BEEF MARKET VALUE CHAIN PROFILE.

1. DESCRIPTION OF THE INDUSTRY.

In South Africa, stock farming is the only viable agricultural activity in a large part of the country. Of the 122.3 million hectares of land surface of South Africa, 68.61% is suitable for raising livestock, particularly cattle, sheep and goats. In this profile, the focus is on beef. Beef cattle producers vary from highly sophisticated commercial (who rely on high technology) to communal subsistence producers (who rely on indigenous knowledge and appropriate technology). Three major groups of beef cattle farmers co-exist in South Africa.

- The commercial beef producer (mostly white farmers) where production is relatively high and comparable to developed countries. Their production is generally based on synthetic breeds and/or crossbreeding, using Indicus / Sanga types and their crosses as dams.

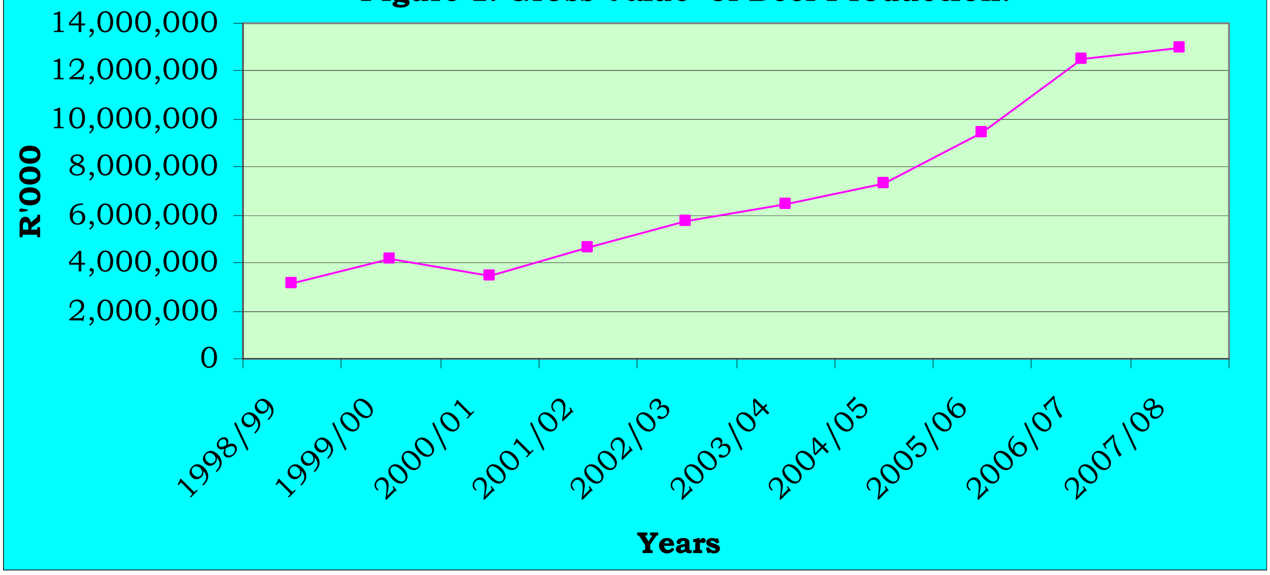
- The emerging black beef cattle farmer who own or lease land (LRAD beneficiaries). Their cattle generally consist of indigenous crossbred or exotic type of animals.

- The communal beef cattle farmer who farm on communal grazing land. Their cattle are mostly of indigenous types.

Of the 13.9 million cattle available in South Africa, 60% is owned by commercial farmers and 40% by emerging and communal farmers.

The gross value of beef production is dependent on the number of cattle slaughtered and the prices received by producers from abattoirs. The average gross value of beef produced during the period 1998/99 until 2007/08 amounted to R 6 985 million. Figure 1 below show the gross value of beef production during the period 1998/99 until 2007/08.

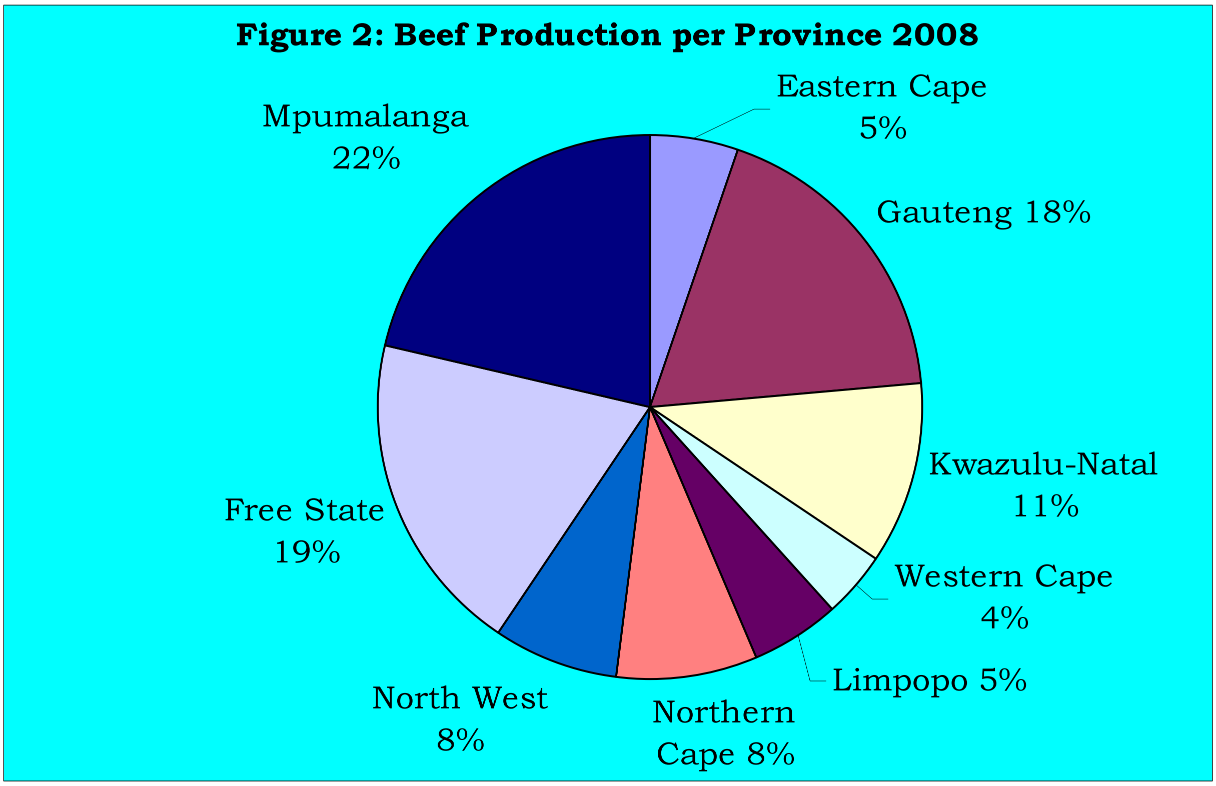
Figure 1: Gross Value of Beef Production.



Source: Agricultural Statistics.

1.1. Production Areas.

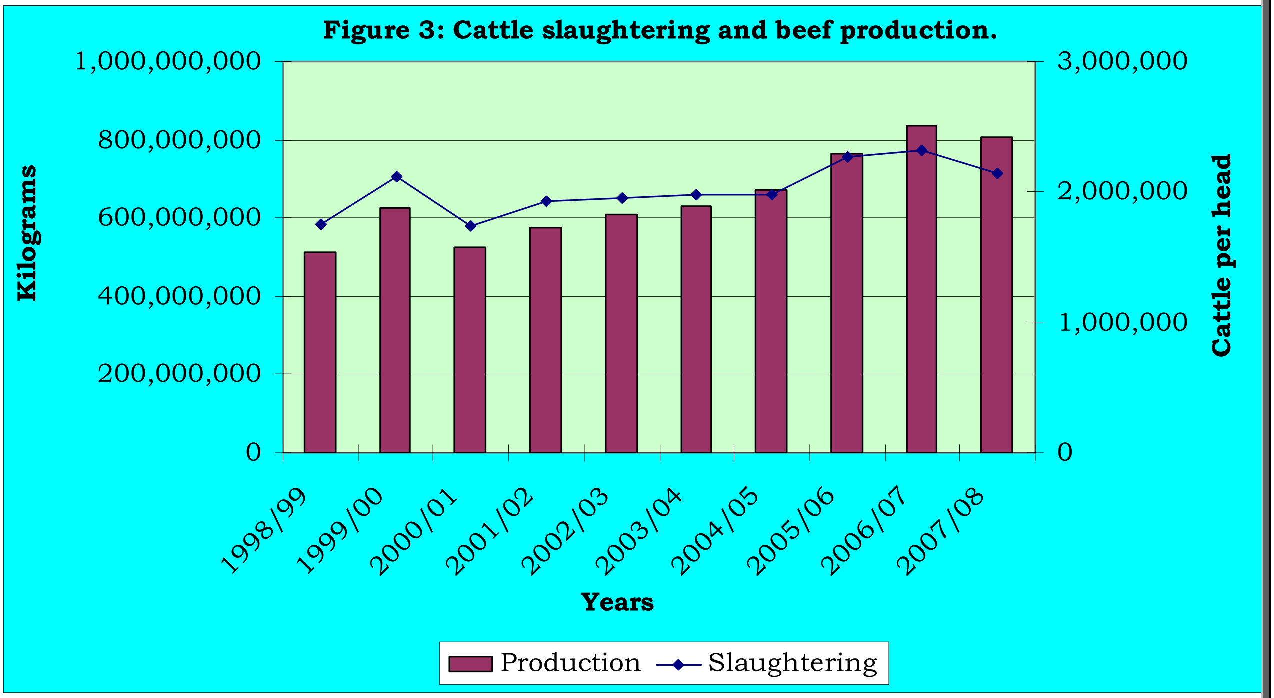
Beef is produced throughout South Africa. The amount of beef produced depends on the infrastructure such as feedlots and abattoirs, not necessarily by the number of cattle available in those areas. South Africa has highly developed transport infrastructure that allows movement of cattle and calves from one area to another, even from other countries such as Namibia. For these reasons, Mpumalanga commands the greatest share of beef production in South Africa accounting for 22% of the beef produced in 2008 followed by Free State and Gauteng taking up 19% and 18% respectively. Figure 2 below show the beef production per province during 1998 production year.



Source: RMLA

1.2. Production Trends.

South Africa has approximately 495 abattoirs. Approximately 40% of all slaughtering are performed by abattoirs that may slaughter an unlimited number of animals (Class A) and approximately 60% of cattle are slaughtered by highly regulated abattoirs (Class A & B). Most of these abattoirs have linkages with feedlots. Over the past ten years the number of cattle slaughtered has significantly increased by 21.86% leading to 57.97% increase in beef production. This may be due to increasing demand. Figure 3 below show the slaughtering of cattle and production of beef during the period 1998/99 until 2007/08.

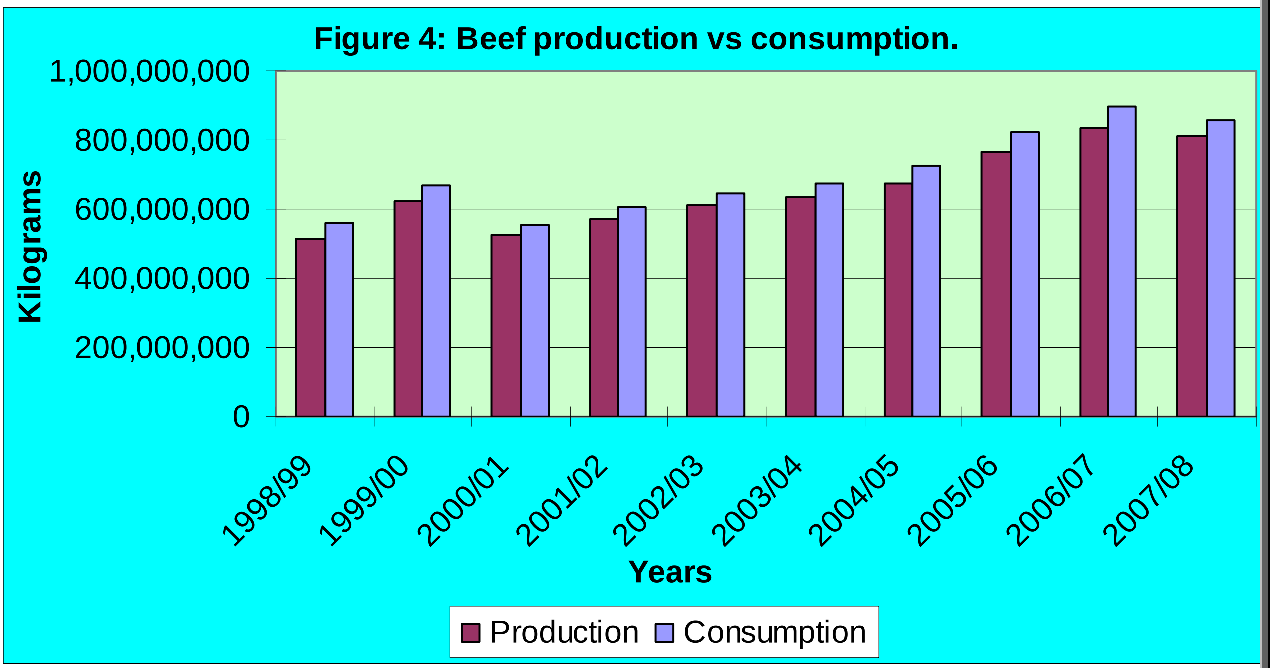


Source: Agricultural Statistics.

Figure 3 above show that slaughtering and production of beef follows the same trend. They increased significantly in 2005/06 but declined in 2007/08. This decline might have been caused by global economic meltdown.

1.3. Local Consumption.

Figure 4 show local consumption of beef comparing it to total production for each year to determine if the country is self-sufficient in terms of beef production.



Source: Agricultural Statistics.

Figure 4 indicates that beef consumption was higher than beef production during the period 1998/99 until 2007/08. Both production and consumption followed the same trend. They declined in 2000/01 and increased continuously from 2001/02 due to rising living standards and increased disposable income of larger number of consumers before reaching the highest level in 2006/07. In 2007/08 they declined slightly due to global economic meltdown in August 2008.

Table 1 below show that South Africa does not produce enough beef for the domestic market even if the number of cattle slaughtered has increased considerably from 1998/9 to 2007/08.

Table 1: Total cattle slaughtering, production and consumption of beef

	Cattle slaughtering	**Production**	**Consumption**
Year	**Head**	**Kilograms**	**Kilograms**
1998/99	1,756,384	512,000,000	560,000,000
1999/00	2,121,988	625,000,000	671,000,000
2000/01	1,735,102	525,000,000	555,000,000
2001/02	1,933,610	574,000,000	603,000,000
2002/03	1,958,447	610,000,000	644,000,000
2003/04	1,985,107	632,000,000	675,000,000
2004/05	1,981,505	672,000,000	723,000,000
2005/06	2,266,932	763,900,000	822,000,000
2006/07	2,314,566	836,700,000	897,000,000
2007/08	2,140,250	808,800,000	859,000,000

1.4. Employment.

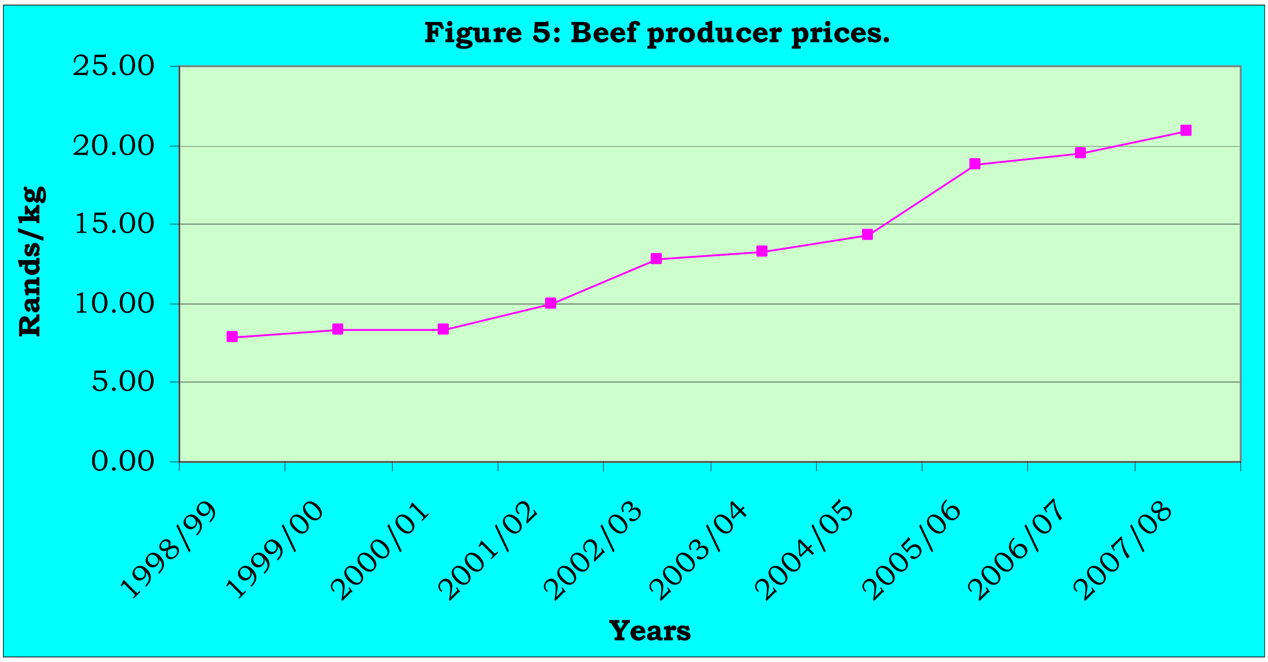
Commercial farmers are estimated at 50 000, emerging farmers at 240 000 and communal farmers 3 million. There are approximately 70 feedlots in South Africa and 495 abattoirs. Beef industry is a major employer with some 500 000 people employed and 2 125 000 dependent on the livestock industry for their livelihood.

2. MARKET STRUCTURE.

2.1. Domestic Market.

The red meat industry evolved from a highly regulated environment to one that is totally deregulated today. Various policies, such as the distinction between controlled and uncontrolled areas, compulsory levies payable by producers, restrictions on the establishment of abattoirs, the compulsory auctioning of carcasses according to grade and mass in controlled areas, the supply control via permits and quotas, the setting of floor prices, removal scheme, etc., characterised the red meat industry before deregulation commenced in the early 1990s. Since the deregulation of the agricultural marketing dispensation in 1997, the prices in the red meat industry are determined by demand and supply forces.

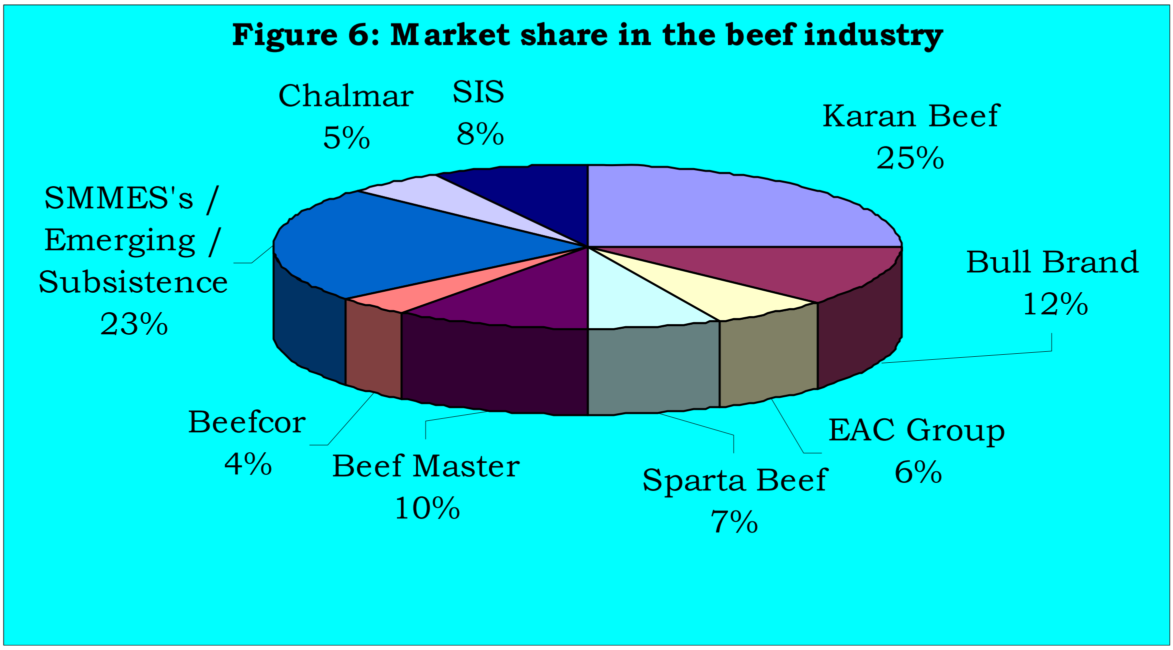
Average producer prices of beef from 1998/99 to 2007/08 are illustrated in Figure 5.



Source: Agricultural Statistics.

Figure 5 shows that prices of beef increased significantly in 2001/02 mainly due to shortage caused by weaker Rand that stimulated exports and discouraged imports. From 2002/03 prices continued to increase mainly due to increased consumption caused by rising living standards of larger number of consumers.

The market players in the beef industry are vertically integrated. They have their own feedlots, abattoirs, processors and distributors. Figure 6 below is a graphical representation of the market players.

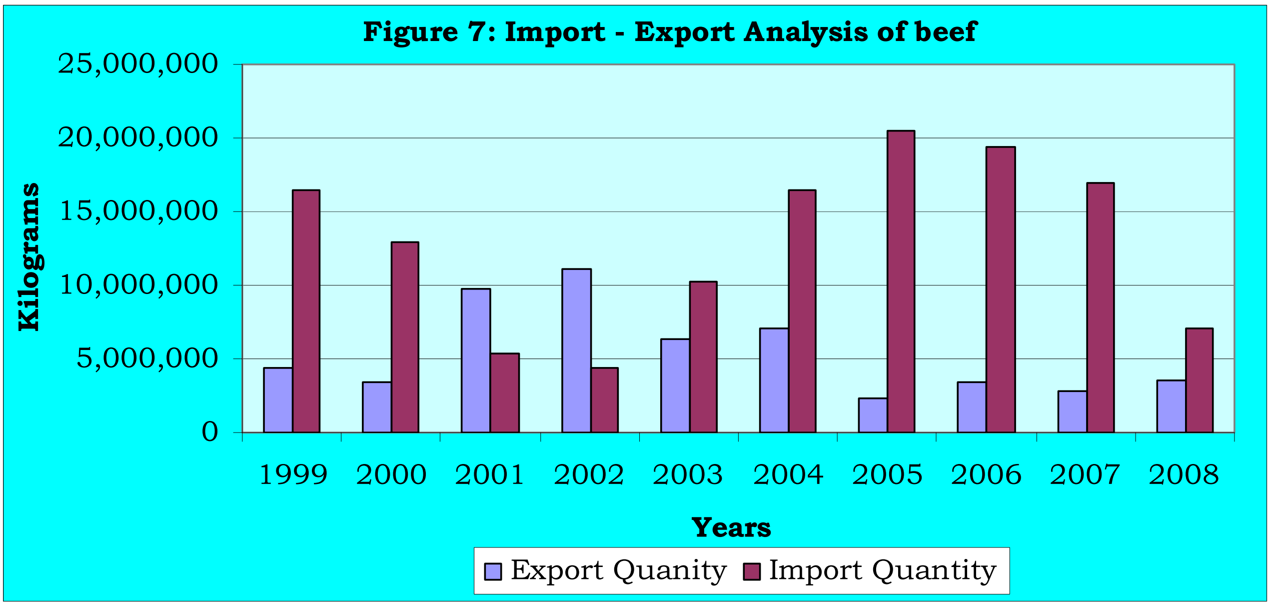


(Source: SAMIC)

The chart shows that 77% of the beef market share is in the hands of 8 suppliers. The remaining 23% is owned by small, medium and micro enterprises. Karan Beef is the largest supplier commanding 25% of the total market share and Bull Brand is second with 12% market share.

2.2. Import – Export Analysis.

Figure 7 compares volumes of imports and exports for beef (dominated by beef) from1999 to 2008.

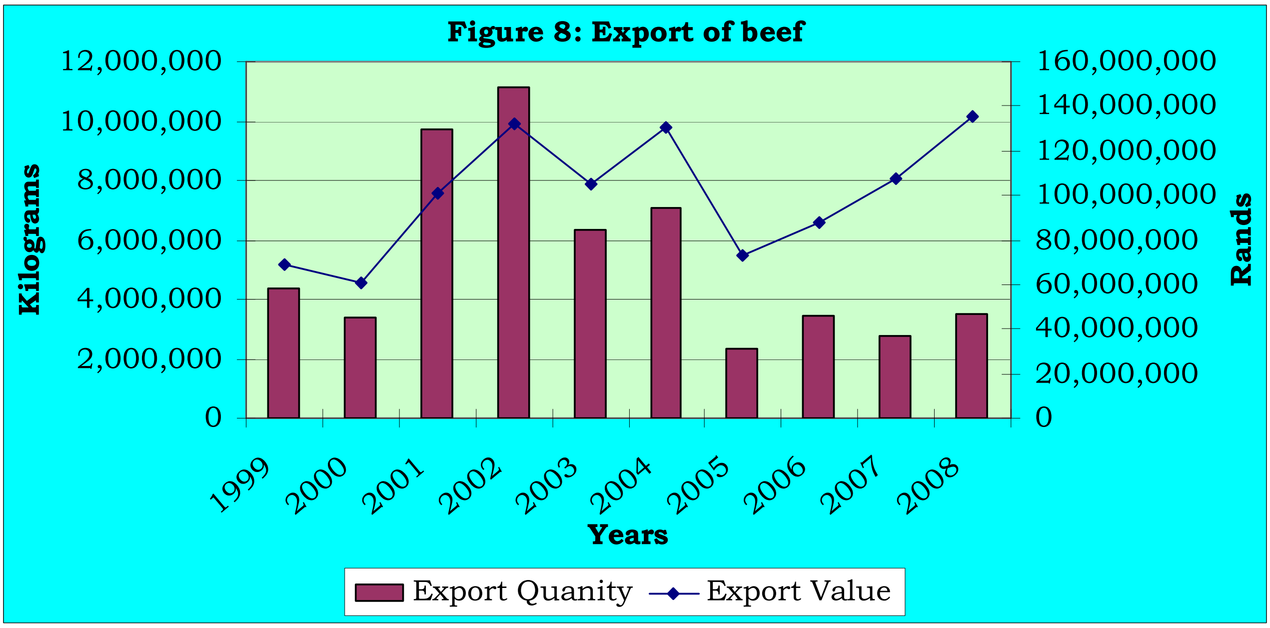


Source: Quantec.

Figure 7 indicates that South Africa's exports of beef were higher than imports in 2001 and 2002. This was due to weaker Rand that stimulated exports of beef from South Africa and neighbouring countries to the European Union. The rest of the periods, from 1999 to 2000 and from 2003 to 2008 imports of beef were far greater than exports.

2.2.1.Exports.

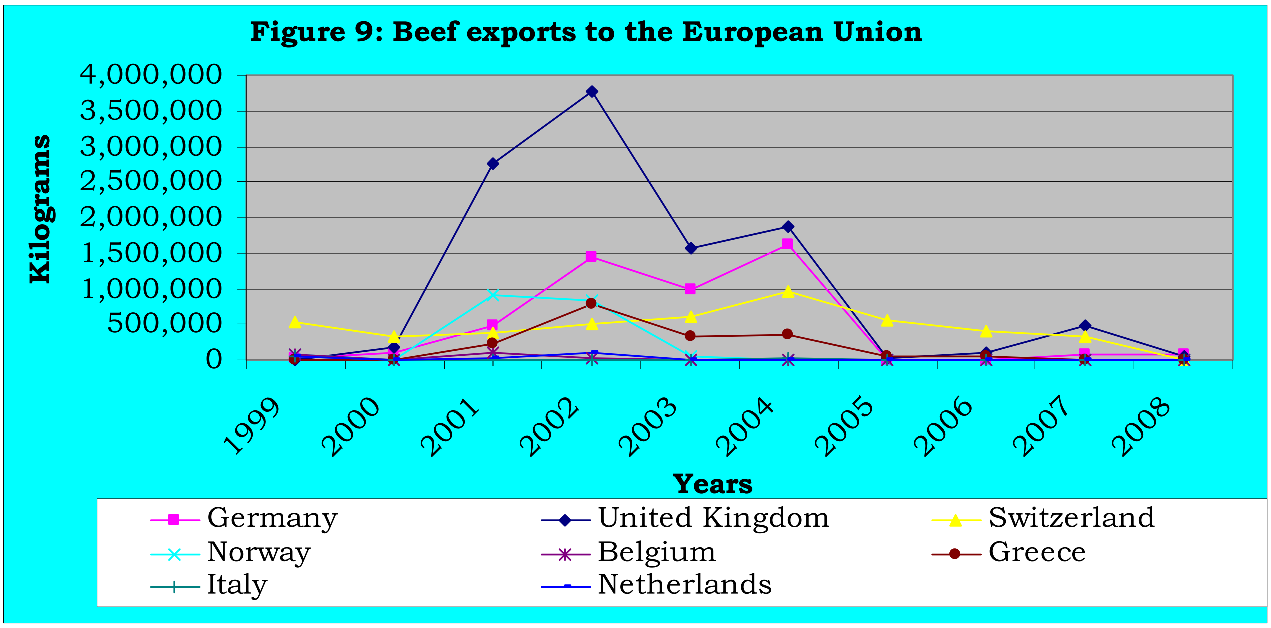
South Africa exported approximately 3.5 million kilograms of beef in 2008 yielding an export value of R 135.7 million. Even though export quantity increased significantly by 27% in 2008 compared to 2007, it was lower than the 1999 figure by 19%. The quantity and the value for exports of beef are shown in Figure 8.



Source: Quantec.

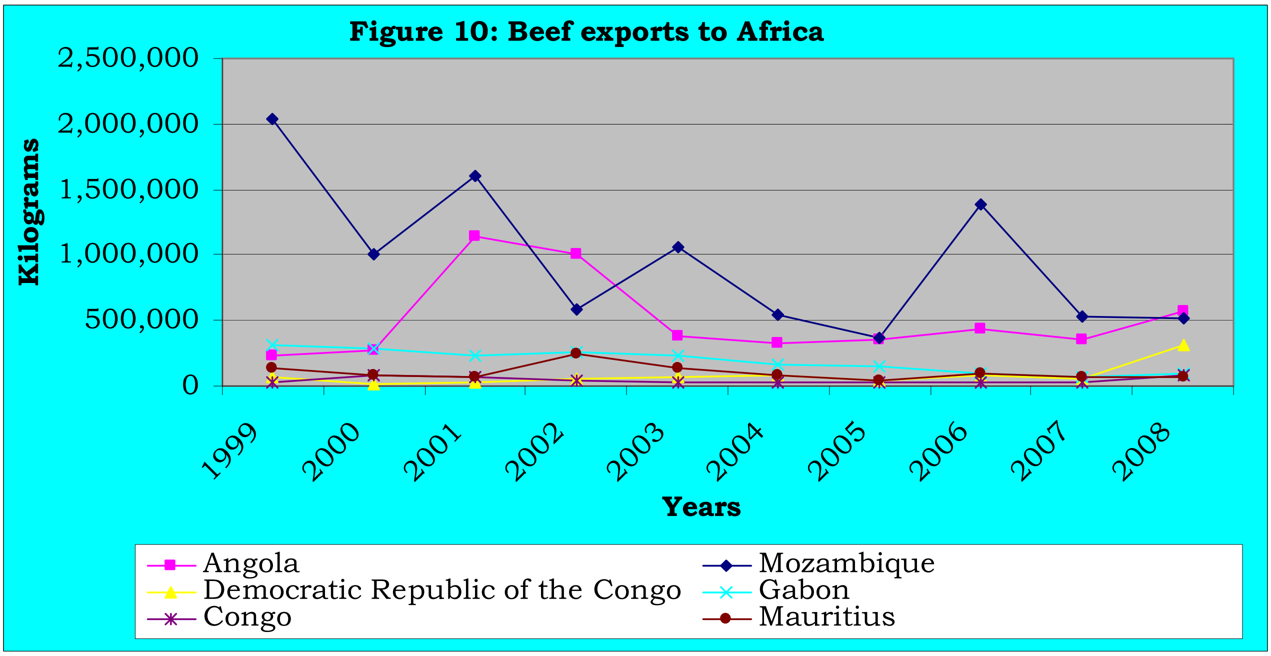
Figure 8 indicates that the beef exports increased significantly in 2001 and 2002 in both quantity and value. In 2003, the quantity of beef exported declined but remained higher than 1999 level before declining to the lowest level in 2005 and fluctuated between 2 million and 4 million kilograms. The export value of beef fluctuated from 2003 and declined in 2005 before it recovers in 2008.

Figure 9 below shows the main export market to the European Union.



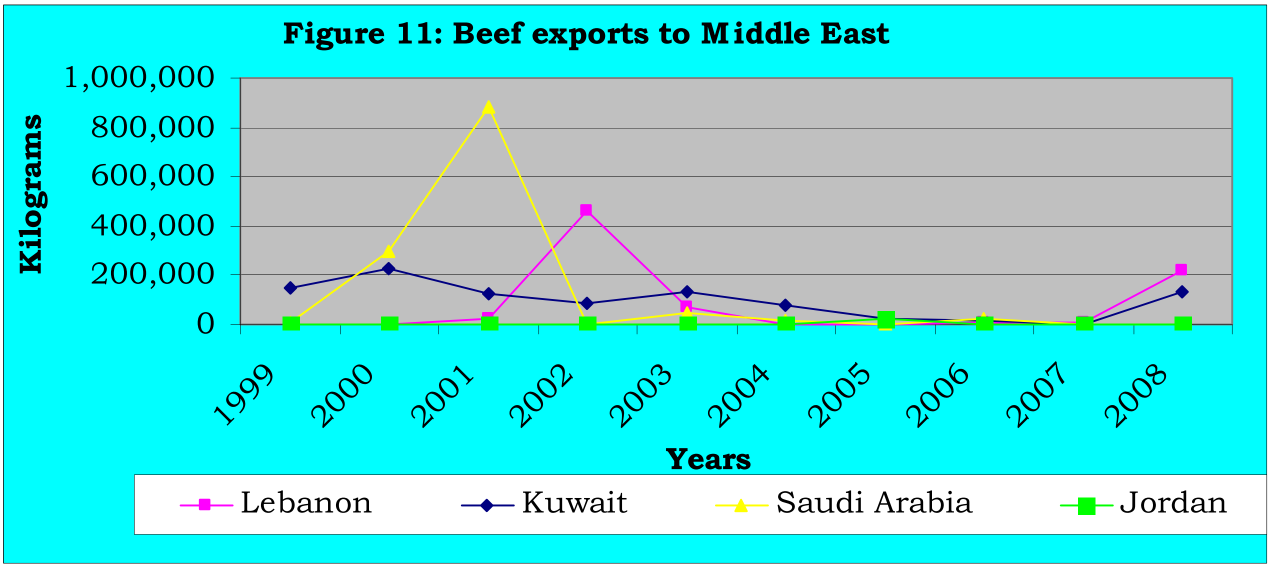
Source: Quantec.

It is clearly indicated from figure 9 that, from 2001 to 2004 and also in 2007 beef from South Africa was mainly exported to United Kingdom in the European Union countries. Germany is the second country to receive the highest exports during 2002 to 2004 with Switzerland being the third during the periods 1999-2000 and 2005-2006. There were some intermittent among Norway, Switzerland and Greece from 2001 to 2004.



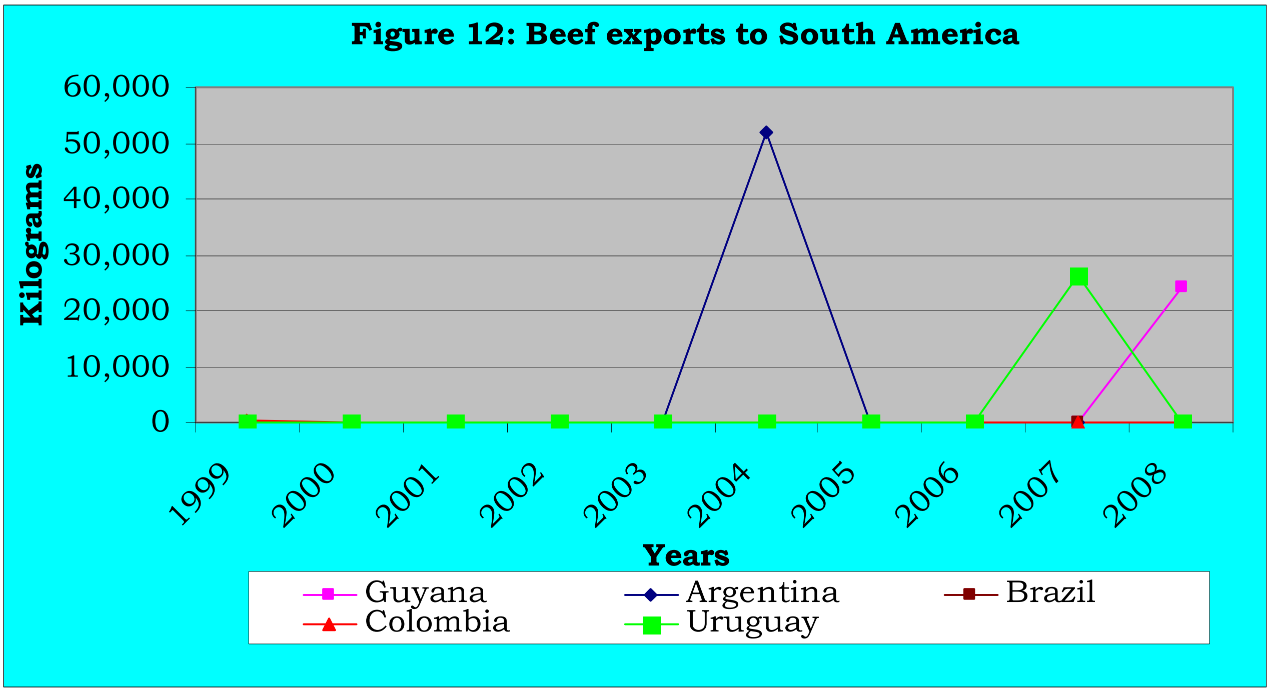
Source: Quantec

Figure 10 displays that beef produced in South Africa was mainly exported to Mozambique which has commanded the highest beef exports through out the decade except in 2002 and 2008 only. During those periods (2002 & 2008) Angola took the lead, which made it the second country to obtain the highest beef exports from South Africa.



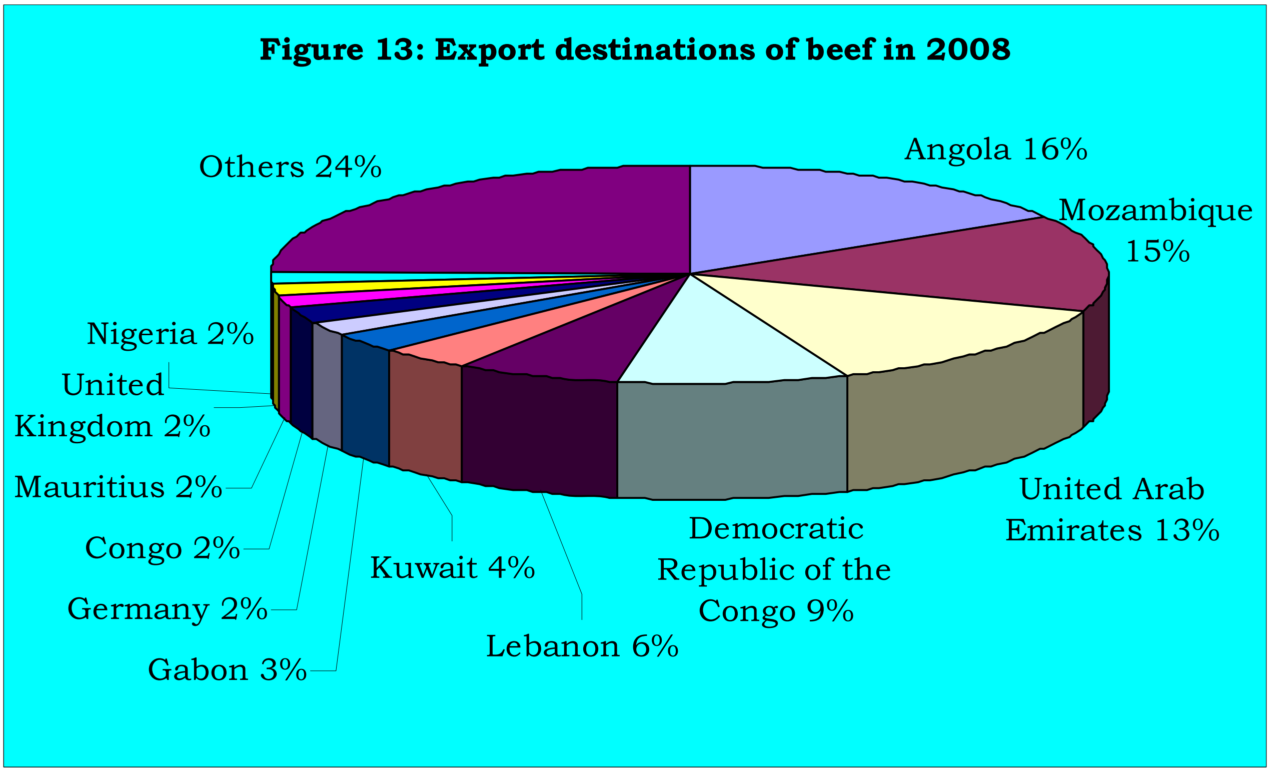
Source: Quantec

Figure 11 displays the fluctuations in beef exports to the Middle East over the past decade. Saudi Arabia commanded the greatest share of South African beef exports from 2000 to 2001 and Lebanon obtained the highest in 2002.



Source: Quantec

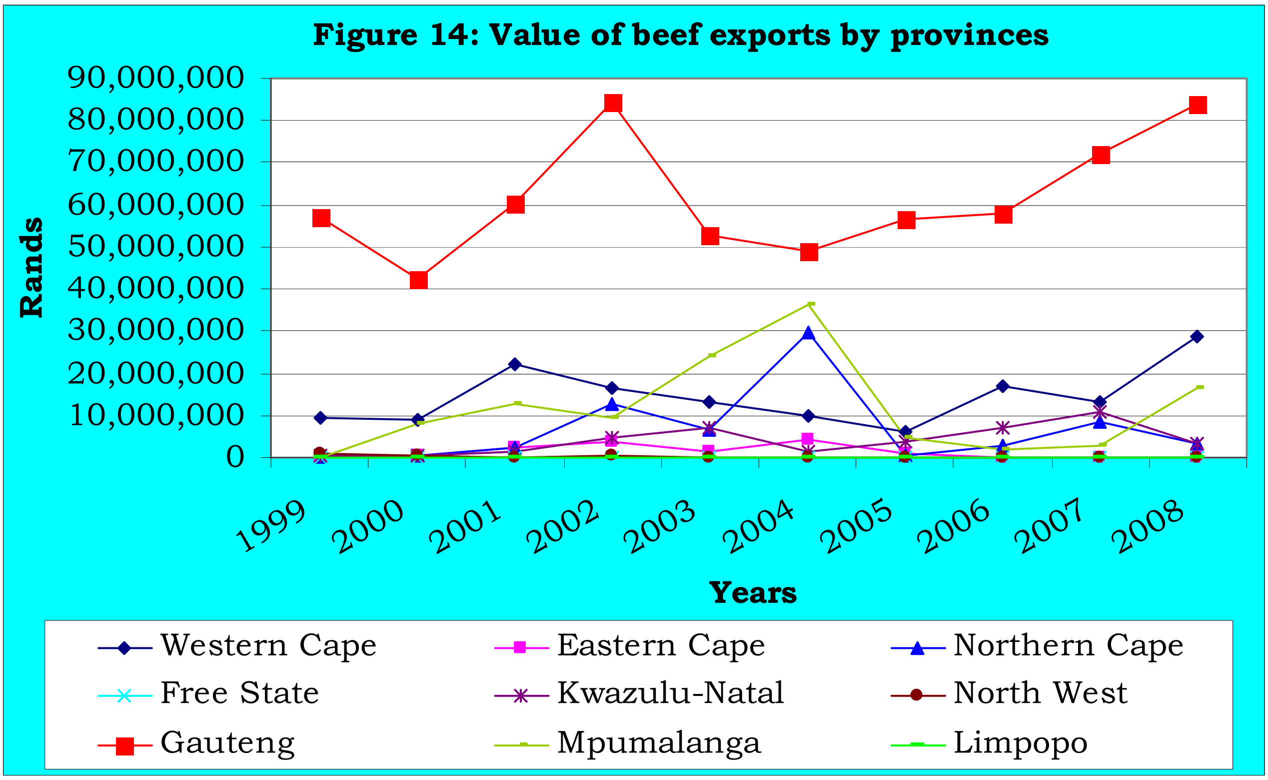
Figure 9 indicates that South Africa's exports of beef fluctuated in South American countries. South African beef exports to South American countries reported minimal quantities from 1999 to 2003. Argentina commanded the greatest share in 2004 followed by Uruguay in 2007 and lastly Guyana in 2008.



Source: Quantec.

African countries (Angola, Mozambique and DRC) hold the biggest market share of South African beef exports according to figure 13. They constitute 40% of the total South African beef exports followed by the Middle East countries (United Arab Emirates, Lebanon & Kuwait) with 26%.

Values of beef exports from various provinces of South Africa are presented in Figure 14.

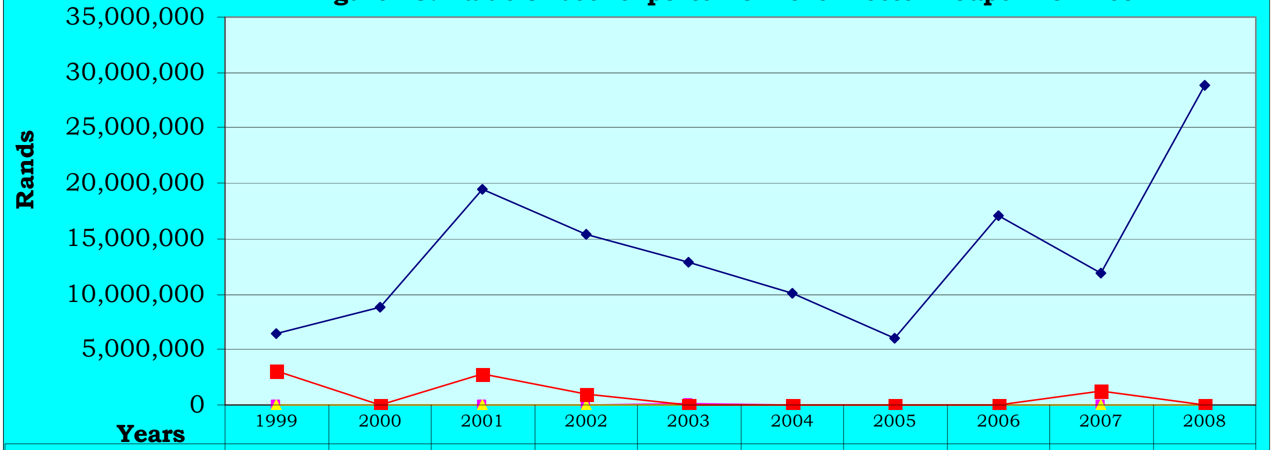


Source: Quantec.

Figure 14 indicate that Gauteng have recorded high export values of beef between the periods 1999 and 2008. This is mainly due to the fact that most exporters of beef are situated in the Gauteng Province and the greatest proportion of beef was exported to neighboring countries and Gauteng Province is the main exit point. Exports of beef were also recorded in Western Cape, Northern Cape, Mpumalanga, Kwazulu–Natal and Eastern Cape provinces.

The following figures (Figures 15 - 23) show the value of beef exports from the various districts in the nine provinces of South Africa.

Figure 15: Value of beef exports from the Western Cape Province

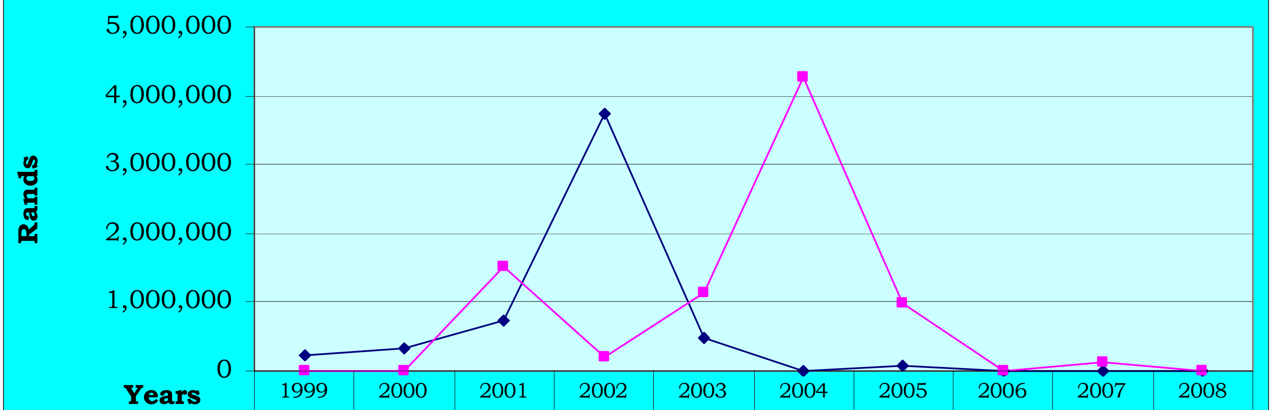


	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
City of Cape Town	6,434,799	8,853,243	19,418,096	15,355,203	12,885,447	10,019,480	5,958,250	17,095,344	11,954,483	28,846,403
West Coast	0	0	0	0	95,787	0	0	0	0	10,156
Cape Winelands	0	0	0	0	30,974	0	0	0	0	0
Eden	3,122,254	0	2,766,888	1,037,805	2,814	1,000	0	0	1,244,044	0

Source: Quantec.

In the Western Cape, beef exports were recorded mainly in the City of Cape Town and Eden districts. The City of Cape Town district recorded high export values with highest value during 2001 but declined to the lowest level in 2005 before increasing again in 2008. This is due to the fact that the City of Cape Town is the main exit point in the province.

Figure 16: Value of beef exports from the Eastern Cape Province

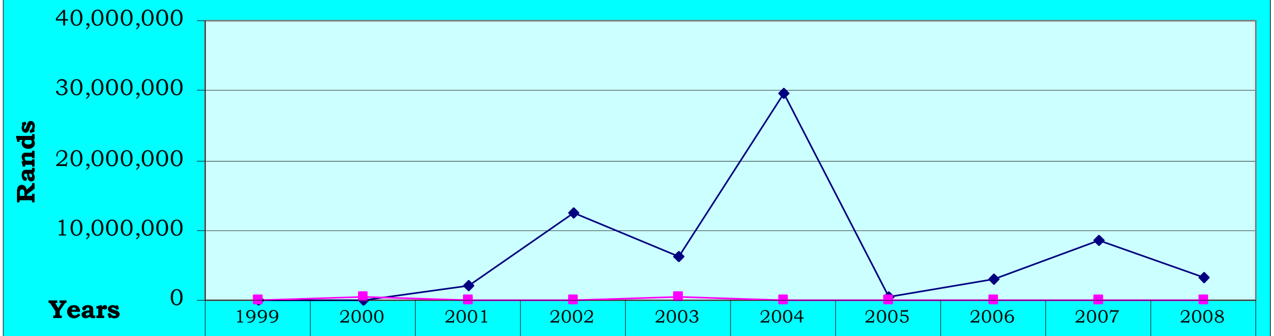


	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Cacadu	225,441	325,237	729,863	3,733,749	487,619	0	79,502	0	0	0
Nelson Mandela	0	0	1,514,972	200,013	1,148,731	4,269,561	996,045	509	115,131	0

Source: Quantec.

In the Eastern Cape Province, beef exports were recorded from Cacadu and Nelson Mandela districts. The highest export value was recorded from Cacadu district in 2002 and from Nelson Mandela district in 2004.

Figure 17: Value of beef exports from the Northern Cape Province

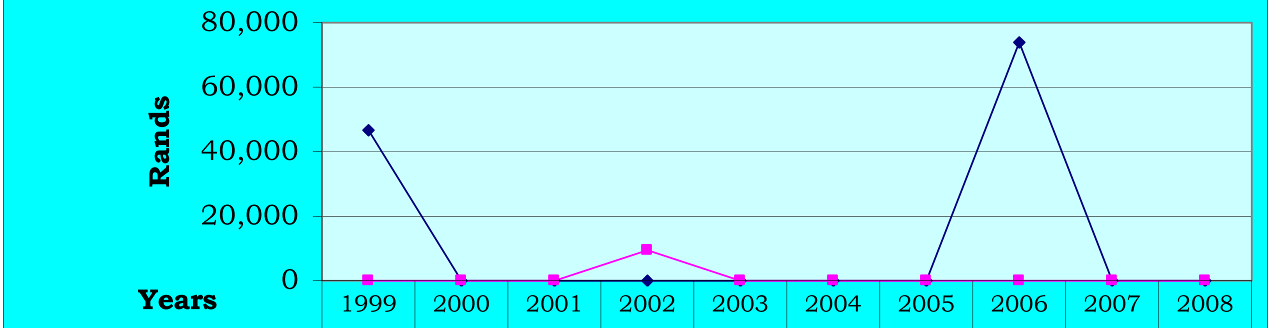


Years	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Pixley ka Seme	0	0	2,126,954	12,589,474	6,163,386	29,588,072	389,932	2,988,159	8,529,556	3,175,706
Siyanda	83,056	522,021	34,393	0	427,569	6,764	3	0	0	0

Source: Quantec.

The Northern Cape Province has recorded beef exports from two districts namely, the Pixley ka Seme and Siyanda. Pixley ka Seme district dominated the export values and during 2004 it recorded the highest beef export value.

Figure 18: Value of beef exports from the Free State Province

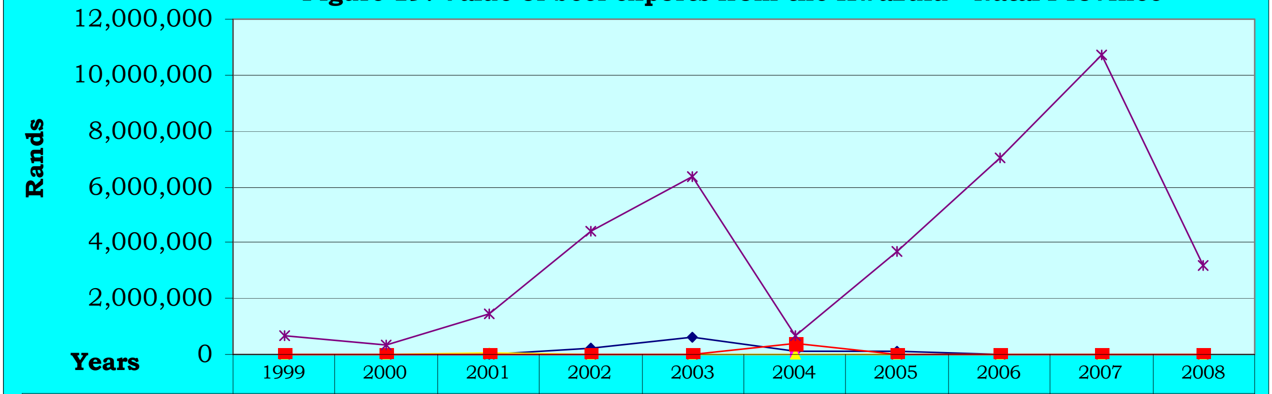


Years	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Lejweleputswa	46,733	0	0	0	0	0	0	73,640	0	0
Thabo Mofutsanyane	0	0	0	9,416	0	0	0	0	0	0

Source: Quantec.

Figure 18 indicates that exports of beef from the Free State Province occurred in Lejweleputswa district in 1999 and 2006 while in Thabo Mofutsanyane district exports were recorded only in 2002.

Figure 19: Value of beef exports from the Kwazulu - Natal Province

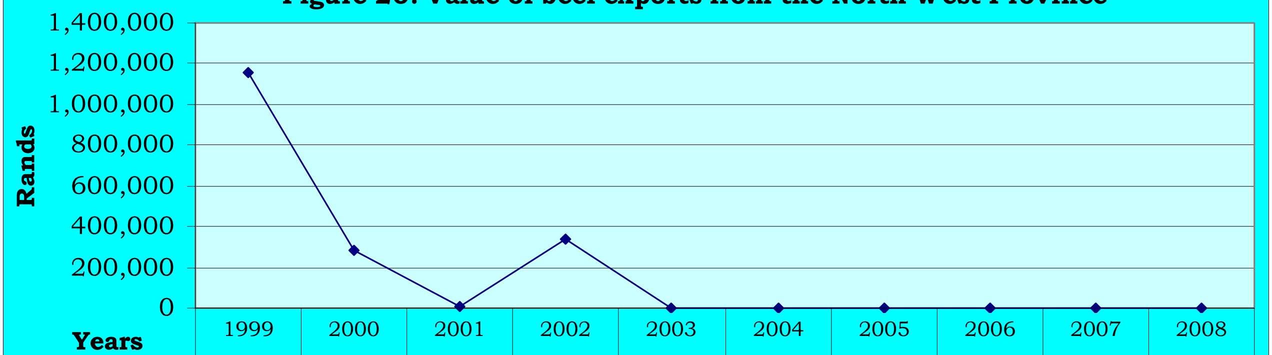


	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Ugu	0	0	0	230,770	593,896	99,799	114,653	847	0	0
Umgungundlovu	0	14,600	0	0	0	0	0	0	0	0
Uthukela	0	0	33,598	10,008	0	0	0	0	0	0
Uthungulu	0	0	0	0	0	404,949	620	0	0	0
eThekwini	650,188	322,037	1,425,025	4,393,672	6,379,855	696,205	3,682,022	7,024,701	10,709,868	3,161,359

Source: Quantec.

In the Kwazulu–Natal Province, beef exports were mainly from the eThekwini district showing increases in the value of the exports from 2001 until 2003 and again from 2005 until 2007 with low levels recorded in 2004 and 2008. The Ugu district recorded beef export values from 2002 to 2006. Small export values were recorded in Umgungundlovu, Uthukela and Uthukela districts and fluctuated from 2000 to 2005.

Figure 20: Value of beef exports from the North West Province

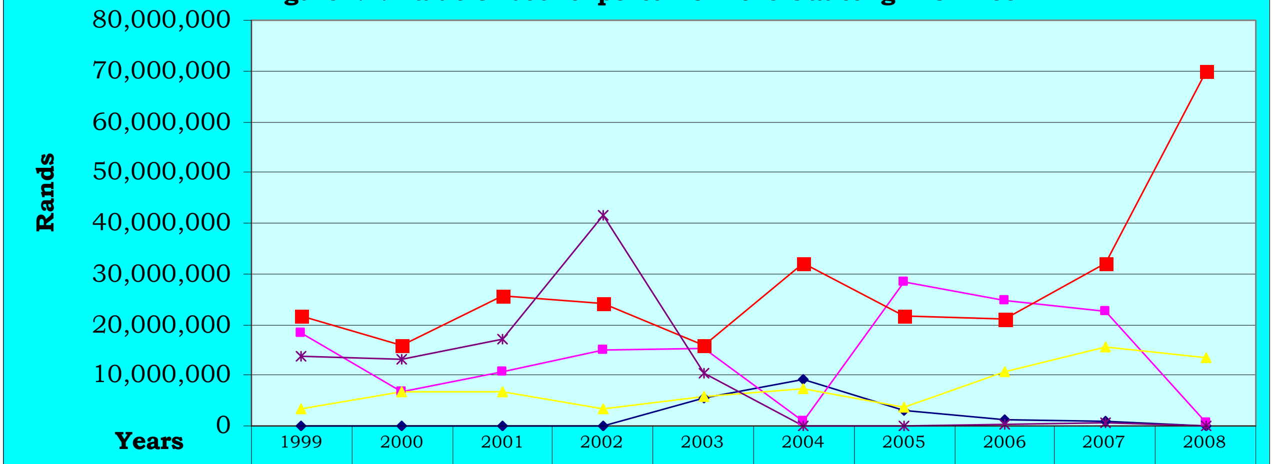


	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Bojanala	1,155,394	280,825	5,551	338,138	0	0	0	0	0	0

Source: Quantec.

In the North West Province beef exports occurred through the Bojanala district that recorded the highest value during 1999 and then declined substantially in 2000 and 2001. It increased in 2002 before diminishing from 2003 to 2008.

Figure 21: Value of beef exports from the Gauteng Province

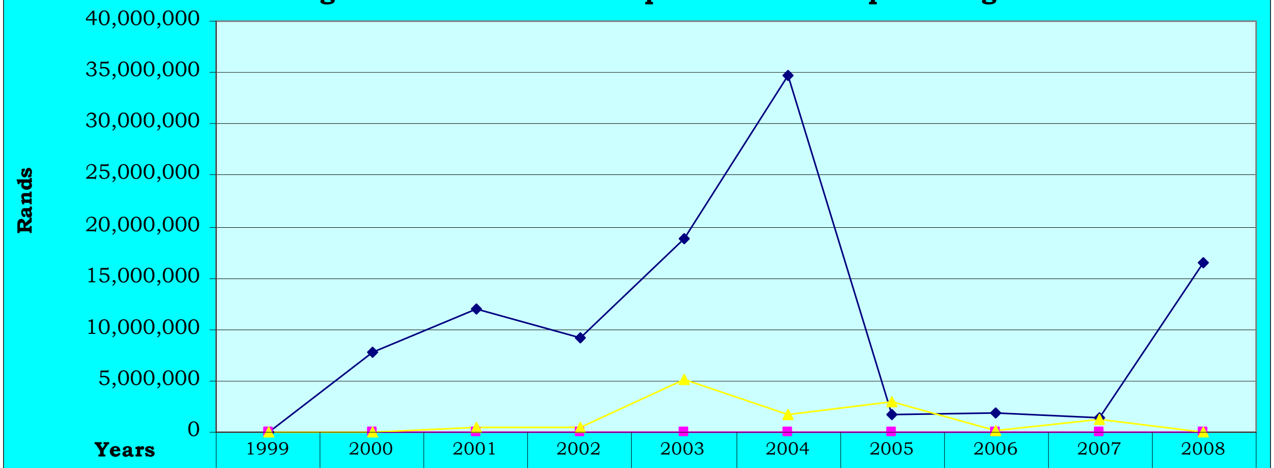


Years	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sedibeng	0	0	0	48,935	5,414,295	9,015,621	2,990,024	1,120,562	995,299	0
West Rand	18,173,241	6,780,417	10,702,491	15,086,461	15,299,082	795,572	28,306,882	24,813,598	22,705,725	662,811
Ekurhuleni	3,332,159	6,776,674	6,866,462	3,504,978	5,861,757	7,250,883	3,743,074	10,629,304	15,530,755	13,415,321
City of Johannesburg	21,630,756	15,854,162	25,785,691	24,229,176	16,016,948	31,996,975	21,555,617	21,170,366	32,003,588	69,890,467
City of Tshwane	13,783,402	13,128,058	17,083,974	41,467,585	10,351,843	20,719	104,379	378,904	747,051	0

Source: Quantec.

Exports of beef in the Gauteng Province were mainly through City of Johannesburg, City of Tshwane, West Rand, Ekurhuleni and Sedibeng districts. From 1999 to 2008, all the districts experienced fluctuations in the value of beef exports with City of Johannesburg, City of Tshwane and West Rand competing for dominance.

Figure 22: Value of beef exports from the Mpumalanga Province

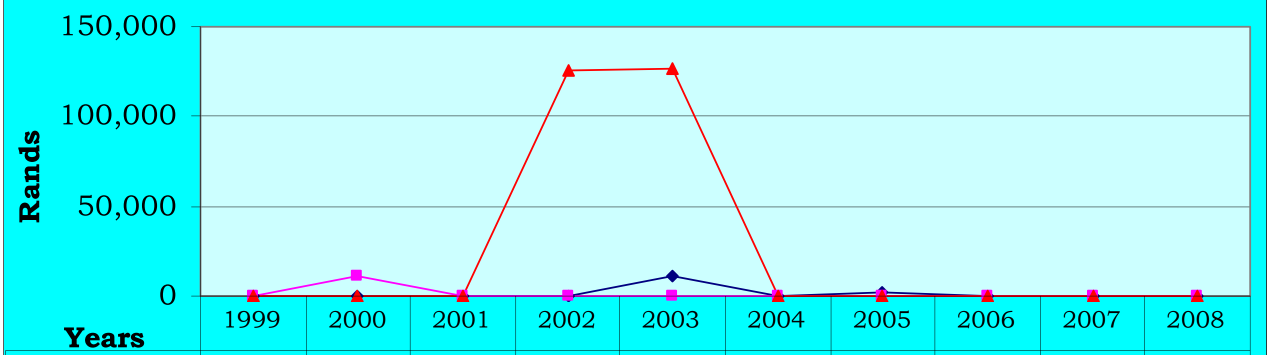


Years	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Gert Sibande	10,000	7,817,112	12,016,572	9,184,863	18,757,443	34,776,217	1,705,910	1,914,174	1,444,515	16,564,462
Nkangala	0	14,327	4,455	9,729	0	0	0	0	56,001	53,011
Ehlanzeni	2,370	42,332	495,028	428,809	5,202,856	1,693,213	3,030,659	203,044	1,229,964	0

Source: Quantec.

In the Mpumalanga Province, Gert Sibande and Ehlanzeni districts have played an important role in the export of beef since 1999 with increased export values in Gert Sibande recorded from 2000 to 2004 but declined to low levels in 2005 before increasing again in 2008.

Figure 23: Value of beef exports from the Limpopo Province



Years	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Mopani	0	0	0	0	10,932	0	2,440	0	0	0
Vhembe	0	11,450	0	0	0	0	0	0	0	0
Waterberg	0	0	0	125,417	126,541	0	0	0	0	0

Source: Quantec.

Exports of beef in the Limpopo Province fluctuated in Vhembe, Waterberg and Mopani districts from 2000 to 2005. The highest export values were recorded in Waterberg district from 2002 to 2003.

2.2.2 Share Analysis.

Table 2: Share of provincial beef exports by South Africa (%)

Provinces	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Western Cape	13.92	14.58	21.96	12.42	12.36	7.67	8.20	19.56	12.30	21.25
Eastern Cape	0.33	0.54	2.22	2.98	1.55	3.27	1.48	0.00	0.11	0.00
Northern Cape	0.12	0.86	2.14	9.54	6.26	22.65	0.54	3.42	7.95	2.34
Free State	0.07	0.00	0.00	0.01	0.00	0.00	0.00	0.08	0.00	0.00
Kwazulu-Natal	0.95	0.55	1.44	3.51	6.63	0.92	5.23	8.04	9.98	2.33
North West	1.68	0.46	0.01	0.26	0.00	0.00	0.00	0.00	0.00	0.00
Gauteng	82.91	70.03	59.83	63.90	50.30	37.57	78.03	66.48	67.11	61.84
Mpumalanga	0.02	12.96	12.39	7.29	22.76	27.92	6.52	2.42	2.55	12.24
Limpopo	0.00	0.02	0.00	0.10	0.13	0.00	0.00	0.00	0.00	0.00
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Calculated from Quantec Easy Data

From Table 2 above, Gauteng Province commands the greatest share of South Africa's beef exports followed by Western Cape Province. This is mainly due to the fact that most exporters of beef are situated in the Gauteng Province and the greatest proportion of beef was exported to neighboring countries and Gauteng Province is the main exit point. Northern Cape, Kwazulu–Natal, Eastern Cape and Mpumalanga provinces were regular exporters while Free State, North West and Limpopo registered fractional exports of beef.

The accompanying Tables 3 to 11 shows a share of the various districts beef exports to the various provincial beef exports.

Table 3: Share of district beef exports to the total Western Cape provincial beef exports (%)

Districts	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
City of Cape Town	67.33	100.00	87.53	93.67	99.00	99.99	100.00	100.00	90.57	99.96
West Coast	0.00	0.00	0.00	0.00	0.74	0.00	0.00	0.00	0.00	0.04
Cape Winelands	0.00	0.00	0.00	0.00	0.24	0.00	0.00	0.00	0.00	0.00
Eden	32.67	0.00	12.47	6.33	0.02	0.01	0.00	0.00	9.43	0.00
	100	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Calculated from Quantec Easy Data

The City of Cape Town district has commanded the greatest share of beef exports in the Western Cape Province during the period 1999 and 2008. During the same period, Eden district recorded intermittent exports of beef. Fractional exports of beef were recorded from the West Coast and Cape Winelands districts in 2003 and 2008.

Table 4: Share of district beef exports to the total Eastern Cape provincial beef exports (%)

Districts	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Cacadu	100	100	32.51	94.92	29.80	0	7.39	0	0	0
Nelson Mandela	0	0	67.49	5.08	70.20	100	92.61	100	100	0
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**0**

Source: Calculated from Quantec Easy Data

In the Eastern Cape Province exports of beef were recorded from the Cacadu and Nelson Mandela districts but diminished in 2008.

Table 5: Share of district beef exports to Northern Cape provincial beef exports (%)

Districts	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Pixley ka Seme	0.00	0.00	98.41	100	93.51	99.98	100	100	100	100
Siyanda	100	100	1.59	0.00	6.49	0.02	0.00	0.00	0.00	0.00
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Calculated from Quantec Easy Data

From the Northern Cape Province, the Siyanda district commanded 100% share of all beef exports from 1999 to 2000 while the Pixley ka Seme commanded the greatest share from 2001 increasing to 100% from 2005.

Table 6: Share of district beef exports to the total Free State provincial beef exports (%)

Districts	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Lejweleputswa	100	0.00	0.00	0.00	0.00	0.00	0.00	100	0.00	0.00
Thabo Mofutsanyane	0.00	0.00	0.00	100	0.00	0.00	0.00	0.00	0.00	0.00
Total	**100**	**0.00**	**0.00**	**100**	**0.00**	**0.00**	**0.00**	**100**	**0.00**	**0.00**

Source: Calculated from Quantec Easy Data

Table 6 shows that exports of beef in the Free State Province occurred from the Lejweleputswa district in 1999 and Thabo Mofutsanyane district in 2002 and 2006.

Table 7: Share of district beef exports to the total KwaZulu – Natal provincial beef exports (%)

Districts	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Ugu	0.00	0.00	0.00	4.98	8.52	8.31	3.02	0.00	0.00	0.00
Umgungundlovu	0.00	4.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Uthukela	0.00	0.00	2.30	0.22	0.00	0.00	0.00	0.00	0.00	0.00
Uthungulu	0.00	0.00	0.00	0.00	0.00	33.72	0.02	0.00	0.00	0.00
eThekwini	100	95.66	97.70	94.80	91.48	57.97	96.96	100	100	100
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Calculated from Quantec Easy Data

From the Kwazulu-Natal province the eThekwini district has commanded the greatest share of beef exports from 1999 to 2008. The beef exports also occurred in Umgungundlovu district in 2000 and in Uthukela district from 2001 to 2002. The Ugu district exported beef from 2002 but diminished from 2006.

Table 8: Share of district beef exports to the total North West provincial beef exports (%)

Districts	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Bojanala	100	100	100	100	0.00	0.00	0.00	0.00	0.00	0.00
Total	**100**	**100**	**100**	**100**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Source: Calculated from Quantec Easy Data

The Bojanala district in the North – West Province commanded 100% share of all beef exports from 1999 to 2002. From 2003 exports of beef diminished entirely from the North – West Province.

Table 9: Share of district beef exports to the total Gauteng provincial beef exports (%)

Districts	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sedibeng	0.00	0.00	0.00	0.06	10.23	18.37	5.27	1.93	1.38	0.00
West Rand	31.93	15.94	17.71	17.89	28.90	1.62	49.92	42.70	31.54	0.79
Ekurhuleni	5.85	15.93	11.36	4.16	11.07	14.77	6.60	18.29	21.58	15.98
City of Johannesburg	38.00	37.27	42.66	28.73	30.25	65.19	38.02	36.43	44.46	83.23
City of Tshwane	24.22	30.86	28.27	49.17	19.55	0.04	0.18	0.65	1.04	0.00
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Calculated from Quantec Easy Data

In the Gauteng Province beef exports occur mainly through the City of Johannesburg, Ekurhuleni, West Rand and City of Tshwane districts. From 1999 to 2008, these districts have experienced fluctuations in the value of beef exports with the City of Johannesburg commanding over 50% share in 2004 and 2008.

Table 10: Share of district beef exports to the total Mpumalanga provincial beef exports (%)

Districts	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Gert Sibande	80.84	99.28	96.01	95.44	78.29	95.36	36.02	90.41	52.90	99.68
Nkangala	0.00	0.18	0.04	0.10	0.00	0.00	0.00	0.00	2.05	0.32
Ehlanzeni	19.16	0.54	3.96	4.46	21.71	4.64	63.98	9.59	45.05	0.00
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Calculated from Quantec Easy Data

From the Mpumalanga Province, the Gert Sibande district has commanded the greatest share of beef exports from 1999 to 2008 followed by the Ehlanzeni district. Fractional exports of beef were recorded from the Nkangala district during the same period.

Table 11: Share of district beef exports to the total Limpopo provincial beef exports (%)

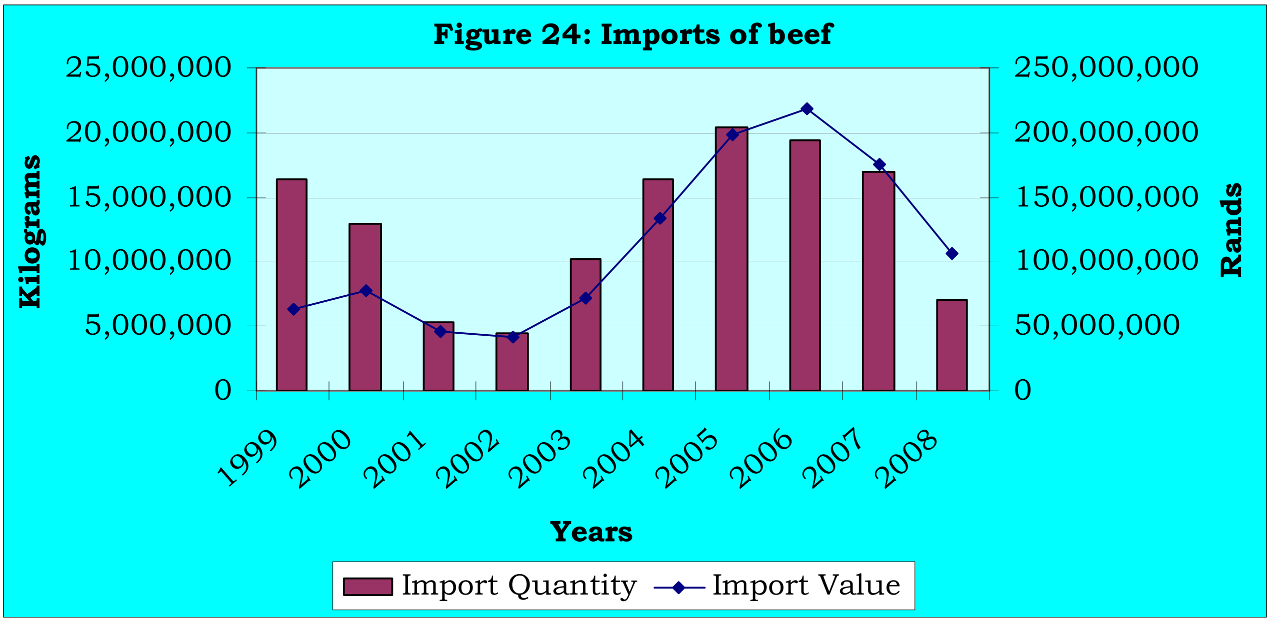
Districts	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Mopani	0.00	0.00	0.00	0.00	7.95	0.00	100	0.00	0.00	0.00
Vhembe	0.00	100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Waterberg	0.00	0.00	0.00	100	92.05	0.00	0.00	0.00	0.00	0.00
Total	**0.00**	**100**	**0.00**	**100**	**100**	**0.00**	**100**	**0.00**	**0.00**	**0.00**

Source: Calculated from Quantec Easy Data

From the Limpopo Province, exports of beef occurred in 2000 from the Vhembe district and during 2002 to 2003 from the Mopani and Waterberg districts. In 2005, exports of beef resumed from the Mopani districts before they diminished entirely in 2006 from the Limpopo Province.

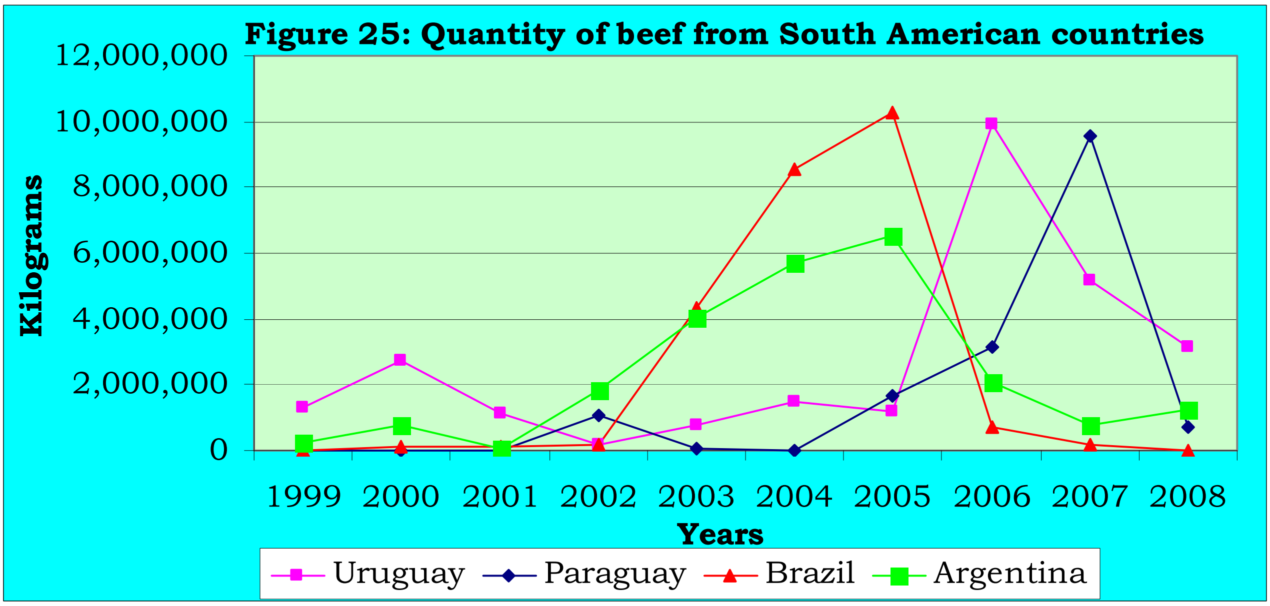
2.2.3. Imports.

South Africa imported approximately 7 million kilograms of beef in 2008 at an estimated value of R 106.6 million. The import quantity showed a significant decline of 58% compared to 2007 and 57% compared to 1999. These declines might have been caused by global economic meltdown that occurred from August 2008. Figure 21 below show the imports of beef from 1999 to 2008.



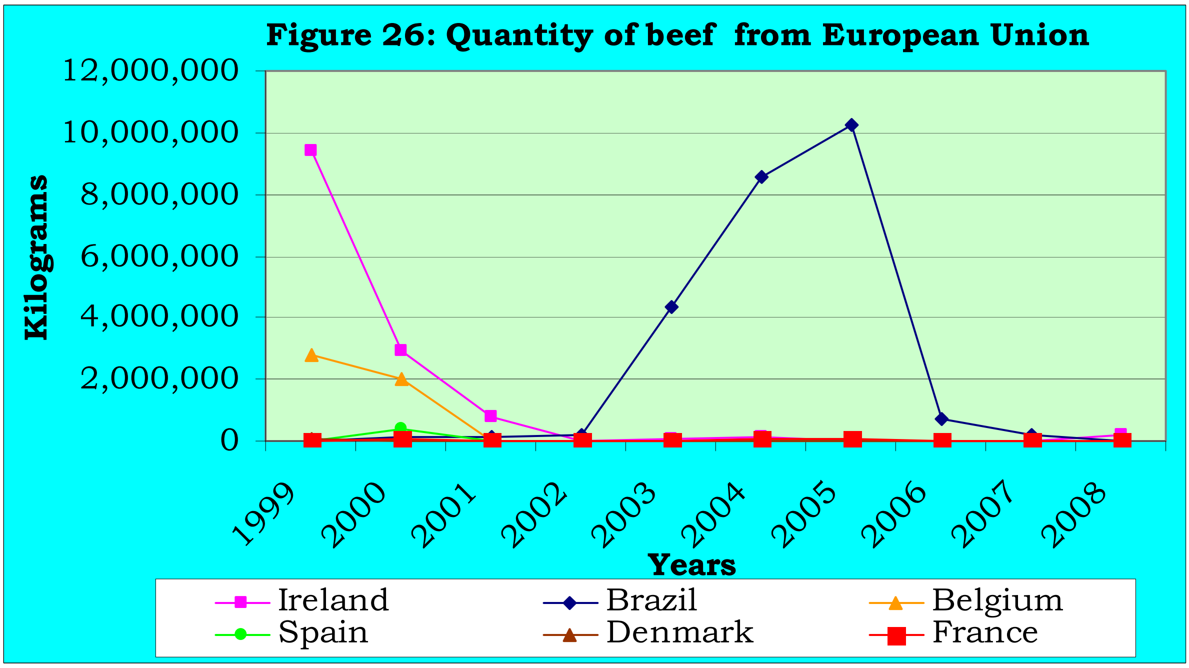
Source: Quantec.

The values of bovine imports were low in 1999 and 2000 compared to quantity; and from 2001 import value and quantity followed the same pattern with increasing values recorded from 2003 to 2006 and declined during the periods 2007 and 2008. Figure 22 below show the main suppliers of beef to South Africa during the period 1999 to 2008.



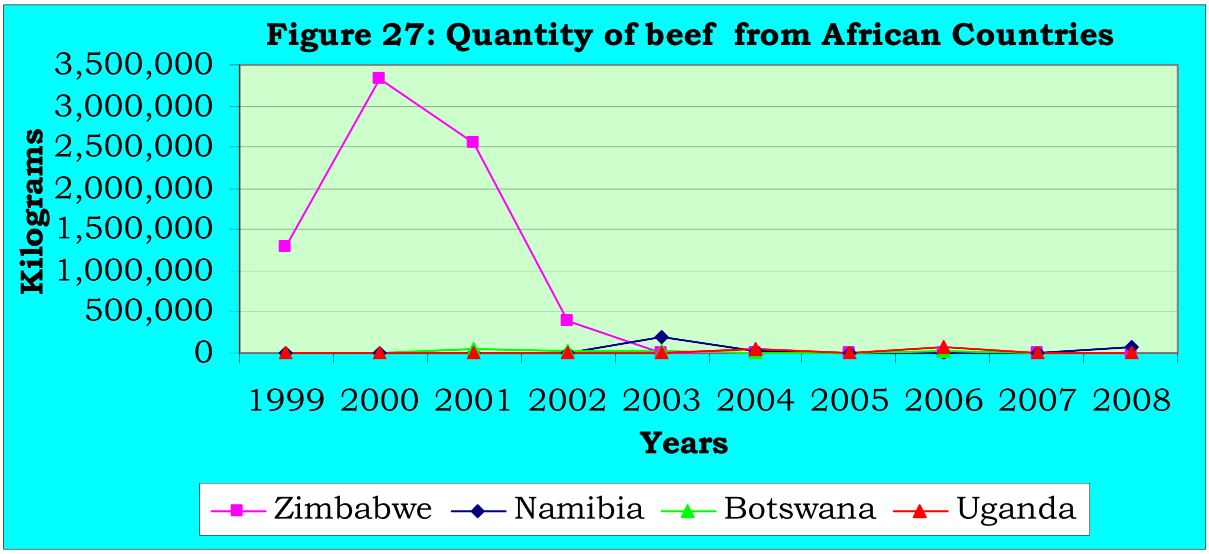
Source: Quantec.

Figure 25 clearly indicate that the highest quantity of beef imports into South Africa originated from South American countries. The beef imports from South America accelerated from 2003 and reached the peak in 2005-2007 from different countries (Brazil, Uruguay and Paraguay) and all decelerated in 2008.



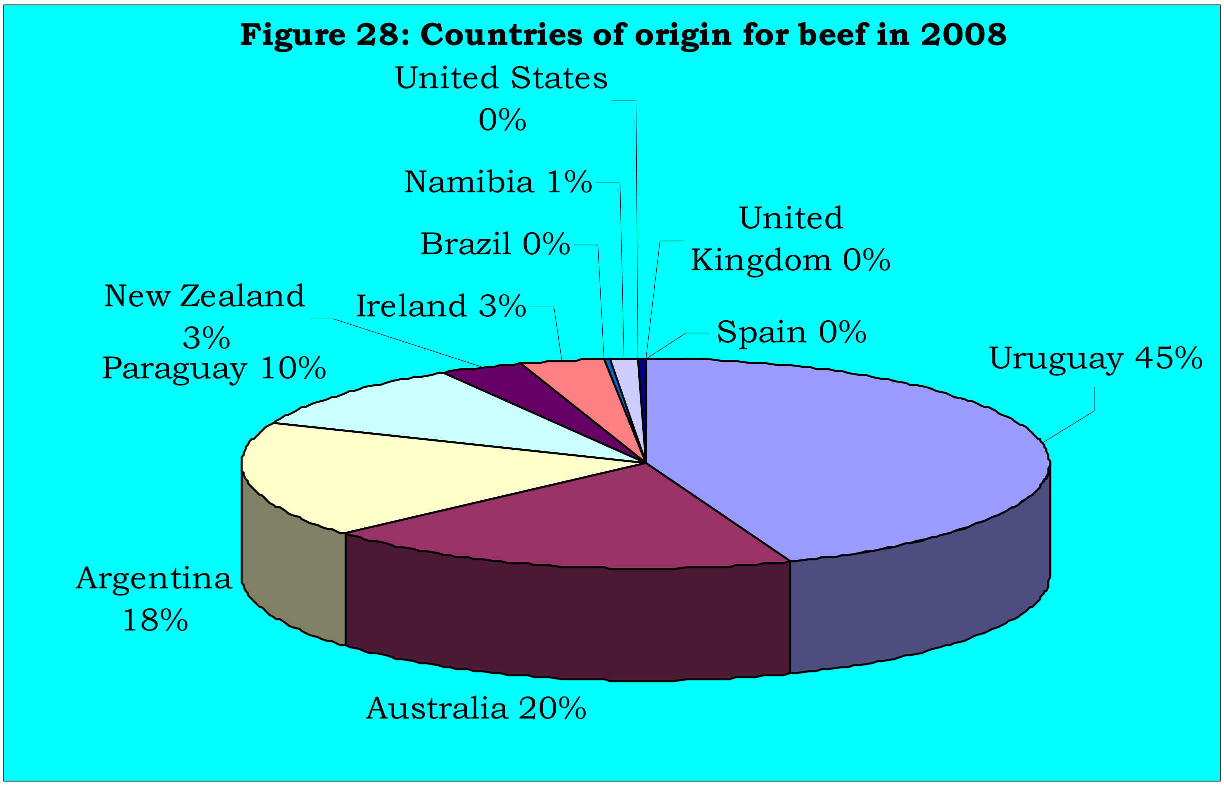
Source: Quantec.

Figure 26 displays fluctuations of beef imports from European Union Countries with the highest quantity of beef imports from Ireland in 1999 and Brazil took the lead from 2003 to 2005.



Source: Quantec.

It is clearly indicated from figure 27 that from 1999 to 2002, South Africa imported large volumes of beef from Zimbabwe and minimal quantities were recorded from 2003 to 2008.



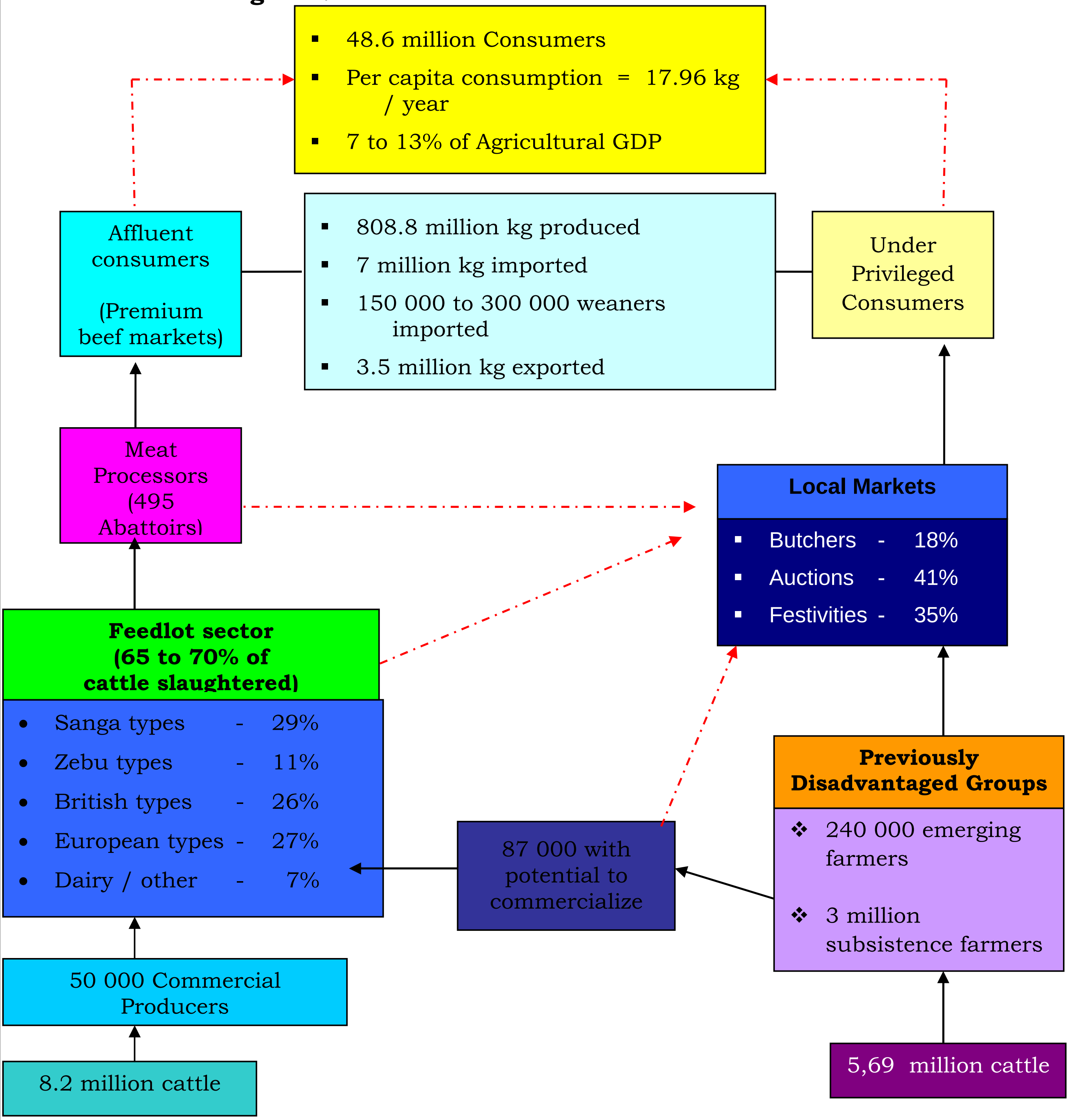
Source: Quantec.

Figure 28 above shows the share of various suppliers to South Africa's beef in 2008. In 2008 Uruguay commanded 45% share of South Africa's import market of beef followed by Australia taking up 20%, Argentina 18% and Paraguay 10%.

3. VALUE CHAIN ANALYSIS.

Beef market value chain is illustrated on Figure 24.

Figure 24: South African Beef Market Value Chain



Source: ARC

It is estimated that there are approximately 50 000 commercial farmers currently farming with livestock. This includes producers that keep livestock as their main enterprise and those that keep livestock as a secondary enterprise. They own around 8.2 million cattle. There are 240 000 small-scale farmers and 3 million subsistence farmers that own around 5.69 million cattle.

The beef supply chain has become increasingly vertically integrated. This integration is mainly fuelled by the feedlot industry where most of the large feedlots own their own abattoirs, or at least have some business interest in certain abattoirs. In addition, some feedlots have integrated further down the value chain and sell directly to consumers through their own retail outlets. Some abattoirs have also started to integrate vertically towards the wholesale level.

Under the previous marketing regime, wholesalers mostly bought carcasses through the auction system. Currently, many wholesalers source live slaughter animals (not weaners) directly from farmers or feedlots on a bid and offer basis, i.e. they take ownership of the animal before the animal is slaughtered. The animal is then slaughtered at an abattoir of the wholesaler's choice, where after the carcass is distributed to retailers. In some instances, the public can also buy carcasses directly from wholesalers.

The abattoir industry has expanded tremendously in number and in capacity. In this regard, it is important to note that this industry can be divided into those abattoirs that (i) are linked to the feedlot sector and the wholesale sector, or are owned by municipalities and (ii) those that are mainly owned by farmers and SMME's. The former abattoirs are mainly class A and B abattoirs, whereas the latter are usually classified as C, D and E class abattoirs.

The beef industry produces around 808 800 tons of meat and imports around 7 059 tons while exporting 3 537 tons. Per capita consumption is around 20.87 kg and number of consumers is around 48.6 million.

Table 12 below shows the industry role players.

Table 12: The industry role players

No.	Name	Description	Contact Details
1	**AUSTIN EVANS FEEDLOT**	Feedlot	P O Box 397, Somerset East, 5850 T : (042) 243 2076 F : (042) 243 1356
2	**ADAM AGRI**	Feedlot	PO Box 75, Colesberg, 9795 T: (051) 753 1301 F: (051) 086 5021182
3	**BEEFCOR**	It is situated east of Pretoria. It owns and operates the Bayview Feedlot, Boskop Ranch and Beefcor Wholesale. The feedlot carries 25 000 head and markets between 80 000 and 90 000 head annually, most of which are distributed in Gauteng. The company also has a 20% share in Hidskin Processors and a 25% share in Chamdor Abattoir.	P O Box 187, Bronkhorstspruit, 1020 T : (013) 932 7000 F : (013) 392 7100
4	**BEEFMASTER**	It is a private, family owned business situated 10 km from Christiana, in the North-West province. The feedlot carry around 20 000 cattle standing at any given time. It currently supplies approximately 10% of the country's beef and with its geographic position delivers to all nine provinces within 24 hours.	P O Box 425, Christiana, 2680 T : (053) 441 9100 F : (053) 441 2791
5	**Bull Brand**	It is owned by Bull Brand - integrated Meat Company situated in Krugersdorp. It has fresh meat production process-abattoir, deboning, added value department and canning. They own two feedlots in Potchefstroom and Magaliesberg and they both carry 40 000 heads of cattle at any point in time.	
6	**BRAAMS VOERKRALE BK**	Feedlot	P O Box 158, Durbanville, 7551 T : (021) 976 3053 F : (021) 976 7690
7	**CB FEEDLOT**	Feedlot	P O Box 44, Reitz, 9810 T: (058) 863 1460 F : (058) 863 1460
8	**CHALMAR BEEF**	It is situated in Bronkhorspruit. Its feedlot carries 15 000 head of cattle standing at any given time. When the new	P O Box 914-1144, Wingate Park, 0153

No.	Name	Description	Contact Details
		abattoir and de-boning facility opened for business in 2003, Chalmar beef became fully integrated.	T : (011) 964 1049 F : (011) 964 1514
9	**D C LOUW FEEDLOT**	Feedlot	P O Box 56, Adelaide, 5760 T : (046) 684 0700 F : (046) 684 0706
10	**DOORNBULT VOERKRALE (Pty) Ltd**	Feedlot	P O Box 13, Ladanna, 0704 T : (015) 293 2575 F : (015) 293 2064
11	**EAC Group**	Started by Claassen 40 years back. In 1986, joined the force with two shareholders and started Midland meat factory. They have distribution network in Kwazulu–Natal. Four modern abattoirs operate from Wolwehoek, Harrismith, Vereeniging and Frankfort. All three feedlots are situated in the calf weaner and lamb weaner producing areas and they carry 35 000 cattle at any specific time. The feedlots thus form an ideal marketing channel for weaner producers.	
12	**FORTRESS BONSMARAS**	It is situated 12 km north-west of Frankfort, Free State. It is a beautiful farm (2.925 ha) and the capacity of the feedlot is about 6000 weaners of Bonsmara or Bonsmara-cross per annum.	P O Box 630, Frankfort, 9830 T : (011) 394 2810 F : (011) 394 2471 F : 058 813 3947
13	**KAMEELDRIFT VOERKRAAL**	Feedlot	PO Box 15648, Kameeldrift – Oos T: 082 375 1826 F: 012 808 5986
14	**KANHYM ESTATES LTD.**	Feedlot	P O Box 89, Middelburg, 1050 T : (013) 249 7852/3 F : (013) 246 6211
15	**Karan Beef**	It is a family business situated at Heidelberg, south of Johannesburg. It operates feedlot, feed mill, abattoir and meat processing. The feedlot accommodates over 120 000 head of cattle - making the Karan Beef feedlot the largest in Africa. The abattoir has the capacity to process up to 1 600 head of cattle every day.	PO Box 53, Heidelberg, 1438, RSA Tel: +27 16 342 1214 Fax: +27 16 342 1212 E-mail: feedlot@karanbeef.com
16	**KELLERMAN BOERDERY**	Feedlot	P O Box 74,Koringberg,7312 T : 083 300 8134

No.	Name	Description	Contact Details
			F: (021) 854 5069
17	**KLEYNFAAN FEEDLOT**	Feedlot	P O Box 169, Vryheid, 3100 T : (034) 981 5421 F : 086 675 0574
18	**KOODOOLAKE**	Feedlot	P O Box 275, Stella, 8650 T : 083 441 5909 F : 083 457 2809
19	**KOREM FARM**	Feedlot	PO Box 58893, Karenpark, 0118 T : 012 549 2840 F : 012 549 2840
20	**LIEBENBERGSTROOM VOERKRAAL BPK**	Feedlot	P O Box 130, Edenville, 9535 T : (056) 631 0120 F : (056) 631 0120
21	**MANJOH RANCH**	Feedlot	P O Box 1052, Nigel, 1490 T : (011) 819 2882 F : (011) 819 2801/3/4 F : (011) 819 1889
22	**MADIKOR**	Feedlot	P O Box 1050,Louis Trichardt,0920 T : (015) 516 4464 F : (015) 516 1441 / 086 689 4693
23	**MIKRON BOERDERY**	Feedlot	PO Box 357, Bultfontein, 9670 T: 051 853 2257 F: 051 853 2257
24	**MLEKI`S BEEF**	Feedlot	Postnet Suite 327, Private Bag x 2020 Isando, 1600 T: 011 974 0309 F: 011 974 0464 C: 083 3752596
25	**MUSHLENDOW**	Feedlot	P O Box 357, Koster, 0348 T : (014) 543 2388 F : (014) 543 8904
26	**MVB FEEDERS**	Feedlot	P O Box 848, Louis Trichardt, 0920

No.	Name	Description	Contact Details
			T : (015) 516 0843 F : (015) 516 4150
27	**PIET WARREN PLASE**	Feedlot	P O Box 1, Gravelotte, 0895 T : (015) 318 4469 F : (015) 318 4301
28	**POPPIELAND TRUST**	Feedlot	P O Box 9, Bultfontein, 9670 T : (051) 853 1129 F : (051) 853 4002
29	**RANCH ESTATES**	Feedlot	P O Box 1270, Delmas, 2210 T : (013) 667 9023 F : (013) 667 9033 R : (011) 804 2320
30	**SIS FARMING**	Is located in the Bethal/Ermelo region of the Mpumalanga escarpment. It purchases weaners from other farmers to fatten for subsequent sale and delivery to the Witbank Abattoir. It has 22 000 cattle standing at any given time.	P O Box 201, Bethal, 2310 T (013) 291 5600 F : (013) 291 5611
31	**SKS BOERDERY**	Feedlot	P O Box 348, Middelburg, 1050 T : (013) 243 8154 F : (013) 243 8151
32	**SPARTA BEEF**	It is a family-owned and operated cattle feedlot and farming concern. The feedlot has around 40 000 cattle standing at any time. The present operation was established on the farm "Sparta", a sub-division of the farm "Middel " in the Marquard district, during the 1960's. The farm "Middel", has been in the family for over 100 years and since inception, farmed as a family business. Originally mixed farming - cattle, sheep, pigs, plus various crops, such as maize (corn), wheat, oats and potatoes - was practiced on the farm. Sparta Beef expanded its horizons by entering into a joint venture where it tans cattle hides in Butterworth, Eastern Cape. Later, in January 1999, it acquired a large abattoir in Welkom, Northern Free State, with Black Empowerment and other local business interests now known as Sparta Foods (Pty) Ltd. At the beginning of 2001, it started a	P O Box 64, Marquard, 9610 T : (051) 991 9200 F : (051) 991 9274 R : (051) 991 9241

No.	Name	Description	Contact Details
		wholesale department called Sparta Foods in Benoni (Gauteng).	
33	**TAAIBOSCHBULT Pty Ltd**	Owned by Bull Brand	P O Box 2092, Potchefstroom, 2520 T : (018) 291 1035 F : (018) 291 1439
34	**THERON BOERDERY**	Feedlot	Elsonstraat 84, Pretoriawes, 0183 T : (012) 327 5040 F : (012) 327 5048
35	**TRIPLE C FEEDLOT**	feedlot	P O Box 1723, Dundee, 3000 T: (034) 212 3716 F: (034) 218 1334 C: 083 653 2145
36	**VENCOR**	Feedlot	P O Box 749, Ladanna, 0704 T : (015) 293 2150 F : (015) 293 2579 C : 083 626 0319
37	**VERCUIEL**	Feedlot	PO Box 245,Stella,8650 T:082 866 4433 F: 0866 759 451
38	**WINDHOEK BOERDERY**	Feedlot	PO Box 387,Pietersburg,0700 T: 082 460 4432 F: 015 297 4350
39	**VERGEZIGHT FEEDLOT**	Feedlot	PO Box 1034, Heilbron,9650 T: 058 852 3701/2/3 F: 058 852 3700

Source: SA feedlot Association.

4. MARKET INTELLIGENCE.

4.1. Export tariffs.

Tariffs that different importing countries applied to beef originating from South Africa in 2008 are shown in Table 13.

Table 13: Export tariffs of beef

No.	Country	Trade Regime Description	2007		2008	
			Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)	Applied Tariffs	Total Ad valorem Equivalent Tariff (estimated)
	Angola	MFN	10.00%	10.00%	10.00%	10.00%
	Congo	MFN	20.00%	20.00%	20.00%	20.00%
	Democratic Republic of Congo	MFN	10.00%	10.00%	10.00%	10.00%
	France	MFN	12.80% + 2651.22 $/Ton	89.52%	12.80% + 2878.72 $/Ton	99.72%
	Gabon	MFN	20.00%	20.00%	20.00%	20.00%
	Germany	MFN	12.80% + 2651.22 $/Ton	89.52%	12.80% + 2878.72 $/Ton	99.72%
	Guyana	MFN	40.00%	40.00%	40.00%	40.00%
	Kuwait	MFN	0.00%	0.00%	5.00%	5.00%
	Lebanon	MFN	5.00%	5.00%	5.00%	5.00%
	Mauritius	MFN	0.00%	0.00%	0.00%	0.00%
	Mozambique	MFN	20.00%	20.00%	20.00%	20.00%
	Nigeria	MFN	20.00%	20.00%	20.00%	20.00%
	United Arab Emirates	MFN	5.00%	5.00%	5.00%	5.00%
	United Kingdom	MFN	12.80% + 2651.22 $/Ton	89.52%	12.80% + 2878.72 $/Ton	99.72%

Source: Market Access Map

Table 13 indicates that Guyana increased its tariffs of beef originating from South Africa from 0.00% to 5.00%. The European Union (France, Germany and United Kingdom) also increased the applied tariff from 12.8% + $2651.22/ton in 2007 to 12.8% + $2878.72/ton in 2008 while the total ad valorem tariff increased from 89.52% to 99.72%. The tariff levels for other traditional markets remain unchanged.

4.2. Import tariffs.

Regarding import tariffs, South Africa applies a 40.00% or $ 318.84/ton whichever is the greater to all imports of beef.

In order to fulfill South Africa's commitment under the World Trade Organization: Marrakesh Agreement regarding market access, the Directorate: Marketing issues rebate permits under the Market Access rebate scheme to importers of beef for a total of 26 254 tons (for 2008) per annum. The import arrangements for beef are as in Table 13.

Table 14: Import arrangements for beef

TARIFF HEADING	DESCRIPTION	EXTENT OF REBATE	ANNUAL QUOTA TONNAGE	CONDITIONS FOR THE ISSUING OF PERMITS
1	2	3	4	5
02.01	**Beef, Fresh or Chilled**		26 254	In addition to the conditions stipulated in Item 2 of the Schedule, the following conditions must be complied with: Permits will be issued on a quarterly basis and will be valid for four months. 17,380 tons are reserved for suppliers from Botswana and Namibia and 8,874 tons from other traditional supplying countries. Applicants must compare the extent of rebate with the applied rate of duty to determine the most beneficial rate of duty.
0201.10	Carcasses and half-carcasses	Full duty less 13, 8%		
0201.20	Other cuts with bone in	Full duty less 13, 8%		
0201.30	Boneless	Full duty less 32%		
02.02	**Beef, Frozen** –			
0202.10	Carcasses and half-carcasses	Full duty less 13, 8%		
0202.20	Other cuts with bone in	Full duty less 13, 8%		
0202.30	Boneless	Full duty less 32%		

Source: Government Gazette Notice 1218 of 2007

5. PERFORMANCE OF SOUTH AFRICAN BEEF INDUSTRY IN 2008.

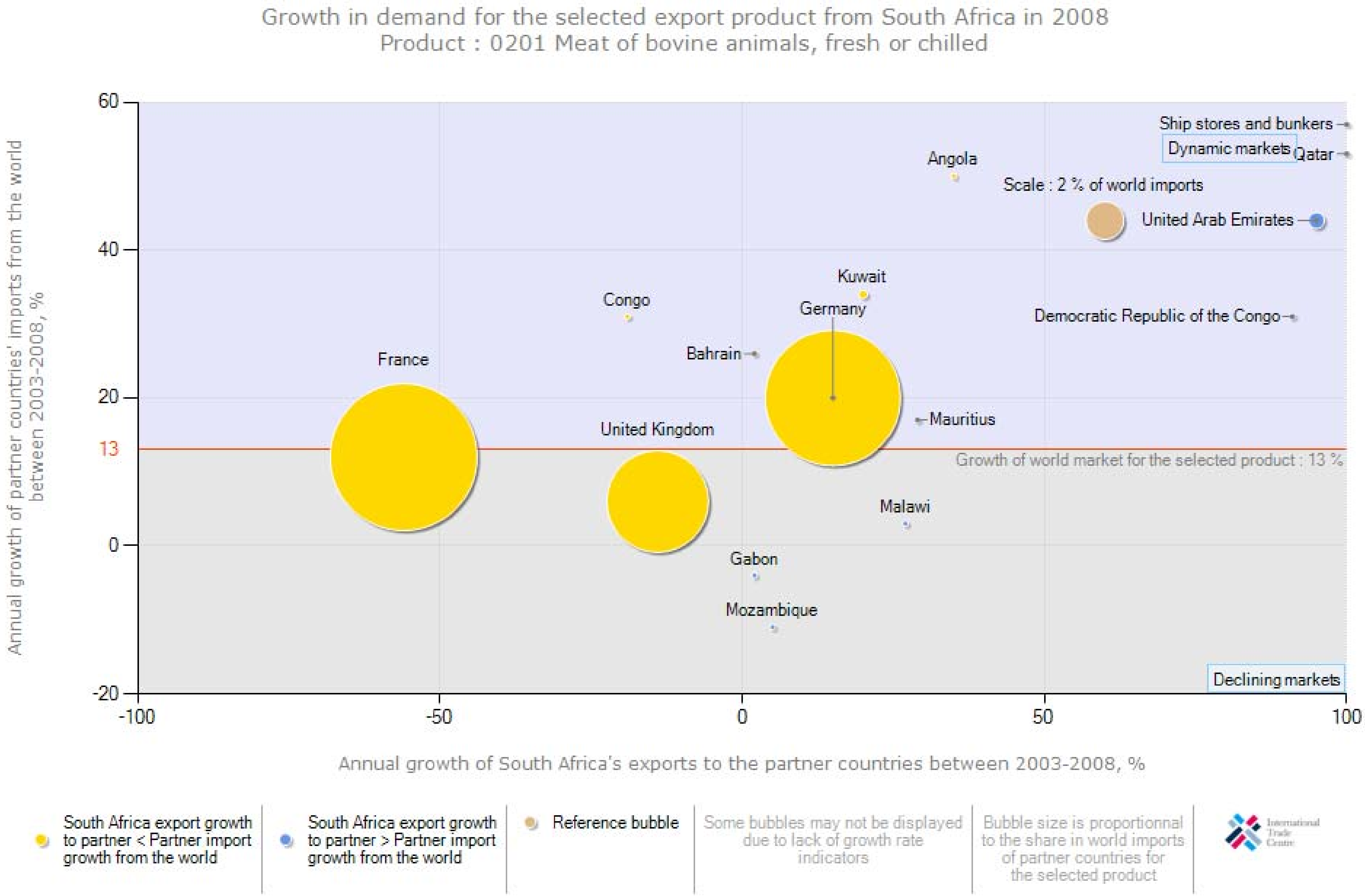
5.1. Exports.

Table 15: List of importing markets for Beef (fresh or chilled) exported by South Africa in 2008.
South Africa's export represents 0.05% of world export for the Beef (fresh or chilled); its ranking in world exports is 41.

Importers	Trade Indicators												Tariff (estimated) faced by South Africa
	Exported value 2008, USD thousand	Trade balance 2008 in USD thousand	Share in South Africa's exports, %	Exported quantity 2008	Quantity unit	Unit value, (USD/unit)	Exported growth in value between 2003-2008, %, p.a.	Exported growth in quantity between 2003-2008, %, p.a.	Exported growth in value between 2007-2008, %, p.a.	Ranking of partner countries in world imports	Share of partner countries in world imports, %	Total import growth in value of partner countries between 2003-2008, %, p.a.	
World	9593	9430	100	1547	Tons	6201	9	-8	0		100	13	
United Arab Emirates	2517	2517	26.2	272	Tons	9254	95	62	74	21	0.7	44	
Angola	2002	2002	20.9	237	Tons	8447	35	-1	83	59	0	50	
Kuwait	839	839	8.7	134	Tons	6261	20	9	3895	36	0.2	34	
Lebanon	795	795	8.3	131	Tons	6069			774	22	0.5	28	
Mozambique	643	643	6.7	217	Tons	2963	5	7	23	130	0	-11	
Gabon	420	420	4.4	74	Tons	5676	2	-12	24	103	0	-4	
Democratic Republic of the Congo	415	415	4.3	134	Tons	3097	91		372	108	0	31	
Mauritius	377	377	3.9	66	Tons	5712	29	29	3	70	0	17	
Ship stores and bunkers	366	366	3.8	129	Tons	2837	122	109	80	96	0	57	
Nigeria	330	330	3.4	35	Tons	9429	128	132	2	148	0		

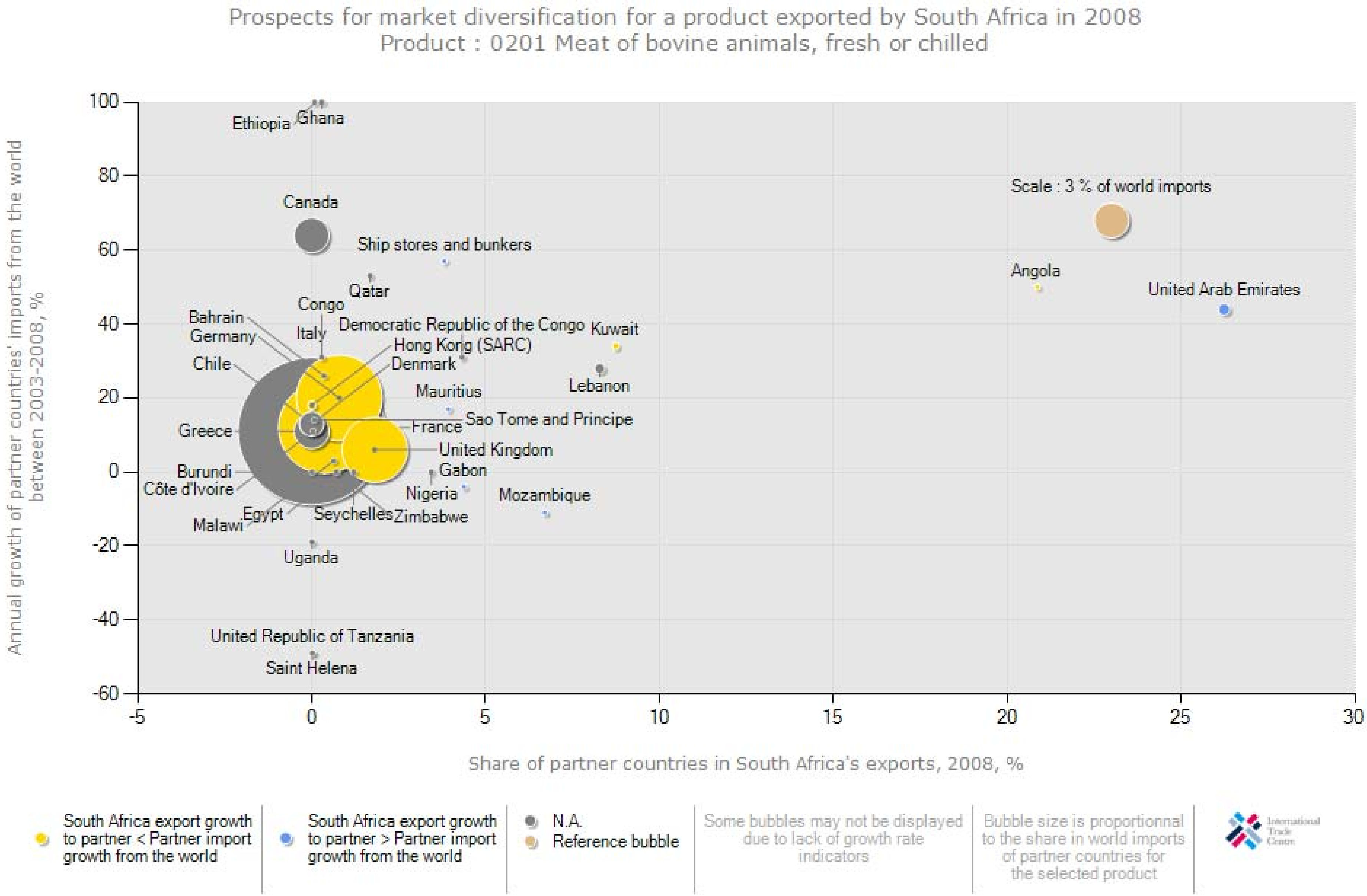
Source: ITC calculations based on COMTRADE statistics.

Table 15 shows that during 2008 South Africa exported a total of 1 547 tons of beef (fresh or chilled) at an average value of US$ 6 201/unit. The major export destinations for beef (fresh or chilled) originating from South Africa during 2008 were United Arab Emirates, Angola, Kuwait, Lebanon, Mozambique, Gabon, Democratic Republic of Congo, Mauritius and Nigeria. United Arab Emirates and Angola are the leading markets for beef (fresh or chilled), accounting for 26.2% and 20.9% respectively of South Africa's export market. On average, during the period 2003 and 2008 South Africa's exports for beef (fresh or chilled) to United Arab Emirates experienced a 95% and 62% increase in value and quantity respectively per annum; and increased by 74% in value terms between 2007 and 2008. Similarly those to Angola increased by 35% in value and declined by 1% in quantity during the period 2003 and 2008; and increased by 83% in value terms during the period 2007 and 2008. South Africa's exports for beef (fresh or chilled) to the world increased by 9% in value and declined by 8% in quantity during the period 2003 to 2008. Similarly, exports remained unchanged in value between 2007 and 2008.


Growth in demand for the selected export product from South Africa in 2008
Product : 0201 Meat of bovine animals, fresh or chilled
Annual growth of partner countries' imports from the world between 2003-2008, %
Annual growth of South Africa's exports to the partner countries between 2003-2008, %
Ship stores and bunkers
Dynamic markets
Qatar
Angola
Scale : 2 % of world imports
United Arab Emirates
Kuwait
Congo
Germany
Democratic Republic of the Congo
Bahrain
France
United Kingdom
Mauritius
Growth of world market for the selected product : 13 %
Malawi
Gabon
Mozambique
Declining markets
South Africa export growth to partner < Partner import growth from the world
South Africa export growth to partner > Partner import growth from the world
Reference bubble
Some bubbles may not be displayed due to lack of growth rate indicators
Bubble size is proportionnal to the share in world imports of partner countries for the selected product
International Trade Centre

The above chart illustrates that between 2003 and 2008 South Africa's beef (fresh or chilled) exports to Angola, Kuwait, Germany, Congo, Bahrain, United Kingdom and France were growing at a rate that is less than their import growth from the rest of the world. The first five countries represent losses in dynamic markets and the last two represent losses in declining markets to South Africa in the export for beef (fresh or chilled).

During the same period, South Africa's beef (fresh or chilled) exports to Qatar, United Arab Emirates, Democratic Republic of Congo, Mauritius, Malawi, Gabon and Mozambique were growing at a rate that is greater than their imports from the rest of the world. The first four countries represent gains in dynamic markets and the last three represent gains in declining markets to South Africa in the export for beef (fresh or chilled).


Prospects for market diversification for a product exported by South Africa in 2008
Product : 0201 Meat of bovine animals, fresh or chilled
Annual growth of partner countries' imports from the world between 2003-2008, %
Share of partner countries in South Africa's exports, 2008, %
Ethiopia
Ghana
Canada
Scale : 3 % of world imports
Ship stores and bunkers
Qatar
Congo
Angola
United Arab Emirates
Bahrain
Germany
Italy
Democratic Republic of the Congo
Kuwait
Hong Kong (SARC)
Chile
Denmark
Lebanon
Mauritius
Sao Tome and Principe
Greece
France
United Kingdom
Burundi
Gabon
Côte d'Ivoire
Nigeria
Mozambique
Egypt
Seychelles
Zimbabwe
Malawi
Uganda
United Republic of Tanzania
Saint Helena
South Africa export growth to partner < Partner import growth from the world
South Africa export growth to partner > Partner import growth from the world
N.A.
Reference bubble
Some bubbles may not be displayed due to lack of growth rate indicators
Bubble size is proportionnal to the share in world imports of partner countries for the selected product
International Trade Centre

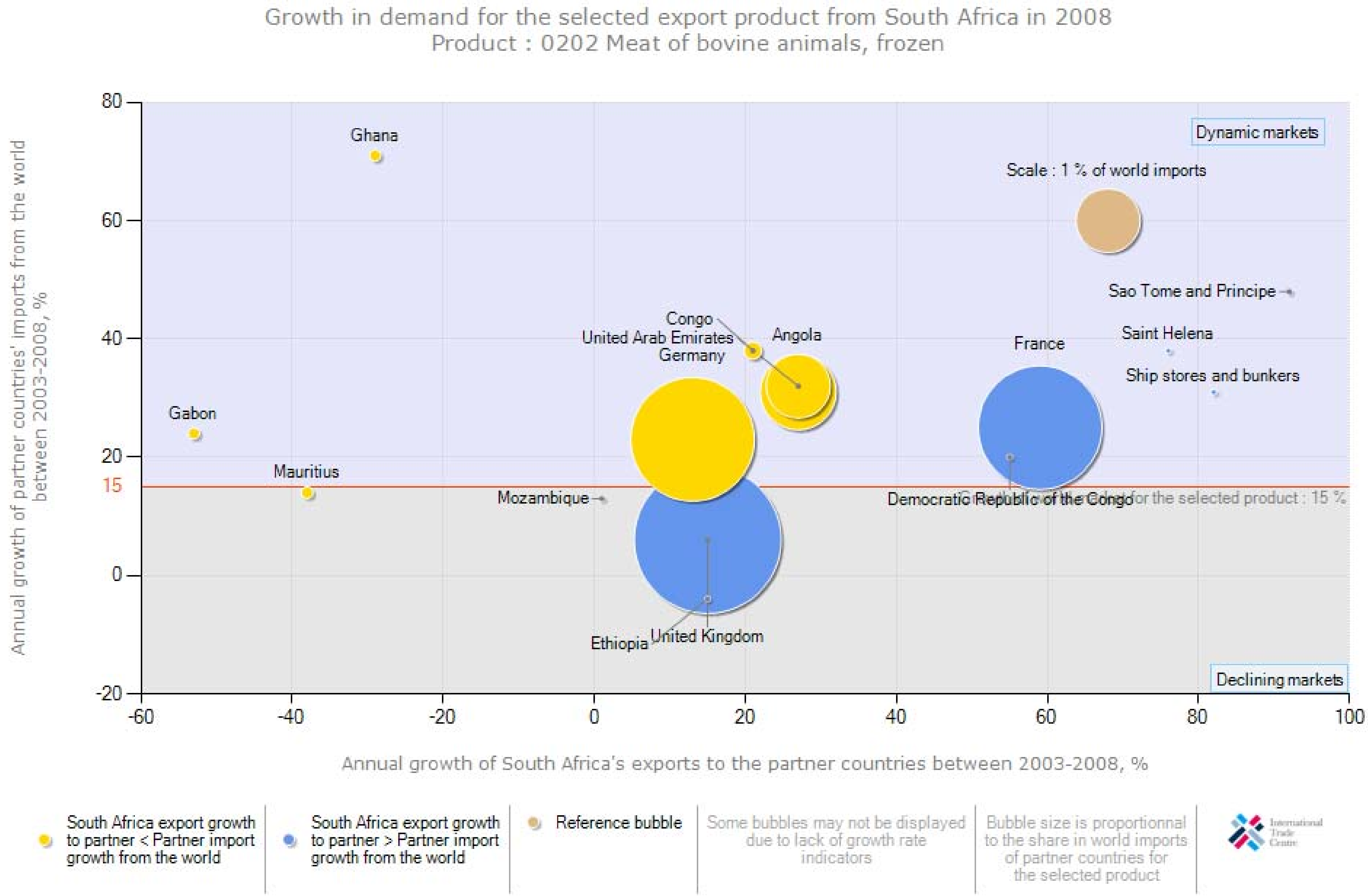
The figure above shows the prospects for market diversification for beef (fresh or chilled) exports by South Africa in 2008. The analysis of the results as shown on the figure above, shows that United Arab Emirates commanded the greatest shares of South Africa's beef (fresh or chilled) exports during the year 2008, followed by Angola, Kuwait, Lebanon and Mozambique. If South Africa is to diversify its beef (fresh or chilled) exports, the biggest market exists in Italy, France, Germany and United Kingdom as these countries commanded the greatest shares of world beef export (fresh or chilled). During 2008, South Africa did not export any beef (fresh or chilled) to Italy while exports to France, Germany and United Kingdom were minimal. Smaller market exists in Canada as this country has experienced higher annual import growth rate from 2003 – 2008.

Table 16: List of importing markets for the Beef (frozen) **exported by South Africa in 2008.**
South Africa’s export represents 0.05% of world export for Beef (frozen); its ranking in world exports is **40**.

Importers	Trade Indicators												Tariff (estimated) faced by South Africa
	Exported value 2008, USD thousand	Trade balance 2008 in USD thousand	Share in South Africa's exports, %	Exported quantity 2008	Quantity unit	Unit value, (USD/unit)	Exported growth in value between 2003-2008, %, p.a.	Exported growth in quantity between 2003-2008, %, p.a.	Exported growth in value between 2007-2008, %, p.a.	Ranking of partner countries in world imports	Share of partner countries in world imports, %	Total import growth in value of partner countries between 2003-2008, %, p.a.	
World	6977	-5686	100	1994	Tons	3499	-11	-14	22		100	15	
Ship stores and bunkers	1331	1331	19.1	546	Tons	2438	82	46	0	122	0	31	
Angola	1269	1269	18.2	327	Tons	3881	27	28	7	22	1.2	31	10
United Arab Emirates	934	934	13.4	171	Tons	5462	27	14	-3	25	1	32	5
Democratic Republic of the Congo	785	785	11.3	209	Tons	3756	55	60	445	116	0	20	10
Mozambique	763	763	10.9	308	Tons	2477	1	-1	-21	133	0	13	20
Lebanon	415	415	5.9	91	Tons	4560				46	0.2	26	5
United Kingdom	280	280	4	48	Tons	5833	15		-50	9	2.4	6	140
Congo	234	234	3.4	73	Tons	3205	21			43	0.2	38	20
Germany	228	228	3.3	58	Tons	3931	13		74	13	2	23	140
Nigeria	169	169	2.4	21	Tons	8048	-19	-22	-34				20
Guyana	80	80	1.1	24	Tons	3333				196	0	84	40
France	77	77	1.1	4	Tons	19250	59		108	12	2	25	140

Source: ITC calculations based on COMTRADE statistics.

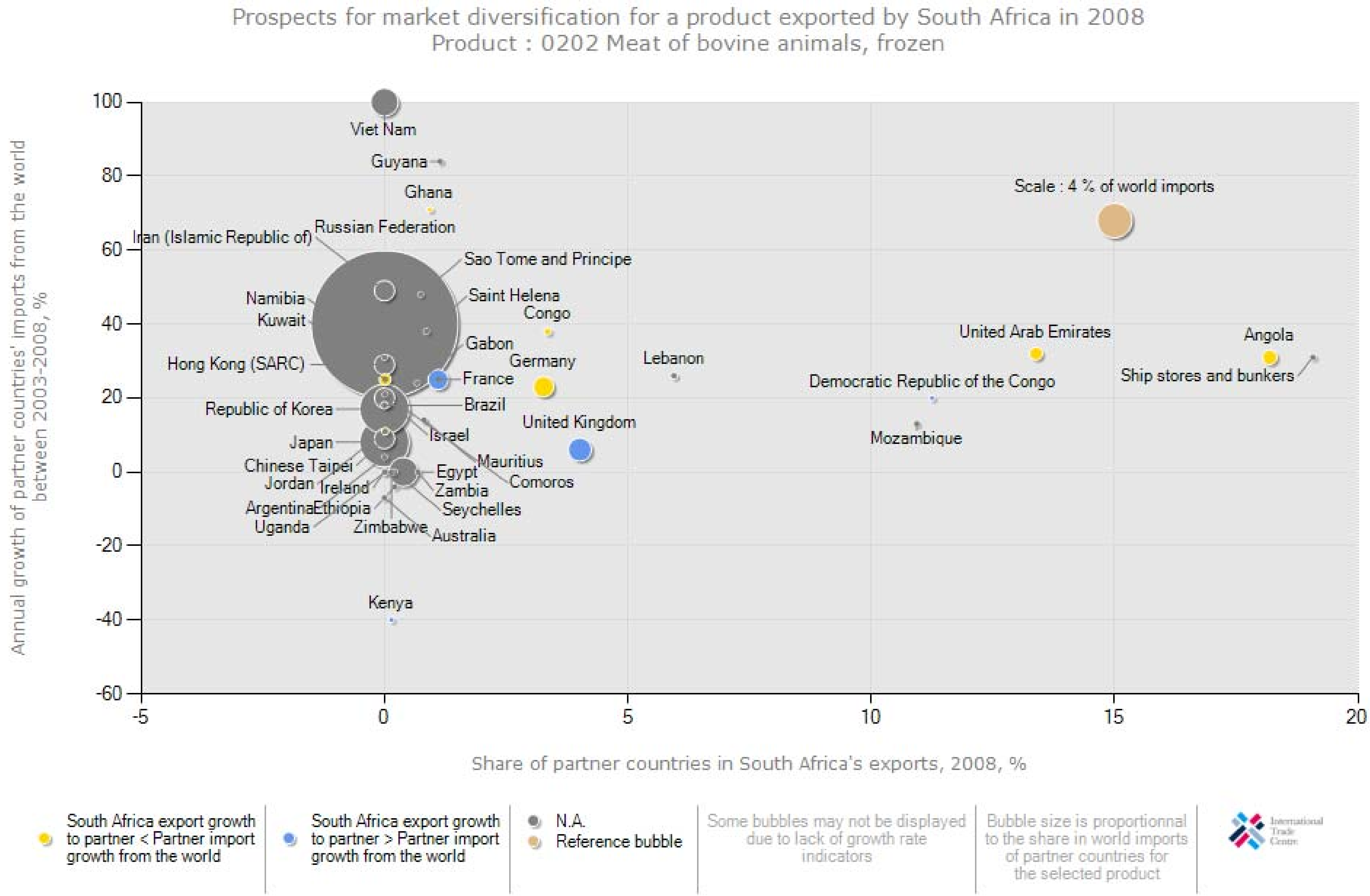
Table 16 shows that during 2008 South Africa exported a total of 1994 tons of beef (frozen) at an average value of US$ 3 499/unit. The major export destinations for beef (frozen) originating from South Africa during 2008 were Angola, United Arab Emirates, Democratic Republic of Congo, Mozambique and Lebanon. The greatest share of South African beef (frozen) exports were exported to Angola which commanded 18.2% during the year 2008 followed by United Arab Emirates that took up13.4%. South Africa's beef (frozen) exports decreased by 11% in value and 14% in quantity between the periods 2004 and 2008. During the same period, exports of beef (frozen) to Angola increased by 27% in value and 28% in quantity; while exports to United Arab Emirates increased by 27% in value and 14% in quantity. Between the period 2007 and 2008, South Africa's exports of beef (frozen) increased by 22% in value. During the same period, exports of beef (frozen) to Angola increased by 7% while those to United Arab Emirates decreased by 3% in value.



Growth in demand for the selected export product from South Africa in 2008
Product : 0202 Meat of bovine animals, frozen
Dynamic markets
Scale : 1 % of world imports
Ghana
Sao Tome and Principe
Congo
United Arab Emirates
Germany
Angola
France
Saint Helena
Ship stores and bunkers
Gabon
Mauritius
Mozambique
Democratic Republic of the Congo
Growth of world imports for the selected product : 15 %
Ethiopia
United Kingdom
Declining markets
80
60
40
20
15
0
-20
-60
-40
-20
0
20
40
60
80
100
Annual growth of partner countries' imports from the world between 2003-2008, %
Annual growth of South Africa's exports to the partner countries between 2003-2008, %
South Africa export growth to partner < Partner import growth from the world
South Africa export growth to partner > Partner import growth from the world
Reference bubble
Some bubbles may not be displayed due to lack of growth rate indicators
Bubble size is proportionnal to the share in world imports of partner countries for the selected product
International Trade Centre

The chart illustrates that between 2003 and 2008 South Africa's beef (frozen) exports to Angola, Congo, United Arab Emirates, Ghana, Germany, Gabon, Mozambique and Mauritius were growing at a rate that is less than their import growth from the rest of the world. The first six countries represent losses in dynamic markets and the last two represent losses in declining markets to South Africa in the export for beef (frozen).

During the same period, South Africa's beef (frozen) exports to Sao Tome and Principe, Saint Helena, France, Democratic Republic of Congo, United Kingdom and Ethiopia were growing at a rate that is greater than their imports from the rest of the world. The first four countries represent gains in dynamic markets and the last two represent gains in declining markets to South Africa in the export for beef (frozen).



Prospects for market diversification for a product exported by South Africa in 2008
Product : 0202 Meat of bovine animals, frozen
Annual growth of partner countries' imports from the world between 2003-2008, %
Share of partner countries in South Africa's exports, 2008, %
100
80
60
40
20
0
-20
-40
-60
-5
0
5
10
15
20
Viet Nam
Guyana
Ghana
Russian Federation
Iran (Islamic Republic of)
Sao Tome and Principe
Namibia
Saint Helena
Kuwait
Congo
Gabon
Hong Kong (SARC)
Germany
France
Republic of Korea
Brazil
Israel
United Kingdom
Japan
Mauritius
Chinese Taipei
Egypt
Jordan
Ireland
Comoros
Zambia
Argentina
Ethiopia
Seychelles
Uganda
Zimbabwe
Australia
Kenya
Lebanon
Scale : 4 % of world imports
United Arab Emirates
Angola
Democratic Republic of the Congo
Ship stores and bunkers
Mozambique
South Africa export growth to partner < Partner import growth from the world
South Africa export growth to partner > Partner import growth from the world
N.A.
Reference bubble
Some bubbles may not be displayed due to lack of growth rate indicators
Bubble size is proportionnal to the share in world imports of partner countries for the selected product

The figure shows the prospects for market diversification for beef (frozen) exports by South Africa in 2008. The analysis of the results as shown on the figure above, shows that Angola commanded the greatest share of South Africa's beef (frozen) exports during the year 2008, followed by United Arab Emirates, Democratic Republic of Congo Mozambique and Lebanon. If South Africa is to diversify its beef (frozen) exports, the biggest market exists in Russian Federation with Vietnam, Republic of Korea and Japan as the smaller markets. During 2008, South Africa did not export any beef (frozen) to these countries. Russian Federation commanded the greatest share of world beef import (frozen) during the period 2003 to 2008.

5.2. Imports.

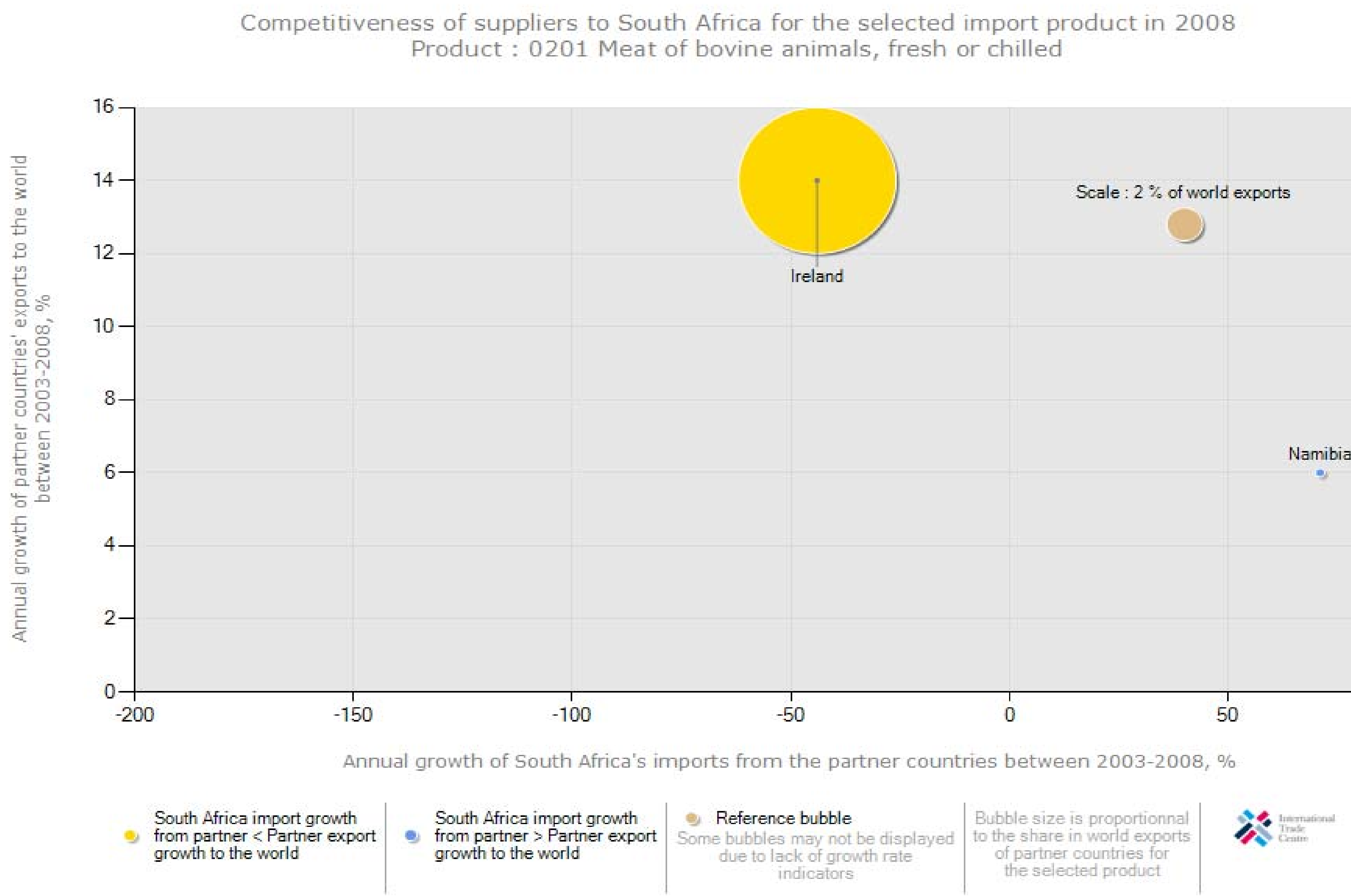
Table 17: List of supplying markets for the beef (fresh or chilled) imported by South Africa in 2008

South Africa represents 0% of world imports for beef (fresh or chilled); its ranking in world imports is 126.

Exporters	Trade Indicators												Tariff (estimated) applied by South Africa
	Imported value 2008, USD thousand	Trade balance 2008 in USD thousand	Share in South Africa's imports, %	Imported quantity 2008	Quantity unit	Unit value, (USD/unit)	Imported growth in value between 2003-2008, %, p.a.	Imported growth in quantity between 2003-2008, %, p.a.	Imported growth in value between 2007-2008, %, p.a.	Ranking of partner countries in world exports	Share of partner countries in world exports, %	Total export growth in value of partner countries between 2003-2008, %, p.a.	
World	163	9430	100	48	Tons	3396	-48	-53	81		100	14	
Namibia	161	-161	98.8	48	Tons	3354	71			25	0.3	6	0
Ireland	2	-2	1.2	0	Tons		-44			3	10	14	40
Argentina										8	4	19	40
Australia										4	9	4	40
Austria										13	2	16	40
Belgium										10	3	12	40
Canada										7	5	-10	40
Colombia										9	3	153	40
Netherlands										1	12	12	40
Germany		76								2	10.1	11	40
France		35								6	7.1	12	40

Source: ITC Trade Map.

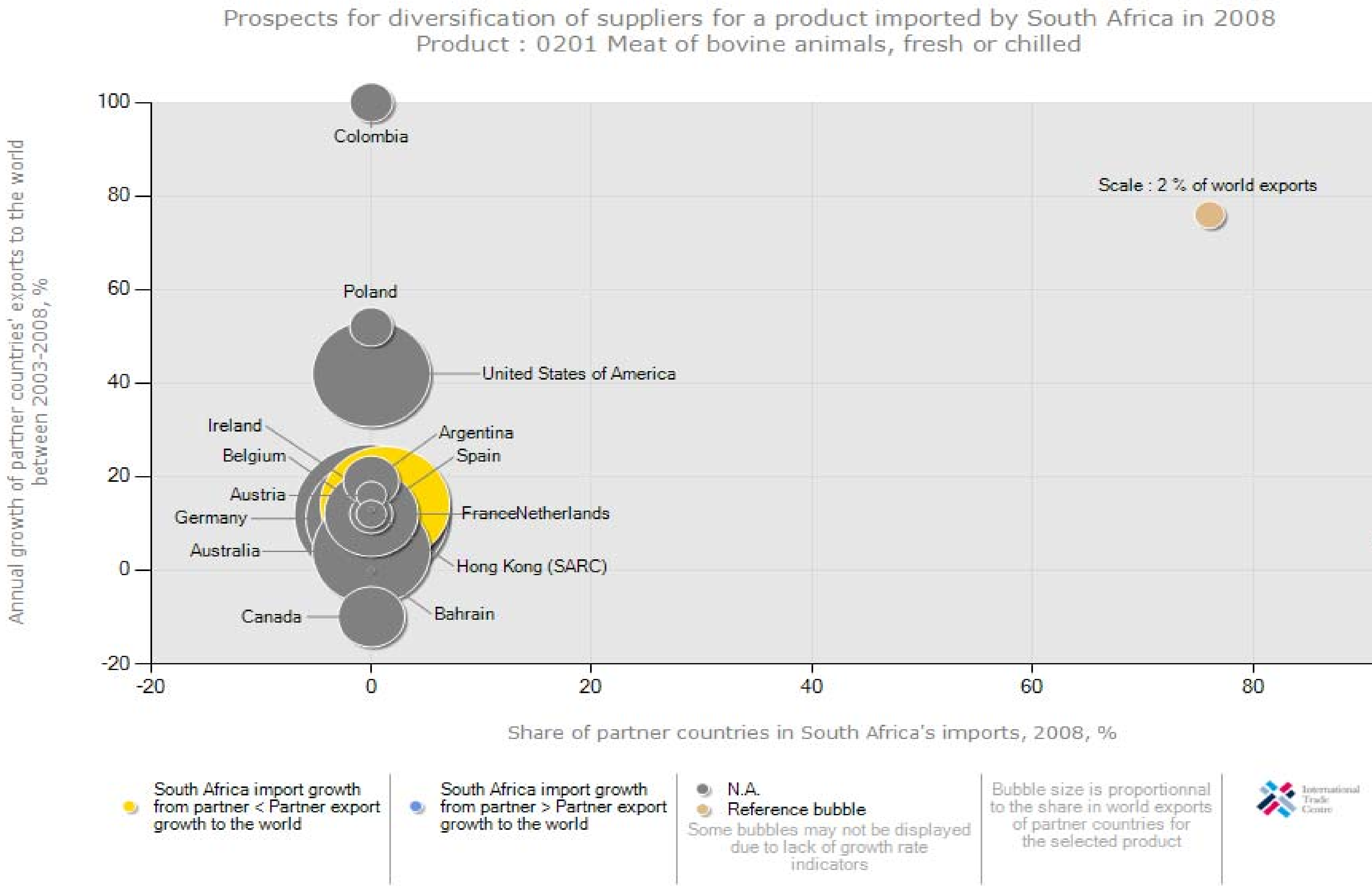
Table 17 shows that during 2008 South Africa imported a total of 48 tons of beef (fresh or chilled) at an average value of US$ 3 396/unit. The major origin for beef (fresh or chilled) imported by South Africa during 2008 was Namibia which commanded 98.8% share of the total imports. South Africa's beef (fresh or chilled) imports decreased by 48% in value and 53% in quantity between the periods 2004 and 2008; increased by 81% between the periods 2007 and 2008 in value.



Competitiveness of suppliers to South Africa for the selected import product in 2008
Product : 0201 Meat of bovine animals, fresh or chilled
Annual growth of partner countries' exports to the world between 2003-2008, %
16
14
12
10
8
6
4
2
0
-200
-150
-100
-50
0
50
100
Annual growth of South Africa's imports from the partner countries between 2003-2008, %
Ireland
Scale : 2 % of world exports
Namibia
South Africa import growth from partner < Partner export growth to the world
South Africa import growth from partner > Partner export growth to the world
Reference bubble
Some bubbles may not be displayed due to lack of growth rate indicators
Bubble size is proportionnal to the share in world exports of partner countries for the selected product

The chart illustrates that between 2003 and 2008 South Africa's beef (fresh or chilled) imports from Ireland grew at a rate less than the Ireland's export growth to the rest of the world. South Africa's import for beef (fresh or chilled) experienced a decline from Ireland while this country's exports to the rest of the world have increased.

During the same period, South Africa's meat beef (fresh or chilled) imports from Namibia grew at a rate that is greater than Namibia's exports to the rest of the world. South Africa's import for beef (fresh or chilled) from Namibia experienced an increase while this country's exports to the rest of the world have also increased.



Prospects for diversification of suppliers for a product imported by South Africa in 2008
Product : 0201 Meat of bovine animals, fresh or chilled
Annual growth of partner countries' exports to the world between 2003-2008, %
Share of partner countries in South Africa's imports, 2008, %
Colombia
Scale : 2 % of world exports
Poland
United States of America
Ireland
Belgium
Austria
Germany
Australia
Canada
Argentina
Spain
FranceNetherlands
Hong Kong (SARC)
Bahrain
Namibia
South Africa import growth from partner < Partner export growth to the world
South Africa import growth from partner > Partner export growth to the world
N.A.
Reference bubble
Some bubbles may not be displayed due to lack of growth rate indicators
Bubble size is proportionnal to the share in world exports of partner countries for the selected product

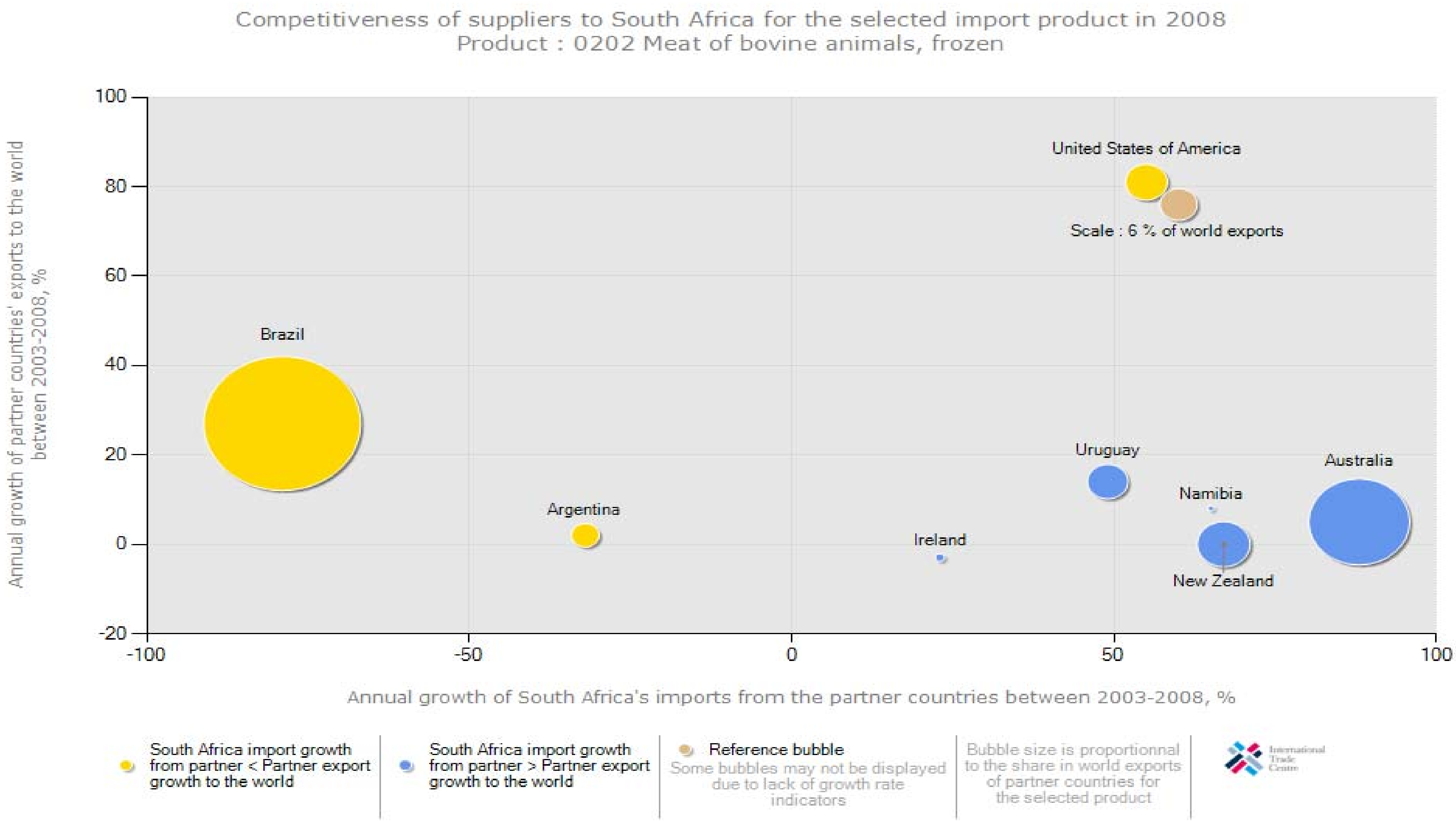
The figure above shows the prospects for diversification of suppliers for beef (fresh or chilled) imports by South Africa in 2008. The analysis of the results as shown on the above figure shows that Namibia commanded the entire South Africa's beef (fresh or chilled) imports during the year 2008. If South Africa is to diversify its beef (fresh or chilled) imports, the biggest suppliers exist in Germany, Netherlands, Ireland, United States of America, Australia and France, as these countries commanded the greatest share of world beef (fresh or chilled) export in 2008. Smaller suppliers exist in Colombia and Poland as these countries have experienced higher annual export growth rate from 2003 – 2008. During 2008 South Africa did not import beef (fresh or chilled) from these countries.

Table 18: List of supplying markets for the beef (frozen); imported by South Africa in 2008.
South Africa's imports represent **0.1%** of world imports for beef (frozen); its ranking in world imports is **69.**

Exporters	Trade Indicators												Tariff (estimated) applied by South Africa
	Imported value 2008, USD thousand	Trade balance 2008 in USD thousand	Share in South Africa's imports, %	Imported quantity 2008	Quantity unit	Unit value, (USD/unit)	Imported growth in value between 2003-2008, %, p.a.	Imported growth in quantity between 2003-2008, %, p.a.	Imported growth in value between 2007-2008, %, p.a.	Ranking of partner countries in world exports	Share of partner countries in world exports, %	Total export growth in value of partner countries between 2003-2008, %, p.a.	
World	12 663	-5 686	100	7 014	Tons	1 805	-10	-16	-49		100	14	
Uruguay	5 851	-5 851	46.2	3 123	Tons	1 874	49	34	-20	6	6.6	14	40
Argentina	2 948	-2 948	23.3	1 267	Tons	2 327	-32	-40	132	7	4.1	2	40
Australia	1 907	-1 907	15.1	1 348	Tons	1 415	88	61	56	2	17.6	5	40
Paraguay	919	-919	7.3	714	Tons	1 287		-13	-94	8	2.7	35	40
Ireland	507	-507	4	221	Tons	2 294	23			16	0.8	-3	40
New Zealand	396	-396	3.1	244	Tons	1 623	67	49	25	3	8.8	0	40
Namibia	74	-74	0.6	42	Tons	1 762	65			26	0.3	8	0
United States of America	35	-35	0.3	27	Tons	1 296	55		-27	5	6.7	81	40
Brazil	27	-27	0.2	28	Tons	964	-79	-78	-90	1	27.8	27	40
Netherlands										9	2	14	40
India										4	8	30	40
Angola		1269											40
Comoros		1											0
Congo		234											0

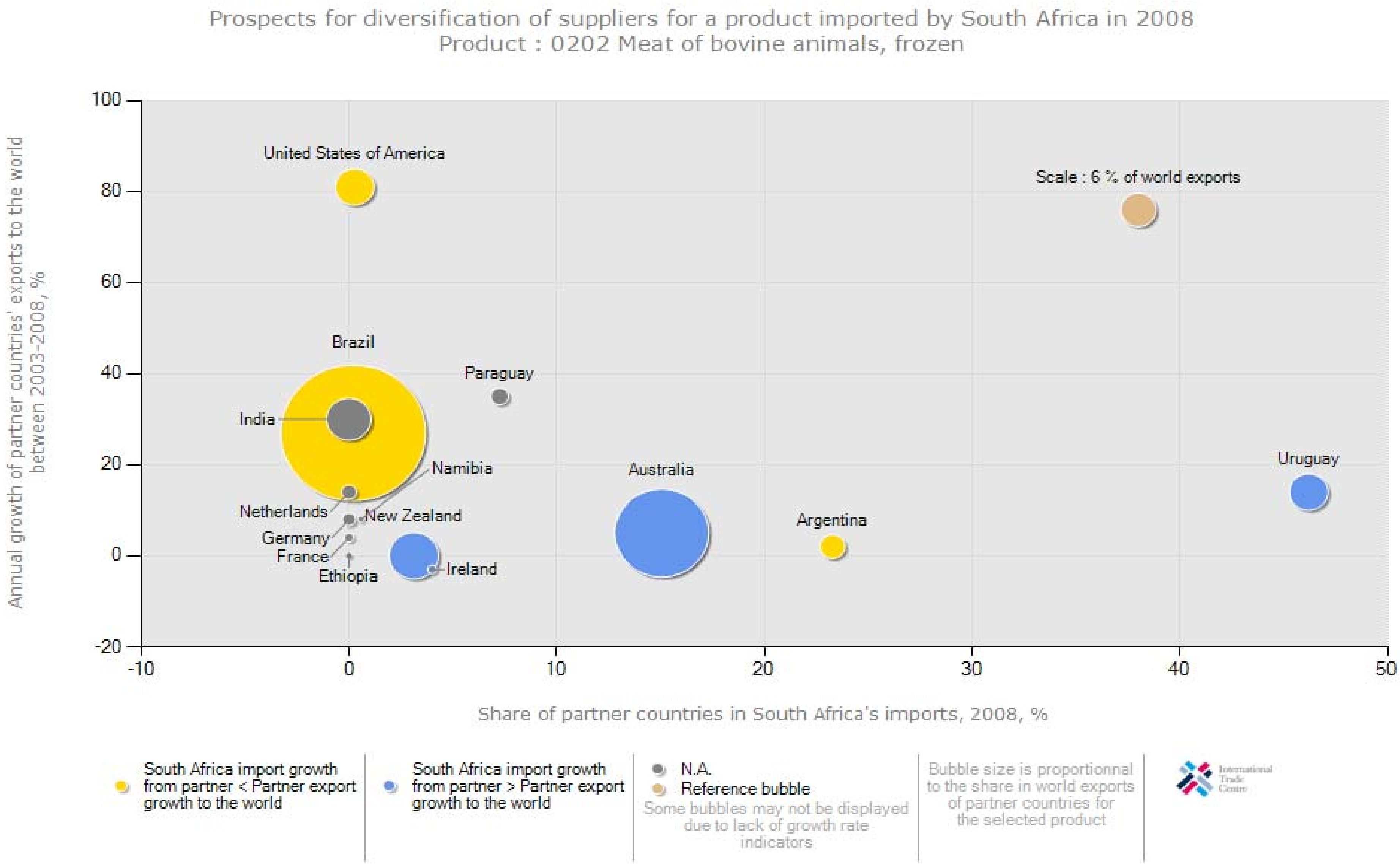
Source: ITC calculations based on COMTRADE statistics

Table 18 shows that during 2008 South Africa imported a total of 7 014 tons of beef (frozen) at an average value of US$ 1 805/unit. The major origins for beef (frozen) imported by South Africa during 2008 were Uruguay, Argentina, Australia and Paraguay. The greatest share of South African beef (frozen) imports were from Uruguay which commanded 46.2% during the year 2008 followed by United Arab Emirates that took up 23.3%. South Africa's beef (frozen) imports decreased by 10% in value and 16% in quantity between the periods 2004 and 2008. During the same period, imports of beef (frozen) from Uruguay increased by 49% in value and 34% in quantity; while imports from Argentina decreased by 32% in value and 40% in quantity. Between the periods 2007 and 2008, South Africa's imports for beef (frozen) decreased by 49% in value. During the same period, imports of beef (frozen) from Uruguay decreased by 20% while those from Argentina increased by 132% in value. In addition, New Zealand commanded 3.1% for South Africa's beef (frozen) imports in 2008 and its exports for beef (frozen) to South Africa were growing by 65% and 25% in value during the period 2003 to 2008 and 2007 to 2008 respectively, more than South Africa's leading suppliers. It represent future supplier for South Africa's beef (frozen).


Competitiveness of suppliers to South Africa for the selected import product in 2008
Product : 0202 Meat of bovine animals, frozen
Annual growth of partner countries' exports to the world between 2003-2008, %
100
80
60
40
20
0
-20
-100
-50
0
50
100
United States of America
Scale : 6 % of world exports
Brazil
Argentina
Ireland
Uruguay
Namibia
New Zealand
Australia
Annual growth of South Africa's imports from the partner countries between 2003-2008, %
South Africa import growth from partner < Partner export growth to the world
South Africa import growth from partner > Partner export growth to the world
Reference bubble
Some bubbles may not be displayed due to lack of growth rate indicators
Bubble size is proportionnal to the share in world exports of partner countries for the selected product

The chart illustrates that between 2003 and 2008 South Africa's beef (frozen) imports from the United States of America, Argentina and Brazil were growing at a rate that is less than their export growth to the rest of the world. It will also be noticed that South Africa's beef (frozen) imports from United States of America were growing together with world's exports and those from Brazil and Argentina were declining while their world's export were growing.

During the same period, South Africa's beef (frozen) imports from Australia, New Zealand, Namibia, Uruguay and Ireland were growing at a rate that is greater than their exports to the rest of the world. It will also be noticed that South Africa's beef (frozen) imports from Uruguay, Namibia, New Zealand and Australia were growing together with world's export and those from Ireland were growing in South Africa while their world's export were declining.



Prospects for diversification of suppliers for a product imported by South Africa in 2008
Product : 0202 Meat of bovine animals, frozen
Annual growth of partner countries' exports to the world between 2003-2008, %
Share of partner countries in South Africa's imports, 2008, %
100
80
60
40
20
0
-20
-10
0
10
20
30
40
50
United States of America
Scale : 6 % of world exports
Brazil
Paraguay
India
Namibia
Australia
Uruguay
Netherlands
New Zealand
Argentina
Germany
France
Ethiopia
Ireland
South Africa import growth from partner < Partner export growth to the world
South Africa import growth from partner > Partner export growth to the world
N.A.
Reference bubble
Some bubbles may not be displayed due to lack of growth rate indicators
Bubble size is proportionnal to the share in world exports of partner countries for the selected product

The figure above shows the prospects for diversification of suppliers for beef (frozen) imports by South Africa in 2008. The analysis of the figure shows that Uruguay commanded the greatest shares in South Africa's beef (frozen) imports during the year 2008, followed by Argentina and Australia. If South Africa is to diversify its beef (frozen) imports, the biggest supplier exists in Brazil with United States of America as the smaller supplier. Brazil commanded the greatest share of world beef (frozen) exports. The level of South Africa's imports growth from Brazil and United States of America is less than the level of what Brazil and United States of America exports to the world. During 2008 South Africa imported less than 0.5% of beef (frozen) from Brazil and United States of America in total while these countries' exports of beef (frozen) to the world have grown by 27% and 81% respectively during the period 2003 to 2008.

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   Tel: 016-972 8000
   Fax: 016-972 1404
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   Tel: 011-613 1851
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    Fax: 051-991 9205
    www.sparta.co.za

13. Vleissentraal
    Tel: 051-448 9347/8
    Fax: 051-447 3964
    www.vleissentraal.co.za

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