Introducing the Meat Naturally Pty:
- taking the communal livestock sector from
  “Grassroots to Grill”
NGO dilemmas:
- What happens after funding period?
- Small pilots are fine, but how to amplify?
Conservation as a land-use...
47% of livestock is on communal lands

53% of livestock is on private lands

5% of market

95% of market
Key barriers to market entry for communal farmers…

• Distance to market;
• Health of animals (presence of parasites in cattle);
• Condition of animals is often too poor to be attractive to meat purchasers;
• Little traceability and even proof of ownership lacking, branding;
• Current meat classification system not in favour of older naturally raised animals;
• Poor rangeland condition from historic overgrazing and “tragedy of the commons” management prevents herd improvement for commercial sale.
Rangeland Restoration: Ward 14, Matatiele, Eastern Cape

Introducing EcoRangers and collective herding
PILOT PROJECT

Conservation South Africa
Member of the CI Network
Herding and grazing management

• The aim is to both improve and restore veld and grazing as well as animal condition. Basic reasoning for the approach is as follows:

• Grass growth and need for rest
Continual grazing
• Repeated grazing during summer will deplete the plant strength and vigour due to depletion of root reserves;
• Repeated grazing year after year will result in **palatable species** (T. triandra) dying out and replacement by **non-palatable species**;
• Full growing season rest once every 3-5 years is essential to maintain plant vigour and to prevent veld degradation and a decrease in grazing capacity.
GRAZING AND REST
Different species of grass

• **Palatable** (e.g. Red grass Themeda triandra)
  – Tasty throughout year;
  – High nutrition & high grazing value.

• **Non-palatable** (e.g. Eragrostis plana)
  – Mostly hard/tough,
  – little nutrition,
  – seasonal use only,
  – not tasty.
Alternative improved grazing management system

• Rotational rest system – “Maboella”
  – Full season rest of set-aside area
  – Act as standing fodder for winter grazing
  – **Upside:** easier to implement with some recovery benefits to veld

  – **Downside:**
    • does not inhibit daily livestock movement and necessarily improve livestock management/animal husbandry.
    • Lack of stock-posting benefits
Once areas are cleared, need to restore grass quickly to prevent regrowth and erosion...
How do ecorangers do this??
Grazing planning with elders and CSA
Training and veld assessment and monitoring
Ecorangers assist in ear-tagging livestock going into communal herd, providing ownership tracking and traceability for market and prevention against stock theft.
And vaccinations for improved livestock health and associated revenue potential
Ecorangers manage mobile kraal...
To ensure concentration of dung on areas requiring restoration...
Cover with trampling
Line of wattle outside trampling site
## AUCTION RESULTS

<table>
<thead>
<tr>
<th>Stock Sale</th>
<th>11 May 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date</td>
<td>11-May-16</td>
</tr>
<tr>
<td>No of stock offered</td>
<td>145</td>
</tr>
<tr>
<td>No of stock sold</td>
<td>124</td>
</tr>
<tr>
<td>No of stock not sold</td>
<td>21</td>
</tr>
<tr>
<td>% Sold</td>
<td>85.52%</td>
</tr>
<tr>
<td>Highest price</td>
<td>ZAR 10,150.00</td>
</tr>
<tr>
<td>Lowest price</td>
<td>ZAR 2,000.00</td>
</tr>
<tr>
<td>Ave R/kg offered</td>
<td>ZAR 11.48</td>
</tr>
<tr>
<td>Ave R/kg sold</td>
<td>ZAR 11.43</td>
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<tr>
<td>Total turnover</td>
<td>ZAR 695,600.00</td>
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<table>
<thead>
<tr>
<th>Stock sale</th>
<th>April 2015</th>
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<tbody>
<tr>
<td>Date</td>
<td>29-Apr-15</td>
</tr>
<tr>
<td>No of stock offered</td>
<td>182</td>
</tr>
<tr>
<td>No of stock sold</td>
<td>146</td>
</tr>
<tr>
<td>No of stock not sold</td>
<td>36</td>
</tr>
<tr>
<td>% Sold</td>
<td>80.22%</td>
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<tr>
<td>Highest price</td>
<td>ZAR 8,400</td>
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<tr>
<td>Lowest price</td>
<td>ZAR 2,500</td>
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<tr>
<td>Ave R/kg offered</td>
<td>ZAR 11.30</td>
</tr>
<tr>
<td>Ave R/kg sold</td>
<td>ZAR 11.37</td>
</tr>
<tr>
<td>Total turnover</td>
<td>ZAR 871,650</td>
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<table>
<thead>
<tr>
<th>Stock sale</th>
<th>June 2014</th>
</tr>
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<tbody>
<tr>
<td>Date</td>
<td>23-Jun-14</td>
</tr>
<tr>
<td>No of stock offered</td>
<td>129</td>
</tr>
<tr>
<td>No of stock sold</td>
<td>76</td>
</tr>
<tr>
<td>No of stock not sold</td>
<td>53</td>
</tr>
<tr>
<td>% Sold</td>
<td>58.91%</td>
</tr>
<tr>
<td>Highest price</td>
<td>ZAR 10,050</td>
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<tr>
<td>Lowest price</td>
<td>ZAR 3,100</td>
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<tr>
<td>Ave R/kg offered</td>
<td>ZAR 11.07</td>
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<tr>
<td>Ave R/kg sold</td>
<td>ZAR 11.24</td>
</tr>
<tr>
<td>Total turnover</td>
<td>ZAR 471,800</td>
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</tbody>
</table>

- Total no of bulls offered: 7
- Total no of bulls sold: 6
- Ave R/kg bulls sold: ZAR 10.41
- Total no of oxen offered: 108
- Total no of oxen sold: 92
- Ave R/kg oxen sold: ZAR 11.73
- Total no of cows offered: 30
- Total no of cows sold: 26
- Ave R/kg cows sold: ZAR 10.58
- No of sellers: 81
- % female sellers: 20%
- No of buyers: 5
- No of villages: 15
The Meat Naturally Initiative strives to be a facilitator of both the land restoration and market sales services.

**Production / Landscape Restoration Products & Services**
- Grazing Planning
- Equipment & Veterinary Services
- Eco-ranger Training
- Ecoranger Supervision & Mgmt

**Sales Support Product & Services**
- Mobile Auctions
- Market Contracting & Distribution
- Auditing of Grassfed SA Protocols

Paid by government contracts

Paid by market and farmers

Source: CSA Application Form for Implementing Agents for Natural Resource Management Programmes and Land User Incentives
commissions through mobile auctions drive Market Access revenues
MARKET ACCESS IS THE KEY TO LONG-TERM GROWTH

Market Access is the key to long term profitability...
...but all services are interrelated and necessary for overall business growth.

### Operating Revenues by Service

- **Market Access**
  - CAGR: 104%
- **Grazing Planning**
  - CAGR: 18%
- **Tracking & Tagging**
  - CAGR: 27%
- **Eco-Ranger Training & Oversight**
  - CAGR: 6%

Thousands

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Access</th>
<th>Grazing Planning</th>
<th>Tracking &amp; Tagging</th>
<th>Eco-Ranger Training &amp; Oversight</th>
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</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>ZAR 0</td>
<td>ZAR 0</td>
<td>ZAR 0</td>
<td>ZAR 0</td>
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<td>Year 2</td>
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<td>ZAR 500</td>
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<td>Year 3</td>
<td>ZAR 1 000</td>
<td>ZAR 1 500</td>
<td>ZAR 1 500</td>
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<tr>
<td>Year 4</td>
<td>ZAR 2 000</td>
<td>ZAR 2 000</td>
<td>ZAR 2 000</td>
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<tr>
<td>Year 5</td>
<td>ZAR 3 000</td>
<td>ZAR 2 500</td>
<td>ZAR 2 500</td>
<td>ZAR 3 000</td>
</tr>
</tbody>
</table>
Producer contributions to Trust via grazing compliance and selling animals through MNP

Producers Co-op/Group A1
Producer Co-op A2
Producer Co-op A3

Country A
Region A

Country B
Region B
Region C

Tangible shareholding benefits to Associations
• Partner NGO/community mobilsation entity involvement:
  – Partner negotiates conservation agreements and mobilises community, strengthen local structures, employ ecorangers;
  – MNP act as support partner ito market link, ecoranger training & grazing planning etc (‘specialist services’);
  – MN Trust and MNP operations acts as EXIT plan by the time
MEAT NATURALLY TRUST
HOW WILL IT WORK

• Livestock associations from various areas who partake and trade through/with MNP

• Beneficiary agreements are signed with each which replaces current conservation agreements – i.e. conservation action (improved grazing management) allows profit share as incentive

• Ideally, profit share will be in livestock improvement or association support – ploughed back into that which concept relies on.
MISSING LINK TO MARKET

• End user (retailers etc) very interested in meat from the project and the good story it tells
• But major barrier is YEAR ROUND steady supply and quality
• Speculators profit in this space – it could be MNP with profit sharing back to communal producers
• Finishing off farm (veld and winter pasture based) is the missing link in the chain currently
• Must be closer to commercial market, but sourcing from all local communal project areas
MISSING LINK TO MARKET

• The Department could be a perfect partner to help procure and partially fund this value add
  – Model of land reform where benefits of one portion of land/farm could shared in real terms by a very large group of communal stockowners/households
  – Socio-economic as well as environmental benefits
  – Land reform farm could double as training academy for ecorangers and supplying communal producer exchanges involves them and empowers
THANK YOU