

PROJECT: INTEGRATED BIODIVERSITY AND OSTRICH INDUSTRY PROJECT

1 PROJECT TITLE

Integrated biodiversity and ostrich industry project (IBOIP)

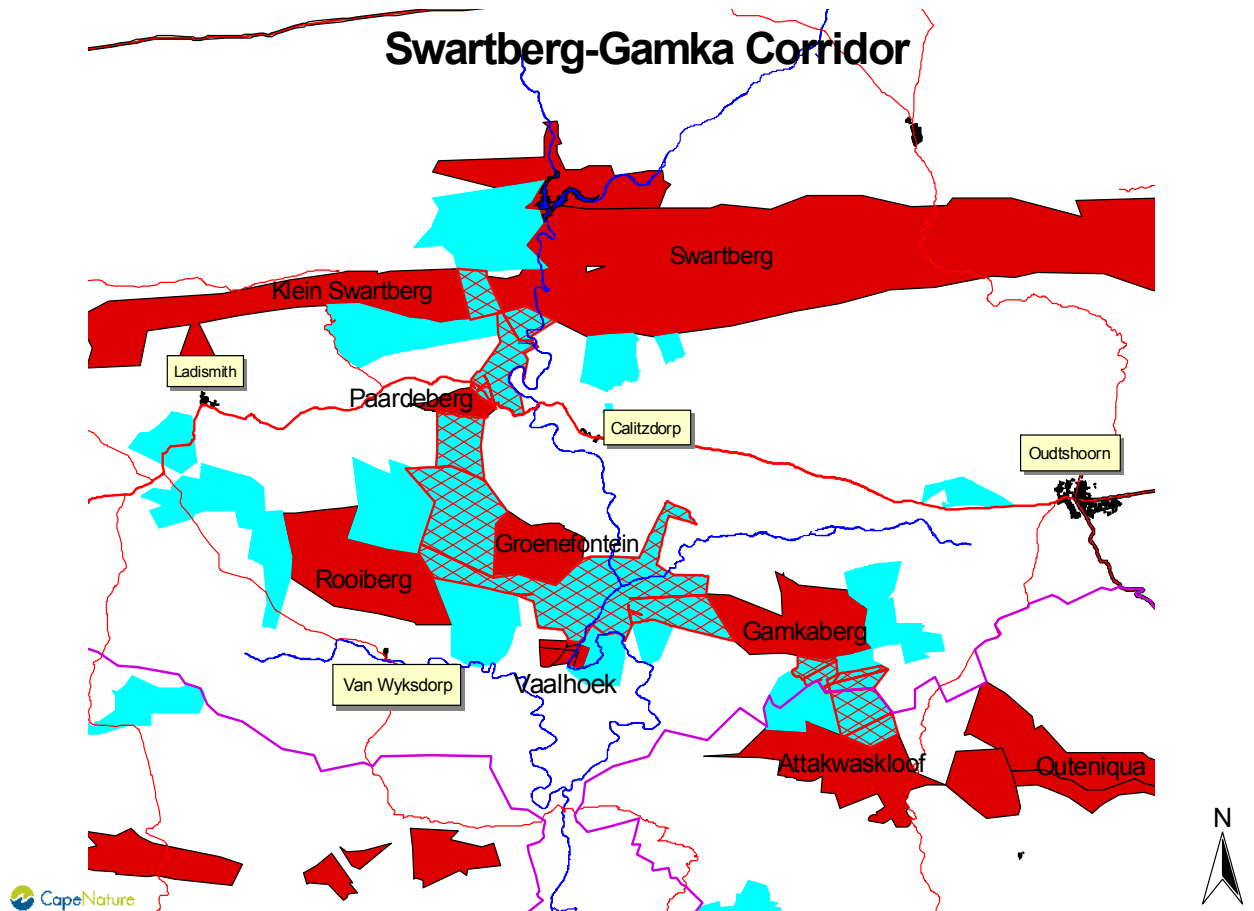
2 RELATION TO SPECIFIC SKEP STRATEGIC DIRECTION

SKEP funding directive 2: Engage key industrial sectors in meeting conservation objectives identified by SKEP

3 GEOGRAPHIC AREA

This project will focus on the geographic area which lies within the Klein Karoo in the Western Cape Province of South Africa. The Klein Karoo is the area between the Swartberg mountain range (north) and Langeberg/Outeniqua mountain ranges (south), and Barrydale (west) to Uniondale (east).

The specific part of the Klein Karoo where this project will be implemented is in the area which consists of predominantly Gannaveld, which is a particular vegetation type which has been heavily impacted by ostrich farming. This is the area situated between the Swartberg Mountain Range and the Langeberg/Outeniqua mountain ranges (N-S) and Ladismith to Oudtshoorn (W-E).



The geographic area which has been defined for this project is located within the key corridor (Swartberg-Rooiberg-Gamkaberg) of the Gouritz Initiative (GI) domain and forms the focus area for most of the activities and projects which CapeNature (including the GI) are involved in. For instance, a tourism route is in the process of being established and all the activities relating to the expansion of the protected areas through stewardship, are focused in this sector. CapeNature has also already contributed a substantial amount of funding into invasive alien plant clearing activities in this sector. It is also historically a highly intensive ostrich production area within the Klein Karoo.

This identified geographic area represents the Gannaveld vegetation, which is the predominant vegetation type where ostrich farming was traditionally favoured in the Klein Karoo. This area is not representative of the entire ostrich industry within the Klein Karoo, but the Project Team believes that a focused approach is required in order to achieve realistic and tangible results. The principle being applied is that this is a unique and complex pilot project which can be replicated in other sectors within the GI domain.

4 BRIEF PROJECT DESCRIPTION

4.1 Background

As far back as 2002, the SKEP and Gouritz Initiative processes identified the ostrich industry as being a major reason for biodiversity transformation. Even then the need to identify projects that would benefit both biodiversity and the ostrich industry was articulated. However, various industry crises (such as the crippling outbreak of Avian Flu and the subsequent ban on the export of ostrich meat) put the initial mutually beneficial partnership between Conservation and the Ostrich Industry on hold. These crises have now been dealt with by ostrich industry management (such as measures to ensure healthy ostrich meat export, and a traceability system that enables the industry to monitor the movement of ostriches from hatching to slaughter) and the industry appears to be in a stage of stabilisation following the rapid expansion subsequent to industry deregulation in the mid-1990's. This is therefore an opportune time for Conservation and the Industry to further engage with regard to mutually beneficial projects.

As the industry has significantly changed over the past few years (of which the Conservation sector had little knowledge and even less of an understanding), the assistance of a Consultant¹ was sought to inform both sectors what the status of the industry currently is, as well as to identify possible projects that could be undertaken that would benefit both biodiversity and the ostrich industry. One of the findings in fact is that there is a lack of verifiable information and data. (See attachment 1 – Output 2)

Major significant findings of this study included the following:

a) Stabilisation of the ostrich industry

From a highpoint of some 340000 ostriches being slaughtered in 2002 (more than a 100% increase when compared with a regulated ostrich industry of the early 1990's) slaughter levels have now consolidated to some 190000-200000 ostriches per year. Recently reduced output has been due to the effects of previous over-production, claimed un-coordinated marketing activities, a hardening of ZAR exchange rates, undue profit expectations by new industry entrants, sharply rising feed costs, and the effects of Avian Flu.

b) The socio-economic importance of the ostrich industry

The Klein Karoo area of SA has many particular socio-economic challenges, of which unemployment is a particular concern (only 39% of the potentially economically active

¹ Mr Mike Murray was contracted to do a rapid review of the industry, as well as to identify possible projects that will benefit both the industry and conservation

population is employed within the formal economic sector). Within this region, the ostrich industry plays a very important role, providing for at least 30% of total employment.

c) Farm types/production systems

An “ostrich farmer” could fall within one of a number of categories or combinations thereof, namely, a producer of chicks using single pairs of birds in small camps, a producer using single pairs in small camps to produce eggs for artificial hatching (using incubators), a producer who is a flock breeder (“*tropparing*”) with many birds in large camps (the eggs are collected for incubation or the birds hatch the chicks in-field), a producer who only hatches (incubates) the eggs which are usually bought, a producer who only raises chicks (through different stages of growth) by buying them; or any combination of these.

It appears that industry data is either not available, or it has not yet been collated quantitatively or spatially for this complex producer profile. An intensive study was undertaken by ??? but it appears that there were certain anomalies which crept in due to the study conditions not being consistent.

d) Ostrich production threats to biodiversity

The major threat to biodiversity is from the practice of “*tropparing*” or flock breeding, in which a substantial number of breeding birds are used in a “free range” system in natural vegetation (veld). A substantial number of farmers seem to prefer this method to smaller area (camp) pen breeding (lower capital cost and possible higher fertility rates). In his thesis, Cupido² reported that as much as 63% of farmers in the greater Klein Karoo utilised natural veld for ostrich farming.

The bulk of biodiversity transformation has occurred within the Gannaveld region which is traditionally more suited to ostrich production due to its relatively flat terrain. (The area selected for this project covers most of the Gannaveld).

The Cupido study also reported that farmer use of natural vegetation areas was largely for spatial purposes and that the veld actually had very low feed value (probably equivalent to between R7.85 and R15.70 per ha).

It is probable that ostrich farmers have a limited knowledge of veld types and veld condition (unlike stock farmers who rely almost entirely on natural veld as a livestock feed resource). This is borne out by further data from Cupido’s thesis wherein he showed that while 65% of Klein Karoo farmers considered their veld condition to be ‘good’ or ‘excellent’, researcher assessment of the same veld condition was only 26%, i.e. poor).

Ten projects that would benefit both Conservation and the Industry were identified by the recent study. Several meetings with an identified project team (consisting of the ostrich industry and conservation representatives) were held to consider these and other issues. At the last meeting held on 30 May 2007, the ten identified projects were discussed in detail, as well as all comments received from stakeholders who were provided with the report. Projects were rated as to their impact (on biodiversity and the ostrich industry) as well as the ease (cost and time scale) with which they could be implemented. Lengthy discussions on the needs of both sectors resulted in the identification of the elements of this LOI.

What became clear during this initial project identification process was that the ostrich industry is very complex and diverse with the little available data. Finer scale information is a dire need in order to have a base line from which sound land-use management decisions in this industry can be made. It also became clear that it is essential to integrate subsequent projects with other initiatives and projects which are being planned by roleplayers within this geographic area, for example, the Area Wide Planning (AWP) process that the Department of Land Affairs, Eden District Municipality, the LandCare Department of Department of Agriculture Western Cape and CapeNature, are planning to

² Thesis: Assessment of veld utilization practices and veld condition in the Little Karoo (University of Stellenbosch), Clement Cupido, 2005

initiate. The projects submitted by the Klein Karoo Study Group must also be aligned with what will benefit not only Biodiversity conservation, but also the Industry. The Tourism, Integrated Law Enforcement, and Integrated Conservation Economy projects are also planned for this area and must be aligned with this project, where possible.

Furthermore, this project is seen as playing a significant role in providing a catalytic environment for collaborative management of the area.

This funding application is a direct result of Mr Murray's report³ and the above-mentioned project selection process.

4.2 Objectives

The overall **goal** of the project is:

To have by the year 2020 the natural environment and biodiversity of the Gouritz Initiative effectively conserved into perpetuity, to restore areas wherever appropriate, and to deliver significant and sustainable benefits for the people of the area in such a way that the local communities embrace it, it is endorsed by government and recognized internationally

The **purpose** of this project is:

Farmers in the major ostrich-producing areas in the Klein Karoo are implementing improved land management practices, utilising veld in an improved and sustainable way and engaging in alternative production systems and income generating enterprises

4.3 Outputs

Output 1: *A mechanism for the effective integration of and collaboration between ostrich industry and biodiversity roleplayers has been established*

Output 2: *The ostrich industry and farmers in the identified domain are aware of and are utilising farm-level vegetation- and ostrich industry-related data for improved industry- and land use management*

Output 3: *Identified farmers are utilising base line farm-scale vegetation maps to improve land use management on their farms IS THIS NOT THE SAME AS ???*

OUTPUT 3:

4.4 Expected results

Output 1: A mechanism for the effective integration of and collaboration between ostrich industry and biodiversity roleplayers has been established

- A representative biodiversity and ostrich industry mechanism is overseeing and guiding projects related to biodiversity in the ostrich industry
- Collaboration between existing initiatives/projects to ensure effective knowledge management and shared resources is taking place
- Existing information and data is collated and informs future projects and possible funding thereof
- A better understanding, realisation and interpretation of biodiversity and the impact of the ostrich industry on biodiversity transformation in the identified domain exists between roleplayers
- A better understanding, realization and interpretation of the complexity and realities (i.e. socio-economic, production costs, etc) within the ostrich industry exists between roleplayers
- All relevant information on research, project implementation, future projects etc are collated and disseminated to relevant roleplayers

³ Report: Rapid review of the ostrich industry and project identification, Mike Murray, 2007

- Signed MoU's between the partners exist
- Communication of information, successes and project progress is ongoing to relevant roleplayers / groupings / public

Output 2: The ostrich industry and farmers in the identified domain are aware of and are utilising farm-level vegetation- and ostrich industry-related data for improved industry- and land management

- A fine scale farm-level vegetation conservation status map has been produced in GIS format
- GIS layers, pertaining to ostrich industry data needs have been added to the produced vegetation map
- Farmers are aware of particular sensitive areas of biodiversity and state of transformation on their own property
- A list of recommendations informs roleplayers about possible conservation activities or and improved ostrich veld management practices
- Roleplayers are utilizing the resources produced to the benefit of the ostrich industry and biodiversity
- Increased and improved specific information dissemination of relevant information to guide farm-level management (e.g. more effective extension) is taking place

Output 3: Specific identified farmers are utilising base line farm-scale vegetation maps (with other GIS layers) to improve land use management on their farms

- At least 3 farmers are engaging in alternative enterprises based on biodiversity conservation
- At least 3 farmers are demonstrating improved land management (i.e. alternative ostrich production systems)

4.5 Project deliverables

- A farm-scale (1:10 000) vegetation map (indicating i.e. conservation status, special species, etc) in digital and printed format
- GIS layers to this map according to industry data needs (i.e. recommended carrying capacity, current land use categories (AWP), etc)
- One map per participating farmer spatially displaying above data
- Report and recommendation on farm level veld management and conservation opportunities

5 PARTNERS

Partners that have been identified so far, include:
 CapeNature (CN) incorporating the Gouritz Initiative (GI)
 The South African Ostrich Business Chamber (SAOBC)
 Klein Karoo Group (KKG)
 Mosstrich
 Ostrich Producers Association
 Klein Karoo Study Group (KKSG)
 Agri Klein Karoo
 Succulent Karoo Ecosystem Program (SKEP)
 Cape Action for People and the Environment (CAPE)

These partners were all involved in the rapid review and project identification process.

The following partnerships will be strengthened in order to ensure that collaboration between initiatives and projects are happening in a structured way:

Department of Water Affairs and Forestry (DWAF)
 Department of Land Affairs (DLA)
 Eden District Municipality
 Department of Environmental Affairs and Development Planning (DEA&DP)
 THRIP (Department of Trade and Industry)

Media
 Cape Town Routes Unlimited (CTRU)
 Department of Agriculture (National – Inspectorate)
 Department of Agriculture Western Cape (and LandCare)

6 BUDGET

INTEGRATED BIODIVERSITY AND OSTRICH INDUSTRY PROJECT BUDGET

LINE ITEM	DESCRIPTION	FUNDING REQUEST for 15 months	TOTAL PER LINE ITEM	IN-KIND FUNDING
Salaries	Project co-ordinator (10 days per month)	R 150,000.00	R 183,000.00	
	Data capturer/admin (4 days per month)	R 24,000.00		
	2 x student researchers (time, 30 days each)	R 9,000.00		
Professional services	Fine-scale map supervisor /specialist (time, digital cutting of data, layout, editing)	R 165,000.00	R 315,000.00	
	Ostrich data co-ordinator / agric researcher (time, data collection, collation, report, analysis)	R 150,000.00		
Rent and storage	Office space in-kind		R 0.00	R 15,000.00
Telecommunication	Cell phones, telephone R1000 pm	R 15,000.00	R 15,000.00	
Postage and delivery	In-kind		R 0.00	R 5,000.00
Supplies	Stationery etc R500 pm, discs, flash drive	R 15,000.00	R 15,000.00	
Furniture and equipment	Laptop	R 10,000.00	R 20,000.00	R 30,000.00
	Arcview software and dongle	R 10,000.00		
Printing costs	Map @1:10000 (10 copies of 5 maps)	R 5,000.00	R 25,000.00	
	100 farm level maps x 2 (A0 size, laminated)	R 20,000.00		
Maintenance	R 100 pm	R 1,500.00	R 1,500.00	
Travel, accommodation and subsistence	R 5 000 pm co-ordinator	R 75,000.00	R 105,000.00	
	R 30 000 students	R 30,000.00		
Meetings and special events	Project team / steering mechanism meetings	R 5,000.00	R 26,000.00	R 5,000.00
	Farmer field days (5 @ R3 000 each)	R 15,000.00		
	Sponsor 1 Klein Karoo Agric meeting	R 1,000.00		
	Venue rental	R 5,000.00		
Miscellaneous	R 1,000	R 15,000.00	R 15,000.00	

TOTAL IN RAND		R 720,500.00	R 55,000.00
TOTAL IN DOLLARS (\$1 : R7)		\$102,928.57	\$7,857.14

7 KEY ORGANISATIONAL QUALIFICATIONS

The Ostrich industry is one of the largest exporters of red meat in the South African economy. The industry exports 90% of meat to Europe: meat, leather and feathers generate an income of R1,2 billion per annum.

South Africa is the world leader in the ostrich industry due to its expertise and climate.

The SA ostrich industry realized that it needed an unified approach and thus the SA Ostrich Business Chamber was established. The SAOBC's activities are being funded by a voluntary levy per ostrich slaughtered and thus the SAOBC has proper auditable financial systems and processes in place.

It is also a Section 21 Company (company without profit)in terms of South African legislation and thus utilizes the services of independent auditors to compile monthly statements. The SAOBC derives its mandate from a democratically elected Board of Directors. The day-to-day management is being conducted by the Chief Executive Officer , a secretary and an administrative officer.

8 SUSTAINABILITY

This project is designed in such a way that the proposed mechanism for the effective integration of and collaboration between ostrich industry and biodiversity roleplayers will continue after the 15 month lifespan of this particular project.

For the duration of this project, a Project co-ordinator will be appointed to implement the project. Thereafter, the representatives within the structure must take over this function.

It is foreseen that the benefit of such a structure, that aims to provide a one-stop-shop for relevant information pertaining to the ostrich industry and biodiversity, will be recognized by all the roleplayers and that the continuation of this structure will be only logical.

This is a pilot project that is focusing on a specific geographical area. The methodologies used and the structures established could easily be replicated to other ostrich producing areas within the Klein Karoo.

It is also foreseen that the resources produced for this project will signal the start of more collaborative knowledge exchange and gap analyses in order to identify future projects that will also benefit from having a structure overseeing the wider range of activities within both the ostrich and conservation sectors.