GAME INDUSTRY MARKET VALUE CHAIN PROFILE

1. DESCRIPTION OF THE INDUSTRY.

The Game Farming Industry in South Africa has progressed to, not only become a world leader in extensive sustainable utilization of game species, but has now tapped into the local and international meat market. Due to demand by inter alia, health conscious consumers, game meat has developed from being traditionally only eaten in the dried form i.e. biltong or dried wors, to a large number of game meat dishes in popular restaurants and game farm lodges.

The game industry uses bushveld resources which deter even the hardiest cattle breeds and produces different types of venison as a welcome food alternative.

The gross value of wildlife meat production is dependent on the quantity produced and the prices received by abattoirs. The average gross value of game meat amounted to R38 million for the past 10 years. The contribution of game meat to the gross value of agricultural production increased continuously from 2000 to 2008. The contribution of wildlife meat to the gross value of agricultural production is shown in Figure 1.

![Figure 1: Gross value of wildlife meat production.](source-image)

Source: Claire Patterson and Patson Khosa; NAMC and AgriTV

1.1. Production areas.

The game meat production in South Africa is relatively small compared to other meat production. Game meat is produced mainly in winter.
Contribution of various provinces to the total South African game meat production in 2008 is represented by Figure 2.

![Figure 2: Game Meat Production per Province 2008.](image)

Source: Game S.A.

Figure 2 above indicate that Limpopo province commands the greatest share of game meat production accounting for 49% market share followed by Northern Cape and Eastern Cape taking up 19% and 12% respectively. This is mainly due to climatic conditions.

### 1.2. Production trends.

Globally, the major producers of game meat are Papua New Guinea, United States of America, Côte d'Ivoire and Nigeria. Papua New Guinea produces the greatest quantities of game meat with an estimated production of 365 000 tons in 2008 followed by United States of America with an estimated production of 200 000 tons. Figure 3 below show the world game meat producers in 2008.
In the African continent, the top game meat producers are Côte d'Ivoire, Nigeria, Democratic Republic of Congo, Ethiopia, Cameroon and Congo. Côte d'Ivoire produces the greatest quantities of game meat with an estimated production of 130 000 tons in 2008 followed by Democratic Republic of Congo with an estimated production of 88 948 tons. South Africa is ranked 20 in world production and 15 in Africa with an estimated production of 18 000 tons (includes slaughtering outside the abattoir). Figure 6 below represent production of game meat in Africa.
Domestic game meat production in South Africa from 1999 to 2008 is represented in Figure 5.

Game meat production increased slowly from 2000 to 2004 and increased significantly in 2005 but declined in 2006. Currently production is estimated around 18 million kilograms.
1.3. Employment.

Commercial game farmers are estimated at 500. Currently the game meat industry employs approximately 350 permanent workers and 180 contract workers.

2. MARKET STRUCTURE.

2.1. Domestic Market.

Biltong and steaks are the best known forms of game meat. Despite its health qualities, such as the fact that it is largely fat-free, lowers cholesterol and contains more protein and minerals than beef, it is generally considered to be a luxury item or something only eaten on certain occasions. It attracts high prices and is only available to a small sector of the domestic market. Figure 6 below represent average game meat prices from 1999 to 2008.

![Figure 6: Average price of game meat.](image)

The average price of game meat increased steadily and reached the highest level in 2005 but showing a decline between the periods 2006 and 2008 due to declining world prices and overproduction.

2.2. Exports.

There are large registered game meat exporters in South Africa – Camdeboo (near Graaff-Reinet), Mosstrich (Mossel Bay), Swartland Abbatoir (near Merrydale), and Gondwane (near Magaliesburg). Annually
South African game meat industry shoot and process about 2,500 Kudu, 8,000 Blesbuck, 3,000 Impala and 60,000 Springbuck for export purpose. The European Union (EU) is the main export market for SA’s game meat. Figure 7 below represent export of game meat from 1999 to 2008.

![Figure 7: Export of game meat.](image)

Source: Claire Patterson and Patson Khosa; NAMC and AgriTV

Export of game meat increased continuously from 352 350 kilograms in 1999 to 650 000 kilograms in 2008. The exports increased faster during the outbreak of Bovine Spongiform Encephalopathy (Mad Cow Disease) in the UK in 2001.

### 2.3. Export requirements of game meat.

- The farms which the animals originate must be located in the Foot and Mouth Disease Free zone (without vaccination) of South Africa as recognized by the World Organisation for Animal Health (OIE) as well as at a distance that exceeds 20 km from the borders of a country or part thereof, or outside any Foot-and-Mouth Disease restricted area as communicated from time to time by the Director Veterinary Services (DVS), Department of Agriculture, Forestry and Fisheries (DAFF) or as specified in the latest EU Directives in the case of export to the EU.

- No game cropping may be performed, without the hunter being in the possession of the Health Attestation of the farm. No game-animal may be hunted/ harvested unless the hunter/professional harvester has
assured him/herself that the animal has a normal healthy active appearance.

- Only Game Meat Examiners/Inspectors (GME’s/GMI’s) may do meat inspection at point of harvest. The leader of the hunting team or the hunter, if qualified, can perform the task of the Game Meat Examiner.

- Air dried and chilled Partially Dressed Game Carcasses (PDGC’s) already inspected must be loaded into chiller trucks within 4 hours of inspection during summer months, which can be extended to 12 hours at an 12°C ambient temperature or less. When all PDGC’s are loaded, the GME/GMI must seal the truck with an official seal containing a unique number. If a previous seal must be broken to load additional PDGC’s, the number of the broken seal as well as the new seal numbers must be noted on the Certificate of Origin.

- Certificate of Origin must accompany the chiller truck to the establishment where the official veterinarian will verify that the seal number corresponds to the seal number as indicated, that the amount of PDGC’s and their tag numbers concur with information provided and to note temperatures as required.

- South African game meat was being banned from the EU market as from June 2008 because the EU claimed that South African authorities had failed to provide evidence of the implementation of residue-monitoring plan for wild and farmed game. The suspension was lifted in October 2008.
3. STRUCTURE OF THE SOUTH AFRICAN WILD LIFE (WILD LIFE INDUSTRY)

Figure 8: Structure of South African Wild life Industry.

- National Department of Environmental Affairs and Tourism (DEAT)
- National Department of Agriculture and Land Affairs
- Agricultural Research Council
- 9 Provincial Departments of Environmental Affairs
- Communal Ranching Farms
- Wildlife Ranching South Africa (WRSA)
- It represents the production unit owners.
- 9 Provincial Departments of Agriculture and Land Affairs
- Professional Hunters Association of South Africa (PHASA)
  - It is a voluntary organization for professional Hunters.
  - It has more than 1100 members.
- Taxidermy Association of Southern Africa (TASA)
  - It represents smaller Taxidermist.
  - It has 70 members.
- Commercial Taxidermists and Wildlife Skin Tanners of South Africa (CTGTS)
  - It represents bigger Taxidermist.
  - It has 20 members.
- South African Hunters and Conservation Association (SAHA)
  - It has approximately 22000 registered members out of 20 000 000.
- Confederation of Hunters Associations of South Africa (CHASA)
  - It represents approximately 13 hunting associations with a collective membership of approximately 15 000 hunters.
Government is an important service provider to the wildlife sector through DEAT, Parks Board authorities within nine provinces, DAFF, the Departments of Agriculture of the nine provinces and the Agricultural Research Council. Private ownership of wildlife is organized under Communal Ranching and Wildlife Ranching South Africa.

Products derived from the wildlife industry are tourism, trophy hunting, wildlife meat, live wildlife and recreational hunting. Translocation and taxidermy are services provided by secondary wildlife industries.

### 3.1 Customers and service providers are organized as follows:

- **Trophy Hunters is represented by** Professional Hunters Association of South Africa.
- **Taxidermy is represented by** Commercial Taxidermists and Wild life Skin Tanners of South Africa and Taxidermy Association of Southern Africa.
- **Recreational Hunters is represented by** South African Hunters and Conservation Association and Confederation of Hunters Associations of South Africa.
- **Translocation is represented by** Wildlife Translocation Association of South Africa.
- **Provincial or Regional Hunter and Wild life Management Associations** represent the specific interests of hunters in their region.

### 4. OBSTACLES IN THE INDUSTRY.

#### a. Capital outlay

To develop a wildlife ranch or convert a livestock farm into a wildlife ranch requires major capital investments in fencing, stocking and other infrastructure.

To fence a property for wildlife ranching is very expensive. The height of the fences will be 1.2 m, 1.8 m or 2.4 m depending on the type of wildlife kept, and the cost of new fencing could be as much as R30 000 per km (2006 estimates).

The cost of stocking a property with wildlife may also be regarded as an inhibiting factor. In 1984 the cost of a white rhino was approximately R 800, whereas the record price for a white rhino was R450 000 in 2005. In the 1980s, Nature Conservation sold excess wildlife from their reserves for a nominal charge, mostly just to cover the cost of catching and translocation, but today they are auctioned and sold at market prices.
If the wildlife rancher wants to expand into accommodation, infrastructure developments to provide this service also require a major capital outlay.

b. Demarcated areas

Wildlife ranchers are prohibited from keeping particular wildlife species in specific areas because these areas are not regarded as natural habitats for those species while similar restrictions do not apply to other herbivorous animals such as cattle, sheep and goats.

c. Image of the wildlife industry (ethical hunting)

In most African countries hunting takes place in open, unfenced concession areas. In South Africa, landowners have fenced their ranches with escape-proof wildlife fences. These fences, depending on the form and size of the properties, could inhibit ethical and fair chase1 hunting. A South African anti-trophy hunting campaigner recently suggested that the European Union (EU) should consider banning the importation, possession and sale of all African wildlife trophies as economic factors and pure profit orientated thinking have led to “canned shooting” and “put and take shooting”, which have caught the attention of the media and of society.

There are so many viewpoints regarding the hunting of wildlife that it would be impossible to satisfy all concerned. The pro-hunting groups argue that the hunting of animals is justified because it does not differ from the supply of meat from domesticated livestock. On the other hand the anti-hunting lobbyists are very much against the killing of wildlife. Conservationists, however, agree that it is much more natural to shoot wildlife in their natural environment than to load domesticated animals onto trucks and transport them to an abattoir hundreds of kilometers away.

d. State as competitor

National and provincial parks are also selling their surplus stock on wildlife auctions in competition with the private sector. Some provincial parks allow hunting and sell wildlife meat from culled wildlife.

e. National vs provincial legislation

Government is an important service provider to the wildlife sector through DEAT, nature conservation authorities within nine provinces, National Department of Agriculture, the Departments of Agriculture of the nine provinces and the Agricultural Research Council. The “Draft National Norms and Standards for the Regulation of the Hunting Industry in South Africa”, proposed by the DEAT, actually provide for nine different sets of provincial legislation and one national set. In this arrangement lies a huge problem: the application of legislation differs between provinces.
f. Legislation affecting wildlife ranching

Wildlife ranching, like all agricultural activities, has to function within a specific legislative framework like Meat Safety Act, Marketing of Agricultural Products Act, Firearms Control Act, etc. These legislative powers are housed within several national departments and also within several specific line functions. To satisfy all these Acts requires time and money.

5. BLACK EMPOWERMENT STRATEGIES.

a. Communal land for wildlife

About 12 million ha of grazing is available in the communal sector. This land is suitable for wildlife. Communal areas could benefit from wildlife if the whole area could become involved in conservation, tourism and wildlife. Government institutions (protected areas – national and provincial parks) are in an ideal position to help with the transformation of all wildlife activities. Surplus stock in protected areas could be used for this purpose. The stock could, for example, be donated to communal areas and potential black wildlife ranchers in order to assist them to participate in the mainstream of wildlife ranching. Commercial wildlife ranching within communal tenure systems is generally not practiced, although the Mier Management Committee and the Makuleke community are exceptions.

- The Mier Management Committee uses 50 000 ha of Kalahari sandveld for hunting purposes. New developments based on the same principles are under way at Platfontein and Schmidstdrif in the Northern Cape, while the training of previously disadvantage individuals as professional hunters is also taking place there.

- The Makuleke community provides a model of integrating indigenous people into conservation programmes. 24 000 ha of land has been returned to the Makuleke community from South Africa’s premier wildlife reserve, the Kruger National Park. The Makuleke community’s commercial advisers advised it that it could make more money from tourism than from hunting. Communal leaders signed a deal to lease out their ancestral lands as a contract park, which they jointly manage with representatives from SANParks. Lodges, guesthouses and a museum were built in partnership with the private sector, which pays a monthly lease into a community development fund. Local people have been trained as wildlife managers and safari guides.

- Changing communal areas from cattle to wildlife production (e.g. Pilanesberg and Madikwe – the latter is advertised as the only malaria-free big five territory) could do much to give the white controlled wildlife ranching operations a major face-lift. Communal farmers could market some of their cattle to make provision for wildlife on their existing land.
b. Training and skills development

The training of emerging wildlife ranchers and, more specifically, the workers on commercial wildlife ranches was previously identified by the wildlife ranching sector as a problem area. This gave rise to financial support for the establishment of the well-known Ghoenaskraal Training Centre.

AgriSETA, the SETA for primary agriculture, is currently working closely with the wildlife ranching industry to create numerous wildlife related learnership and career paths. Training could be structured along three main functional areas, namely hunting, husbandry and lodging.

To address and advance BEE and to actively campaign for the training and development of black people in the wildlife sector, Wildlife Ranching SA adopted BEE as one of its main objectives in its Constitution, which was approved at the first Annual General Meeting held in March 2006.

c. Partnerships/mentorships

For the successful establishment of emerging wildlife ranchers, it is important for the commercial wildlife rancher to help the emerging rancher in the form of partnerships or mentorships. This is visible with Makuleke Community that signed a deal to jointly manage their land with SANParks.

d. Transforming the demand side of the wildlife ranching industry

BEE initiatives should not focus exclusively on the supply side of the wildlife industry (production, land issues, wildlife ranching, etc.), but should also focus on the demand side (the hunter, touring tourist, etc.). 87% of South African hunters are white, Afrikaans-speaking men. Much could be done to promote hunting among other cultural groups in South Africa. To achieve this it is important to get prominent people, like ministers and businessmen, to get involved in hunting.
6. ACKNOWLEDGEMENTS.

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Disclaimer:

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