

meat CHRONICLE



NEWSLETTER 6/2022



Meat Board
of Namibia

Meat board, board members and managers visit Namibia dairies



*The Board members of the MBN pay a courtesy visit to Namibia Dairies, on 16 March 2022.
Namibia Dairies is the leading supplier of fresh and long-life milk, dairy products and other beverages in the country.*

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WHAT THE MEAT BOARD HAS DONE

MEAT BOARD ANNOUNCES STANDARD VALUES FOR CALCULATION OF LEVIES DURING THE NEXT FINANCIAL YEAR:

Government notice Number 139 of 212 determined that the Meat Board must annually calculate standard values for the following financial year. These standard values form the basis for the calculation of levies where transaction values of livestock could not be audited. Meat Board levies are calculated as percentages of the standard values during the export and import of livestock, local ("out of the hand") transactions, as well as during slaughtering at local abattoirs. The standard values are calculated according to the real trade value of livestock during the previous calendar year. The standard values applicable during the 2022/2023 financial year will be implemented from 1 April 2022 to 31 March 2023 and are as follows:

Meat Board levies are calculated as percentages of the actual and standard values with the percentages being:

Slaughter – 0.7%

Auction / Out of Hand – 0.6%

Export of livestock – 1.0%

Import of livestock and Meat and Meat products – 0.8%

ISO 9001: 2015 Re-certification audit – uitslag en sertifikaat

The FAN Meat office of the Meat Board has undergone an external re-certification audit on 7 & 8 February 2022. The audit was conducted to verify that FAN Meat is still successfully implementing the Quality Management System. External audits are conducted

annually. Non-conformances raised during the audit have been successfully addressed, and the FAN Meat office maintains its ISO 9001:2015 certification.

FAN Meat Customer satisfaction survey

Item	Standard Values (N\$)
Cattle – (live)	9 498
Cattle – (for slaughter)	13 530
Goat (any transaction)	1 284
Sheep (any transaction)	1 388
Pork (any transaction)	2 744

The FAN Meat office has conducted its annual customer satisfaction survey during the period September to December 2021. The overall customer satisfaction rating obtained is 83%. A total of 101 producers participated in the survey. According to the survey producers are using NamLITS online and are very satisfied with the functionality of the system. Concerning complaints, most were with regard to the ear tag quota system as implemented by the Directorate of Veterinary Services.


NamLITS Online Cafés

The Meat Board would like to urge farmer union offices and producer service providers to apply to the Meat Board of Namibia to host a NamLITS online Café. NamLITS online cafés are to be established to assist producers not having access to internet on NamLITS online to perform all the functions as available to producers. Producers are urged to make use of NamLITS online instead of State Veterinary offices in order to reduce the administrative burden at state vet offices.


Applicants need to be in possession of an adequate computer, printing facilities and stable internet. The Meat Board will provide training to participating offices. Offices wanting to participate in this initiative should apply with the Chief FAN Meat, Mr Victor Klazen, chfanmeat@nammic.com.na, 061 275 856.

DVS Ear Tag Quota system:


The DVS has implemented an ear tag quota system to limit the number of cattle ear tags a producer can purchase from the Meat Board. However, on a daily basis this quota system is causing massive frustration in the Industry. The Meat Board has on numerous occasions requested the DVS to amend or cancel the ear tag quota system. Quota can be manually adjusted ONLY by State Veterinarians, NOT by the Meat Board. Producers should please enquire from their state veterinary office regarding the available ear tag quota BEFORE visiting the Meat Board to purchase tags.



CERTIFICATE



This is to certify that



**The Meat Board of Namibia
FAN MEAT SCHEME**

30 David Hosea Meroro Road
Agricultural Boards Building
Windhoek, 9000
Namibia

Has implemented and maintains a **Quality Management System**.

Scope:
The effectiveness of the FANMEAT Scheme in ensuring Farm Assurance and traceability as laid down through administration of the Stock Brands registration office, ear tag office and NamLITS Helpdesk.

Through an audit, documented in a report, it was verified that the Management System fulfils the requirements of the following standard:

ISO 9001 : 2015

Certificate registration no. 40600259 QM15

Valid from 2022-03-03

Valid until 2025-03-02

Date of certification 2022-03-16




DQS GmbH

Markus Bleher
Markus Bleher
Managing Director

Accredited Body: DQS GmbH, August-Schanz-Straße 21, 60433 Frankfurt am Main, Germany
Administrative Office: DQS German Association for Certification of Management Systems (Pty) Ltd.,
P.O.Box 672, Randburg 2125, South Africa

Bitte Änderungen farblich kennzeichnen

Please highlight any changes color-coded

MARKETING OPPORTUNITIES FOR NCA BEEF PRODUCERS

BACKGROUND

- Division of disease zones – market limitations
- Four options to gain access to similar markets as sVCF
- Three options to improve animal disease status
- One option to improve marketing opportunities given current status
- Preferred option: Commodity Based Trade
- Medium term : Establishment of free zones
- NCA Cattle and Beef Value Chain
- Available markets

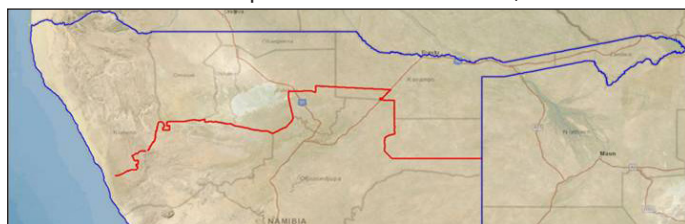
DILEMMA

- Accessing markets is based on peculiar animal disease risk
- FMD free, PPR free, CBPP free
- Neighboring low risk areas
- Biosecurity measures
- Three disease zones
- FMD Free zone
- FMD Protection zone
- FMD Infected zone
- Four options to improve animal health status and marketing
- Namibia – Angola Border Fence
- Creation of New Free Zone
- Compartmentalization
- Commodity Based Trade

VETERINARY CORDON FENCE – “Redline”

TECHNICAL OPTIONS

- OPTION 1. The construction of a “Livestock Fence” (Cordon Fence) between Namibia and Angola
- OPTION 2. The development of a new free zone (free from FMD



- and CBPP) in the protection zone
- OPTION 3. The registration of a free compartment (free from FMD and CBPP) in the protection zone
- OPTION 4. The application of Commodity Based Trade principles as described by the OIE.
- The application of the above options are not necessarily mutually exclusive.

Option 1. Namibia-Angola Border Fence Requirements

- Mass translocation of cattle from Angola
- Acquire land to relocate ex-Angola cattle
- Namibia-Angola double stock-proof fence
- Stop movements across river borders
- Stop CBPP & FMD vaccination
- Apply for OIE recognition of freedom
- Option 1: Eradicating lung sickness first
- Option 1: FMD vaccination in high risk areas

Conclusion: Options 1 not recommended

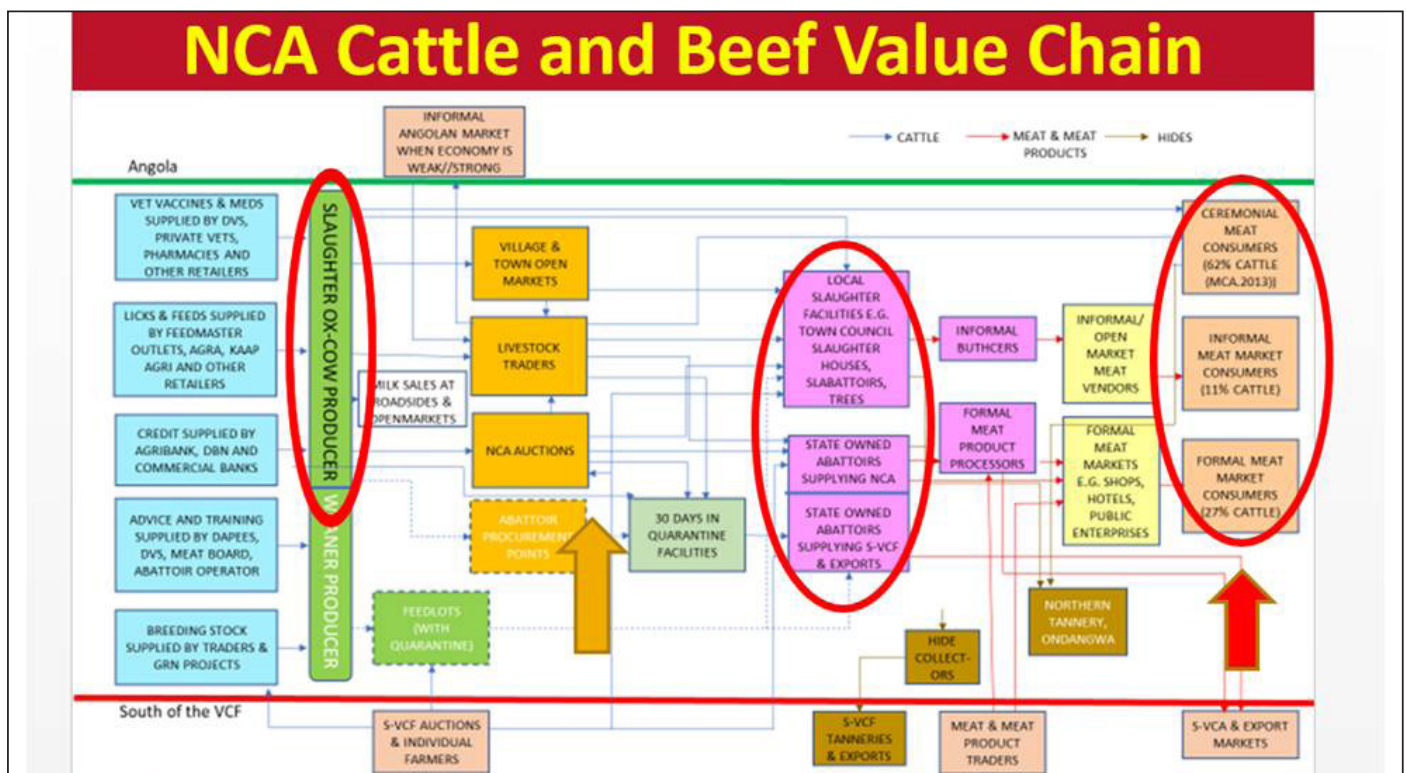
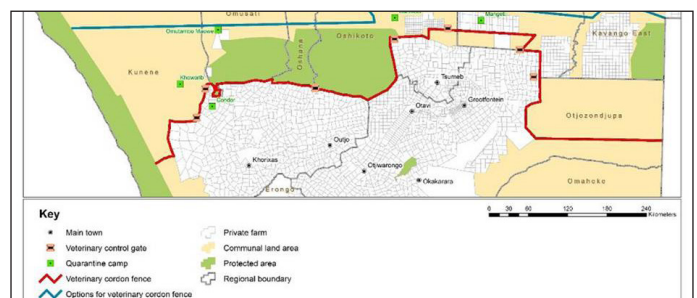
OPTION 2. Create Free Zone in NCA

Requirements

- Boundary fence around zone
- Stock proof and game proof
- Apply biosecurity measures
- Stop movements from protection zone
- Stop CBPP & FMD vaccination
- Application for OIE recognition of freedom

Conclusion: technical requirements can be met; partial free zone is the best and perhaps only technically long-term feasible option

4



ESTIMATED COST FOR MARKET ACCESS OPTIONS (2020)

NCA Cattle and Beef Value Chain

Potential market access

Subject to DVS certification

Product group	HS code	Product	Potential price margin of Namibian exports: N\$/kg					
			United Arab Emirates	Saudi Arabia	Kuwait	Qatar	Bahrain	China
Beef - N-VCF	20043	Bone-in fresh/chilled cuts	21.23	43.82	80.38	93.77	100.83	
	20067	Bone-in frozen cuts	31.85	7.11	19.87	30.48	129.27	
	20091	Boneless fresh/chilled cuts	57.01	37.07	61.43	68.58	89.64	
	20115	Boneless frozen cuts	-4.26	-1.76	18.46	5.44	3.91	
Beef - S-VCF	20120	Bone-in fresh/chilled cuts	21.80	44.39	80.95	94.34	101.40	
	20220	Bone-in frozen cuts	32.42	7.68	20.44	31.05	129.84	
	20130	Boneless fresh/chilled cuts	57.98	38.04	62.39	69.54	90.61	
	20230	Boneless frozen cuts	-3.29	-0.79	19.43	6.41	4.88	
Sheep and goat meat	20422	Fresh/chilled cuts of sheep, with bone	70.07	83.48	55.84	80.85	84.28	64.21
	20423	Fresh/chilled boneless cuts of sheep	94.07	75.95	99.01	118.61	84.90	126.01
	20442	Frozen cuts of sheep, bone in	12.16	45.80	9.68	28.46	18.54	25.19
	20443	Frozen boneless cuts of sheep	46.89	24.81	41.83	49.59	7.99	16.89
	20450	Fresh, chilled or frozen meat of goats	42.41	41.89	-0.54	-4.11	75.31	53.70

3 OPTION 3. Compartmentalization Requirements

- Biosecurity management system
 - Biosecurity plan to mitigate the risks
 - Stop CBPP and FMD vaccination
 - Supervision and control by DVS
 - Approved by the Veterinary Authority
 - No rigorous OIE application
 - No OIE recognition – bilateral recognition only
 - High capital and biosecurity costs
- Conclusion: key conditions cannot be easily met.

OPTION 4. Commodity Based Trade Requirements

- 90-day residence in a zone/vaccination against FMD
- FMD vaccination at least twice within 12 months

	Option 1: Construction of livestock fence between Namibia and Angola	Option 2: Development of new free zones in the Protection Zone	Option 3: Registration of free compartment in Protection Zone	Option 4: Implementation of Commodity Based Trade
Estimated initial capital investment	N\$ 615,4 mil	N\$ 616,8 mil	N\$ 415 mil	N\$ 4,8 mil
Annual re-current costs	N\$ 26,5 mil	N\$ 22,9 mil	N\$ 4,9 mil	N\$ 30,5 mil

- 30 days on a farm/FMD not occurred within 10 km radius
 - Or 30 days quarantine at quarantine facility
 - Move cattle from quarantine to the abattoir - trucks
 - Slaughter at a DVS approved abattoir designated for export
 - Carcasses should undergo maturation
 - Removal of major lymphatic nodes + debone carcasses
- Conclusion: Highly recommended; requirements easily met; risk-based vaccination;

CONCLUSION

- Veterinary Cordon Fence public debate since 1990
- Livestock off-take stable (DVS Census)
- Inactivation of VCF without improved animal health status not

feasible to Namibia economy (GDP)

- NCA consumer encompasses largest meat customer
- Export abattoirs need to start slaughtering
- Elololo, Oshakati
- Rundu
- Ngwezi, KatimaMulilo (started)
- Potential markets are available : DVS to negotiate with serious-ness market access

THE MEAT ROUTE

MEAT BOARD OF NAMIBIA

MEAT ROUTE

Find us on Facebook [www.nammbic.com.na](https://www.facebook.com/nammbic)

OUR STORY

Namibia is an arid country with agriculture at the heart of Namibia's economy and of her people.

Meat is produced naturally without the use of growth promoters. Animals are raised on natural pastures with supplement feeding provided to ensure all production needs of the animals are met.

During times of drought, animal welfare takes precedence over free range production, and grain fed production is allowed.

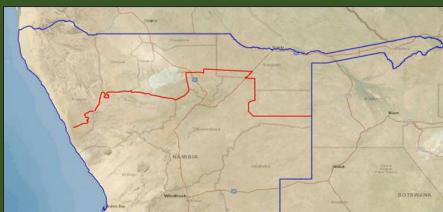
The **MEAT ROUTE** was developed by the Meat Board of Namibia to showcase Namibia's finest produced meat and to provide our visitors with a guide of where to find the BEST Namibia has to offer.

Participating butchers and stores are located along the most popular Namibian routes and were carefully selected to supply Namibian produced meat in a unique Namibian setting to introduce visitors to our Namibian culture.

Enjoy your stay in Namibia, but most of all, **ENJOY OUR MEAT!**

THE IMPORTANCE OF THE VCF CORDON FENCE

The Importance of the Veterinary Cordon Fence



The history of the Veterinary Cordon Fence goes hand in hand with the history of the control of animal disease in Namibia. CBPP (Bovine Lung Sickness) and the outbreak of rinderpest in 1897 necessitated a greatly expanded veterinary infrastructure. To prevent the spread of rinderpest, a veterinary demarcation was established, which was the very beginning of the Veterinary Cordon Fence as it is known today.

Today, the Veterinary Cordon Fence is still used as an animal disease control measure against Foot and mouth disease (FMD) and lung sickness (CBPP). The biggest and most costly animal disease outbreak ever experienced in Namibia occurred between 1961 and 1964, with FMD being diagnosed in the eastern Windhoek district. This outbreak caused immeasurable economic losses to Namibia as a whole and serves as a reminder of what can be expected should another outbreak occur in the FMD free zone of the country.

FMD is caused by a virus which is carried by the African Buffalo. Contact between cattle and buffalo is the most common method by which the virus is spread from buffalo to cattle. The virus can also be spread by animal products like meat, hides and skins. The free movement of buffalo in the Zambezi and Kavango East Regions, the open border with Angola in the north of the country and illegal cattle movements into Namibia from neighbouring countries leads to regular contact of cattle with buffalo or other infected cattle, and thus the possibility of regular outbreaks of FMD.

The World Organisation for Animal Health (OIE) recognises the area south of the Veterinary Cordon fence as free from FMD without vaccination, free from CBPP and free from small ruminant pest (PPR). This official status enables Namibia to trade in meat with some of the world's most lucrative markets. The Veterinary Cordon Fence (VCF) and the controls across this fence plays a central role in the obtaining and maintaining of this official status. An outbreak of disease like FMD south of the VCF will lead to immediate suspension of the free status, and immediate loss of these lucrative markets. This will mean no more meat exports, and no more weaner exports and an immediate collapse of the 7-Billion-dollar livestock sector which has developed over a number of years.

Agriculture is one of Namibia's most important sectors. The majority of Namibia's population is dependent directly or indirectly on the agricultural sector for their livelihoods.

Agriculture's contribution to GDP (excluding fishing) over the last five years has been just over 4%. Livestock farming contributes to approximately two-thirds of agricultural production. Meat processing contributes another 0.2 - 0.4 % of GDP. The export of livestock has historically contributed to about two-thirds of agricultural exports by value and livestock farming remains an important foreign exchange earner for Namibia.

The loss of official disease status through the removal or inactivation of the Veterinary Cordon fence will thus have dire consequences for the Namibian livestock sector and the Namibian economy at large. In order for the area north of the VCF to also obtain free status, the open border with Angola and the regular movement of livestock across this border will have to be permanently addressed with the construction of a fence. As long as there is livestock movement across this border, the VCF will have to stay intact to maintain official disease status and access to lucrative livestock and meat export markets.



Meat Board of Namibia

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LIVESTOCK AND MEAT INDUSTRY PERFORMANCE FIRST QUARTER 2022

The first quarter of 2022 showed a general improvement in marketing of livestock in comparison to 2021. This article will review the performance of the marketing of the cattle, small stock and pork. The review will cover the first quarter of 2022 compared to that of last year.

Cattle Sector

During the first quarter of 2022, the number of cattle marketed increased, showing signs of recovery from drought as re-stocking efforts start to pay off. The growth was mainly driven by good performance of export abattoirs while notable increases in live exports were also observed. On the contrary, butchers recorded a negative performance which appears to be a shift of market share towards relatively high-paying export abattoirs.

Production and Marketing

- Total marketing of cattle grew by 18.96% during quarter 1 of 2022 with a total of 51,241 cattle marketed compared to 43,073 cattle marketed during the same period in the preceding year.
- In terms of market share, export abattoirs captured 5% market share from B&C class abattoirs and 4% from live exports to increase their market share from 21% in quarter 1 of 2021 to 30% in the same quarter of 2022.
- Up to 99.92% percent of all live cattle exported on the hoof were marketed to South Africa (28,950 heads out of 28,972 heads) whereas Botswana accounted for 0.08% (22 heads) of total live exports, respectively.
- Of these live cattle exports, 97.37% were weaners (the general categorization of weaners includes tollies and heifers).
- Up to 97.39% (28,217 heads) of all live cattle exports were destined for feedlots while the remainder (farming) cattle only constituted 2.61% (755 heads).
- Export approved abattoirs registered an increase of 68.31% by slaughtering 15,247 heads of cattle during the first quarter of 2022 in comparison to 9,059 heads of cattle slaughtered during the same period in previous year. The beef all-grade average producer carcass price increased from N\$48.05/kg in first quarter 2021 to N\$60.34/kg in first quarter 2022, representing a 25.58% increase and a commitment by export abattoirs to offer competitive prices.
- Weaner prices declined during the first quarter of 2022, seeing only a marginal drop of 0.18% from N\$41.66/kg in first quarter 2021 to N\$41.59/kg in quarter 1 of this year.
- The Namibian market share in live cattle imports in South Africa is on the decline as Botswana cattle continue to provide price competition to Namibia.
- Due to relatively cheaper weaner imports from Botswana, South African feedlots have shifted some of their business to neighbouring Botswana. The trend is likely to continue to put downward pressure on local weaner prices

Sheep sector

The sector performed relatively well during the first quarter of 2022 with each month recording higher levels of marketing than in 2021.

Production and Marketing

- Total sheep marketing during the quarter 1 of 2022 increased by 27.23% in comparison to the same period last year.
- The major driver of the growth was live exports of sheep which grew by 57.61% during the first quarter of 2022 totalling 87,081 heads in comparison to 55,251 heads in the

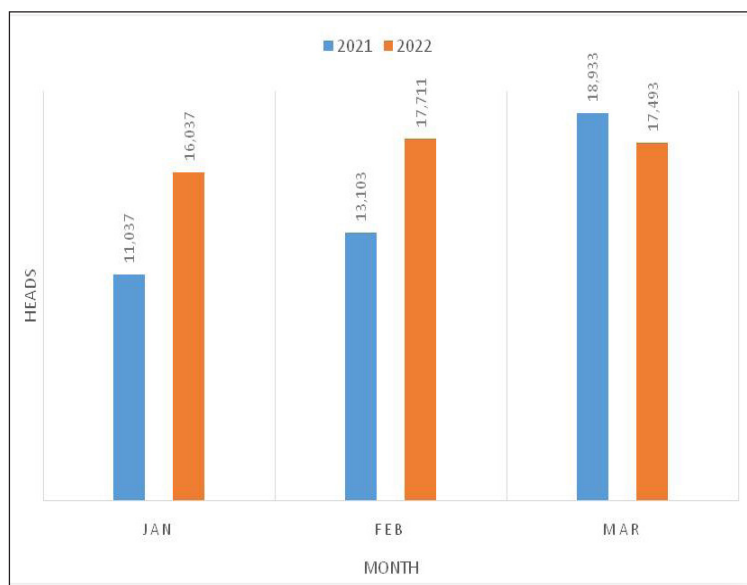


Figure 1: Total cattle marketed Q1-2021/2022

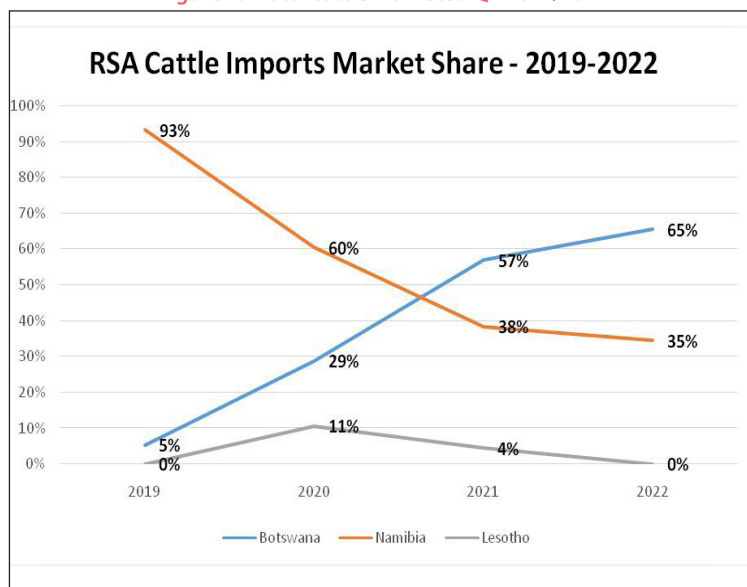


Figure 2: Namibia's declining dominance in RSA cattlemarket (Source: TradeMap, Calculations: MBN)

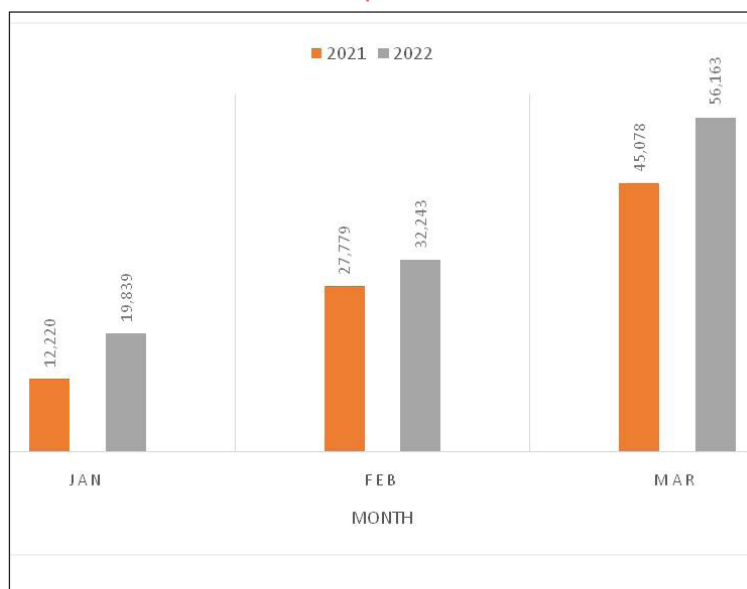


Figure 3: Total Sheep Marketed Q1:2021/2022

- year 2020.
- Live exports increased their market share from 65% to 80% at the expense of B&C-class abattoirs whose market share declined from 30% in quarter 1 of 2021 to 15% in 2022. On the other hand, export abattoirs maintained their 5% market share.
 - Although export abattoirs increased slaughtering by 24.96%, they are operating at only 6% of their slaughter capacity which threatens their existence and Namibia's ability to revive the export oriented sector's value addition ideals.
 - Price differences in the A2 grade between Namibia and Northern Cape abattoirs remain above the nominal -N\$4.98/kg level having averaged at -N\$5.27/kg by the end of the first quarter which is higher than -N\$4.77/kg recorded last year. Namibian A2 sheep prices during the quarter averaged N\$76.45/kg while Northern Cape A2 producer prices for the quarter stood at N\$81.72/kg.

Pork sector

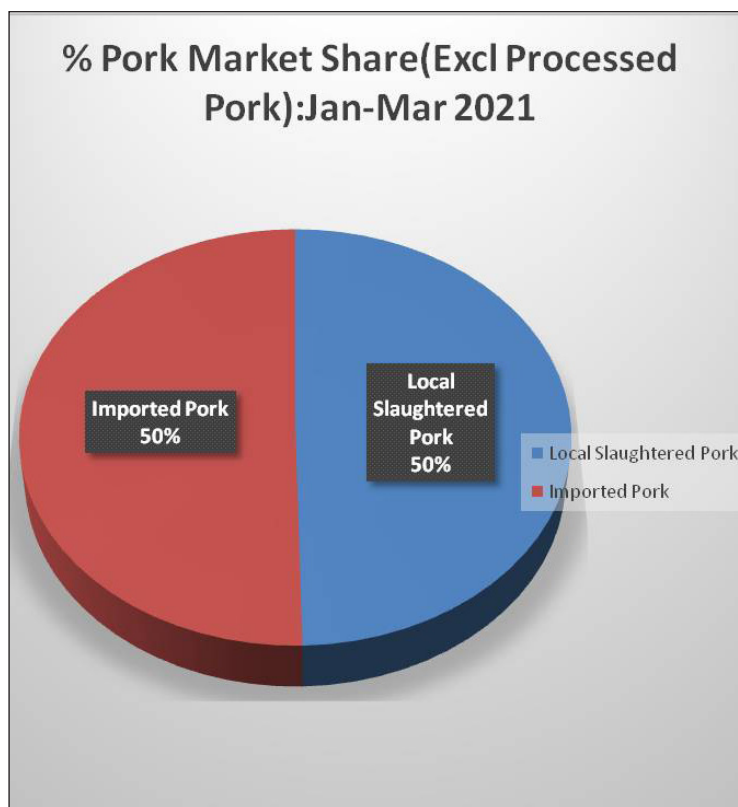
The pork sector posted a negative performance during the first quarter of 2022 in comparison to the same period last year. The Pork Market Share Promotion Scheme continues to be implemented to assist local producers with market access given cheap pork imports from elsewhere.

Production and Marketing

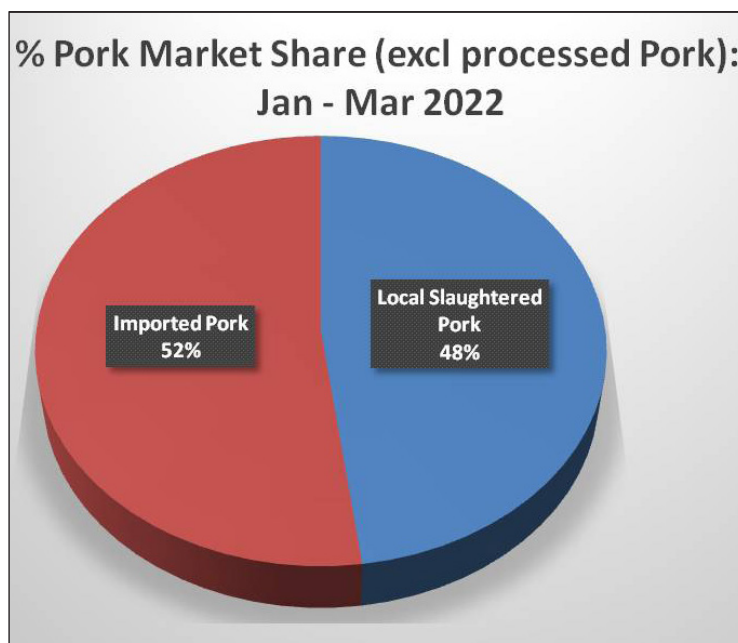
- During the first quarter of 2022, a total of 10,914 pigs were slaughtered by Meat Board-registered abattoirs, a 1.87% decline compared to a kill of 11,122 pigs slaughtered in 2021. However, pork production at 1,028 tons in 2022 was still 7% higher than the 2021 level of 961 tons, a sign of improved productivity reflected in better slaughter mass.
- Local pork production serviced 48% of the Namibian consumption requirements during the first quarter of 2022 (Q1 2021: 50%), while imports (excluding processed meat) catered for 52% of consumption requirements (Q1 2021: 50%).
- During the first quarter of 2022, a total of 1,118 tons of pork excluding processed pork were imported into the Namibian market. Considering processed pork, total imports amounted to 1,563 tons.
- The average Namibian pork ceiling price for the first quarter of 2022 stood at N\$35.24/kg, down by 10.75% (or N\$4.25/kg) from N\$39.48/kg observed during the first quarter of 2021.
- The Meat Board revised the Pork Ceiling Price calculations in March 2022 to absorb monthly changes in transport cost in order to ensure that producers are not made worse-off by fuel price increases. The transport cost is computed based on a model developed by the Meat Board.

Conclusion

The marketing of livestock in general increased during the first quarter with export abattoirs posting better performances while the butchers generally saw a decline in performance in comparison to last year. The Namibian weaner's dominance in the South African market has been broken by Botswana cattle exports to South Africa and this threatens Namibian weaner prices and in the long-run may extend to carcass prices through the value chain. Beef prices are expected to remain on the growth trajectory while sheep prices will likely depend on the ability of Namibia to obtain alternative markets in addition to the South African carcass market. Pork production is also expected to stabilise during the remainder of 2022.



Pork market share percentage excluding processed pork Jan - Mar 2021



Pork market share percentage excluding processed pork Jan - Mar 2022

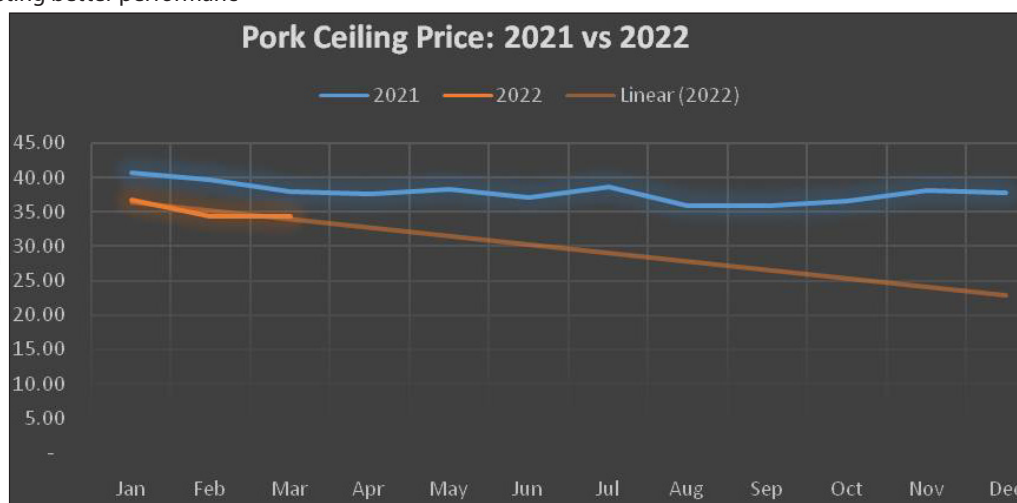


Figure 5: Pork ceiling price:2021/2022



STAFF NEWS: MEAT BOARD INDEPENDENCE CELEBRATIONS



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.

WE LOVE OUR MEAT

Premium quality Namibian meat controlled and guaranteed by the Meat Board across the value chain based on high quality & 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.

