



Increase of export  
opportunities through  
inclusive growth

# What is our current situation?

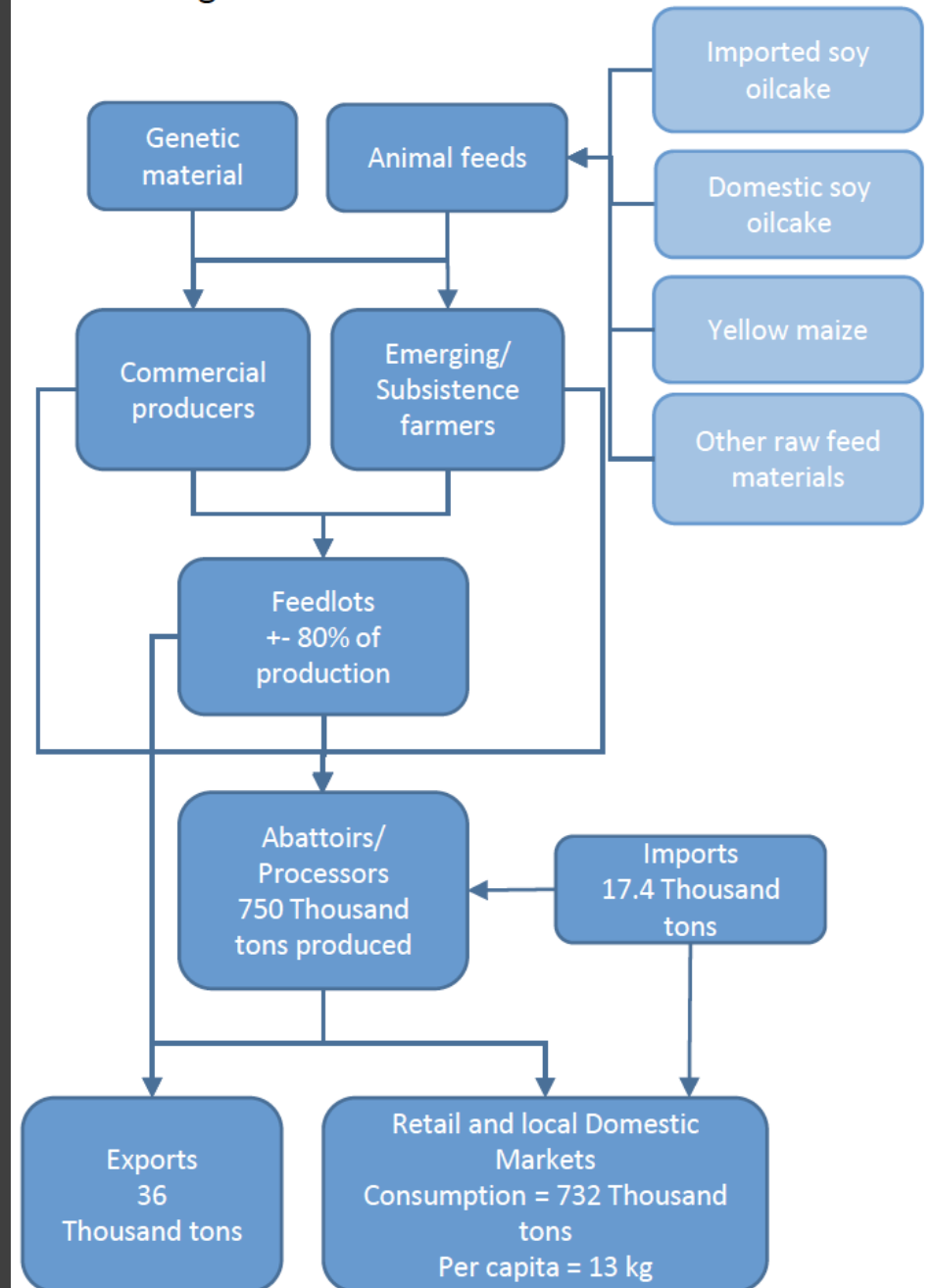
- The South African red meat industry is the second largest contributor to South Africa's agricultural Gross Domestic Product (GDP).
- Between 2008 and 2018 - gross production value of beef expanded by an annual average of 11.6% and the value of slaughtered sheep and goats increased by 9.4%.
- By shifting from a net importer to a net exporter of beef in the recent past, South Africa has proven its ability to compete on global markets.
- 55% of the country's agricultural land is suitable for extensive grazing and the industry consists of a world-class genetic bank.
- Local consumption growth over the next ten years will likely not be enough to absorb substantial increases in beef production at sustainable producer prices.
- Future growth in the industry is balanced on a knives-edge and decisive and focused interventions are urgently needed by a well-coordinated public-private partnership and strong institutions.

# What is our current situation?

- The livestock subsector is the largest contributor to South Africa's agricultural production value – between 2012 and 2017 it constituted almost half of the gross agricultural production value.
- Within the livestock subsector, the beef industry is the second largest, behind poultry production and more than four times larger than the sheep and goat meat market (formal market).
- Between 2012 and 2017, the beef industry contributed on average 12% to gross agricultural production value, and 13.4% in 2018.

# Beef value chain

**Beef Value Chain:**  
avg. 2015 – 2017 values



# SA Beef Overview

SA Beef Sector - Overview	
Contributes 13% of Gross Value of Animal Production	Growth of 9% p.a. in gross production value over past decade
Production: +9% past decade	Consumption: +5% past decade
Commercial cattle herd: 7,57 million	Informal cattle herd: 5,3 million
4% of production exported (3year avg)	2% of consumption imported (3year avg)
SA Represents 0.3% of global exports	SA Represents 0.1% of global imports

# Growing inclusively







- All of these are also major frustrations for commercial producers, communal farmers, exporters, abattoirs and retailers:
  - The current drought reducing the capacity of our natural grazing.
  - Inability to deal effectively with issues related to animal health and animal diseases.
  - Poor implementation of sanitary and phytosanitary systems.
  - Low and irregular off-take rates in the communal sector.
  - Limited funding for research related to vaccine development, animal productivity, product development.
  - Poor enforcement of meat grading and hygiene regulations.
  - A poorly coordinated and poorly integrated red meat supply chain with farmers across the size spectrum not included in commercial value chains.
  - The lack of an internationally certified traceability system.

# Critical services

- Animal health
- Regulatory compliance
- Meat safety
- Consumer communication and education
- Livestock welfare
- Stock theft
- Predation
- Research and development
- Sustainable production development
- Technology transfer
- Extension services
- Industry statistics and trends
- Business/industry development
- Export development


# Reference Group 2 Cluster 5: Livestock value chain interventions

(Note: This is an executive summary. Kindly refer to Action Plan document for comprehensive list)


PILLARS	 <b>PILLAR 1</b>	 <b>PILLAR 2</b>	 <b>PILLAR 3</b>	 <b>PILLAR 4</b>	 <b>PILLAR 5</b>	 <b>PILLAR 6</b>
KEY INTERVENTIONS	<p><b>Resolving policy ambiguities and creating investment friendly climate</b></p> <ul style="list-style-type: none"> <li>• Full implementation of SA Veterinary Strategy 2016-2026</li> <li>• Develop &amp; enforce strict biosecurity control measures</li> <li>• Improve livestock (and wool) theft policing</li> <li>• Enable compartmentalisation in the red meat industry</li> </ul>	<p><b>Creating enabling infrastructure</b></p> <ul style="list-style-type: none"> <li>• Invest in rural animal production infrastructure (dipping tanks, fences shearing houses etc.)</li> <li>• Deployment a comprehensive national identification &amp; traceability system (LITS SA)</li> </ul>	<p><b>Providing comprehensive farmer support, development finance, R&amp;D and extension services</b></p> <ul style="list-style-type: none"> <li>• Comprehensive producer support through PPPs                             <ul style="list-style-type: none"> <li>• Improve communal animal quality and productivity (herd health &amp; genetics)</li> <li>• Upskilling, training and mentorship for farmers and workers</li> <li>• Predation R&amp;D</li> </ul> </li> <li>• Creation of black owned feed, feedlot, abattoir and exporters companies</li> </ul>	<p><b>Ensuring food security, expanded production and employment creation, decency and inclusivity</b></p> <ul style="list-style-type: none"> <li>• Revitalise transferred PLAS farms suitable for animal production based on ARC suitability report</li> <li>• Food safety legislation, improved implementation &amp; education for producers &amp; consumers</li> <li>• Strict implementation of labelling legislations</li> <li>• Residue monitoring capacity &amp; support required</li> </ul>	<p><b>Enabling markets expansion, improving market access and trade facilitation</b></p> <ul style="list-style-type: none"> <li>• Pro-active communication of health status (FMD, AFS, AVI) to key trade partners</li> <li>• Establish detailed export agreements with various countries also linked to sustainability standards and in-country protocols</li> <li>• Implement internationally accredited Meat Grading System</li> <li>• Expand and enable access to local, regional and global markets</li> </ul>	<p><b>Developing localized food, import replacement and expanded agro-processing exports</b></p> <ul style="list-style-type: none"> <li>• Invest in animal product processing to exports and value-added products</li> <li>• Establish &amp; enforce import SPS &amp; biosecurity requirements (live animals)</li> <li>• Link to grains &amp; oilseeds master plan for feed processing</li> </ul>

## OPPORTUNITIES


**R18,8 BILLION** Real  
 GPV added by  
 2030



Increase of **611 000t**  
 from modelled  
 livestock  
 sub-sectors



Additional **22 237** Jobs  
 across livestock  
 value chain cluster



> **159 000**  
 livelihoods  
 impacted





Thank you

