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Building Competitiveness for communal farmers through developing the wool value chain in the Free State Province of South Africa

Introduction

Over the past 30 years, there has been a major shift in agricultural markets and the international trade of agricultural products. The world is moving from local and national markets towards a global system of trading, which means that neighbouring farmers working on small plots of land may be competing with large industrial farmers from another country in a single marketplace.

In developing countries, there is increasing pressure on farmers to commercialise their operations. This change is driven by: declining land size, which means that farmers need more intensive production systems to support their family needs; urbanisation and rapid population growth and general modernisation, which means that farming families need to generate larger incomes to support their family needs and expectations in terms of medical support, education, transport, communication and to cover the rising costs of their cultural traditions.

In order to meet the drive for greater commercialisation, new skills must be developed to support the farmers in becoming better entrepreneurs. Assistance towards infrastructure must be provided; and furthermore the needs of farmers and other actors in the value chain, like market access, identified and catered for. For the farmer, this includes working with fellow farmers to develop farm plans, as well as working with various levels of farmer organisations, from groups to cooperatives, in areas of market analysis, financing, sales and building business opportunities for farming clientele.

In light of the above, the agricultural sector must be assisted in all possible ways to shift its focus from mere subsistence farming, as is still the case in many parts of the world, to sustaining the lives of millions of people on the planet.

As the agricultural sector starts to realize this more fundamental role, nature and responsibilities with regard to production, new strategies can be conceived to drive towards the enhancement of the socio-economic status of all role players in the agricultural sector.

The South African wool industry is in a privileged position and has ample opportunity for growth. Wool prices are doing remarkably well, and economists and wool buyers believe this trend will continue due to international market demand exceeding the supply. Furthermore, the creation of niche products from the wool will add to the existing value chain, creating more jobs and an opportunity for enlarging the export market.

Project Information

This project will thus be built around the commercialisation of wool production in the communal areas of the Free State Province by developing strategies to be implemented concurrently to attempt to manage or overcome the various challenges faced by these growers.



The overall objective is therefore to transform communal wool growers' production from an underachieving enterprise to a profitable, sustainable, and renewable venture to enhance the livelihoods of communal wool producers. In addition, with the extension of the value chain directly to consumers, job creation and development plays a vital role in supporting the South African National Treasuries' strategy.

This could be achieved by:

1. assisting in the establishing a centralised infrastructure hub, to support wool production and processing - the University of the Free State's experimental farm will be utilised for this purpose;
2. by building wool growers', sheep shearers' and men and women from the community's capacity by knowledge and skills training;
3. introducing formal structures to organise wool growers and link them to markets and as a result give them collaborative advantage; and
4. by assisting the beneficiaries to develop commercial market engagements for wool and wool products produced by the communal farmers and community men and women.

This project is designed to incorporate research and dissemination components. The research component will include the evaluation, testing and further development of certain technologies and social and economic situations. The lecturers, students from the University of the Free State and the interns from the TVET will be working closely with communal wool growers, commercial farmers and private industry. Although the facilities of the university will be utilized the practical and scientific knowledge of the three TVET staff will primarily assist in training farmers, shearers, classers and interns in areas such as wool classification. The interns from the Glen Agricultural College will also participate in the wool value chain by classing the wool etc. (under mentorship) at the university hub and becoming experts in the wool value chain. By utilizing the human resources (skills and knowledge) and non-human resource (University hub) all participants strive to more profitable and competitive communal wool growers in a changing global wool market.

The students will, more specifically, be involved in the following research projects:

1. Developing genetic enhancement solutions of sheep for optimal wool production in a communal farming setup [1 MSc student and all interns];
2. Designing effective wool farm management principles for communal farmers [1 MSc student and all interns];
3. Developing easy and cost effective wool processing techniques for community men and women [1 MSc student and all interns];
4. Value adding and market access of communal wool growers by developing a niche identity or brand for products [1 MSc student and all interns] and
5. Building competitiveness for communal wool growers by developing the wool value chain in the Free State Province of South Africa [1 PhD student].

In total, 1 PhD, 4 Masters and 10 intern students will directly benefit from this project. Both male (50%) and female (50%) students will have equal opportunity to study under this project. To facilitate cross-learning and mentorship, the PhD student will be expected to mentor the MSc students. The five students, together with University staff and commercial farmers will assist in mentoring the



interns. Members from industry like the National Wool Growers Association will also be involved to assist with technical matters. Ultimately, all interns shall directly benefit from mentorship in research design, data collection and analysis of all studies.

Thanks

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