



The HPSA Jozini Agricultural Model Project is funded the European Union

HPSA is working with farmers in KZN, through the Jozini Agricultural Model project, to increase productivity with their livestock. This project, funded by the European Union and Department of Rural Development and Land Reform, started in May 2015 and aims to support 2400 farmers over three years.

The Jozini Agricultural Project has now been working with farmers to increase their herds with an aim of increasing homestead wealth and allowing farmers that then have excess animals to sell through various channels such as auctions.



Goats being delivered by bakkie load to the auction are tagged and put into individual pens

Auctions set out to establish prices of goats so that in future speculators would not take advantage of farmers. They also create awareness of the importance of commercialising indigenous homestead kept goats in farmers minds. They help to establish an awareness to buyers of goats of the numbers and qualities of goats that were available in each of these areas. They are also a way to launch the project to farmers that weren't part of the project as well as municipal and tribal authorities. The final part is to identify and build up African auctioneers that could compete with the main market auctioneers, AAM and Vliesmart, in rural indigenous auctions.



Auction are big events and where there is no infrastructure like Jozini (right), the project provides gates and shade cloth

The project has successfully held auctions in all of the three project areas. There have been four auctions in total with over 1,200 goats sold and R1,500,000 in sales to farmers.



Buyers at auctions are both speculators and end users

The auctions were successful in terms of number of animals presented and prices set by the auction. The auctions though have established an important benchmark in terms of prices for different ages, sizes and sex of goats. Farmers in all the areas have been requesting follow up auctions as many of them held back their best animals unsure of what the auction would present. The word “indali” (auction in Zulu) is generally understood to be a clearance sale to get rid of excess stock and so usually prices are very low.

Many of these communities and farmers had never attended an auction or had a goat auction in the area in their lifetimes.

As this a learning process, the lessons from these auctions have been captured and are to be discussed in a research study group. One important lesson is around setting the number of goats to be presented in the lead up to the auction so as to maintain reasonable prices for our farmers. To date, the prices the highest and lowest prices that auctions have generated is R250 for young uncastrated males, R2000 for young females, R2500 for castrates.

The other part of this equation is based on the time the auction will start, how many buyers are expected and the distance from the nearest urban area. All of these lead to different buying habits with the largest factor being after lunch buyers start leaving and prices start dropping. Farmers generally resist their goats selling in lots of like sized goats which would normally increase the number of goats that could be presented.



Although farmers put the goats they are presenting in a pen, the goats are still sold one by one which slows everything down

A further issue has become clear is that auctions and their buyers are very specific around what sort of goats they are planning to take home. Currently, the auctions have only been for breeding stock which is mainly high value young females. The auctions for slaughter stock both in terms of cull animals or high value castrates have not really been explored but is planned for the future. These sort of auctions would need to be synchronised with religious or sacrifice ceremonies that create a demand for these animals.

Going forward, the project will be planning another round of auctions but also looking at how we can reduce costs compared to sales. Other models are also being tested and planned so as to increase volumes of goats out of the project areas. The next round of auctions will also try to pilot how large these auctions could be and whether the project could successfully promote selling in lots at the auctions.

