



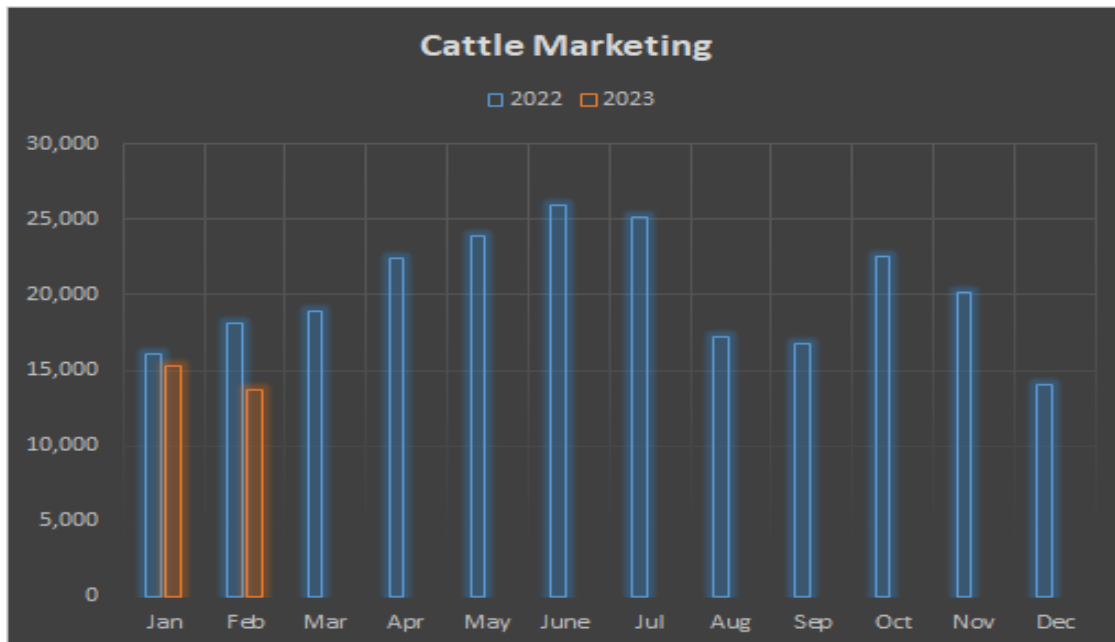
Monthly Statistics Commentary

February 2023



**Meat Board
Of Namibia**

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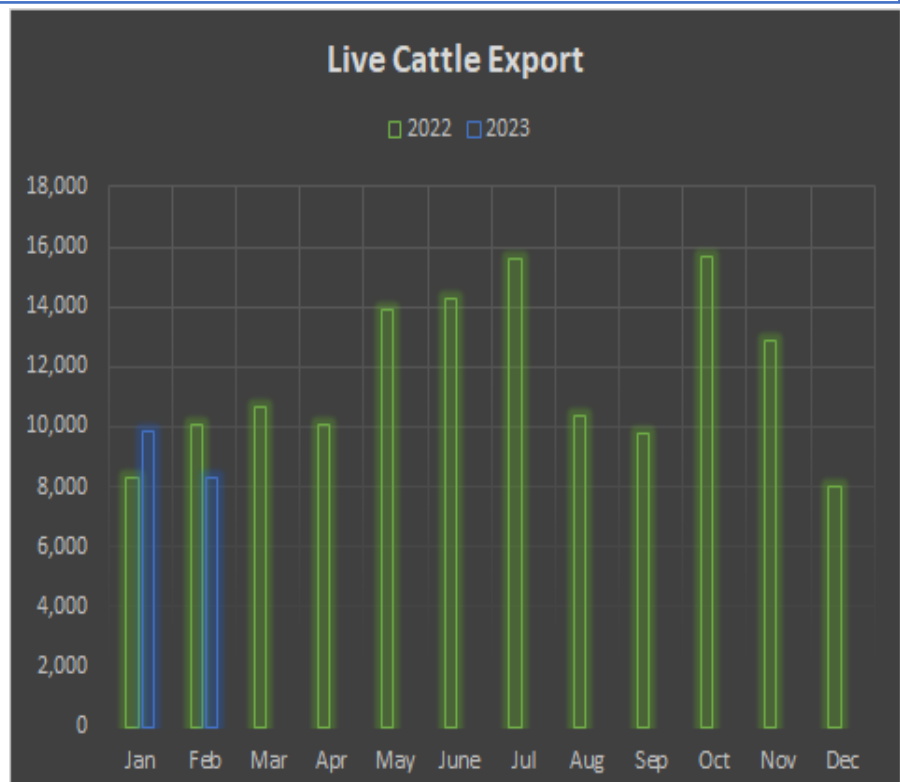


Marketing activities within the cattle sector slowed during February 2023. Year-on-year, animals marketed across all segments of the cattle sector during February 2023 recorded double digit contractions. This is largely owed to weaker supplies of animals during the second month of the year relative to the same period in 2022.

13 670 animals were marketed during February 2023. This indicates a decline of 24.5%. Of this total, 8 337 (61.0%), mostly weaners, were exported to South Africa and Botswana on-the-hoof.

On the other hand, 4 018 cattle (29.4% of total marketing) were marketed at export approved abattoirs whilst the remaining 1 315 cattle (9.6%) were marketed at B & C- class abattoirs.

Year-on-year, live export activities dropped by 16.9% due to weaker demand for Namibian weaners in South Africa. Slaughtering activities at export- approved and B & C- class abattoirs contracted by 26.6% and 49.3%, respectively.

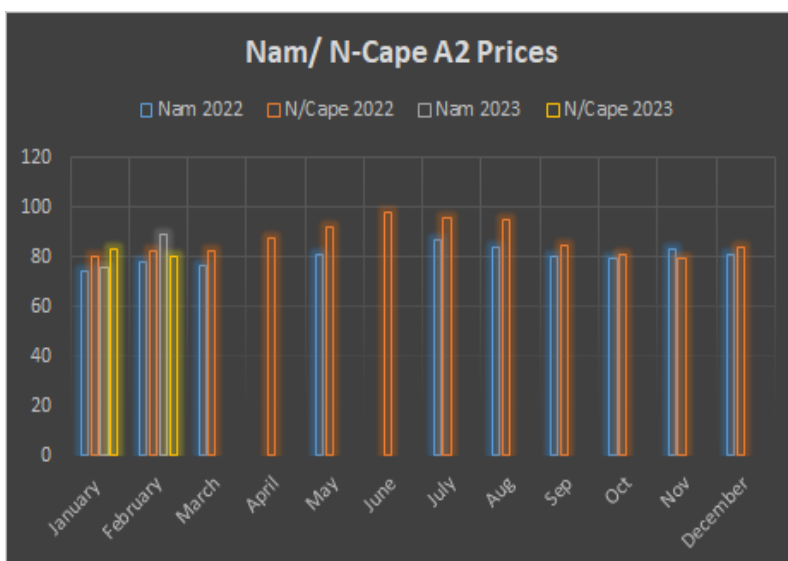
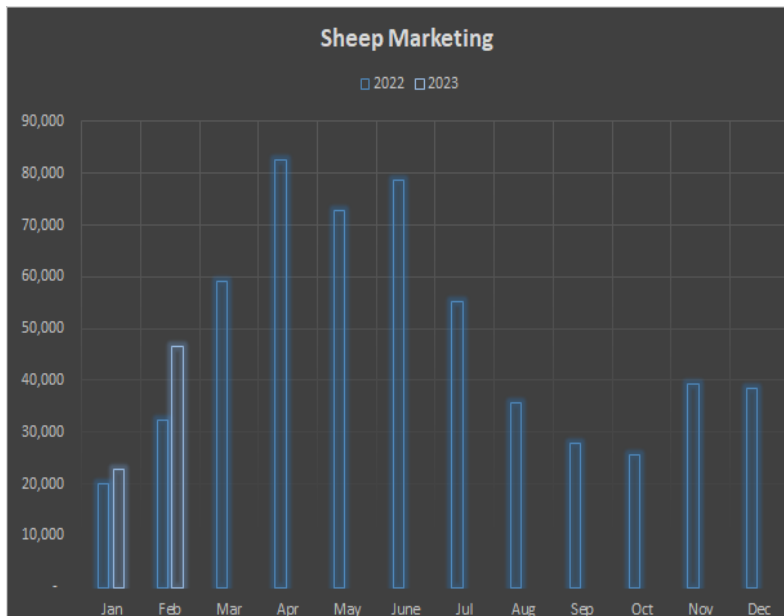


s-VCF area recorded an increase in the volume of animals that went through auctions, which ultimately affected the average weaner price. Year-on-year, the s-VCF weaner prices declined by 22.8% during February 2023. In recent months, Namibian weaners have faced stiff competition from Botswana cattle.

The price averaged N\$33.29/kg in February 2023, a decline of N\$ 9.28/kg from the February 2022 level of N\$42.57/kg. n-VCF Weaner prices on the other hand, stood at N\$22.56/kg in February 2023. This brings the price difference between s-VCF and n-VCF to N\$10.73/kg for the period of February 2023.

The sheep sector recorded a solid growth of 43.9% during February 2023. The robust performance is largely owed to an improved national herd. A total of 46 459 sheep were marketed during the period under review relative to 32 268 animals marketed in February 2022. Prices offered by Northern Cape abattoirs remain a long-term pull factor of Namibian sheep. As a result, up to 98.7% (33 042 heads of exported sheep) were destined to South Africa, with 87.8% delivered to abattoirs mainly in the Northern Cape. Smaller destinations of live sheep exports included Angola (303 heads) and Botswana (123 heads).

Export-approved abattoirs slaughtered 6 937 animals in February 2023, the highest monthly level observed since August 2019. This represents a growth of 536.4% relative to the 1 090 animals slaughtered during the comparable period in 2022. The increase in throughput is owed to above-average A2 sheep producer prices offered by export-approved abattoirs which averaged N\$89.19/kg, N\$9.19/kg higher than Northern Cape Abattoirs A2 producer prices which averaged N\$80.00/kg during February 2023. Throughput at B & C-class abattoirs slowed to 6 054 animals marketed during February 2023 from 6 205 animals recorded in 2022. This represents a slowdown of 2.4%. Given that Namibian live sheep exports to South Africa are mostly destined to abattoirs, sustaining the competitive sheep prices observed in February 2023 could assure throughput at Namibian slaughter facilities in the long run.



The goat sector slowed during February 2023. Marketing activities declined by 11.1% during the period under review relative to February 2022.

The decline is owed to the drop in the number of goats exported live, predominantly to South Africa that contracted by 12.6%. The drop is owed to weaker demand of live goats particularly, by the traditional Kwazulu Natal market.

Marketing activities at B & C class abattoirs on the other hand grew by 407.4% during the period under review compared to the same period in 2022.

The Pig sector fared relatively well, recording a moderate growth of 6.5% during February 2023. A total of 3 679 pigs were marketed at Meat Board- approved abattoirs in February 2023, 266 animals more than the 3 453 pigs marketed during February 2022.

The Pork Market Share Promotion Scheme continues to be implemented to assist local producers with market access given cheap pork imports from elsewhere.

Trade in Meat and Meat Products

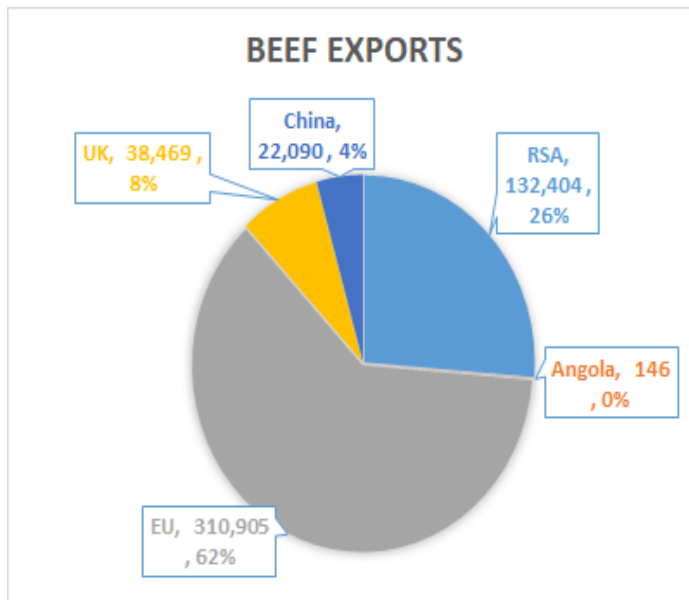
Depressed throughput witnessed at export approved abattoirs negatively affected beef production and exports. Year-on-year, 504 014 kg of beef was exported to various destinations in February 2023 compared to 675 513 kg of beef exported during the same period in 2022. Of the total beef exported in February 2023, 61.7% went to Netherlands, 26.3% was exported to South Africa, 7.6% went to UK, and the remaining 4.4% was exported to China. Year-to-date beef exports to Norway stood at 21 331 kg.

Year-on-year, mutton exports grew by 233.0% during February 2023, largely due to increased production volumes. 41 852 kg of mutton was exported to the South African market.

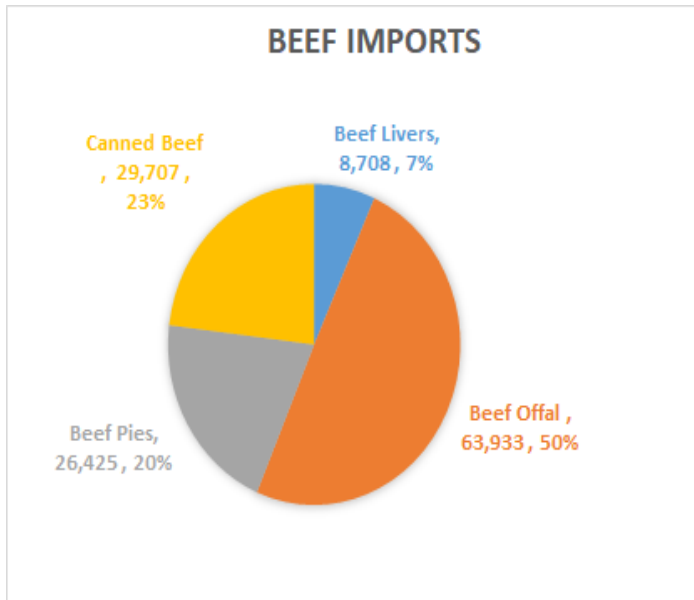
Similar to beef exports, imports in February 2023 declined significantly, recording a contraction of 31.2%. Beef imports totaled 128 773 kg in February 2023 compared to 187 250 kg imported during the same period in 2022. Of these imports, 43.6% originated from South Africa, 33.2% came from France, 19.1% from USA while 2.3% and 1.7% originated from the UK and Germany, respectively. These imports were made up of beef offal products (49.6%), canned beef (23.1%), beef pies (20.5%) and beef livers (6.8%).

Lamb and mutton imports remained constant between January and February 2023. A total of 10 960 kg of sheep meat was imported in February 2023 compared to 17 198 kg imported during the same period in 2022. Year-on-year, this represents a decline of 36.3%. All mutton products imported during February were made up of sheep casings.

February 2023



Source: MBN



Source: MBN

Pork imports continue making up the biggest amount of meat and meat products imported into the country. Nevertheless, year-on-year, pork imports significantly contracted by 44.9% during the period under review. A total of 567 505 kg of pork was imported during February 2023 relative to 1 029 665 kg volume of pork imported during February 2022.

The South African Red Meat Abattoir Association (RMAA) average pork producer price has slowed down over the past months, largely due to the oversupply of meat in the South African market, a situation that has necessitated changes in the pork ceiling price formula to shield producers from further losses. As a result, the pork ceiling price is fixed at the higher end of the pork ceiling price model at N\$51.03/kg until further notice. This is a mitigation strategy to counter the negative effects of the falling RMAA pork price, the current benchmark price for Namibia's pork ceiling price calculation.

Conclusion

Creating a conducive environment for increased investment in the livestock sector for improved primary production is an important starting point in turning the sector around. A significant part of creating a conducive environment for farmers includes paying livestock producers competitive prices on a consistent basis, as witnessed during February 2023 in the form of improved producer prices across the beef, mutton and pork sectors.