



LIVESTOCK AND LIVESTOCK PRODUCTS

BOARD OF NAMIBIA

STANDARD OPERATING PROCEDURES

FOR

PORK MARKET SHARE PROMOTION SCHEME

February 2023

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1. LEGAL FRAMEWORK (LEGISLATION)

- 1.1 According to the Meat Industry Act (No 12 of 1981), section 10 (1) (i) the Board with the approval of the Minister of Agriculture, is empowered to take steps with a view to increasing the demand for controlled products in Namibia or elsewhere.
- 1.2 On this basis, The Pork Market Share Promotion Scheme (hereinafter referred to as “the Scheme”) was initially approved on 16 August 2012 for implementation as from the 1st October 2012 until 30 September 2020. The Meat Board at its board meeting of 20 August 2020 approved the extension of the Scheme as from 1 October 2020 till the 30 September 2028.
- 1.3 The Scheme will be implemented as per section 20 (b) of the Meat Industry Act (No 12 of 1981) notified in Government Notice No.129 of 2004, which empowers the Board to determine conditions under which Meat Board permits may be issued.

2. OBJECTIVES OF THE SCHEME

- 2.1 The Scheme aims to promote local pork production as well as to protect the industry against the importation of cheap pork meat and products from elsewhere.
- 2.2 This is with the intention of growing the pork industry towards self-sufficiency and gradual competitiveness in local pork supply.

3. REQUIREMENTS FOR PARTICIPATION IN THE SCHEME

- 3.1 Pig producers must register with the Meat Board to obtain a producer number.
- 3.2 Producers must complete the standard application form available at the Meat Board “Registration as Pork Producer: Pork Market Share Promotion Scheme”.
- 3.3 Producers must complete and submit the “Application for Registration of Place as Registered Establishment” (Form 1) and obtain “Notification of Registration of Place as Registered Establishment” (Form 4) from the Directorate of Veterinary Services in terms of the Animal Health Act, Act No. 1 of 2011.
- 3.4 All Importers will automatically be subjected to the Scheme and the Standard Operating Procedures (SOPs) in relation to the Scheme.

4. PRODUCTS INCLUDED IN THE SCHEME

4.1 Schedule I (annexed to the Standard Operating Procedures) provides for all products included in the Scheme.

4.2 These products can only be imported subject to the accumulation of import quota.

5. PRODUCTS EXCLUDED FROM THE SCHEME

5.1 Schedule II (annexed to the Standard Operating Procedures) provides for all products excluded from the Scheme.

5.2 An import permit can be obtained from the Meat Board of Namibia for all these products, without having accumulated import quota.

6. MODUS OPERANDI OF THE PORK MARKET SHARE PROMOTION SCHEME

6.1 All pork imports will be subject to the implementation of a quantitative restriction on the importation of fresh/chilled and frozen pork carcasses/cuts at a ratio of;

6.1.1 1:2 (Local purchases (kg) to Imports (kg)), during the period 1 February to 30 September when there is an oversupply of local pork in the market.

6.1.2 1:3 (Local purchases (kg) to Imports (kg)), between 1 October and 31 January when there is as shortage of local pork in the market.

6.2 Import quota is accumulated by purchasing locally produced pork from producers that are registered in the Scheme. Only pigs slaughtered at Meat Board-registered and DVS-approved facilities will count for quota accumulation within the Scheme.

6.3 In the event that an importer is unable to source pork locally, manual quota will be issued to importers upon confirmation from all registered producers that there is no pork available.

6.4 Producers shall have a period of 48 hours from the time of notification by the Meat Board to indicate the availability or unavailability of pork before manual quota can be approved.

6.5 In the event of local pork shortages, pork quota may be allocated to importers on a double ratio applicable at the time based on the previous three months local purchases provided that the amount allocated shall not exceed a maximum of 24 tons on a single permit (permit validity is one month). Importers without quota will be subjected to a restriction of 24 tons per month

- 6.6 Only the Meat Board has the right to declare a national shortage of pork.
- 6.7 The Scheme is carcass-based. No manual quota will be issued to an importer on the basis of a producer failing to supply specific cuts or products. Offers to supply will be dealt with in the following manner;
- 6.7.1 The first offer to supply will be binding in the event of more than one offer. The expected turnaround time for delivery is five (5) working days from the communicated offer date.
- 6.7.2 The importer shall be released from the obligation to buy local pork if the producer is unable to ensure the availability of pork at the registered abattoir provided that the importer has acted in good faith with regards to the offer.
- 6.7.3 In the event of simultaneous offers the importer may choose any of the offers. Should the first offer fail to materialize within five working days, the importer should pursue the second offer. Should none of the offers materialize, a manual quota will be issued upon receipt of confirmation from the concerned producer.
- 6.8 Registered abattoirs partaking in the scheme should hand in a monthly performance report to the Meat Board within the first four working days of a new month.
- 6.9 The performance reports shall be compared with the levy returns to reconcile slaughter quantities before entry into the MPS for quota purposes.
- 6.10 Approved exporters will be credited 25 percent of the quantity of processed pork exported as import quota subject to the expiration period of quota outlined herein. This provision shall be applicable until the establishment of an accredited pork export abattoir.
- 6.11 Producers registered in the Scheme are prohibited from importing pork.
- 6.12 Producers are furthermore prohibited from undertaking value addition activities that may be seen to be in direct competition with importers,

7. CALCULATION OF THE PORK PRODUCER CEILING PRICE

7.1 The maximum pork producer price per kilogram will be calculated monthly as modelled below:

$$\begin{aligned} \text{PORK CEILING PRICE} &= \text{RMAA average (BO, BP grade prices)} \\ &+ \text{Transport costs} + \text{MBN Slaughter Levy} \\ &+ \text{Slaughter fee} + \text{Production Incentive} \end{aligned}$$

- 7.1.1 RMAA Average is based on the latest available prices released by the RMAA by the first working day of each month.
- 7.1.2 Transport Cost is determined by the MBN transport cost model. See Annexure 3.
- 7.1.3 Meat Board slaughter levy allowance is based on the amount determined and published by MBN in the Government Gazette based on standard values of pigs from time to time.
- 7.1.4 Slaughter fee is based on the quarterly weighted average slaughter cost charged by participating abattoirs.

Note:

- The pork ceiling price transport and slaughter fee parameters will be reviewed on a quarterly basis based on cost models developed and maintained by the Meat Board of Namibia; to ensure that it reflects changes in cost.
- Pork ceiling price is calculated at abattoir level and does not include logistical costs to deliver to the buyer.

7.2 The local production incentive will be adjustable as follows:

- 7.2.1 If the RMAA price is less than R 25.00/kg, the production incentive will remain at 30% of the RMAA price,
- 7.2.2 If the RMAA price is greater than R 25.00/kg but not more than R 30.00/kg, the production incentive will be adjusted to 25% of the RMAA price, and
- 7.2.3 If the RMAA price is above R30.00/kg, the production incentive will be adjusted to 20% of the RMAA price.
- 7.2.4 In the event of serious market disruption, the formula can be amended to suit the situation at hand.

8. ACCUMULATION OF PORK IMPORT QUOTA

8.1 A quota accumulation has a validity period of (2) two months from the last date of local purchase. The limitation on the validity period aims to minimize the piling of pork quota.

9. REQUIREMENTS FOR OBTAINING A MEAT BOARD IMPORT PERMIT

9.1 In order to obtain a Meat Board Import permit, the following documents must be presented to the Meat Board:

- 9.1.1 A completed Meat Board Application to Import;
- 9.1.2 A Directorate of Veterinary Services' Import Permit;
- 9.1.3 Proof of Local Purchase / unavailability of local pork;
- 9.1.4 Invoice from supplier in the exporting country;
- 9.1.5 Proof of payment of Meat Board Import levies.

9.2 In addition to the above mentioned requirements, importers are expected to comply with the MBN Standard Operating Procedure for Permit Management as issued from time to time.

10. DE-REGISTRATION

10.1 Producers who wish to be de-registered from the Scheme must:

- 10.1.1 Complete and submit a de-registration form;
- 10.1.2 Submit outstanding slaughter reports and;
- 10.1.3 Honour all other outstanding obligations, if any, under the Scheme.

11. AUDIT OF THE SCHEME

11.1 The Scheme will be subjected to an independent audit every two years.

12. TRANSGRESSION

12.1 This SOP is issued in terms of the powers conferred on the Meat Board by the Meat Industry Act, Act No. 12 of 1981. Consequently, any transgressions against the stipulations of this SOP will amount to transgressions against the Act which empowers the Meat Board to issue regulations and procedures from time to time to execute its mandate.

12.2 Any participant found to be contravening the standard operating procedures laid down herein, shall be dealt with in accordance with the enabling Act with due regard to principles of natural justice and rule of law. Any transgression that has a bearing on any Act of Parliament in connection with the conduct of a permit holder shall be dealt with in terms of that particular Act, with the Meat Board cooperating with the competent administrator of any particular Act to bring the transgressor to account.

SCHEDULE I: PRODUCTS INCLUDED IN THE SCHEME

ARTICLE DESCRIPTION: MEAT OF SWINE: FRESH, CHILLED OR FROZEN		
02.03 FRESH OR CHILLED		
HS CODE	Category	Product Description
0203.11.00	Fresh or Chilled swine meat:	Carcasses and half-carcasses Pork Shoulders and Cuts thereof with Bone in.
0203.19.90	Fresh or Chilled Swine meat; Other:	Pork Loin Pork Loin Ribs Pork Leg Pork Chump Pork Sirloin (Pork Buckeyes) Pork Leg (Skinless or Boneless) Pork Thick Flank Pork Chops Pork Six Way Cut
0203.2 FROZEN		
HS CODE	Category	Product Description
0203.21.00	Frozen Swine Meat:	Carcasses and Half Carcasses Pork Shoulders and Cuts thereof, with bone in.
0203.29.00	Frozen Swine Meat: Other	Pork Loin Pork Loin Ribs Pork Leg Pork Chump Pork Breast Pork Sirloin (Pork Buckeyes) Pork Leg (Skinless or Boneless) Pork Thick Flank Pork Chops Pork Six Way Cut Blended Trims

Article descriptions as per Customs and Excise Tariff book 2022

SCHEDULE II: PRODUCTS NOT INCLUDED IN THE SCHEME

ARTICLE DESCRIPTION: MEAT OF SWINE: FRESH, CHILLED OR FROZEN		
02.03 FRESH OR CHILLED		
HS CODE	Category	Product Description
0203.19.10 0203.12.00	Fresh or Chilled Swine meat:	Pork Ribs Pork Belly Spare Ribs Pork Breastbones Pork Jowl Pork Skirt Pork Shoulder DDD Pork Leg DDD Pork Loin DDD
0203.2 FROZEN		
HS CODE	Category	Product Description
0203.29.10 0203.22.00	Frozen Swine Meat: Other	Pork Ribs Pork Belly Spare Ribs Pork Breastbones Pork Jowl Pork Skirt Pork Shoulder DDD Pork Leg DDD Pork Loin DDD Pork Trimmings Shank Pork Shoulder Trimmings Pork Belly Pork Fillets Pork Eisbein Pork Neck Pork Topside Pork Loin Rind on
0103 LIVE SWINE		
0103.10.00 0103.90.00 0103.91.00 0103.92.00	Pure Bred breeding animals Other: Of a mass of less than 50 kg Of a mass of 50 kg or more	

02.06 Edible Offal of bovine animals, swine, sheep, goats, horses, asses, mules, hinnies fresh chilled or frozen		
0206.30.00	Of swine, fresh or chilled	Hog cassings Pork Tailbone Pork Heads Pork Trotters Pork Tails Pork shanks Pork Hocks Pork Rinds Chilled Mix Pork Offals Pork Knuckles Pork Trotters Pork Back Speck Pork Cutting Speck Pork Neck Bones Pork Neck Speck Pork Speck Soft Pork Back Bones Pork Cheeks
0206.49.00	Of swine frozen	Diaphragm Frozen Pork Bones Frozen Pork Collars Frozen Pork Hearts Frozen Pork Knuckle Shanks Frozen Pork Mix Frozen Pork Offal cuts Frozen Pork Oysterbone Frozen Pork Sternum Bopes Pork Bones Pork chin Pork feet Pork Head Meat Pork Knees Pork Leaf Lard Pork Mask Pork Skin Various Offal
0206.41.00	Of swine; Livers	Pork Livers
0206.80.00	of swine; fresh or chilled	
020690.00	Of swine; other:	Back Fat Fat cuttings Frozen pork hind feet Frozen Mix Pork Offal Cuts Frozen Pork Offal Frozen pork shanks Frozen Pork tongues Pork fat Pork Hocks

1601.00 Sausages and similar products of meat, meat offal, blood or insects; food preparations based on these products

16024100	Ham and cuts thereof	Cooked Ham/Gammon
1602.49.90	Other prepared or processed swine, including mixtures	Black Pudding Cooked & Marinated trotters Cooked & Uncooked Pork Meat Cooked and uncooked Marinated Pork Cooked and Uncooked Pork Products Cooked Marinated & Processed pork Cooked Marinated Pulled Pork Cooked Pork Belly Cooked Pork Tongue Cooked Pork tongue Polony Cooked Processed Smoked Products Crumbed Smoked Products Cured and smoked pork products Cured pork Products Deboned pork spare ribs Polony Pork Pastries Pork Pizza Pork Spare Rib Burger Patties Pre-Cooked Pork Products Pre-fried Smoked Products Processed Cooked Sausages Processed Pork canned Processed pork cooked Processed Pork Cooked Ribs Processed pork pies Processed Products (uncooked) Russians Sausages Uncooked & Marinated trotters Uncooked Processed Pork uncooked processed sausages Viennas

02.10 Meat and edible meat offal, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal:		
0210.11.00	Hams, shoulders and cuts thereof, with bone in	Smoked Spare Ribs Gammons Gammons Boston Butt Smoked Pork Bacon
0210.12.00	Bellies (streaky) and cuts thereof	Streaky Bacon
0210.19.00	Other	Bacon Salami Pork Cheese Grillers Pork Bacon Products Bologna Sausages Canned Sausages Cured and dried smoke products Cooked Pork Ribs Uncooked Pork Ribs
1602.42.00	Shoulders and cuts thereof	Whole Shoulder Bacon Assorted Pork Products
41.03 Other raw hides and skins (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared), whether or not detailed or split (excluding those excluded by Note 1(b) or 1(c) to this Chapter):		
4103.30.00	of swine	
41.06 Tanned or crust hides and skins of other animals, without wool or hair on, whether or not split, but not further prepares		
4106.31.00	of swine in the wet state (including wet blue)	
4106.32.00	of swine in the dry state (crust)	
41.13 Leather further prepared after tanning or crusting, including parchment-dressed leather, of other animals, without wool or hair on, whether or not split (excluding leather of heading 41.14):		
4113.20.00	of swine	

Article descriptions as per Customs and Excise Tariff book 2022

13.AMENDMENTS

Version	Date	Revised Components	Approval
1			
2			
3			