



MAJA-A- IKGOROSA

BEEF CATTLE FEEDING

SCHEME GUIDELINES



**Botswana
Meat
Commission**
Meat Perfection Defined



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1 BACKGROUND

1.1 “Botswana Beef” is at risk of losing global presence and premium appeal – due to an unprecedented low supply of unconditioned cattle/throughput to the Botswana Meat Commission (BMC), and as such constricts the volume of exports. This emanates from the fact that Botswana’s primary production system - with a semi-arid vegetation profile - is challenged, on its own, to sustainably farm/raise beef cattle that are slaughter-able, without any supplementary feeding/interventions.

1.2 Feeding is often afforded by few resourced farmers, mostly in highly commercial holdings such as privately-owned feedlots and large-scale farming operations. For small and medium sized farmers - the majority of whom own cattle in Botswana at circa 80% of total herd size - animal/cattle feed is cost-prohibitive (given its cost of importation), and as such hinders production as well as attainable cash-flow at farm/holding level.

1.3 These small-scale farmers (out of desperation for cash) are as such forced to either sell their cattle to the BMC unconditioned (and unprepared for slaughter, with poorer quality) or sell them to privately owned cattle conditioning enterprises at sub-optimal prices – and in that way perpetuates a phenomena and/or “vicious cycle” of losses.

1.4 The “vicious cycle” is as such dire for both the BMC, and also the same base producers/farmer(s) – hence the **consolidated relief programme** to empower the small-medium sized farmers to condition their cattle for market, without immediate cash-flow and resources’ pressure.

1.5 “**Maja-a-ikgorosa**” is thus an opportune collaborative proposition to primary producers and medium sized farming operations by state owned entities under the Ministry of Entrepreneurship namely the Botswana Meat Commission (BMC), Botswana Agricultural Marketing Board (BAMB), Citizen Entrepreneurial Development Agency (CEDA) and Local Enterprise Authority (LEA), and in partnership with Ministry of Agriculture through the Department of Veterinary Services (DVS). The programme aims at facilitating compliant base producers and medium sized operations with resources such as finance (for cash-flow), animal feed and veterinary medicines in advance. The services also include records management, business plans and performance support, to ensure that they do not have to go through intermediaries or monopolized bottlenecks to discover market reasonable prices by selling directly to the BMC.

1.6 The scheme enlivens the ideals of Economic Inclusion and other various citizen empowerment policies at the national level. These are aimed at empowering Batswana, especially targeted citizens, to benefit by participating in the mainstream economy.

2 PURPOSE OF THE GUIDELINES

2.1 The purpose of these guidelines is to ensure that there is a common and consistent application of parameters used to implement the “**Maja-a-ikgorosa**” beef-cattle feeding scheme between the four State Owned Enterprises (SOEs) being; Citizen Entrepreneurial Development Agency (CEDA), Botswana Agricultural Marketing Board (BAMB), Botswana Meat Commission (BMC), Local Enterprise Authority (LEA) and participating small-medium sized farmers.

3 SCHEME OBJECTIVES

The objectives of the guidelines are to ensure that:

3.1 The scheme assists targeted farmers, mainly small-holder farmers or primary producers, to be able to condition and finish their livestock before supplying/selling to the European and other external markets through the BMC.

3.2 Targeted farmers (small-holder farmers) achieve compliance to the European market and/or any other lucrative markets' requirements.

3.3 The targeted farmers (primary producers) are effectively facilitated by the affiliated SOEs, as such enhance proper communication channels between the four SOEs as a means to achieving effective and consistent communication throughout.

3.4 The scheme strengthens the performance of communal livestock farming and promote quality and sustainable supply of beef animals to the BMC.

3.5 The targeted citizen farmers have access to facilitatory resources such as finance at subsidized interest rates, feed, veterinary and extension services support, capacity building through business advisory, as well as inculcate record management discipline, that would enable them to have better bargaining power at the time of selling.

3.6 This scheme will facilitate and provide skills development, on-farm training, mentoring, and technical support which will lead to farming with purpose in consonance with the mindset change and realization of commercialized farming, even at small-scale.

3.7 Throughput at the BMC and the available capacity utilization are enhanced, uptake of **“Temo-Letlotlo”** is improved, since the crop produce may be absorbed by BAMB for production of animal feeds. Optimal utilization of business advisory and support services by LEA is also expected, as well as improved performance of CEDA funding through the cession agreements – therefore, leading to reduced risks of default by assisted farmers.

3.8 The scheme complements current and future national priorities for comprehensive citizen economic inclusion – through alignment with objectives of “Thuo-Letlotlo” and “Temo-Letlotlo” programmes, to enhance value-chain and cluster development imperatives for an improved agricultural sector.

3.9 There is continuous monitoring and post implementation review of the scheme by all entities.



LEA will design, and coordinate capability and capacity development packages customized for the targeted small-holder farmers, as well as provide monitoring, coaching and business mentoring. Some of LEA special services under this scheme will include:

4.1 Business advisory and coaching/mentoring on viable business management strategies for small-scale farming.

4.2 Support for acquisition of decent and compliant operational infrastructure provided to grouped farmers in appropriate operating places countrywide.

4.3 LEA will take approved beneficiaries through an intensive training programme on record keeping, enterprise development, and business skills prior and post participation in the programme.

LEA will enrol participants of the programme into mainline offerings – entrepreneurship and enterprise development with a primary focus on:

- Quality assurance and compliance to production standards
- Business development and management support
- Beef enterprise monitoring, mentoring and coaching
- Sourcing and securing supplies for a beef enterprise feeds and other supplies
- Access to reliable sources of business information

5.1. As the Competent Authority, the DVS shall ensure adherence to set European Union (EU) market requirements for both holdings and livestock/cattle.

5.2. The DVS shall provide complementary extension services together with the relevant SOEs to support small-holder farmers – for conversion of holdings into EU eligible as well as assist scheme beneficiaries with relevant veterinary services support.

5.3. Among the list of DVS services within the scheme, the following services will be provided:

- Registration and conversion of small holdings in the Green Zone, into EU eligible holdings
- Proof/issuance of registration certificates for holdings
- Proof of EU compliance certification
- Animal health report by Official Registered Veterinarian
- Arrival of animals in the holding through Botswana Animal Identification and Traceability System (BAITS)
- Confirmation of records for all treatments administered
- Records for animals' movement into and out of the holding (Permits, and ensure they reflect 'financial interest' of the resource issuing entity)
- Measles control evidence

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BOTSWANA AGRICULTURAL MARKETING BOARD (BAMB) SCHEME OBLIGATIONS

The following services will be provided by BAMB, ONLY to targeted farmers enrolled under the “Maja-a-Ikgorosa” scheme. The services will include the following:

6.1 To provide/advance animal feed (beef finisher) to pre-approved/qualifying small holder/targeted farmers in line with a cession agreement that is pre-approved and/or signed between the farmer and the BMC.

6.2 The animal feed issued by BAMB, will be as determined (from time to time) by the agreed feeding cycle of either **40 or 90 days**, depending on the readiness or maturity of slaughter-able stock/animals.

6.3 To provide/advance additional veterinary services through its **Bushvet** facility scheme-enrolled or qualifying farmers in line with a cession agreement that has been pre-approved and/or signed between the farmer and the BMC. The veterinary services will be in two (2) parts being products (veterinary medicine) and veterinary services through BAMB assigned Veterinarians (Vets).

6.4 BAMB will provide/advance animal health inspection services for EU compliant holdings under the scheme through **Bushvet**.

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BOTSWANA MEAT COMMISSION (BMC) SCHEME OBLIGATIONS

The following services will be provided by BMC, ONLY to targeted farmers enrolled under the “Maja-a-Ikgorosa” scheme. The services shall include the following:

7.1 The BMC will guarantee offtake of slaughter-able livestock/animals under this scheme, through a quota-allocation management system.

7.2 The BMC will enter into an “agreement” with the farmer enrolled in this scheme, and as such pre-approve resources’ requirements/applications for BAMB, CEDA and LEA.

7.3 In terms of feeding/conditioning requirements - animals enrolled in the scheme shall be of male/tollies that are aged 18-24 months with a minimum weight of 200 Kilograms (Kgs), unless determined otherwise, depending on seasonal changes.

7.4 BMC will provide a quota list schedule to all participating SOEs (resource-issuing entity) indicating the following:

- a) Name of the producer
- b) Producer’s contact details
- c) Number of animals booked
- d) Date of delivery
- e) Market status of the booked animals

7.5 At receiving of the slaughter-able cattle, BMC will share the copies of the following documents with the participating SOEs (resources-issuing entity);

- a) Livestock Movement Permit
- b) Cattle delivery note

7.6 After slaughter, BMC will share the slaughter sheets with the SOEs (resource-issuing entity).

7.7 After realization of revenue from products' sale, BMC shall remit payments to farmers enrolled under the scheme - in accordance with cession agreement(s).

7.8 The BMC, DVS and LEA shall do periodic inspection visits - to ensure compliance to scheme objectives/requirements i.e. performance of average daily gains (ADG) of enrolled stock, validation of records for enrolled stock, feeding forecasts, and any other inspection objectives intended.



The following services will be provided by CEDA, ONLY to targeted farmers enrolled under the “Maja-a-Ikgorosa” scheme. The services will include the following:

- A.** Funding will be provided towards infrastructure to ensure that the holding areas are EU compliant.
- B.** The loan facility will be a short-term financing product and will be secured through a cession between BMC, CEDA and the farmer.
- C.** The projects’ proposals shall demonstrate financial viability and sustainability in order to be eligible for the scheme resourcing.
- D.** Only EU registered cattle-posts, small holdings or farms in the green zones are eligible for this scheme.
- E.** For CEDA funded farmers, their accounts should not be in arrears, and they should demonstrate that the project will be able to pay the new facility and the existing loan instalment from the sales of the same batch being prepared for market.
- F.** The responsibility of registering the holding area for EU lies with the client.

8.1 MAJA-A-IKGOROSA SCHEME CRITERIA FOR FUNDING THROUGH CEDA

Funds for Maja-a-ikgorosa feeding scheme are available to:

- 8.1.1.** Citizens aged 18 years and above.

- 8.1.2.** Proof of ownership or lease of a holding that is EU compliant.

- 8.1.3.** Citizen owned businesses with a maximum offtake batch of 100 weaners.

- 8.1.4.** Proof of Animal/Cattle Keeper Identification

- 8.1.5.** A movement permit/ownership transfer document(s) confirming that interest in the cattle is held by BMC.

8.2 CEDA FUNDING LEVEL

- 8.2.1** The funding will be up to P300, 000.00 at an interest rate of 3.76% (interest rates are subject to change from time to time).

- 8.2.2** Funding will be extended to Micro, Small and Medium scale farmers with weaner offtake numbers not exceeding 100 animals per feeding cycle.

- 8.2.3** The repayment of the extended facilities will be once off, from the proceeds of sale of meat by the BMC.

- 8.2.4** There will be no grace period as the structuring of repayment will be done in line with the feeding cycle and shall be once off.

8.3 CEDA SECURITY/COLLATERAL REQUIREMENTS

8.3.1 Personal Surety for citizen companies

8.3.2 Deed of Cession of Payment

8.4 OTHER CEDA SPECIFIC REQUIREMENTS

8.4.1 Business Proposals: To access funding under the “Maja-a-ikgorosa” beef feeding scheme, farmers are required to submit completed application forms and supporting documents as per check list requirements.

8.4.2 Licenses: Farmers are required to secure the necessary licenses and/or permissions for the operation of the enterprises as required by licensing authorities or laws of the country, such as EU compliance certification of the holding, etc.

8.4.3 Evaluation of Proposal: All projects’ proposals will be evaluated to determine their ability to meet the loan obligation requested for working capital or infrastructure cost purposes.

8.4.4 Viability: Viability is evaluated according to the following criteria but not limited to; (a) management, (b) market, (c) projected profitability, (d) sustainability, and (e) anticipated growth of the business and economic impact.

8.4.5 Agreements: Farmers of approved loans are required to sign a loan agreement with CEDA and provide suretyships where applicable after having met all conditions of approvals.

8.4.6 Willingness to be guided: The farmers must demonstrate willingness to be guided and developed as entrepreneurs both at pre and post funding by all SOEs, as may be required.

8.4.7 Number of loans: The Agency will extend one facility at a time under the scheme.

8.4.8 Management: The project should be full time owner managed. CEDA reserves the right to waive this requirement, if in its assessment, proper management, and experience to be put in the business are satisfactory.

8.4.9 Fronting/Misrepresentation: There will be stiff penalties for fronting/misrepresentation which could include prosecution should it be established that the project has been funded or to be funded is not effectively citizen-owned and citizen controlled.

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SCHEME REVISION

9.1 These guidelines are subject to review from time to time by the four (4) participating SOEs, where it is deemed necessary.

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