



SOUTHERN AFRICAN POULTRY ASSOCIATION
SUIDER-AFRIKAANSE PLUIMVEEVERENIGING

Founded 1904 / Gestig 1904

DEVELOPING POULTRY FARMERS' ORGANISATION

CHAIRMAN'S REPORT 2010

**PRESENTED BY LIZ LEDWABA
AT THE 105TH SAPA CONGRESS
HELD ON TUESDAY, 31 MAY 2011
HOSTED AT EMPERORS PALACE, GAUTENG**



WELCOME

Honourable guests, ladies and gentlemen and my fellow farmers, I would like to welcome you to the 2011 annual general meeting (AGM) of the Developing Poultry Farmers Organisation (DPFO).

I would particularly like to thank God Almighty for guiding us on the mandate bestowed upon us. Although we have not yet done enough, we are encouraged by the progress so far.

INTRODUCTION

Already there is a sense of increased commitment within the DPFO committee, especially with our young and vibrant co-ordinator, as direction and focus are communicated and ideas and suggestions are galvanised into action.

The creation of the DPFO logo and the launch of it hopefully will further strengthen the visibility and presence of the organisation, encouraging membership and motivation amongst those who are already on board. No doubt this is the beginning of seeing the commercial potential and added value of belonging to the organisation. "Eendrag maak mag", unity is strength. There is a saying, "A business without a sign is a sign of no business", and hence there is a need for branding the DPFO.

Once more, I must point out the fact that the DPFO started a dynamic process of enabling emerging farmers to move into the mainstream of the economy and to intensify promotion of poultry products among the consumers. Going back to the Presidents' 2011 State of the Nation Address and in his call for job creation, the poultry industry contributes significantly to job creation and employment opportunities, both in the formal and informal sector, with 80% of the industry participating consisting of SMMEs. The magnitude of the figures suggests that poultry in the informal sector is a major resource for creating wealth and addressing food security. Thus the emerging sector has also the potential at a local level to enhance employment and food security, thereby supporting the process of 'vibrant' rural development (as per the plan of Minister of Rural Development & Land Reform, Gugile Nkwinti).

MEMBERSHIP

Compared to the previous years, our membership number has decreased tremendously. Our records show that previously we had 467 members with 148 fully paid-up members. For 2010, the total number of members stands at 93. Initially, we



went all out to get everyone on board; later, one realised that it was not sustainable and we decided to go slow and make big strides – “small footprint, big impact”. To address this dilemma the committee came up with the following suggestions:

- To have local and provincial structures in place
- Establish one structure in one district municipality in each of the nine provinces
- Resource the provincial representatives in terms of organising the farmers.

However, the committee concluded that mobilisation of members through provincial conferences, the launch of the logo and branding of the DPFO, and engagement in media slots might be the key solution to this dilemma.

COMMITTEE

At the 2010 AGM, the following committee was elected:

- Liz Ledwaba – chairperson
- Monde Dukashe – deputy chairperson
- Penny Daly
- Thammy Dlamini
- Jake Mokwena
- James Julius
- Bongiwe Kali
- Ephraim Mokhethi
- Thandi Masilela.

DPFO OVERVIEW

The DPFO as emerging poultry farmers participated in a new initiative of SAPA to, on a regular basis, collect information from emerging farmers. This is a case of knowledge giving you the edge to make informed decisions. This service aims to inform emerging farmers of the industry statistics and how they relate to their own situation. SAPA started collecting statistics from the DPFO members in an endeavour to create awareness of common industry concerns among developing farmers. During the last quarter, 150 farmers were interviewed. SAPA can now report on emerging farmers in the broiler industry including one hatchery and 121



broiler farmers, six contract growers and two abattoirs, and in the egg industry on 20 egg farmers.

Broilers

The potential number of broilers in rearing per cycle for the reporting period of the first quarter of 2011 from emerging broiler farmers respondents was 466 000, while the potential number of broilers for contract growers was 459 000, attributing the survey group with the potential to raise 925 000 broilers (chickens). This represented 0,9% of the total number of commercial broilers in rearing. Based on census figures for the reporting period, there was an estimated total of 97 500 000 commercial broilers in rearing in South Africa.

Egg farmers

Twenty egg farmers were interviewed, of whom six farmers temporarily stopped farming. Of the remaining 14 farmers, three emerging egg farmers buy day-old pullets and raise their own laying flock. In total they had the capacity to house 6 100 chicks at a time. The potential number of layers (egg-laying chickens) for the reporting period of the first quarter of 2011 from the egg-farmer respondents was 200 000 layers (on a census basis). This represents 0,7% of the total of 31,2 million layers (layer breeders and layers in rearing included) in the country on a census basis.

Conclusion of statistics

SAPA statistical reports for the DPFO can be downloaded from the SAPA website www.sapoultry.co.za under STATISTICS. We thank all the members who co-operated in this exercise and we extend an invitation to all DPFO members to participate in future. This will help us measure the performance of the industry as far as the DPFO is concerned.

FUNDING

In the past, SAPA funded the DPFO for all activities pertaining to the organisation. The committee regarded the annual subscription fee of R100 paid by members as a token of support and acceptance of responsibility for the funding of the



organisational activities. Only a few members paid the subscription fees, and the committee decided not to follow it up, because according to the statistics some of the farmers are no longer in operation. It was resolved by the committee that the outstanding subscription fees owed by DPFO members up to 2010 be written off as irrecoverable against the reserve funds of the DPFO. You will all be aware that at the previous AGM it was reported that SAPA had applied for the implementation of a statutory levy, in which the DPFO was also included. It was therefore agreed that at least 20% of the levies collected be spent on transformation. A strategic planning session in this regard was suggested. This took place in November 2010.

The following strategic issues were raised at the session and the budget will be applied for the following:

- Mobilisation of provinces – establish local and provincial structures of new members through meetings, study groups and workshops in each of the nine provinces
- Training
- Marketing
- Branding and launching of a DPFO logo
- Government involvement, lobbying
- Identifying funders, raising funds
- Research
- Leadership training
- Statistics
- Provincial conferences.

MARKET

Markets are still a dilemma. The co-ordinator and chairperson visited the Rainbow offices to harness any market opportunity available to the DPFO members. In this regard, Rainbow indicated that it was likely to invest in contract growers among farmers residing in KwaZulu-Natal and the neighbouring provinces.



The committee feels that a dedicated marketer should be employed for the local and international market. A service provider needs to be identified to conduct market research for the DPFO. The co-ordinator, however, will continue to be responsible for involving members and soliciting their opinions and buy-in.

TRAINING

The second DPFO committee meeting for 2010 was held at the KwaZulu-Natal Poultry Institute (KZNPI). This was to expose the committee to the facilities of the institute and to the services provided. The facilities of the institute seem to be most appropriate for theoretical and practical training. It is still envisaged that 270 poultry farmers will be trained per year, with the inclusion of extension officers from each of the nine provinces.

DPFO PAGE IN THE *POULTRY BULLETIN*

The *Southern African Poultry Bulletin* is the mouthpiece of the committee. It is therefore imperative that every activity concerning poultry in our provinces be published. Each member and relevant extension officer is urged to report on any event, important news or worthy material in this regard. However, it was agreed that committee members take the bull by the horn and each month take turns to report on any activity pertaining to poultry in their relevant provinces.

POULTRY HEALTH

What with El Niño and the floods that befell our country, it is crucial that all producers be on the alert and try by all means to prevent diseases by practising proper bio-security and acquiring knowledge of relevant vaccines and proper vaccination programmes. Concerning notifiable diseases, such as Newcastle disease and avian influenza, the best scenario, though, is to be transparent and report any signs of it.

DAY-OLD CHICKS

The difficulty of availability of day-old chicks is still the order of the day. It is a problem that broiler producers in the breeding industry themselves should be fully informed on. This will help farmers in the breeding industry to be aware of placing their orders well in advance. However, the co-ordinator will contact and sensitise all hatcheries regarding problems experienced by our members.

APPRECIATION

My sincere gratitude to all the donors towards the development of the DPFO. My heart-felt felicitations to SAPA and the staff for their endless effort in making the



DPFO what it is today. My thanks to the statistics team for all the information, and the CEO and the co-ordinator for their endeavour to make my job bearable. My sincere thanks to my predecessor, Mr Dukashe, for his contributions during his term of office as chair of the DPFO. He is not lost to the organisation, though, as he is still serving as the deputy chairperson. Thanks to all the committee members.

CONCLUSION

Do not throw out the baby with the bathwater as a result of the recession, just work harder and smarter, *kuzolunga kancane kancane. Ngiyabonga, thanks, dankie.*

