

AMENDMENT TO SHEEP MARKETING SCHEME / OWNERSHIP OF SHEEP EXPORT QUOTA

Standard Operating Procedure (SOPs)

Revised 31 January 2018

1. BACKGROUND

The Small Stock Marketing Scheme (SSMS) commenced on the 1 July 2004 with the Meat Board of Namibia (MBN) mandated to administer it. The ultimate goal of the scheme is to improve local value addition and all its facets, i.e. employment creation, capacity utilization, income generation, downstream processing and foreign exchange earnings.

The scheme envisaged a maximum number of sheep to be slaughtered locally with the goal of ensuring that existing participating abattoirs are utilized to full capacity without major market disturbances and that the producers are paid a competitive price.

1.1 Cabinet Directives

- a) Cabinet Decision Number: 29th/14.10.03/009 replaced the intended 15% levy on the export of sheep with a 1:1 slaughter export ratio.
- b) This was followed by the MBN publishing Notice No. 129 on 1 June 2004 in Government Gazette No. 3214 to allow for the 1:1 sheep export: local slaughter formula to be effective from 1 July 2004:
“...in the case of the export of sheep from Namibia, to export only such quantity of sheep which in number does not exceed the quantity of sheep which such person has from that date delivered or caused to be delivered to an abattoir in Namibia for slaughtering and which has been slaughtered.” The Meat Board simultaneously gazetted the sheep marketing scheme to affect the implementation of above export restriction on 1 July 2004.
- c) Notice No. 129 was replaced by Notice No. 1 (Government Gazette No. 3365) on 3 January 2005 which allowed for the export of one sheep for every two sheep slaughtered locally (i.e. the 1:2 sheep local slaughter: export ratio) as from 1 March 2005. This was necessitated by the increase in slaughter capacity as a result of the commissioning of two new abattoirs at Aranos and Keetmanshoop, respectively.
- d) Notice No. 1 of 3 January 2005 was withdrawn and replaced by Notice No 94/2006 to allow “in the case of the export of sheep from Namibia, to export only such quantity of sheep which in aggregate does not exceed one sheep for every six (e.g. the 6:1 local slaughtering: export ratio) which such person has, during the period of 90 days immediately preceding the submission of the application for such permit, delivered or caused to be delivered at an abattoir in Namibia for slaughtering and which has been slaughtered” with effect from 01 September 2006.

- e) As a result of the 2013 drought and upon the joint request of the Minister of the then Ministry of Trade and Industry and Minister of Agriculture, Water and Forestry, Meat Board relaxed the 1:6 export ratio and implemented a 1:1 local slaughter : sheep export ratio as a drought mitigating measure to relief pressure on the pastures. This ratio is currently in place for the marketing of sheep.

2. IMPLEMENTATION CRITERIA

The Meat Board of Namibia is mandated to regulate the accumulation of sheep export quota in terms of Sections 10(1)(r) and 20(b)(ii) of the Meat Industry Act, 1981 (Act 12 of 1981) as amended.

Sheep export quota is accumulated to such person that delivered sheep or caused sheep to be delivered to an abattoir in Namibia for slaughtering and which has been slaughtered.

- 2.1 In the case of slaughter sheep, producers should approach the abattoirs of their choice to slaughter sheep at agreed upon prevailing price and should supply the abattoir with necessary documentary proof to that effect;
- 2.2 Producers of all sheep slaughtered locally in Namibia whether at an export approved abattoir or at B & C class abattoir qualifies (under certain conditions) for an export quota, provided that such abattoir is registered as a producer with the Meat Board of Namibia and levy payments are up to date;
- 2.3 The participating abattoirs will supply the applicant with the necessary and sufficient documentary proof (statements and hygiene inspections) to that effect;
- 2.4 Such documentary proof of sheep slaughtered must accompany the application for a Meat Board Export Permit to export sheep to a destination of choice. A copy of the Veterinary Import permit from the importing country must also accompany the application for a Meat Board Export Permit;
- 2.5 Producers are not allowed to exchange the quota. Producers have the right to utilize their export quota as they see fit and may export to any destination of their choice, subject to Veterinary import conditions.

3. SHEEP THAT QUALIFIES FOR EXPORT QUOTA

All participating abattoirs need to adhere to the following:

- 3.1 Only abattoirs which are registered with the Meat Board as a Producer in terms of controlled products will qualify. This implies that producers presenting sheep for slaughter at a local abattoir which is not registered as a producer with the MBN will NOT obtain a sheep export quota for the number of sheep slaughtered at such abattoir;
- 3.2 Only abattoirs of which levy payments to the MBN are up to date will qualify. This implies that producers presenting sheep for slaughter at a local abattoir of which levy payments with the MBN are not up to date, will NOT obtain a sheep export quota for the number of sheep slaughtered at such abattoir;

- 3.3 Only sheep slaughter numbers verified by a meat inspector of either the Ministry of Health or Local authorities or a DVS official or a DAPEES official at such abattoir will be eligible for the obtaining of a sheep export quota;
- 3.4 Participating abattoirs are required to send slaughter statistics on a daily and weekly basis to the MBN to update the export quota data housed by the MBN Meat Producer System (MPS);
- 3.5 Participating abattoirs (or slaughter facility) (as a business entity) should register a separate producer number from a livestock producer (farmer) number
- 3.6 The participating abattoir should announce its weekly prices every Friday before the applicable slaughter week.

4. MARKETING CHANNELS FOR THE CALCULATION OF QUOTA

A Direct slaughtering:

- 4.1 Direct slaughtering entails an individual (producer) which slaughtered his/her own sheep directly at a participating abattoir without the assistance of any second party; and
- 4.2 Supporting documents to this effect are the livestock movement permits from the farm of origin to the participating abattoir and the slaughter statement issued by the participating abattoir in the name of such producer with his/her producer number appearing. These documents are to be submitted to the MBN; and
- 4.3 Quota belongs to the producer which delivered and slaughtered sheep at such participating abattoir.

B. Slaughtering with the assistance of a second party (no ownership change)

- 4.4 Sheep are slaughtered at a participating abattoir with the assistance of a second party of the producer's choice for which such second party receives a commission for services rendered; and
- 4.5 Supporting documents to this effect are livestock movement permits from farm of origin to the participating abattoir and the slaughter statement issued by the participating abattoir in the name of such producer with his/her producer number appearing; and
- 4.6 Quota belongs to the producer which slaughtered sheep at such participating abattoir.

C. Slaughtering of sheep of which the owner changed

- 4.7 Sheep slaughtered at a participating abattoir of which the ownership changed through a transaction concluded before arriving at participating abattoir. These sheep may have been procured at an auction or directly from a producer at his/her farm; and
- 4.8 The ownership change results in the quota being registered in the name of the new owner whether it is an agent or another producer. Supporting documents (e.g. transaction receipt, movement permit from farm of origin to a holding station or farm of new owner, movement

permit from holding station or farm to abattoir) should accompany the sheep to the participating abattoir for the sheep quota to be transferred to the new owner; and

4.9 In the event where animals were purchased at an auction, the livestock movement permit from the auction facility either directly to the abattoir or to the property of the new owner should be submitted to the participating abattoir. In the event such sheep is moved from the new property a movement permit from the new property to the participating abattoir including the slaughter statement of the new owner stating the new owner producer number should be submitted to the participating abattoir; and

4.10 Quota belongs to the 'new' owner which delivered and slaughtered sheep at such participating abattoir.

5. GENERAL ADMINISTRATION

- Quotas accumulated have a validity period of 6 months.
- Applications to export sheep using accumulated export quota should be submitted to any MBN Agent (in most cases it is Agra, NLA and Kaap-Agri) whom in turn will forward it to the MBN head office for processing;
- All sheep export permits are approved by officials at the Meat Board head office in Windhoek and an Export Certificate issued which is to be handed in at the exit Border Post; and
- Producers have the right to enquire from the MBN on the status of his/her quota on a daily basis.

6. TRANSGRESSIONS

The Meat Board undertakes to inspect and verify on-farm, auction, en-route transporters and border posts documentation to ascertain whether export consignments are in accordance with above measures. Failing to do so, may result in appropriate action by the MBN.