A PROFILE OF THE SOUTH AFRICAN PORK MARKET VALUE CHAIN

2018

Directorate Marketing
Private Bag X 15
Arcadia
0007

Tel: 012 319 8455
Fax: 012 319 8131
E-mail: PA.DM@daff.gov.za
www.daff.gov.za
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1. DESCRIPTION OF THE INDUSTRY

Pork is one of the smallest industries in terms of overall South African agricultural sector. It contributes around 2.17% to the primary agricultural sector. Figure 1 below shows the gross value of pigs slaughtered for the past decade. The gross value of production of pork is dependent on the quantity produced and the price received by farmers. The trend in gross value follows a pattern of prices since the industry is characterized by volatile prices. The average gross value of pigs slaughtered over the past 10 years amounted to R 3.8 billion per annum. The contribution of pork to the gross value of agricultural production increased steadily from 2007/08 to 2016/17. It has been profitable for pork production on the current year due to main inputs price declining coupled with the high price of beef as its competitor.

![Figure 1: Gross Value of Pigs Slaughtered](image)

Source: Statistics and Economic Analysis, DAFF

1.1 Production areas

Pork is produced throughout South Africa, however the area where pork is produced is not necessarily were the animals are populated. Figure 2 below shows the number of pigs’ population per province during year 2017. The figure clearly shows that Limpopo and North West provinces were the largest producers accounting for 24% and 21% respectively. Western Cape followed with a share of 11% and Gauteng and KwaZulu-Natal accounted for 10% each. The province with lowest animal numbers is Northern Cape with 2% share.
There are approximately 4,000 commercial producers and 19 stud breeders in South Africa. Pig numbers are estimated at 1.480 million for the year 2017; this is a decrease of 2% compared to 2016. Noteworthy is the fact that the pig numbers in South Africa has been decreasing for the previous few years, this may be due to the fact that the consumption of pork meat is increasing.

1.2. Production trends

During the past decade, approximately 27 million pigs were slaughtered yielding more than 2 million tons of pork meat. On average, 2.2 million pigs were slaughtered and produced an average of 216,600 tons per year for the period under analysis. Figure 3 below shows the production trend in relation to number of pig slaughtered for the previous decade.
With the response to the increasing consumption and/or demand for pork products, the pork production has been increasing over the past decade so has the number pigs slaughtered. However, both production and slaughtering have experienced the slight decrease of 3% and 4% respectively in 2016/17. This has been attributed to recent drought in 2015/2016 period. As illustrated, from 2008/09 to 2015/16 the trend was increasing this shows that there may be improvements on the pork production efficiency.

1.3. Local consumption

Pork is the most consumed products globally whilst South African consumption is lowest compared to poultry and beef consumption. Pork consumption is influenced by the religious and cultural beliefs in the country. Figure 4 below depicts local consumption of pork comparing it to the total production for the past decade to determine if the country is self-sufficient in terms of pork production.

It is clear from Figure 4 that South Africa consumes more than they produce which makes the country net importer of pork meat. This has been the case for the past decade excluding 2013/14. During 2013/14, South Africa became self-sufficient by producing 236 300 tons which became more than the consumption of 236 000 tons and consumption had slightly decreased during the period of 2013/14. This may be due to high price of pork meat, which made it relatively expensive to its substitutes such as poultry and beef. From 2014/15 to 2016/17, the situation returned to its nature where the consumption outstripped the production. This had caused South Africa to import pork to meet local demand. The per capita consumption has shown an increasing trend from 2007/08 to 2016/17 except in 2013/14 and 2016/17 which is in line with the decrease in consumption. The increased per capita consumption may be due to the increasingly urbanised consumers with the increased per capita income.

1.3. Employment

Commercial pig farmers are estimated at 132 commercial farmers, stud farmers at 19 and smallholder farmers at 400. The total number of sows is estimated at 110 000 sows. The industry is estimated to employ
about 3,005 workers, comprising of about 2,200 at farm level and 805 workers in the processing and abattoir sectors.

2. MARKET STRUCTURE

2.1. Domestic market

The pork industry evolved from a highly regulated environment to one that is totally deregulated today. Since the deregulation of the agricultural marketing dispensation in 1997, the prices in the red meat industry are determined by demand and supply forces. The local market for pork is split into the fresh meat market and the processing meat market, where 45% goes to fresh market and about 55% goes to processing meat market.

Average producer prices of pork from 2007/08 to 2016/17 are illustrated in Figure 5.

![Figure 5: Average Pork Producer Price](image)

The price of pork in South Africa is vulnerable to international markets and price shifts of beef or chicken as they are considered substitutes. The average producer price of pork has shown an overall increasing trend for the period under consideration. The new peak price of R25/Kg was reached during 2016/17 and the lowest price of R 14.10/kg was experienced in 2007/08. For the past ten years, the pork producer price increased by R 10.80/ Kg and on average, the pork producer price had been increasing by 6.8% per annum.

2.2. Import-export analysis

South Africa's pork imports are predominantly pork ribs while exports are composed of fresh or chilled meat. Figure 6 below, compares volumes of imports and exports for pork from 2008 to 2017.
Figure 6 indicates that from 2008 to 2017, South Africa’s pork exports were far less than the imports. It was only in 2011 were exports increased substantially and reached almost 20,000 tons. This also confirms that South Africa relies on imports to satisfy the local demand of pork. Both import and export trends show instability movements during the period under review. However, from 2012 to 2014 the imports are showing a steady decrease whilst exports are increasing. In 2015, the imports shown an immense increase of 70% and exports increased by 32% from the previous year of 2014. They both decreased again in 2016 by 23% and 24% respectively. Pork imports increased in 2017 due to declined local production.

2.3 South African export and import analysis

2.2.1. Exports for pork

Despite the fact that South Africa is a net importer of pork, there are other pork products that are exported. South Africa exported approximately 77,272 tons of pork from 2008 to 2017, yielding an export value of approximately R 1.8 billion over the same period. The quantity and the value for exports of pork are shown in Figure 7 below.
Figure 7 indicates that exports value of pork was slightly fluctuating at an increasing trend from 2008 to 2017. From the period of 2012 to 2015, the value of exports showed a steady increase, which indicates the worth to export pork meat in this period, followed by a slight decrease in 2016. According to Figure 7, it is clear that quantity of pork exports remained lower over the past decade excluding the year 2011, which displayed outlier at approximately 20 000 tons. The highest value for exporting pork were experienced in 2017. The export value of pork increased from R34.8 million in 2008 to R 332 million in 2017.

Approximately 95% of South African pork exports goes to Southern African Development Community (SADC) countries. Since 2010, data has been separated between SACU members and SADC (excluding SACU) members. SACU members account for 60% and more of the total pork exported to all SADC countries and the products exported are mainly fresh or chilled meat of pigs. Whilst other SADC members accounts for the remaining 40% were the products are mostly carcass and half carcass. Figure 8 and Figure 9 presents volumes of pork exports to SACU and SADC (Excluding SACU) for the past ten years.

Source: Quantec

South African pork exports to SACU members were mainly going to Namibia. Since 2010, Namibia has been leading except 2011 were Swaziland outstripped Namibia and took a share 75%. For the past ten years in total, Namibia has led by taking up a share of 39% followed by Swaziland with 34% then Lesotho and Botswana accounted for 14% and 13% respectively.
As indicated above, South African pork exports mainly go to SADC countries. In exclusion of SACU members, the highest exports of pork experienced in 2008 and 2015 were mainly exported to Malawi and Mozambique respectively. In total, Mozambique demanded the greatest share of pork exported by South Africa during the period under analysis followed by Mauritius and Zimbabwe. United Republic of Tanzania and Seychelles recorded the lowest shares of South Africa pork exports during the period under review. During 2017, Mozambique remained the biggest market for South African pork exports with a share of 82%.

Figure 10 below present South African pork export to Middle, Western and Eastern Africa from 2008 to 2017.
Figure 10, displays that pork produced in South Africa was mainly exported to Nigeria in Western Africa. In total, Nigeria demanded the greatest share (41%) of South African pork for the past ten years followed at a distance by Saint Helena (23%) and Congo (19%). Ethiopia and Uganda was the smallest importer of South African pork with a share of 1% each. In total, all the countries presented for this region, their pork intake had decreased by 21% from 2016 to 2017. This was influenced by tremendous decline of Saint Helena intake of 63%.
South African pork exports represent approximately 7% of local production. It is noted that South African pork is mainly exported to SADC countries, which constitutes 95% of the total pork exports. Namibia is biggest export market with a share of 27% followed by Mozambique with 25%, Lesotho with 20%, Botswana and Swaziland with 13% and 6% respectively.

Values of pork exports from various provinces of South Africa are presented in Figure 11.
Gauteng Province dominated pork exports for the entire period under consideration followed by Western Cape and Kwa-Zulu Natal Province. This is because these provinces are main exit points for exports in South Africa and due to infrastructure developments that facilitate trade. Gauteng Province experienced its greatest exports from 2010 to 2016 and shot up exports by 34% in 2017. Western Cape shows immense increase of its exports of pork from 2012 to 2015. With the total exports of pork from the country, Gauteng has an export share of 60% followed at a distance by Western Cape with 16%. Other provinces such as Limpopo, Eastern Cape, Northern Cape and North West are presenting a small contribution to the total exports from the country.

The following figures (Figures 13 - 20) show the value of pork exports from the various districts within 9 (nine) Provinces of South Africa.

Source: Quantec
Figure 13 indicates that City of Cape Town Metropolitan Municipality were a biggest exporter during the past decade and experienced sharp increases from 2012 to 2015. This might be due to the fact that City of Cape Town is the main exit point for exports in the Western Cape. Overberg District Municipality recorded exports only in 2016. Cape Wineland indicated its irregular export of pork during the period under review. However, in 2014, the district had a highest record of exports with a share of 8% of the total exports within the province. City of Cape Town have recorded a 100% share of exports in 2008 and 2009 and in 2011 and 2013. The district further recorded over 90% export shares for the other years. This clearly shows that City of Cape Town is the main exporter within the Province.

From Eastern Cape Province, there were no records of pork exports during the period from 2008 to 2012. Nelson Mandela District Municipality recorded exports from 2013 to 2017, which was the highest exports from the Province. Other District Municipalities such as Chris Hani, Alfred Nzo, Joe Gqabi and Buffalo City presented low exports. Nelson Mandela District Municipality took a lead by exporting a share of more than
90% during its exporting years. Except in 2017, the exports declined by 69% from the previous year but still accounted for 82% of total exports from the province.

From Free State Province, all district municipalities have recorded intermitted pork exports during the period under analysis. In 2010 and 2011, the province did not export pork. Thabo Mofutsanyane District Municipality recorded exports of pork during the period 2008 to 2009 and again from 2014 to 2017. Xhariep District Municipality recorded its exports from 2012 to 2016. Lejweleputswa and Mangaung District Municipalities recorded exports of pork from 2014 to 2017. During 2017, Thabo Mofutsanyane’s pork exports declined by 73% from the previous year which was about 15% total pork export share in the province. Lejweleputswa shot up pork export in 2017 and accounted for 49% share of pork exports flowed by Mangaung with 38%.
Exports of pork from KwaZulu-Natal occurred mainly in eThekwini District Municipality. Uthukela District Municipality has shown irregular pork exports during the period under analysis. iLembe District Municipality exported pork from 2015 to 2017 for the past ten years. eThekwini District Municipality dominated the export with the highest values recorded in 2010 and 2015. This is because eThekwini District is the main exit point in KwaZulu–Natal Province for exports. On average, eThekwini had more than 90% share of pork exports within the province except in 2016 (70%) and down to 55% in 2017.

From North West Province, District Municipalities have recorded irregular exports for pork during the period under analysis. There were no export recorded in 2008, 2010, 2011 and 2014. Bojanala District Municipality recorded exports of pork during 2012, 2013 and 2015. Dr Ruth Segomotsi Mompati District Municipality exported only in 2013 whilst Dr Kenneth Kaunda recorded in 2009 and it was the highest pork exports for North West for this reviewed period. In 2015, Bojanala and Ngaka Modiri Molema had 78% and 22% share respectively. Ngaka Modiri Molema recorded exports in 2016 and 2017 were the municipality recorded 100% share of total pork exports from the Province in these periods.

Figure 17: Values of pork export from North West Province

Source: Quantec
From Gauteng Province, pork exports occurred mainly in City of Johannesburg, City of Tshwane, Sedibeng and Ekurhuleni District Municipalities. On average, City of Johannesburg dominated the pork exports for the entire period under review. It recorded the highest exports during the period 2010 to 2013. However, in 2014 there was decline of 85%. Noteworthy is the fact that City of Johannesburg is one of the main exit point for exports in South Africa. Sedibeng District Municipality took the highest position from 2014 to 2017. The municipality reached new peak in 2017 at a value of R118 million. These records boosted the average values of Sedibeng District Municipality to be the second highest exporter during the past decade following City of Johannesburg Metropolitan Municipality. From 2014 to 2017, Sedibeng recorded the highest share of approximately 60% the highest share respectively of total exports from the province, followed by City of Johannesburg ranging between 15% to 20% respectively.
Figure 18 shows that the District Municipalities in Mpumalanga Province that participated in pork exports during the past decade were Ehlanzeni and Gert Sibande. However, Ehlanzeni District Municipality dominated the export market within the Province. In 2016 Ehlanzeni recorded pork exports worth more than R18 million which is a decrease from R37.7 million (51%). However, the municipality regained with an increase of 6% in 2017. Gert Sibande District Municipality recorded exports during 2009, 2012, 2014 to 2016. Gert Sibande took a lead with pork exports share of 54% in 2012. On average, Ehlanzeni is the highest exporter of pork meat. The province did not present pork exports in 2008.

Figure 19: Values of pork exports from Limpopo Province

Limpopo Province is one of the lowest exporter of pork meat. Figure 19 shows the export trend for the past decade. Vhembe District Municipality reached its peak with R1.6 million in 2011. Vhembe District Municipality recorded exports of pork during 2010 to 2011 and again from 2015 to 2017. Capricorn District Municipality have recorded exports from 2014 to 2017 while Waterberg District Municipality have recorded pork exports in 2014, 2016 and 2017. In 2017, Capricorn increased exports by 62% from the previous year and took a lead. In total share of pork exports in 2017, Capricorn accounted for 79.5% followed by Vhembe with a share of 20.1% and Waterberg with shares of less than 1% respectively. There were no pork exports from Limpopo Province from 2008 to 2009 and again in 2012 and 2013.
From Northern Cape Province, Siyanda District Municipality recorded pork export from 2015 to 2017 while Namakwa and Francis Baard District Municipalities recorded only in 2015. Siyanda District Municipality had a share of 97% of pork export from the province in 2015, followed by Namakwa and Frances Baard District Municipalities with 2.7% and 0.1% respectively. Siyanda shows a massive decline of pork export from R6.3 million in 2015 to R569 000 in 2017. However, this District Municipality had a share of 100% in both 2016 and 2017 respectively.

2.2.3. Imports

South Africa imported approximately 26 867 tons of pork in 2017 at an estimated value of R964 million. Figure 21 below show the imports of pork from 2008 to 2017.
Figure 21 shows that pork imports (quantity & value) have been fluctuating however showing an increasing trend from 2008 to 2012. In 2017, the quantity and value of imports increased by 14% and 9% respectively from 2016. The most imported pork products are frozen ribs, which accounted for more than 60% of total pork imports. The highest imports were recorded during 2012. This is mostly driven by the increased demand of pork ribs in South Africa.

Figure 22 presents pork imports from the European Union member states during the past decade.

![Figure 22: Pork imports from European Union](image)

Source: Quantec EasyData

Pork imports in South Africa during the past decade were dominated by Germany and Spain. France was the biggest supplier in 2008, since then imports declined to the lowest among the presented countries. Germany took over as the highest supplier from 2009 to 2015 and in 2017. Spain became the second highest supplier during 2008, 2011 to 2013 and 2015. In 2016, Spain outstripped Germany and became the biggest supplier of pork to South Africa. In total, Germany was the highest exporter of pork meat to South Africa within the European Union countries with 50% total share, followed at a distance by Spain (20%) and France (12%).

Figure 23 presents imports of pork for North American Free Trade Agreement (NAFTA) and South American countries from 2008 to 2017.
It can be observed from Figure 23 above that Canada was the biggest pork import market for South Africa during the period under analysis, except the fact that Brazil took a lead in 2016 and 2017. In 2016 and 2017, Brazil increased their supply to South Africa and took a lead with an export share of 57% and 55% respectively. On average, South African pork imports from NAFTA and South America shows that Canada accounted for 90% market share, followed by Brazil (7%) United State (2%), and Chile with less than 1%. Intermittent imports of pork were recorded from the three countries hence the lowest shares.

Figure 24 below presents the top markets of South African pork imports during 2017.
Figure 24 indicates that in 2017, Germany commanded the greatest share of pork imports of South Africa accounting for 38% followed by Spain which obtained 25%, and Brazil (11%) and Canada (7%). It is clear that most of pork imports are from the European Union, which accounted for 92% collectively.

3. MARKETING CHANNELS / VALUE CHAIN

Previous studies conducted on the ground indicates that the pork value chain operates on varying levels of horizontal and vertical integration which makes the chain a difficult structure. Other organisations functions in the many levels on the chain. The pork value chain is presented in Figure 25. The chain starts at the Input suppliers, value will be added until the product reaches the final consumer.

For the year 2015/16, 285 020 tons of pig feed have been sold which is a 12% growth from the year 2014/15. The feed for pigs mainly includes grains, fish meal, bran and premixes. The input suppliers sell the stock to primary producers and also to breeders however breeders still sells to the primary producers too.

The primary producers are mainly farmers. Farmers grow the pigs and incure the cost of production which includes Feed, Medicine and Labour which accounts for 80% of total cost. The pigs are slaughtered at abattoirs but the farmer also sells to butcheries and final consumers. There are 150 abattoirs that slaughters pigs. The abattoirs sells meat to the butchers/wholesalers/retailers/processors. The meat can be bought by consumers directly from abattoirs and/or butcheries and/or wholesalers and/or retailers. In some cases the consumer buys live pig and perform processing activities him/herself.
Figure 25: Pork Marketing Channels
4. OPPORTUNITIES AND CHALLENGES

Table 10 presents opportunities and challenges applicable to the pork industry in South Africa.

Table 10: Opportunities and Challenges

<table>
<thead>
<tr>
<th>OPPORTUNITIES</th>
<th>CHALLENGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier of quality protein for human health</td>
<td>Very susceptible to world conditions and cheap imports</td>
</tr>
<tr>
<td>Industry with tremendous Growth Potential</td>
<td>Stiff competition both nationally and internationally</td>
</tr>
<tr>
<td>Pro-active in addressing consumer requirements and doing promotions</td>
<td>Health and safety issues</td>
</tr>
<tr>
<td>Dedicated social development training programme</td>
<td>Phytosanitary issues</td>
</tr>
<tr>
<td></td>
<td>Outbreak of diseases such as swine fever and Foot and Mouth Disease (FMD)</td>
</tr>
</tbody>
</table>

5. STRENGTHS AND WEAKNESSES

Strengths

- The turnaround production time is quicker than red meat production. It is becoming a meat of choice.
- Piggeries can be established in relatively small areas.
- Feed costs are much lower than other meat production costs.
- The demand for pork meat has increased significantly over the years due to the high prices and unavailability of red meat substitutes.

Weaknesses

- The industry is susceptible to diseases. Health, safety and phyto-sanitary issues can be inhibitive in terms of growth.
- Shortage of water could affect the cleaning of pens and this could be a challenge in terms of meeting the safety requirements.
- It is more labour intensive than the red meat industry.
6. MARKET INTELLIGENCE

6.1. Export tariffs

Tariffs that different importing countries applied to pork originating from South Africa in 2016 and 2017 are shown on Table 1.

Table 1: Pork export tariffs

<table>
<thead>
<tr>
<th>Country</th>
<th>Product Code</th>
<th>Trade regime description</th>
<th>2016 Applied tariffs</th>
<th>Total ad valorem equivalent tariff (estimated)</th>
<th>2017 Applied tariffs</th>
<th>Total ad valorem equivalent tariff (estimated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Namibia; Lesotho; Botswana and Swaziland</td>
<td>02031100; 02031200; 02031900; 02032100; 02032200; 02032900</td>
<td>Intra SACU rate</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Mozambique;</td>
<td>02031190; 02031200; 02031900; 02032200; 02032190; 02032900</td>
<td>Preferential tariff for SA</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>China</td>
<td>02031100; 02031200; 02031910; 02032100; 02032200; 02032900</td>
<td>MFN duties</td>
<td>20%</td>
<td>20%</td>
<td>20%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Source: Market Access Map

Table 1 indicates that most of the applied tariffs in 2016 remained the same as in 2017. Mozambique, provided South Africa with preferential tariff rate of 0% in both 2016 and 2017 for pork exports of specified products in Table 1 above. China applied MFN duties of 20% during 2016 and 2017. Lastly, Botswana, Lesotho, Namibia and Swaziland applied 0% through Intra SACU trade during the same period.
6.2. Import tariffs

Tariffs that South Africa applied to imports of pork originating from all possible countries in 2017 are shown on Table 2 below.

**Table 2: Pork import tariffs**

<table>
<thead>
<tr>
<th>Article Description</th>
<th>Rate of Duty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Statistical unit</td>
</tr>
<tr>
<td>2.03</td>
<td>Meat of swine, fresh, chilled or frozen:</td>
</tr>
<tr>
<td>203.1 Fresh or chilled:</td>
<td></td>
</tr>
<tr>
<td>203.11 Carcasses and half-carcasses</td>
<td>Kg</td>
</tr>
<tr>
<td>203.12 Hams, shoulders and cuts thereof, with bone in</td>
<td>Kg</td>
</tr>
<tr>
<td>203.19 Other</td>
<td></td>
</tr>
<tr>
<td>0203.19.10 Rib</td>
<td>Kg</td>
</tr>
<tr>
<td>0203.19.90 Other</td>
<td>Kg</td>
</tr>
<tr>
<td>203.2 Frozen</td>
<td></td>
</tr>
<tr>
<td>203.21 Carcasses and half-carcasses</td>
<td>Kg</td>
</tr>
<tr>
<td>203.22 Hams, shoulders and cuts thereof, with bone in</td>
<td>Kg</td>
</tr>
<tr>
<td>203.19 Other</td>
<td></td>
</tr>
<tr>
<td>0203.29.10 Rib</td>
<td>Kg</td>
</tr>
<tr>
<td>0203.29.90 Other</td>
<td>Kg</td>
</tr>
</tbody>
</table>

Source: SARS

Table 2 above indicate the tariff duties applied by South Africa to trade agreement members of EU, EFTA, SADC, MERCOSUR and General members on sub products of meat of swine, fresh, chilled or frozen. South Africa applied tariff of 15% or 130c/Kg to trade agreements (EU, EFTA, MERCOSUR and General
member of WTO) and duty free for SADC members with an exception of rib product. The rib product coded 0203.29.10 which was the highest imported product was duty free for all countries.
7. PERFORMANCE ANALYSIS OF SOUTH AFRICAN PORK INDUSTRY IN 2017

7.1. Exports

Table 4: List of importing markets for pork, fresh, chilled or frozen exported by South Africa in 2017
South Africa’s exports represent 0.1% of world exports for this Pork, fresh, chilled or frozen, its ranking in world exports is 29.

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>24908</td>
<td>-47411</td>
<td>100</td>
<td>9305 Tons</td>
<td>2677</td>
<td>5</td>
<td>9</td>
<td>36</td>
<td>100</td>
<td>-1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Namibia</td>
<td>6529</td>
<td>6438</td>
<td>26.2</td>
<td>2538 Tons</td>
<td>2572</td>
<td>-2</td>
<td>1</td>
<td>30</td>
<td>84</td>
<td>0.02</td>
<td>-3</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Mozambique</td>
<td>5581</td>
<td>5581</td>
<td>22.4</td>
<td>2305 Tons</td>
<td>2421</td>
<td>40</td>
<td>50</td>
<td>30</td>
<td>93</td>
<td>0.01</td>
<td>17</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Botswana</td>
<td>4137</td>
<td>4137</td>
<td>16.6</td>
<td>1158 Tons</td>
<td>3573</td>
<td>11</td>
<td>9</td>
<td>45</td>
<td>99</td>
<td>0.01</td>
<td>7</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Lesotho</td>
<td>3953</td>
<td>3953</td>
<td>15.9</td>
<td>1827 Tons</td>
<td>2164</td>
<td>17</td>
<td>24</td>
<td>33</td>
<td>95</td>
<td>0.01</td>
<td>17</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Swaziland</td>
<td>1610</td>
<td>1610</td>
<td>6.5</td>
<td>561 Tons</td>
<td>2870</td>
<td>-10</td>
<td>-11</td>
<td>63</td>
<td>116</td>
<td>0</td>
<td>-10</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>882</td>
<td>882</td>
<td>3.5</td>
<td>221 Tons</td>
<td>3991</td>
<td>2</td>
<td>7.5</td>
<td>28</td>
<td>18.5</td>
<td></td>
<td></td>
<td></td>
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Source: ITC calculations based on COMTRADE statistics.
Table 4 presents the trade indicators of importing market of pork from South Africa in 2017. During this year, South Africa exported a total of 9 305 tons of pork (fresh, chilled or frozen) at an average value of US$2 677/unit. The major export destinations for pork (fresh, chilled or frozen) originating from South Africa during 2017 were Namibia, Mozambique, Botswana, Lesotho and Swaziland. The greatest share of South African pork (fresh, chilled or frozen) exports were exported to Namibia which commanded 26.2% followed by Mozambique which commanded 22.4% and Botswana with 16.6%.

South Africa's pork (fresh, chilled or frozen) exports increased by 5% in value and 9% in quantity during the period of 2013 and 2017. During the same period, exports of pork (fresh, chilled or frozen) to Namibia, decreased by 1% in value and increased by 1% in quantity. Mozambique increased by 40% in value and 50% in quantity. Botswana increased by 11% in value and 9% in quantity during the same periods.

Between the period 2016 and 2017, South African exports of pork (fresh, chilled or frozen) to the world increased by 36%. During the same periods, the exports to Namibia increased by 30%, Mozambique and Botswana by 30% and 45%.
Figure 26: Growth in demand for pork, 2017

Source: Trademap, 2018
Growth in demand for South African pork in 2017 is depicted in Figure 26. The figure illustrates that between 2013 and 2017; South Africa’s pork (fresh, chilled or frozen) exports to, Angola, Seychelles, Zambia, Congo and Swaziland were growing at a rate that is less than their import growth from the rest of the world.

At the same period, South Africa’s pork (fresh, chilled or frozen) exports to Lesotho, Mozambique, Democratic Republic of Congo (DRC), Congo, Botswana, Namibia and Hong Kong, China were growing at a rate that is greater than their imports from the rest of the world. Lesotho and Mozambique represent gain in dynamic market and Angola, Zimbabwe and Swaziland represent losses in the declining market of South Africa pork (fresh, chilled or frozen) exports.

Hong Kong, China is the biggest market with a world share of 3.33% and South Africa’s export growth of 99%.
Figure 27: South African pork’s prospects for market diversification in 2017

Prospects for market diversification for a product exported by South Africa in 2017
Product: 0203 Meat of swine, fresh, chilled or frozen

Source: ITC Trademap, 2018
Figure 27 shows the prospects for market diversification for pork (fresh, chilled or frozen) exports by South Africa in 2017. The analysis on the figure above shows that Namibia commanded the greatest shares of South Africa’s pork (fresh, chilled or frozen) exports of 26.2% during the year 2017, followed by Mozambique with 22.4%.

If South Africa wishes to diversify its pork (fresh, chilled or frozen) exports, the biggest market exists in China due to its world import share of pork (fresh, chilled or frozen) of 7.49%.
7.2. Imports.

Table 4: List of supplying markets for the Pork (fresh, chilled or frozen) imported by South Africa in 2017

South Africa’s imports represent 0.2% of world exports for this Pork, fresh, chilled or frozen, its ranking in world exports is 40.

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Source: ITC calculations based on COMTRADE statistics.
Table 4 provides a list of supplying nations for pork imported by South Africa in 2017. South Africa’s imports represent 0.2% of world imports for pork (fresh, chilled or frozen) and its ranking in world imports is 40. Table 4 shows that during 2017 South Africa imported a total of 26,867 tons of pork (fresh, chilled or frozen) that worth US$ 2,692. The major origins for pork (fresh, chilled or frozen) imported by South Africa during 2017 were Germany with a share of 38.4%, followed by Spain (24.9%) and Brazil (10.9%).

South Africa’s pork (fresh, chilled or frozen) imports increased by 4% in value and 2% in quantity between the periods 2013 and 2017. During the same period, imports for pork (fresh, chilled or frozen) from Germany decreased by 3% in value and 5% in quantity and imports from Spain increased by 44% in value and 46% in quantity.

Between the year 2016 and 2017, South Africa’s imports of pork (fresh, chilled or frozen) increased by 20% in value. During the same period, imports of pork (fresh, chilled or frozen) from Germany increased by 45% whilst Spain decreased by 18%.
Figure 28: Competitiveness of suppliers of South Africa’s pork imports in 2017

Competitiveness of supplying countries for a product imported by South Africa in 2017
Product: 0203 Meat of swine, fresh, chilled or frozen

Source: ITC Trademap
Figure 28 depicts the competitiveness of suppliers to South Africa for pork in 2017. The figure illustrates that South Africa's pork (fresh, chilled or frozen) imports from Canada, France, Netherlands, Italy, Australia and Hungary were growing at a rate that is less than their export growth to the rest of the world. It can also be noticed that South Africa's annual growth of imports from the mentioned countries have decreased.

At the same time, South Africa's pork (fresh, chilled or frozen) imports from Spain, Ireland, Denmark, Belgium, United Kingdom and Germany were growing at a rate that is greater than their exports to the rest of the world. The most competitive market is Netherlands due to its world biggest share of 15.81% and Namibia with its annual export growth of 26%.
Figure 29: Prospects for market diversification of suppliers of pork imported by South Africa in 2017

Prospects for diversification of suppliers for a product imported by South Africa in 2017
Product: 0203 Meat of swine, fresh, chilled or frozen

Source: ITC Trademap
Figure 29 illustrates prospects for diversification of suppliers of pork imported by South Africa in 2017. The analysis shows that Spain and Germany commanded the greatest shares of South Africa’s pork (fresh, chilled or frozen) imports during the year 2017. Germany is the biggest supplier of pork (fresh, chilled or frozen) with a share of 38.45% in South African import market followed by Spain with 24.96%.

Germany remains the biggest market of pork imports with the world market share of 15.81%, followed by Spain with world import of 13.5%. Therefore, if South Africa wishes to diversify, South Africa can increase its imports from Canada because South Africa’s growth is less than Canada’s export growth to the world. Another opportunity lies in Mozambique due to its highest export growth of 47%. 
8. ACKNOWLEDGEMENTS

The following organizations are acknowledged:

- Directorate: Statistics and Economic Analysis.  
  [www.daff.gov.za](http://www.daff.gov.za)

- Quantec Easydata  
  [www.easydata.co.za](http://www.easydata.co.za)

- ITC Market Access Map  
  [http://www.macmap.org/SouthAfrica](http://www.macmap.org/SouthAfrica)

- ITC Trade Map  
  [http://www.trademap.org](http://www.trademap.org)

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