

Statistics Commentary

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Global Overview.

The global livestock and meat industry remains a key player in the food economy, with increasing demand in developing nations driving production growth. Rising populations and higher incomes, particularly in emerging markets like China, India, and Brazil, have led to greater meat consumption, further fueled by the popularity of high-protein diets and fast food.

Major meat exporters such as the U.S., Brazil, and Australia continue to benefit from strong demand across Asia and the Middle East. However, the industry faces several challenges, including disease outbreaks, environmental concerns, and growing competition from alternative proteins. Additionally, trade disputes, such as U.S.-China tariffs, have disrupted global meat exports and market stability. Moving forward, the industry's success will rely on technological advancements, sustainable practices, and its ability to adapt to evolving consumer preferences, ensuring long-term growth and resilience in a rapidly changing landscape.

OECD-FAO estimates global beef production during 2024 to have recorded a slight increase, reaching approximately 59.5 million metric tons, a 1.1 percent rise from previous forecasts. This growth is owed to higher output in the United States and Australia, which helped offset declines in Argentina and the European Union. The U.S., according to the latest 2023/2024 YTD USDA data is reported to have remained the world's top beef producer, contributing 20.0 percent of global supply with 12.29 million metric tons, followed by Brazil at 17.8 percent with 10.95 million metric tons. Meanwhile, Australia saw a notable surge in beef exports, benefiting from reduced U.S. cattle herds due to prolonged droughts. As a result, U.S. beef imports rose, allowing Australia to expand its market share in North America and

Asia.

Mutton production in 2024 experienced shifts due to changing flock sizes and evolving demand in key markets. The OECD-FAO pointed to China's growing consumption capacity that has transformed it from a leading sheep-breeding nation into a major consumer, reshaping global sheep meat dynamics. In response to this demand, Australia and New Zealand adjusted their mutton exports, highlighting China's increasing influence on the global sheep meat market, a trend expected to persist into 2025.

Domestic Overview

Despite the disruptions caused by drought conditions during 2024, the sector demonstrated great resilience. High feed costs in South Africa, exacerbated by extreme climatic experienced during 2024 have negatively impacted grain production, leading to shortages and increased prices for essential livestock feed.

As a result, the real prices of many agricultural input commodities surged throughout 2024 and remained elevated, putting additional financial pressure on both producers and consumers.

Efforts are being made to gain market access into the Middle East and North Africa (MENA) for Namibian beef and mutton. This includes trade negotiations and improving quality standards to align with market demands. However, some non-compliance issues with Halaal standards have been identified and are currently being addressed. As part of these efforts, the Katima Mulilo and Rundu abattoirs are undergoing audits to ensure compliance and facilitate market entry.

Cattle Sector

In 2024, 362 718 cattle were marketed across all marketing channels. Of this total, 204 128 cattle were exported live on hoof to neighboring SADC member states, 135 624 cattle were slaughtered at

local A-class abattoirs and 49 427 cattle were slaughtered at various Livestock and Livestock Products Board (LLPB) B & C class abattoirs nationwide. This brings the growth of the cattle sector up by 19.9 percent from 302 381 heads marketed during 2023.

While the drought was a difficult period for farmers, it resulted in increased cattle marketing as a necessary response to the harsh environmental conditions. The notable growth recorded in the cattle sector in 2024 underscores both the challenges and resilience of the sector.

In line with market expectations during a drought year, A-class and B& C- class abattoirs saw a 29.7 percent and 7.4 percent increase in activity during the period under review, respectively.

During the period under review, prices exhibited mixed results, with s-VCF prices declining and n-VCF prices showing growth. s-VFC beef all grade averaged N\$58.02/kg, N\$2.29/kg lower than the level recorded during the same period in 2023. The n-VCF beef all grade averaged N\$36.70/kg. The s-VCF B2 producer price, which is the benchmark due to its dominance in beef production, dropped by N\$0.90/kg year-on-year, averaging N\$61.13/kg in 2024 compared to N\$62.03/kg in 2023.

The subsequent outbreak of Foot and Mouth Disease (FMD) in South Africa significantly disrupted producer prices in the South African market. Consequently, domestic weaner prices faced downward pressure, trending below South African levels that were N\$7.10/kg higher than domestic s-VCF weaner prices.

Slaughter activities increased during the period under review due to a higher supply of animals, resulting in greater beef production. In 2024, beef production north of the Veterinary Cordon Fence also saw an increase, with the Katima Mulilo and Rundu abattoirs jointly slaughtering 8,208 cattle. An estimated 22 704 150 kg of beef was exported by Namibian export approved abattoirs during 2024 of which 13 253 689 kg was exported to the EU. Beef export destinations for the period of 2024 included South Africa (4 247 561 kg), UK (3 080 405 kg), Norway (1 601 972 kg), China (483 701 kg) and the rest was exported to Ghana, Angola and the USA.

Sheep Sector

The sector recorded an expansion in activity of 32.5 percent led by live exports and slaughtering at B&C-class abattoirs. Live exports grew by 2.9 percent growing from 600 201 heads in 2023 to 617 706 heads in 2023. South Africa remained the main buyer of sheep with 99.7 percent of live export market share while exports to other countries remained insignificant at 0.28 percent. The increase in sheep marketing during the period of 2024 was a result of farmers reducing herd sizes to match available resources while slaughter activities by abattoirs took a dip during the period under review.

Notably, live exports increased by 2.9 percent, rising from 600,201 heads in 2023 to 617,706 heads in 2024. South Africa continued to be the predominant buyer, accounting for a substantial 99.7% of the live export market. In contrast, exports to other countries remained minimal, comprising just 0.28% of the market.

It is worth noting that slaughtering activities at abattoirs experienced a decline during the period under review, with most of the production catering primarily to the domestic market. The dynamics of supply and demand played a crucial role in shaping the market, underscoring the importance of strategic adaptation in response to external factors.

The Namibian A2 producer price averaged N\$76.52/kg during 2024; N\$6.40/kg lower than the 2023 level of N\$82.92/kg. The Northern Cape A2 producer price averaged N\$81.04/kg during 2024; N\$4.52/kg lower than the Namibian A2 producer price. Northern Cape abattoir prices are the primary benchmark for Namibian producers because a significant number of sheep exports are bound for Northern Cape abattoirs.

Mutton production during 2024 dropped due a reduction in throughput at export approved abattoirs. As a result, a total 734 819 kg of mutton was exported to various destinations, lower than the 2023 volume of 940 863 kg. 79.5 percent of mutton exports went to South Africa, 13.6 percent was exported to Botswana and 2.8 percent went to Norway- as part of the Norway mutton quota shared by Namibia, Eswatini and Botswana while, the remaining 1.4 percent was exported to the Seychelles.

Goat Sector

The sector recorded a decline of 6.2 percent during 2024. 142 103 goats were marketed during 2024 relative to 151 534 goats marketed during 2023. The contraction is owed to a drop in animals marketed across all marketing channels during the period under review. Additionally, Lamb auction price averaged N\$ 31.81/kg up from N\$31.65/kg recorded during 2023.

Pork Sector

Namibia continues to be a net importer of pork due to limited production, necessitating the supplementation of local supply with imports. In 2024, the situation worsened with an additional ban on importing fresh pork products from Germany, which had become Namibia's primary fresh pork supplier after the 2022 ban on imports from South Africa.

50 759 pigs were marketed at LLPB approved abattoirs in 2024, 11.6 percent lower than the 45 498 pigs marketed during 2023. In terms of consumption (inclusive of processed pork), on average, 60.4 percent of pork consumed in Namibia during 2024 was imported, whilst domestic supply serviced 39.6 percent of local pork demand. Of the imported pork, 44.6 percent originated from Germany, followed by Spain and South Africa with a market share of 20.2 percent and 1.6 percent, respectively. The remaining share originated from Botswana, China and other European countries. Although imports are dominant in the market, the Pork Market Share Promotion Scheme, administered by the LLPB continues to assist local producers in maintaining significant market share.

Global Outlook

Looking ahead to 2025, beef production is expected to decline among key producers such as the U.S., Brazil, China, Europe, and New Zealand. While demand is projected to remain strong. The decrease in supply is anticipated to drive global beef prices higher.

Domestic Outlook

The industry demonstrated resilience during the review period, and this trend is expected to continue into 2025 as herd rebuilding begins following the 2024 drought. Additionally, the market anticipates the operationalization of the

Savannah beef Namibia abattoir, which is set to conduct trial slaughters in the coming months. However, elevated maize prices and the further outbreak of the lumpy skin disease remain significant concerns for the industry.

Livestock and Livestock Products Board of Namibia

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