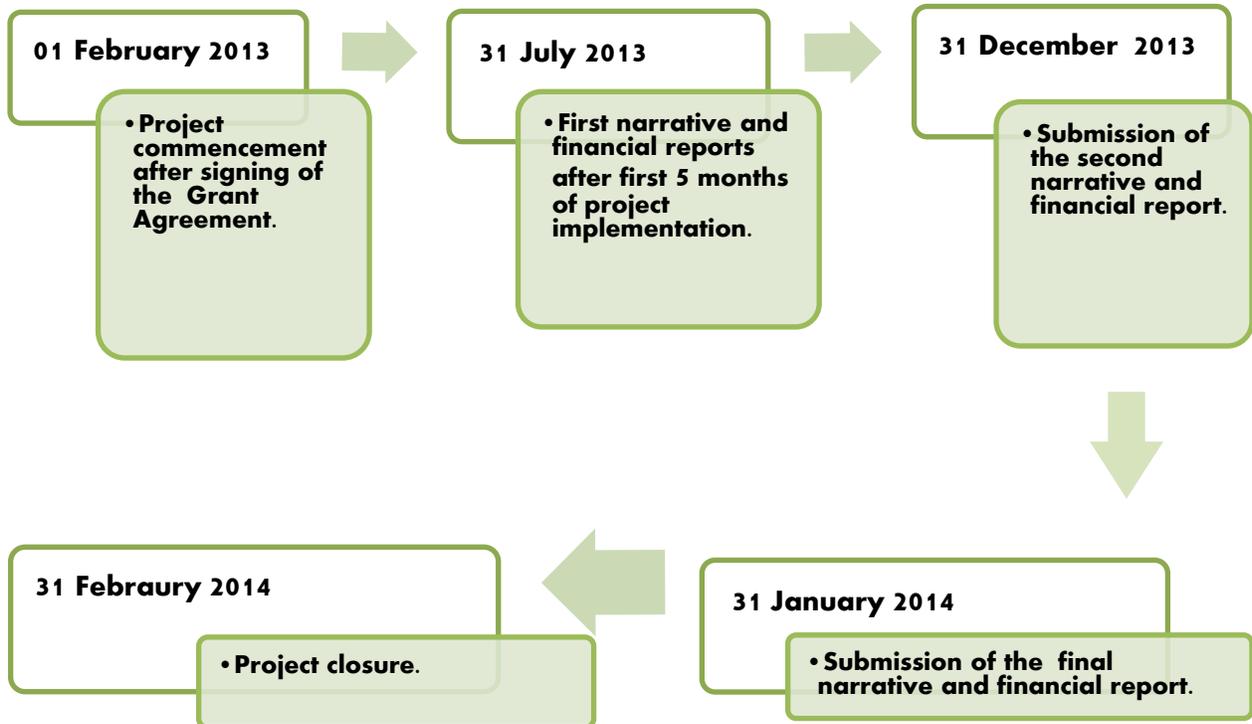
During 2012, the co-operative’s book-keeper Ms Nyameka Mpumlwana heard about the National Development Agency (NDA) from a co-operative supported by the NDA in Umtata- and after a meeting between the co-operative’s Sofaba and the Ms Avela Maninjwa from the NDA’s East London office a proposal was submitted and approved in 2012. A Grant Agreement between Zamukuphila and the NDA was signed on 21 February 2013 and provides for the implementation of the following activities:

- a) To create 15 jobs for the co-operative members
- b) To train 15 members in competency skills required for the current farming activities
- c) To purchase feed, medication, 150 piglets for the co-operative
- d) To breed and produce quality pigs for the local market
- e) To earn income from selling pigs

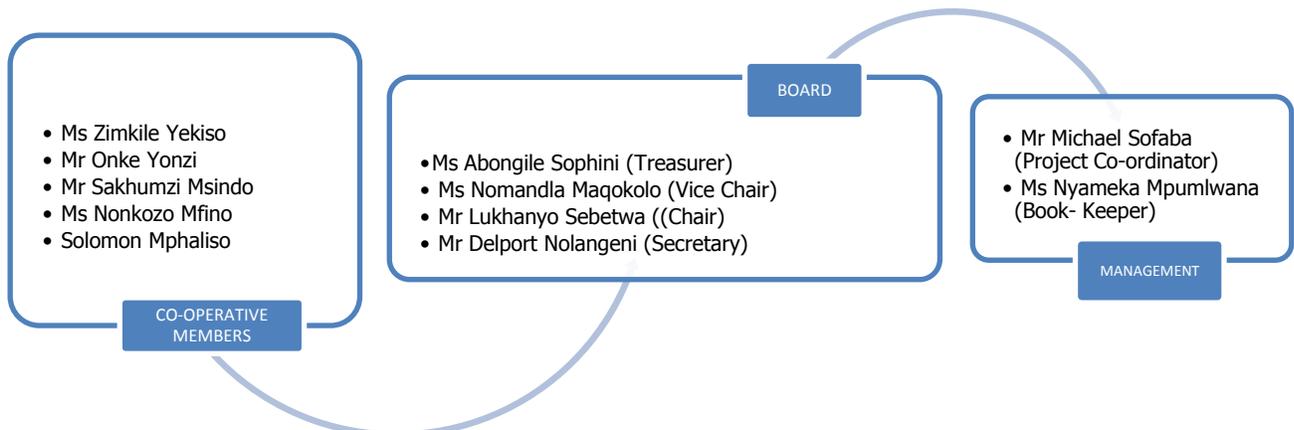
An amount of R496 240.00 was approved by the NDA for project implementation. The first tranche of R208 120.00 was transferred to Zamukuphila on 15 March 2013 followed 496.00 on 02 August 2013 and R41 624.00 on 26 March 2013.

⁵Interview with Mr Michael Sofaba, Co-ordinator of Zamukuphila held on 19.05.2014.

⁶ Ibid. According to Sofaba the advantages that come with operating a pig farm in a business model comprising of individuals who have common economic and social needs and are willing to pull together in order to service the enterprise lured him to the idea of forming a co-operative.



The supervision and the delivery of the current project is undertaken by the co-operative membership and the executive committee.



The current Close-Out Evaluation of Zamukuphila sought to ascertain how well the above- mentioned project deliverables have been met or not met and the constraints to that effect. The diagram below depicts the conceptual methodological approach underpinning this evaluation.

Accordingly the triangulation of the feedback received from Zamukuphila using qualitative research tools- a detailed picture of responses and a body of facts emerges

on project performance: the generation of income through rearing and selling of pigs and the creation of job opportunities for co-operative members.

4. ZAMUKUPHILA PROJECT IMPLEMENTATION 2013/14 FUNDING PERIOD

The above- mentioned project deliverables as set out in the Grant Agreement between Zamukuphila and the NDA are quantifiable, measurable and most importantly capable of impact assessment. The Grant Agreement⁷ sets out key activity areas for a 12 month period and a form/ template⁸ is provided for: end of project impact and activity assessment by the organisation itself. Accordingly this evaluation is informed by the activity areas, deliverables and the level of impact spelt out in the Grant Agreement. Importantly, given the project cycle of 12 months it was feasible to implement the project within this prescribed as will be seen in much more detail below when we deal with the evaluation of each deliverable.

5. RELEVANCE OF SUPPORT AND THE PROJECT

5.1 Provincial Context

The Pig Farming Project is implemented in Rosedale Village, Umtata which is situated in the King Sabata Municipality which falls under the O.R. Tambo District Municipality in the Eastern Cape province.⁹

The recently published O.R Tambo District Municipalities' Integrated Development Plan (IDP: 2012-2013) bemoans the low levels of human development indices in the local municipalities within the district.¹⁰ The current levels of poverty (sitting at 54%) coupled with the low HDI implies that a big percentage of the District Municipality's population is unable to develop new skills and enhance their income generation capabilities with the predominant source of income being child support and social grants.¹¹

Zamukuphila is situated in the King Dalindyebo Sabata Local Municipality. According to Statistics SA (2012), over 50% of the population is younger than 35 years.¹² The rising youth-age profile in the municipal area with an economy that cannot absorb the youth through employment creation has seen escalating unemployment levels in the past years.¹³ Research on the economic situation of King Dalindyebo Sabata Local Municipality highlights that of the economically active population: only 17% is employed, and that unemployment is very high sitting at 23%.¹⁴ The Integrated Development Plan (IDP) further notes that the agricultural potential of the district remains largely untapped

⁷ Section 3 of the Grant Agreement.

⁸ See annexure to the Grant Agreement.

⁹ O.R Tambo District Municipality contains the following municipalities: King Dalindyebo Sabata, Nyandeni, Ngquza Hill, Mbizana, Mhlontlo, Port St Johns and Ntabankulu.

¹⁰ See <http://www.ortambodm.org.za/files/PDF/ppplan2012to2013.pdf> pages 9-10.

¹¹ Further, according to the OR Tambo District Municipality's IDP 2012-2016 p.37: Social grant dependence is higher (66%) than the average for the Eastern Cape (64%) as a whole.

¹² See: <http://www.statssa.gov.za/publications/SASStatistics2012.pdf>

¹³ See: <http://www.ortambodm.org.za/files/PDF/ppplan2012to2013.pdf> p.136.

¹⁴ Ibid.

and that subsistence farming practices are inefficient. The municipality's grasp of the huge agricultural potential that obtains within the district is borne out by the support it has provided to the co-operative since inception- date as will be seen in Part II of the evaluation as will be deal in much more detail with the project's sustainability.

5.2 Government Response

The legacy of apartheid and its present day manifestations has pushed the government to craft a rural development strategy to address special challenges found in the farming and former homeland regions. According to Gwanya (2010:5), the depressing rural conditions of the majority of South Africans require a strategy that will explore and build on the knowledge and strengths of the rural communities and improve on what worked in the past while introducing new approaches to rural development.¹⁵ Since 1994 the government has introduced various policy and institutional measures to improve the lives of the rural population and regenerate rural economies. These have had limited successes. The Reconstruction and Development Programme (RDP) 1994-1996, the Rural Development Strategy of the Government of National Unity of 1995, The Rural Development Framework of 1997, The Integrated Sustainable Rural Development Strategy (ISRDS) of 2001, Project Consolidate and the Extended Public Works Programme (EPWP) are cases point. South Africa is also a signatory to the United Nations Millennium Development Goals (MDG) to halve poverty and unemployment by 2015. South Africa committed to reaching these goals by 2014. It is worth pointing out that these interventions were not department specific but the implementation was across government departments. Thus the focus was broadly on the rural question in the implementation of rural sanitation, rural transport; rural housing strategy the comprehensive social security programme and social wage, free basic education services; no fee paying schools, subsidised housing etc. have made an impact in rural areas. However the limited successes of previous rural development strategies has lead government to develop and implement a comprehensive strategy of rural development that is aimed at improving the quality of life of rural households, enhance food security through a broader base of agricultural production, and exploit the economic potential that each region enjoys. To this end the Comprehensive Rural Development Programme (CRDP) was conceived as a strategic priority within the government's current Medium Term Strategic Framework (MTSF). The vision of the CRDP is to create vibrant equitable and sustainable rural communities. It seeks to address poverty and food insecurity through maximizing the use and management of natural resources. It also seeks to rectify past injustices and improve the standard of living and welfare through rights based interventions that address skewed patterns of distribution and ownership of wealth and assets. The primary objective is to facilitate integrated development and social cohesion through participatory approaches in partnership with all sectors of society.¹⁶ Notably within the broad contours of the objective thrust of the CRDP also lies the NDA' strategic mandate of supporting and strengthening civil society (CSO's) in pursuit of programmes that meet the development needs of the most vulnerable of our society- the rural poor , women, youth and the disabled. According to

¹⁵ See: http://www.rimisp.org/wp-content/uploads/2010/05/Paper_T.T_Gwanya.pdf.

¹⁶ Ibid.

the CRDP, the ultimate vision of creating vibrant, equitable and sustainable rural communities will be achieved through a three- pronged strategy based on:

- a co-ordinated and integrated broad based agrarian transformation;
- rural development infrastructure and;
- an improved land reform programme.

The intergovernmental and agency based nature of the CRDP also means that government agencies such as the NDA have a role to play in for instance mobilizing resources to support small scale agricultural projects while at the same time assisting civil society organisations and community based organisations to build capacity necessary to roll out poverty alleviation interventions.

5.3 Role of the NDA

The NDA's Strategic Document 2010-2013 sets out in detail exactly how the NDA will fulfil its mandate over a three year period (2009-2012). Consistent with the CRDP's intentions, NDA's Strategic Document 2009-2012 envisages a fit and a role in the agrarian, rural and local economic development (LED) areas identified by the CRDP and other government initiatives aimed at fighting poverty and levels of inequality in South African society. The Zamukuphila Piggery Farming Co-operative Project's resolve of generating income through rearing and selling of pigs whilst creating jobs for co-operative members has resonance with the NDA's Strategic Document, namely: the granting of funds and mobilisation of resources to support rural development, food security, poverty alleviation and income generation projects. Additionally this evaluation is informed by the KPI's set out in the Strategic Document (p.18), namely: assessing the impact of funding support on beneficiaries.

The NDA Act envisages the granting of funding to civil society organisations to implement integrated and sustainable community driven programmes and contribute towards the eradication of poverty by supporting the creation of opportunities for communities to productively use locally available resources through income generation initiatives.

Zamukuphila fits neatly within the first area identified by the NDA Act, namely: the granting of funds for income generation projects. Additionally this evaluation is informed by the KPI's set out in the Strategic Document (p.18), namely: assessing the impact of funding support on beneficiaries.

6. METHODOLOGY

The Evaluation utilised five main avenues:

- Document Analysis- Documents reviewed include Zamukuphila's project proposal, the Grant Agreement between the NDA and Zamukuphila, monthly

activity reports, project files (including activity, progress reports etc.), project implementation reports and financial statements.

- Key informant interviews- The management, board and operational staff was interviewed. This proved crucial for a complete understanding of the history of the organisation and current operational involvement and management of the day to day running of the organisation. To this end targeted interviews were held with Zamukuphila's management: the Co-ordinator (Mr Michael Sofika), telephonic interview with Zamukuphila's Book- Keeper (Mrs Nyameka Mpumlwana), face to face interviews and focus group discussion with co-operative and board members: Ms Abongile Sophini (Treasurer), Ms Nomandla Maqokolo (Vice Chair), Mr Lukhanyo Sebetwa (Chair), Mr Delpport Nolangeni (Secretary), Ms Zimkile Yekiso, Mr Onke Yonzi, Sakhumzi Msindo and Ms Nonkozo Mfino.

- A project site inspection of the piggery farm was undertaken.

6.1 Unit of Analysis

The current evaluation is based on two main units of analysis. The first of these is the project itself (piggery farm) which is the intervention through which the co-operative is meant to benefit. To some extent there is also some attention to stakeholders (i.e. the district municipality and the broader community) - but mainly for the purpose of establishing the efficacy and impact of the project. The second unit of analysis is the financial analysis- that is an analysis of financial disbursements, protocol and reporting between the NDA and Zamukuphila.

6.2 Evaluation Criteria

The key evaluation criteria employed in the present analysis are as follows:

- Relevance of objectives- the extent to which the goals and objectives of the project remain valid and relevant

- Impact- the extent to which the project achieves the deliverables enunciated in the grant agreement

- Sustainability- the durability of the project or project results in the absence of further support by the NDA, although it must be underlined that the exact meaning of sustainability in the current evaluation is adapted to the present project type.

- Institutional capacity and development impact- the extent to which institutional systems are successfully adapted to ensure that activities and deliverables are rolled out.

- Scale of engagement- the magnitude of the project relative to the size of the target group or problem that government is attempting to address.
- Targeting- the success with which the intervention is directed at those who most need it or for whom it is meant
- Partnerships- the extent to which project interventions interact positively or negatively with other projects or with other developmental goals/ problems and including considerations of spatial coherence.
- Monitoring and evaluation- whether or not an internal effective monitoring and evaluation mechanism is in place to ensure that the progress of the project is monitored and its effects and impact evaluated.

7. RESULTS AS STATED IN THE FUNDING PROPOSAL

The project outcomes as set out in the Grant Agreement for the first phase reporting phase are:

- a) To create 15 jobs for the co-operative members
- b) To train 15 members of the co-operative on competency skills required for the current farming activities
- c) To purchase feed, medication, 150 piglets for the co-operative
- d) To breed and produce quality pigs for the local market and;
- e) To earn income from selling the pigs

Below is an evaluation of project deliverables as set out in the Grant Agreement.

a) To create 15 jobs for the co-operative members

The co-operative's membership has been in a state of flux since its formation. This has however not substantially affected project implementation as will be seen below. When the co-operative was formed in 2008 it comprised of 7 members: Mr Delpont Nolangeni, Ms Bathabile Soga, Mr Mzwabantu Dyayinga, Ms Nolufefe Baleni, Ms Nomhlobo Wezile, Mr Bonakele Ndevu, Mr Michael Sofaba and Mr Sinethemba Mbulungwane. By 2012 all the members with the exception of the founding members- Mr Michael Sofaba and Mr Delpont Nolangeni had left the co-operative owing to factors ranging from lack of profit and the expulsion of certain members after the institution of disciplinary proceedings against them. Current members joined in 2012-2013 and are:

- Ms Zimkile Yekiso
- Mr Onke Yonzi
- Mr Sakhumzi Msindo
- Ms Nonkozo Mfino
- Mr Solomon Mphaliso
- Ms Abongile Sophini (Treasurer)

- Ms Nomandla Maqokolo (Vice Chair)
- Mr Lukhanyo Sebetwa ((Chair)
- Mr Delpont Nolangeni (Secretary)
- Mr Michael Sofaba (Project Co-ordinator)

Thus in total the current co-operative membership stands at ten including its two founding members. This- as will be seen below when we deal with recommendations and way forward will be noted as symptomatic of the generally high mortality rate of co-operatives in South Africa. A recent Department of Trade and Industry (DTI) notes that while the registration rate of co-operatives is very impressive, the survival rate of these entities is not, indicating that mortality rates are unacceptably high.¹⁷ Zamukuphila is no exception to this national trend. Sofaba the founding chair of Zamukuphila acknowledged that they were not able to constitute a membership figure of 15 and thus create 15 jobs as per grant agreement stipulation. This according to Sofaba has been as a result of a combination of factors including the absence of a shared vision, approach and financial trust amongst co-operative members who left in 2012. Sofaba goes further to note that: “a co-operative is premised on always placing collective interest before individual interest- free riders, opportunism, theft and self-interest have been at the heart of their inability to grow.”¹⁸

The evaluation therefore finds that whilst 15 jobs were not created the co-operative has created 10 decent work opportunities where the elements of adequate earning, decent hours of work and a safe work environment have been achieved. 9 co-operative members work as general labourers and earn R1 200.00 p/ month; a Book- Keeper earns R1 800.00 p/ month whilst the Project Co-ordinator earns R2 800.00 p/ month. The monthly earnings exclude the collective savings derived from the co-operatives income which currently sits at R10 004.32 for the 2013-2014 financial year.¹⁹

b) To train 15 members in competency skills required for the current farming activities

The co-operative has attended 4 training courses/ programmes during the duration of project implementation. Two of these are SAQA accredited. The courses are as follows:

- Training on Financial Management and Governance at the Country Lodge in Umtata on 21 May 2013 rolled out by Khanyanjalo Development Services.
- First Aid Training on 8 March 2013 at the Umtata St John’s Hospital. This training programme is SAQA accredited at Level 1.
- Training on Pig Production: Beginner’s Training Course on 27 May to 7 June 2013 in Pietermaritzburg, Kwa Zulu Natal. This training programme is SAQA

¹⁷ See Baseline Study undertaken by the DTI in 2012:

http://www.dti.gov.za/economic_empowerment/docs/coops/legis_policy/coop-strategy.pdf.

¹⁸ Interview with Mr Michael Sofaba, Co-ordinator of Zamukuphila held on 19.05.2014.

¹⁹ Focus group discussion with co-operative members held on 19.05.2014.

accredited at NQF level 1 and was conducted by the Baynesfield Training Academy

- Training on Piggery Management Skills including Business and marketing Skill on 28 January to 03 February 2012

Co-operative members noted during the focus group discussion that the training programmes have been invaluable and most importantly because some are accredited they provide life- long educational opportunities in the areas of veterinary care and general office administration, financial management and book- keeping. The co-operative's members singled out the First Aid Training and Training on Pig Production as having been beneficial for the day to day running of the piggery farm. The First Aid Training came handy as members are now able to provide emergency first aid care for workers and administer preventative animal health care procedures such as vaccinations and medications that assist in the reduction of incidences of pig diseases etc. During the focus group discussion, members cited an incident in February 2014 where a member (Mr Abongile Sophini) whilst placing pig feed in the pigsty was attacked by a male pig (Boar) after it lowered its head, charged and slashed upward with its tusk injuring Sophini on the forehead. Sophini was promptly attended to by members through the administration of anti-rabies vaccine and a dose of anti-immunoglobulin to strengthen his immune system and then taken to Umtata Hospital.²⁰

Members also noted during the focus group discussion that the Training on Piggery Farming has improved pig hygiene and this has resulted in improved pig breeding and production. Importantly Zamukuphila through training programmes listed above has since the beginning of 2014 conducted training on piggery farming and first aid kit administration for other small and fledging co-operatives in Umtata such as Sinethemba Co-operative, Qokolweni Co-operative and Sinenjongo Co-operative.

Based on the afore-going the evaluation finds that the co-operative has successfully met the deliverable of training 15 members in competency skills required for the current farming activities. Even more Zamukuphila has through its own initiative empowered a further three co-operatives in Umtata resulting in training programmes under the current Grant Agreement being simulated in other sites. The impact and reach of training programmes targeted at Zamukuphila has thus been felt beyond its environs.

c) To purchase feed, medication, 150 piglets for the co-operative

Purchase of feed for the co-operative: The benefits of Training on Pig Production and Piggery Management Skills meant that the co-operative started applying accepted patterns of pig feeding and nutrition geared for commercial pig farming. For instance the co-operative initially applied conventional diets (bran, samp millies with salt etc.) which over time have been used on indigenous household pigs. The transition to commercial pig production has precipitated a fundamental shift by the co-operative not only in the choice of feed but also in the selection of pig type for production and fertility. According

²⁰ Tele- interview with Ms Nyameka Mpumlwana, the Book- Keeper of Zamukuphila held on 02 June 2014.

to Sofaba the co-operative now procures white coloured piglets as opposed to the dark coat coloured piglets. The dark coat coloured piglets are indigenous pigs in southern Africa, they are small in size, with mature weights of about 100 kg. They have low maintenance and less growth nutrient requirements. The white piglets on the other hand have higher feed and nutrient requirements and also require high quality feeds- with ingredients such as fish-meals, artificial amino acids and mineral/vitamin premixes. In the main diets for exotic pigs are cereal-based requiring diets that contain over 65% grain. The nutritional requirements of white piglets enhance their growth rate by four to five times more than the indigenous dark coat coloured pigs.²¹ This new way of rearing and growing piglets has exerted substantial financial demands on the co-operative. Now the co-operative uses creep feed. Creep feed according to Sofaba is feed that combines a base of cracked corn, rolled oats, alfalfa, brewer's grain and additional ingredients that include rolled barley, soybean meal, soybean hulls, molasses, dicalcium phosphate and mineral salts. 50kg of creep feed for piglets (0- 4 months) costs R350.00. Creep feed for pigs above 4 months is R290 00 per 50kg. A boar and soar (mature male and female pigs) creep feed on the other hand costs R500 00 per 50kg.²² The co-operative's Treasurer- Mr Abongile Sophini notes that according to his records 50kg is consumed daily by 22 pigs. Thus on a monthly basis the co-operative buys just over 1500kg of creep feed at an estimated cost of not more than R10 500 monthly and R64 683 over 12 months.

Purchase of medication: one set of medication is procured for routine medical applications and another for recurring common pig illnesses. As a result of the training programme on Pig Production and Piggery Management Skills immediately after project commencement the co-operative bought antibiotics or anti-bacterials to treat coughs and pneumonia and dectomax to treat skin lesions in pigs called mange. The co-operative also bought 10 tooth- nippers to cut piglet teeth 3 days after birth. The co-operative also bought Duroc boar which is a sperm injected on a sow for artificial insemination.²³

According to the co-operative's book- keeper the amount spent on medication is R12 344.90 for the entire duration of project implementation (12 months).

The overall total costs for feed and medication on a monthly basis come to R19 000. According to Sophini these two line items exert a huge financial cost to the project and as a result salaries are sometimes cut in certain months in order to meet these operational needs.

Purchase of 150 piglets: Sofaba states that the co-operative purchased 30 piglets on 09 April as soon as the first tranche of NDA funding was received on 15 March 2013. A further 15 piglets, 3 boars and 2 sows were purchased in July 2013. Of this 50- 3 boars and 2 sows aged 1 year and above and 45 were piglets aged 0-12 months. The boars and sows and 15 piglets aged 8 months were purchased from Graaf Reinet; 10 piglets

²¹ Interview with Project Co-ordinator Mr Michael Sofaba on 29.05.2014.

²² Ibid.

²³ Interview with Mr Abongile Sophini- Treasurer of Zamukuphila Co-operative on 29.05.2014.

aged 6 months were purchased from Centani in Butterworth and; 20 piglets aged 5 months were purchased from Noludada in Umtata.

Sophini, the co-operative's Treasurer broke down the piglet's pricing as follows:

- 3 boars and 2 sows: R5000- R7 000.00
- 15 piglets (8 months): R2 600.00
- 10 piglets (6 months): R1 800.00
- 20 piglets (5 months): R1 800.00

Sofaba conceded that the co-operative did not purchase 150 piglets as per the Grant Agreement deliverable out of a concern that they will die. Co-operative members during the focus group discussion also contended that they wanted to go through training and procure medicines and the correct feed before they commit the project to 150 piglets at a go.

d. To breed and produce quality pigs for the local market

As soon as the 50 pigs and piglets arrived- the 2 sows were injected with Duroc boar which is a sperm injected for artificial insemination. The 2 sows gave birth to 4 piglets which died on birth. Ms Nomandla Maqokolo, the co-operative vice chair cited the old age of the sows as the primary reason for the death of the piglets during birth. Duroc boar was administered on another four female pigs and they also died with piglets during birth. The co-operative called in a veterinary from the Umtata Animal Clinic Dr GG Bawuti who after a thorough examination of the pigs and piglets recommended that they must be isolated and exterminated because tapeworms or measles cannot be treated and will infect other pigs. 24 pigs were killed leaving 26.²⁴

Artificial insemination was re- applied on four healthy sows. 2 sows gave birth to 8 and 15 piglets respectively. The other 2 sows gave birth to 7 and 14 piglets respectively which all died on birth.

In total- from an initial investment of 50 pigs- 49 are left. The evaluation finds that the deliverable of breeding and producing quality pigs for the local market was not met. The main contributing factor for failure to meet this deliverable is that the co-operative was suddenly faced with a transition from low level pig production to commercial pig farming and production with its attendant challenges of pig selection, nutritional know-how, timeous detection of illnesses and correct application of medicines.

e. To earn income from selling pigs

According to Sofaba- under the current Grant Agreement a total of 72 pigs have been sold by the co-operative. The sales were recorded during the periods December 2013; February and March 2014. Sofaba notes that sales have been a resounding success and that a formidable foundation has been laid for the growth of the co-operative. Prior

²⁴ Interview with Ms Nomandla Maqokolo- Vice Chair of the Co-operative on 29.05.2014.

to initiating sales the co-operative launched a marketing drive where an interview was conducted on Umhlobo Wenene FM's midday show in November 2013 and at the University of Transkei's (UNITRA) Community Radio Station; a calendar (2014) was printed and distributed in January 2014 to abattoirs and butcheries. The calendar cost R150 each to print and the co-operative printed 100 calendars. Promotions at pension pay-points at the end of the month are also undertaken on a regular basis as part of the marketing drive.²⁵

In June 2013 the co-operative secured a month to month contract from the Transkei Meat Industries to supply pigs for slaughter. Previously the co-operative used Mzikantu Meat Industries but terminated the agreement due to the low price paid per kilogram. Transkei Meat Industries pays R28 per kg whilst Mzikantu pays R14 per kg. The current rate paid by the co-operative to Transkei Meat Industries is R20 per kg minus transport costs charged by Transkei Meat Industries to collect the pigs from the site to the abattoir. According to Sophini- on average the co-operative sells 4-6 and more pigs a month. These sales have stretched over the period of December 2013 to-date totalling 72 pigs.²⁶ On a monthly basis the co-operative banks R19000- R22 000.00 from sales and thereafter deducts monies for pig feed (R10 500- R14 000.00) and medication totalling

Sophini points to the high costs attendant upon running a pig farming operation as inevitable and as a result in certain months co-operative members have had to forego their salaries. Pig feed and medication are primary resources for successful operation of a pig farm and therefore non- negotiable. These costs have pushed down the co-operative's earnings.²⁷ On 16 May 2014 the MEC for Agriculture and Rural Development, Mr Sydney Mesebeni visited the site and recommended that the co-operative plant sunflower and soya beans and process these into pig feed. The co-operative has since approached Chief Monwabisi Morris Njemla, the custodian of 240 plots of tribal land scattered across Umtata in the Dalindyebo Sabata Municipality who has agreed allocate 14 hectares of land adjacent to the current site. The co-operative intends to start farming sunflower and soya beans in September 2014 to serve as a feeder for the pig farm's nutritional needs.

From the fore- going the evaluation finds that the co-operative has successfully met the deliverable of earning income from the sale of the pigs. Notwithstanding the low profit yield and sometimes members forfeiting monthly salaries- the pig farm has proved itself as a viable source of livelihood for the co-operative membership.

8. EFFECTIVENESS OF THE PROJECT

²⁵ Focus group with co-operative members held on 29.05.2014.

²⁶ Interview with Abongile Sophini on 29.05.2014.

²⁷ Ibid.

Efficiency is judged on the basis of management processes, timeousness of planned activities and the ultimate delivery of outputs to beneficiaries. It is concerned with the use of resources (inputs) to produce budgeted outputs set out in the Grant Agreement.

The evaluation findings showed that the project was not well executed owing to the ill-experience of the co-operative in commercial pig farming and having to dedicate most of the implementation period adapting to the rigours of commercial pig farming i.e sourcing the right pig feed and sourcing appropriate piglets and most importantly the failure of the co-operative to recruit an additional 5 members to meet the 15 co-operative membership threshold as stipulated in the Grant Agreement.

Thus considering the above- mentioned challenges taking into account the budget timelines- the evaluation finds that the project has not been effective: specifically if one considers that the co-operative procured 50 pigs and eventually 49 are left. Pig production has thus not been effective. The imperative of resource usage and management was further compromised in this regard as only 72 pigs were sold out of an initial investment of 50 pigs..

9. CAPACITY OF THE ORGANISATION

Zamukuphila has a well constituted board and management committee. Zamukuphila maintains close ties with the local chief- Monwabisi Morris Njemla, the King Dalindyabo Sabata Municipality and the provincial Department of Agriculture and Rural Development. Further, the co-operative utilises the services of Khanyisa Consulting- a book-keeping, project and financial management consulting organisation based in Umtata. The organisation has seconded Ms Nyameka Mpumlwana as a Book-Keeper for Zamukuphila.

It is also worth- pointing out that whilst the project has not achieved some of the key deliverables set out in the Grant Agreement- 4 training programmes²⁸ delivered during project implementation phase have bolstered the co-operative's capacity to engage in thorough-going commercial pig farming and production going into the future.

The evaluation therefore finds that Zamukuphila's capacity from within its organisational ranks coupled with ongoing competency and life skills training and the support of key stakeholders i.e Department of Agriculture and Rural Development; King Dalindyabo Sabata Municipality; Chief Monwabisi Morris Njemla etc. has put the organisation and by extension the current project in good stead to overcome the challenges experienced during the implementation of the current project.

10. CENTRE DEVELOPMENT

²⁸ Training on Financial Management and Governance; First Aid Training; Training on Pig Production and Training on Piggery Management Skills.

Centre Development is concerned with the extent to which the project ensures the community is developed. It goes without saying that the training of 10 co-operative members on a range of skills such as Training on Financial Management and Governance; First Aid Training and; Training on Pig Production and Training on Piggery Management has not only empowered co-operative members to have the ability to run a pig farm but also life and educational skills that will be applicable and relevant beyond the life of the project. Specifically- the First Aid Training is SAQA NQF Level 1 accredited and Training on Pig Production is SAQA NQF Level 1 accredited. The importance of such training programmes with a lifelong educational component for uneducated rural communities cannot be over- emphasised.

Whilst the project did not meet a key deliverable of benefitting 15 co-operative members and instead had only 10 members on board for the duration of project implementation- the fact that decent work opportunities for a group of people whose profile is young and predominantly female should not be overlooked. Out of the 10 co-operative members: 7 are between the ages of 17-35 and the remaining 3 are 41, 44 and 43 years of age respectively. 5 co-operative members are women whilst 3 are disabled: Mr Lukhanyo Sebetwa is mentally challenged and Mr Abongile Sophini is partially blind.

Further Zamukuphila- in its procurement of 50 piglets during project commencement used a co-operative in Graaf Reinet. 20 of the piglets were purchased from

At the beginning of the year (2014) Zamukuphila owing to its wide ranging training and knowledge of pig production and first aid administration in in pig farming was approached by three co-operatives in the Umtata area to roll out training on Pig Production and First Aid Training. These co-operatives are: Sinethemba Co-operative, Qokolweni Co-operative and Sinenjongo Co-operative. In January and February 2014, Zamukuphila successfully rolled training programmes to these co-operatives.

Thus in addition to benefitting the 10 members of the co-operative, Zamukuphila has reached out to the wider community in Umtata specifically in the area of training and empowered fledging pig farming co-operatives.

11.IMPACT OF THE PROJECT

The current evaluation- consistent with the NDA's Strategic Document evaluates the impact of Zamukuphila pursuant to funding support granted for the 2013-2014 period. The Grant Agreement sets out the following as objectives to be achieved during the funding period:

- a) To create 15 jobs for the co-operative members
- b) To train 15 members of the co-operative on competency skills required for the current farming activities
- c) To purchase feed, medication, 150 piglets for the co-operative

- d) To breed and produce quality pigs for the local market and;
- e) To earn income from selling the pigs

According to Kirkpatrick (2004) evaluations of most projects have focused on cost benefit approaches by assessing their use of project funds in delivering project specific goals. However some outputs of development projects such as capacity building improvements and food security are difficult to measure using a cost benefit analysis. Indeed the decisive measure of project success is not whether the planned outputs have been achieved but what impact the activities of the project have provided and whether the stakeholders are satisfied- in this instance the incubates- being the ultimate beneficiaries of the current project have benefitted immensely.

The project has had a significant impact on the 10 co-operative members. Decent jobs have been created over a 12 month period and beyond NDA funding support; invaluable life and competency skills in the area of pig production and farming have been gained and; most importantly the long term income generation prospects of the co-operative have been laid. Importantly co-operative members through earnings from the sale of pigs are able to support their families and guarantee household security. Training puts co-operative members in good stead to be marketable on the pig production sector.

12. SUSTAINABILITY

Sustainability is concerned with the capacity of the project to achieve its objectives over a long time and the durability of the project within the broad social, economic and political environment in which it is located. In this particular instance, preconditions for sustainability include; governance; professional capacity; community and buy- in from community structures to roll out project intervention, infrastructure and political support.

The evaluation finds that Zamukuphila has significant governance and professional capacity to successfully carry out the pig farming operations beyond the NDA funding period. If one has regard to Zamukuphila's network that runs deep into the fibre of local government in the King Dalindyebo Sabata Municipality, the Umtata General Hospital, the local traditional authority (Chief Monwabisi Morris Njemla); the provincial Department of Agriculture and Rural Development- the project is capable of achieving its objectives on a long term sustainable basis. For instance, Zamukuphila has secured an additional 14 hectares of land allocated by Chief Monwabisi Morris Njemla for the farming of sunflower and soya beans to alleviate the huge financial burden currently experienced by the co-operative of buying pig feed.

Most importantly Zamukuphila has recently entered into an agreement (March 2014) with Ntinga O.R Tambo Development Agency in terms of which the municipality has undertaken to collect pig scab/ pig manure as it is a critical ingredient for the production of fertiliser and most importantly gas or methane production for power plants. Ntinga O.R. Tambo Development Agency is a service utility company established by the O.R. Tambo District Municipality as a Special Purpose Vehicle responsible for spearheading Local Economic Development in the O.R. Tambo district. At the time of the evaluation-

the Agency and Zamukuphila were finalizing a compensation formula for the collection of pig manure/ scab. This definitely bodes well for the long term sustainability of the co-operative.

13. FINANCIAL ANALYSIS

In addition to an examination of activity reports etc. the evaluation also interrogated each line item on the approved budget against activity areas in the Grant Agreement with the co-operative's management team and found deviations in the purchase of piglets- 50 instead of 150 were purchased.

Finally the management team noted that financial disbursements and protocol between Zamukuphila and the NDA provincial office have been proper. If one has regard to the timeous disbursement of the tranches of funding, for example: the Grant Agreement was signed on 01 February 2013 and the first tranche was available for project implementation on 15 March 2013 (R208 120.00)- this set a good tone for the entire duration of project implementation. The same applies to the timeous disbursement of subsequent tranches of funding i.e 01 August (R166 496.00) and 26 March 2014 (R41 624.00).

14. CONCLUSIONS

14.1 Evaluation Findings

The current evaluation- consistent with the NDA's Strategic Document evaluates the impact of the Incubation Support Project pursuant to funding support granted for the 2013-2014 period:

- The project failed to meet a key deliverable under the Grant Agreement which is to create 15 jobs for co-operative members. 10 jobs were created. The inability to retain members in co-operatives is symptomatic of the generally high mortality rate of co-operatives in South Africa. Zamukuphila is no exception to this national trend. The failure to retain 15 members and consequently create 15 jobs is due to a combination of factors including the absence of a shared vision, approach and financial trust amongst co-operative members who left in 2012. The evaluation therefore finds that whilst 15 jobs were not created the co-operative has created 10 decent work opportunities where the elements of adequate earning, decent hours of work and a safe work environment have been achieved. 9 co-operative members work as general labourers and earn R1 200.00 p/ month; a Book- Keeper earns R1 800.00 p/ month whilst the Project Co-ordinator earns R2 800.00 p/ month. The monthly earnings exclude the collective savings derived from the co-operatives income which currently sits at R10 004.32 for the 2013-2014 financial year.
- The co-operative has successfully met the deliverable of training members in competency skills required to run the piggery farm. 4 training courses/

programmes were attended by 10 co-operative members and two of these are SAQA accredited. The training programmes have enabled Zamukuphila to roll out training to other fledging co-operatives in the Umtata area on Pig Production and Farming- the co-operatives that have benefitted are: Sinethemba Co-operative, Qokolweni Co-operative and Sinenjongo Co-operative. The impact and reach of training programmes targeted at Zamukuphila has thus been felt beyond its environs.

- Purchase of feed for the co-operative: The co-operative has succeeded in managing the transition from being a traditional pig farming operation to a commercial pig production operation and its use of accepted nutritional standards in pig farming is testament to this. For instance the co-operative initially applied conventional diets (bran, samp millies with salt etc.) which over time have been used on indigenous household pigs. The transition to commercial pig production has precipitated a fundamental shift by the co-operative not only in the choice of feed but also in the selection of pig type for production and fertility.
- The co-operative successfully met the deliverable of purchasing feed in that during the project implementation period the co-operative bought creep feed. Creep feed is feed that combines a base of cracked corn, rolled oats, alfalfa, brewer's grain and additional ingredients that include rolled barley, soybean meal, soybean hulls, molasses, dicalcium phosphate and mineral salts. 50kg of creep feed for piglets (0- 4 months) costs R350.00. Creep feed for pigs above 4 months is R290 00 per 50kg. A boar and soar (mature male and female pigs) creep feed on the other hand costs R500 00 per 50kg. 50kg is consumed daily by 22 pigs. Thus on a monthly basis the co-operative buys just over 1500kg of creep feed at an estimated cost of not more than R10 500 monthly and R64 683.10 over the project implementation period .
- Purchase of medication: The co-operative successfully met this delivery under the Grant Agreement. During project implementation the co-operative purchased one set of medication for routine medical applications and another for recurring common pig illnesses. The co-operative also bought antibiotics or anti-bacterials to treat coughs and pneumonia and dectomax to treat skin lesions in pigs called mange. The co-operative also bought 10 tooth- nippers to cut piglet teeth 3 days after birth. The co-operative also bought Duroc boar which is a sperm injected on a sow for artificial insemination. The amount spent on medication during the duration of project implementation is R12 344.90.
- Purchase of 150 piglets: The co-operative did not meet the deliverable of purchasing 150 piglets but instead purchased 30 piglets as soon as the first tranche of NDA funding was received on 15 March 2013. A further 15 piglets, 3 boars and 2 sows were purchased in July 2013. Of this 50- 3 boars and 2 sows aged 1 year and above and 45 were piglets aged 0-12 months. The boars and sows and 15 piglets aged 8 months were purchased from Graaf Reinet; 10 piglets aged 6 months were purchased from Centani in Butterworth and; 20

piglets aged 5 months were purchased from Noludada in Umtata. The co-operative conceded that it did not meet the target of 150 as set out in the Grant Agreement out a fear that the piglets will die when purchased in big numbers. Co-operative members contended that they wanted to go through training and procure medicines and the correct feed before they commit the project to 150 piglets at a go.

- The co-operative also failed to meet the deliverable of breeding and producing quality pigs for the local market. Of the 50 piglets bought 24 were separated and killed because they were suffering from tapeworms or measles which cannot be treated and will infect other pigs. The project was left with only 26 piglets from which to undertake artificial insemination. Artificial insemination was re- applied on four healthy sows. 2 sows gave birth to 8 and 15 piglets respectively. The other 2 sows gave birth to 7 and 14 piglets respectively which all died on birth. In total- from an initial investment of 50 pigs- 49 are left. The evaluation finds that the deliverable of breeding and producing quality pigs for the local market was not met. The main contributing factor for failure to meet this deliverable is that the co-operative was suddenly faced with a transition from low level pig production to commercial pig farming and production with its attendant challenges of pig selection, nutritional know-how, timeous detection of illnesses and correct application of medicines.
- To earn income from selling pigs: The evaluation finds that this deliverable was not met. As a result of muted breeding and low pig production a small number of pigs were sold. In the end a total number of 72 pigs have been sold by the co-operative. The sales were recorded during the periods December 2013; February and March 2014. On average 4-6 pigs were sold a month. These sales have stretched over the period of December 2013 to-date totalling 72 pigs.
- The evaluation also finds that whilst some key deliverables have not been met as noted above- a solid foundation has nonetheless been laid for the growth of the co-operative. This period has seen the co-operative embarking on a successful marketing drive which resulted in two supplier agreements being secured with major meat stockists and distributors in Umtata, namely: the Transkei Meat Industries and Mzikantu Meat Industries. The co-operative has also been able to secure a relationship with Umhlobo Wenene and University of Transkei Radio for marketing the co-operative during mid-day slots targeted at promoting small business.
- Lastly the evaluation finds that the co-operative has managed to create strategic partnerships with key stakeholders and this bodes well for the sustainability of the project. For instance- the co-operative has established healthy working relations with the King Dalindyebo Sabata Municipality, Ntinga O.R Tambo Development Agency, the Umtata General Hospital, the local traditional authority (Chief Monwabisi Morris Njemla) and; the provincial Department of Agriculture and Rural Development.

14.2 Challenges

- The evaluation finds that whilst serious headway has been made in the areas of building long term partnerships with local stakeholders and harnessing the profile of the co-operative through broadcast and other media (i.e the printing and distribution of calendars promoting the co-operative etc.) - the transition from low level pig farming to commercial pig production and farming has taken a toll on the co-operative: the separation and termination of 24 pigs after they had been bought and the subsequent death of piglets after birth following artificial insemination procedures are cases in point.

14.3 Lessons Learnt

- Lastly the limitations of a co-operative as a commercial vehicle suitable for building and sustaining a viable enterprise is laid bare in the current case. The evaluation notes that the inability of Zamukuphila to empower and create for 15 members is a function of some of the deep seated problems attendant upon the co-operative model. That the co-operative was only able to create 10 instead of 15 jobs as per Grant Agreement stipulation is symptomatic of the generally high mortality rate of co-operatives in South Africa. In the current case- the absence of a shared vision, approach and financial trust amongst co-operative members saw other members leaving in 2012 leaving Zamukuphila with 10 members

14.4 Recommendations

- As indicated in the evaluation findings section above- there is a need to ensure that the inherent problems of the co-operative model are factored into the set of objectives outlined in project funding. Projects need to demonstrate steps they will take practically to obviate the challenges of ensuring that the vehicle they are relying upon to achieve project deliverables remains coercive and effective. Secondly despite an inability by Zamukuphila to meet key deliverables such as successfully breeding pigs at a higher rate- the importance of training in ensuring that further damage on pig production is halted must be commended. A series of training interventions on pig production, farming and management ultimately saved the current project. The importance of training as a critical measure to manage the transition from small scale household pig farming to thoroughgoing commercial pig production was brought to bare in the current project.

REFERENCES

Cooper, D. "Ownership and Control of Commercial Agriculture in South Africa". Paper Presented at the Workshop on The South African Agrarian Question: Past, Present and Future at the University of the Witwatersrand, May 22 – 24, 1987.

Kirkpatrick (2004) Regulatory Impact Assessment in Development and Rural Based Societies

National Development Agency (NDA) Strategic Document 2009-2013.

Integrated Development Plan (IDP) 2012/2017 King Sabata Dalindyebo Municipality

Status of Co-operative Support and Development in South Africa, 21 February 2012, Portfolio Committee on Economic Development, Cape Town
http://www.thedti.gov.za/parliament/082510_dti_State_of_Co-ops.pdf

Briefing on the Development and Support Programmes for Co-operatives: Empowerment and Enterprise Development Division (EEDD) 25 August 2010
http://www.thedti.gov.za/parliament/co-ops_support_inSA.pdf

The dti Integrated Strategy on the Development and Promotion of Co-operatives. Promoting an Integrated Co-operative Sector in South Africa 2012 –2022
http://www.dti.gov.za/economic_empowerment/docs/coops/legis_policy/coop-strategy.pdf

Stats SA report 2012 www.stasa.gov.za

SCHEDULE OF DOCUMENTS REVIEWED (AND ATTACHED WITH THIS EVALUATION)

- Grant agreement between the National Development Agency and Zamukuphila
- Zamukuphila Approved Project Budget
- Zamukuphila Progress Reports to the NDA



NDA

National
Development
Agency

LIMPOPO

Albatross Centre - Suite 8
19 Market Street
Polokwane
0700

Tel: 015 291 2492
Reception Ext (2201)
Fax: 015 295 7586
Email: limpopoprovince@nda.org.za

KWAZULU NATAL

Suite 1202
Nedbank Centre
303 Smith Street
Durban Club Place
DURBAN
4001

Tel: 031 305 5542
Fax: 031 305 5140
Email: kznprovince@nda.org.za

GAUTENG

10th Floor, Braamfontein Centre
23 Jorissen Street
Braamfontein

Tel: 011 339 6410
Fax: 011 339 6410
Email: gautengprovince@nda.org.za

EASTERN CAPE

The Ridge Building
Ground Floor,
3 Berea Terrace
Berea
East London
5214

Tel: 043 721 1226/7
Fax: 043 721 2096
Email: ecprovince@nda.org.za

NORTH WEST

Office 0113A
First Floor
West Gallery Megacity
Mmabatho
2735

PO Box 6118
Mmabatho
2735

Tel: 018 392 6892
Fax: 018 392 5432
Email: northwestprovince@nda.org.za

WESTERN CAPE

The Chambers Building
2nd Floor
50 Keerom Street
Cape Town
8001

Tel: 021 422 5175
Fax: 021 422 5180 EXT: 2002
Email: westerncapeprovince@nda.org.za

FREE STATE

Quantum Building
Office No 209 - 2nd Floor
172 Zastron Street
Bloemfontein
9300

Postnet Suite 131
Private Bag X 01
Brandhof
9324

Tel: 051 430 2024
Fax: 051 430 3376
Email: freestateprovince@nda.org.za

MPUMALANGA

Ground floor
Biwater Building Office 103
16 Branders Street
Nelspruit
1200

Tel: 013 755 1478 / 013 755 3777
Fax: 013 753 2244
Email:
mpumalangaprovince@nda.org.za

NORTHERN CAPE

13 Dalham Road
Kimberley
8301

PO BOX 390
Kimberley
8300

Tel: 053 831 4828/9
053 831 4831
053 832 3365
Fax: 053 831 4824
Email: northerncapeprovince@nda.org.za



NDA

National
Development
Agency

NATIONAL HEAD OFFICE

2nd Floor – Grosvenor Corner
195 Jan Smuts & 7th Avenue
Parktown North
Johannesburg
2193

P.O. Box 31959
Braamfontein
2017

Tel: (011) 018 5500
Web: www.nda.org.za
Email: info@nda.org.za



social development

Department:
Social Development
REPUBLIC OF SOUTH AFRICA



NDA

National
Development
Agency



sassa

SOUTH AFRICAN SOCIAL SECURITY AGENCY