



Meat Board of Namibia

NEWSLETTER
1/2019



meat CHRONICLE

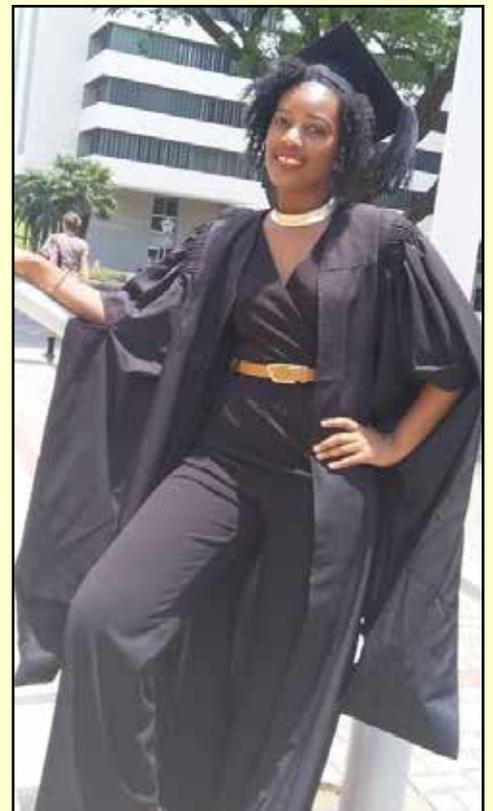
Meat Board bursary holder obtains veterinary degree

Dr Kave Kamburona, who received an annual bursary from the Meat Board of Namibia, completed her Bachelor of Veterinary Medicine at the University of Pretoria at the end of 2018.

She will be completing the compulsory community service year in the Eastern Cape and will return to Namibia at the end of 2019.

The Meat Board is proud to be associated with assisting her with this achievement, and wishes her the best of luck with her future career.

We trust that she will make a valuable contribution to the Namibian Livestock and Meat Industry.



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Meat Board of Namibia identifies priorities for 2019

The Meat Board of Namibia (MBN) approved its priorities for the 2019 financial year at a board meeting. The challenges facing the meat industry in Namibia are increasing and for the MBN to continue marketing its livestock and livestock products in view of diminishing funding options, the Board needs to manage and apply its finances prudently to ensure the long-term sustainability of the industry.

Meat prices have been under constant pressure due to changing market forces, high production

costs and the local economy not being in a position to uphold its support for the meat industry. The maintenance of critical functions of the Directorate Veterinary Services (DVS) is crucial to maintain and gain market access to the benefit of all Namibians.

The MBN therefore made provision in its annual budget to continue financial support to the DVS for essential services such as NamLITS, the repair and maintenance of the Veterinary Cordon Fence and the Central Veterinary Laboratory. The MBN will extend

its support for the commissioning of the NCA export abattoirs, development of domestic markets and marketing of Namibia's naturally produced meat, free of chemicals, both locally and internationally.

Therefore, it is imperative that the MBN manages its financial resources efficiently to ensure that its operations are run cost-effectively to benefit the meat industry's value chain in Namibia.

Meat Board to assess competitiveness of the meat industry

The MBN has commenced with consultation to evaluate the competitiveness of the slaughter industry in Namibia compared to the export of livestock. During the past years, the industry experienced a decrease in local slaughter numbers, while the export of livestock to South Africa gained momentum. This is mainly as a result of local abattoirs becoming more unproductive due to reduced slaughter numbers and low slaughter prices.

Namibia as a predominantly livestock and meat exporting country, must maintain a healthy slaughter industry operating in an optimum environment. The Namibian livestock export market has been developed over many years and must be preserved at all costs. All components of the value chain, including potential export countries, such as the Middle East, will be incorporated in the Competitiveness Report. The estimated date of completion is April 2019.



FMD contingency plan and commodity based trade workshop

As part of the Meat Board of Namibia's (MBN) assistance to creating marketing opportunities for beef produced in the Northern Communal Areas (NCA) of Namibia, the MBN has initiated the revision of foot-and-mouth disease (FMD) contingency plans in an effort to create a more conducive environment for abattoirs to operate in this area of Namibia.



Dr Gavin Thompson,
FMD Expert from
South Africa.

In-depth discussions regarding trends of FMD in Southern Africa, methods to control outbreaks as well as the implementation of Commodity Based Trade in Namibia were held between the Directorate of Veterinary Services and an FMD expert during a two day workshop that took place on 7 & 8 February 2019 at the Safari Hotel in Windhoek.

The desired outcome of the workshop was customized FMD Contingency Plans for the FMD Infected Zone and FMD Protection Zone of Namibia as well as a clear standard operating procedure for the implementation of Commodity Based Trade in Namibia. These efforts are directed towards creating market opportunities for beef produced in the NCA which are lasting, practical and cost-effective.

FAN Meat logo registered as an international quality brand

The MBN is in the process of registering its Farm-assured Meat trademark on the worldwide database. Quality assurance schemes are the norm worldwide and have become a requirement for reaching the upper end of the market and assuring consumers of the quality systems applied in Namibia. Therefore, it is in the interest of Namibia to maintain the FANMeat standards as a marketing tool for quality Namibian meat and meat products. The FAN-Meat Scheme is ISO 9001:2015 certified and has implemented a quality management system.

Registering the FANMeat trademark internationally will avoid illegal use of the FANMeat logo and at the same time give consumers confidence in the safety of the meat products and as such create a competitive edge for the Namibian product.



Delegation from Namibia visits Czech Republic

The Namibia Trade Forum extended an invitation to the MBN to take part in a market exploration visit to the Czech Republic. The delegation included the Minister of Industrialisation, Trade and SME Development and the trade visit was partly funded by the Czech Republic.

Namibia and Botswana have been exporting small consignments of beef products to the Czech Republic and would like to increase beef exports to this country.





Billboard at Noordoewer Border Post to promote Namibian Meat to all visitors who enter the border post

Namibia Veterinary Council:
UNAM Veterinary Faculty
12-14 November 2018

Dr Anja Boshoff-De Witt was part of an audit team which audited the fifth year veterinary science curriculum. The curriculum was found to be of an acceptable standard. It was interesting to note that the curriculum is based on that of Onderstepoort Veterinary Faculty, but that certain compulsory subjects and chapters were added to 'Namibianise' the curriculum. The Namibian Veterinary Faculty is currently the only one in the world offering a compulsory wildlife component in the curriculum.



Meat Board informs sheep producers of concessions with regard to sheep exports in times of drought

Considering the current drought, especially in the South of Namibia, and as part of the Sheep Marketing Scheme, a mechanism has been implemented to assist sheep producers who have acquired grazing in South Africa, to now export their breeding stock to South Africa. Such breeding stock must, however, comply with the export conditions of Namibia and the import conditions of South Africa. More information about this can be obtained from Mr Desmond Cloete of the Meat Board. (tel. 061-275877)

Meat Board is concerned about the impact of a foot-and-mouth disease outbreak

The impact of a foot-and-mouth disease outbreak, as was recently the case in South Africa, is apparent.

Exports cease with immediate effect, leading to an oversupply of meat in the market and resultantly a decline in producer prices. Imagine the impact a foot-and-mouth disease outbreak would have in Namibia's free zone.

All exports should be stopped with immediate effect, domestically there would be no transport (movement) of livestock and meat inland, and producer prices would decline exponentially as Namibian beef producers north of the Veterinary Cordon Fence can testify.

It is therefore imperative that producers in Namibia should be vigilant to maintain Namibia's

foot-and-mouth disease free zone.

Producers can do so by not supporting the illegal movement of animals from neighbouring countries, by protecting the integrity of the Veterinary Cordon Fence and other boundary fences and by reporting all stray animals to the nearest office of the Directorate Veterinary Services.

Due to a lack of government funding, the Meat Board was compelled to support the Directorate Veterinary Services and to be involved since January 2019 in the repair of the Veterinary Cordon Fence in Kunene.

Such support was by way of transporting material, servicing vehicles and appointing of temporary staff. The repair of the Veterinary Cordon Fence will shortly be extended to other areas.



Namibian livestock and trade industry - 2018 Key Highlights

- The beef and lamb sectors dominate the industry and collectively account for 86% of all livestock consumed each year.
- 84% of beef, 77% of sheep and 97% of goats are exported every year, the bulk of which is earmarked for South African consumption. Currently, no pork is exported to partner markets.
- This makes Namibia a net exporter of beef, sheep and goats. More specifically, Namibia produced a net trade surplus of 6,700 tons of beef and 2,900 tons of mutton in 2018. In addition, Namibia exported more than 305,000 live cattle, more than 450,000 live sheep and more than 145,000 live goats on a net basis to partner countries in 2018.
- Apart from South Africa, Hong Kong, Botswana, Norway and the UK remain important export destinations.



- 2018's exports far exceeded 2016's and 2017's for each of the months January to December.
- In 2017, Namibia was the world's 26th largest exporter of bovine meat, up from 38th position in 2016. Given the significant increase in exports in recent years, Namibia is expected to maintain, and perhaps even improve on this position for the foreseeable future.



The local industry is valued at an estimated N\$4.6 billion which equates to 4.3% of all goods and services produced by Namibia annually. Stated differently, N\$1 in every N\$23 produced by Namibia in goods and services every year, is harnessed from the local livestock and trade industry.

Figure 1: Breakdown of 2018 Production



Sources: Namibian Statistics Agency; Meat Board of Namibia.

The total value of exports has consistently increased over the past few years, most notably by 77.3% between 2017 and 2018, and totaled N\$4.6 billion in 2018.

Figure 2: Total value of monthly exports over time - 2016 to 2018, N\$ billion



According to the latest census data Namibia maintains more than 7 million live animals.

Figure 3: Breakdown of 2017 livestock



Sources: UN COMTRADE and ITC Statistics Database; Directorate Veterinary Services; Meat Board of Namibia. 2018 Livestock census not available at the time of publication.



Price increases paid to producers of beef and sheep by local abattoirs outstripped inflation (CPI) over the period, January 2016 to December 2018. This was largely due to an increase in the local demand for beef and sheep and increasing South African prices which indirectly impacted local prices.

Figure 4: Local abattoir prices vs. CPI – 2016 to 2018

- When annualized, the average annual increases observed in the price of beef and sheep have been to several orders of magnitude of the rate observed in the national CPI.

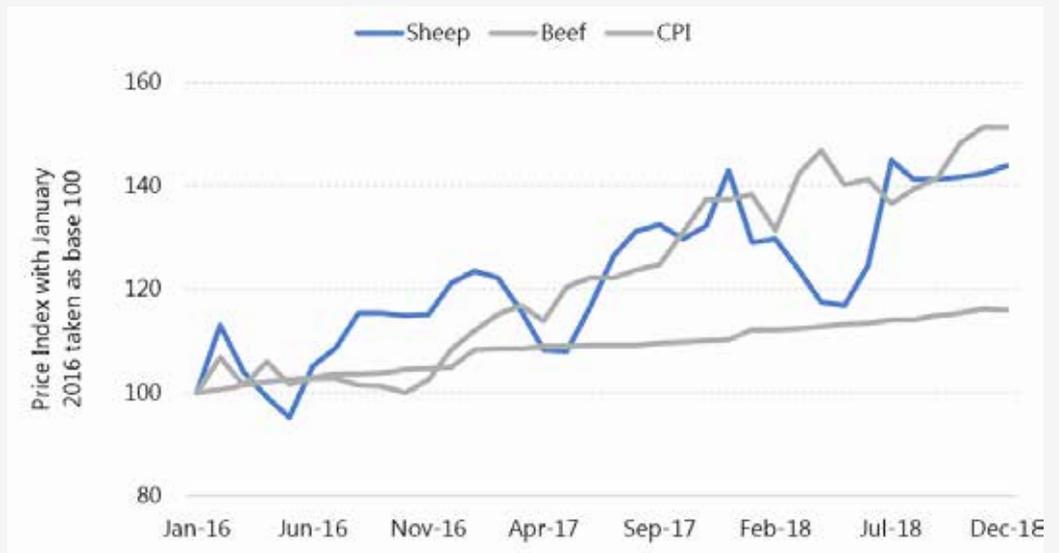
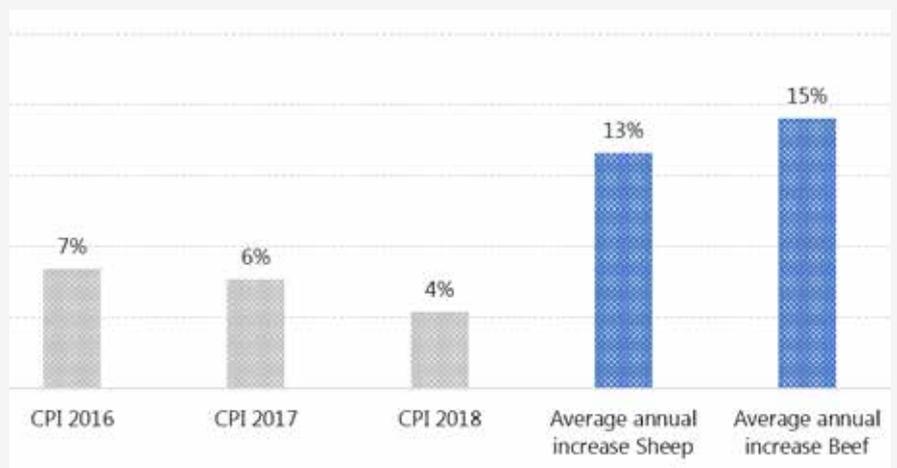


Figure 5: Local abattoir prices vs. CPI – Annualised rates: January 2016 vs. December 2018

- Note that the annualized rates are point-in-time calculations and that prices fluctuate from one month to the next.

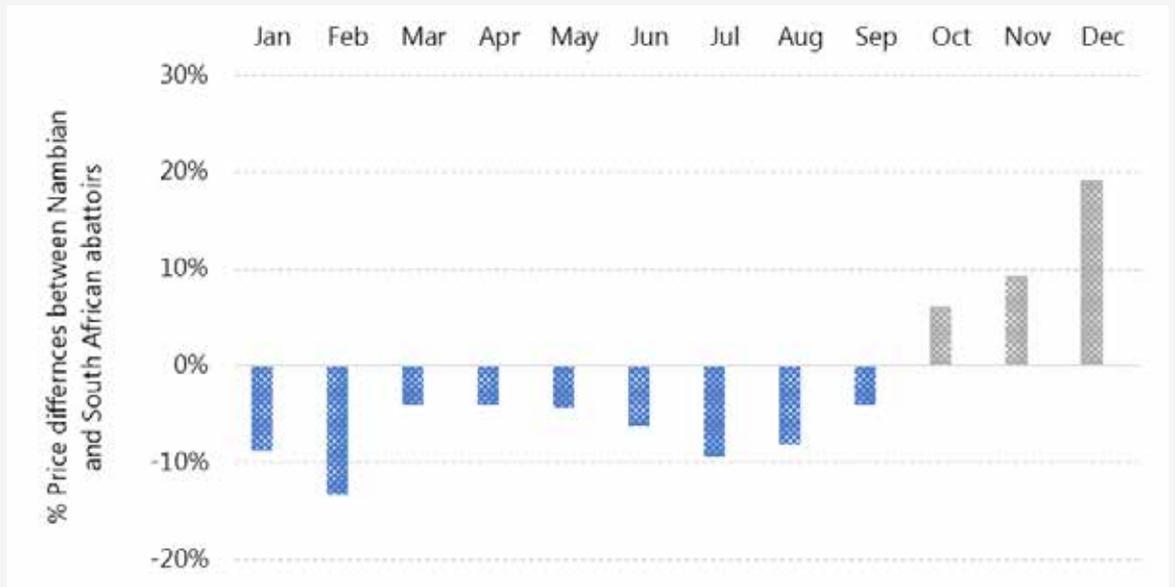


Sources: Namibian Statistics Agency; Meat Board of Namibia.



During 2018, Namibian abattoirs paid local producers of beef lower prices than their South African counterparts during the first nine months of the year, after which Namibian abattoirs significantly outperformed those in South Africa.

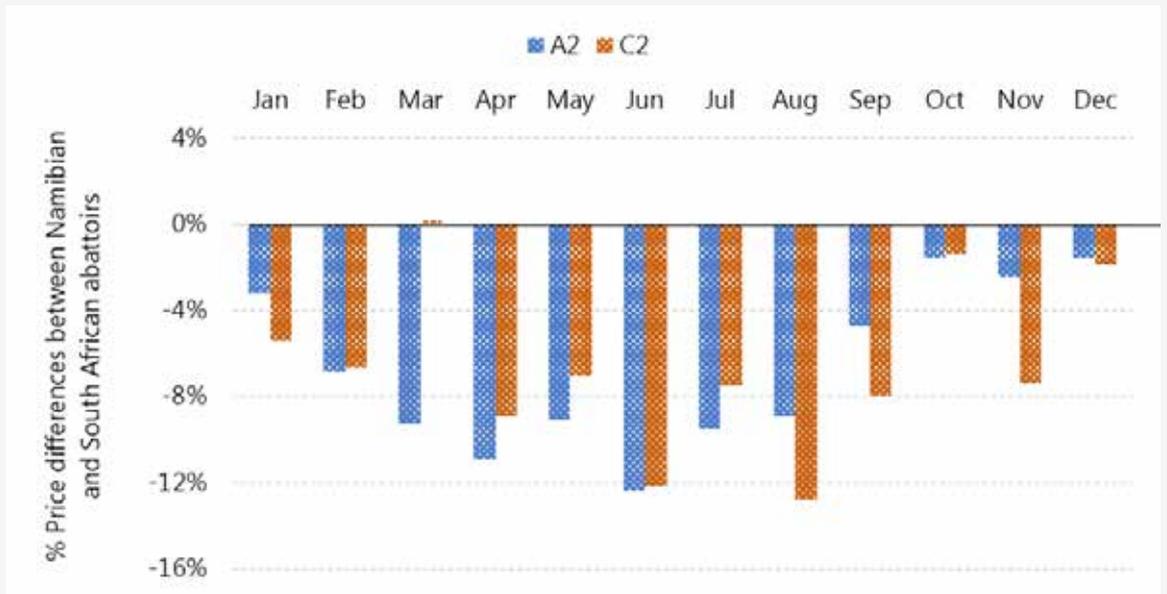
Figure 6: Differences in average 2018 monthly abattoir prices for A2 beef – Namibia vs. South Africa



Namibian abattoirs paid local sheep producers lower prices than South African abattoirs throughout 2018.

Figure 7: Differences in average 2018 monthly abattoir prices for A2 and C2 sheep – Namibia vs. South Africa

- N\$ is pegged to the rand on a one-to-one basis. As a result, no exchange rate differences have been accounted for.

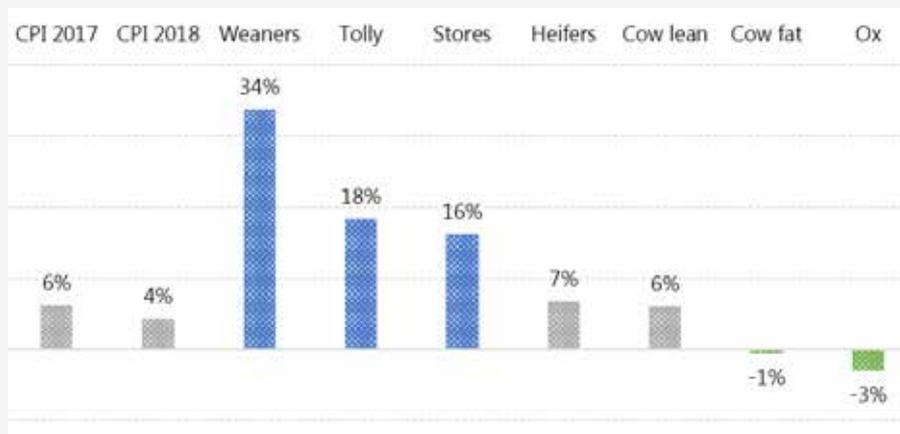


Sources: Namibia Agricultural Union; Red Meat Abattoir Association; Meat Board of Namibia.



The price increases paid to producers of weaners, tollies and stores at auctions outstripped inflation (CPI) over the period, January 2017 to December 2018. Price increases paid to producers of heifers and cows classified as lean were largely in line with inflation (CPI), whilst price increases for cows classified as fat and oxen were on average lower than CPI for the stated period.

Figure 8: Local auction prices for cattle vs. CPI
 – Annualised rates: January 2016 vs. December 2018



The price increases paid to goat producers were significantly higher than inflation (CPI) for the period, January 2017 to December 2018. Auction price increases for sheep have remained relatively flat.

Figure 9: Local auction prices for goat and sheep vs. CPI
 – Annualised rates: January 2016 vs. December 2018



- Note that the annualized rates are point-in-time calculations and that prices fluctuate from one month to the next.

Sources: Namibian Statistics Agency;
 Meat Board of Namibia.

Did you know...

- Namibia is currently the only African country recognized as having negligible risk for Bovine Spongiform Encephalopathy (BSE). Furthermore, Namibia is classified as having a foot-and-mouth Disease (FMD), Peste des Petits Ruminants (PPR) and Contagious Bovine Pleuropneumonia (CBPP) free zone by the World Organization for Animal Health (OIE).
- Namibia and Botswana are the only African countries permitted to export beef to the European Union.
- Namibia has implemented a livestock identification and traceability system (NamLITS) to track

and trace animals to manage disease and to validate and ensure meat safety guarantees in accordance with the FAN Meat quality assurance scheme.

- Namibian meat is produced naturally, with antibiotics used only for therapeutic purposes.
- The average size of commercial Namibian cattle farms range between 5 000 and 6 000 hectares, whereas sheep farms in the south of Namibia tend to range between 10 000 and 12 000 hectares each.
- The average weight of cattle carcasses range between 190 kg and 300 kg depending on age and breed.



STAFF NEWS

New appointments at Meat Board Head Office



*Julien Musambani
Admin Assistant: Stockbrands*



*Ruben Dionisius
Ear Tag Sales Clerk*

Meat Board Finance Division



*Ursula Nguvauva
Head Finance*



*Keodumetse Thatoane
Assistant Accountant*



*Andrea Snyders
Creditors & Payroll Clerk*



*Maggy Ileka
Assistant Accountant*



*Jenny Gouws
Accounting Clerk*

WE LOVE OUR MEAT

Premium quality Namibian meat controlled and guaranteed by the Meat Board across the value chain according to highest quality and safety standards.



VISION STATEMENT

The vision of the Meat Board of Namibia is to be an internationally and locally recognised organisation that promotes a profitable, vibrant, quality-driven Namibian meat industry in local and international markets.

MISSION STATEMENT

The mission of the Meat Board of Namibia is to promote a conducive environment for sustainable livestock production, market growth and diversification for livestock, meat and meat products; and to maintain standards and quality assurance by way of appropriate regulatory intervention.