

**CHAIRMANS' REPORT**  
**RED MEAT INDUSTRY FORUM**

**2020/2021**

**MR LOUW VAN REENEN**

This report is for the period from November 2020 to August 2021.

The year 2021 continued with the difficulties which was experienced the previous year, such as further outbreaks of foot and mouth disease and further waves of the COVID-19 pandemic locally as well as globally. Riots, unrest as well as logistics and export challenges also played its part to negatively impact the economy as a whole.

**Condolences**

In the aftermath of the Covid-19 pandemic that seems to stick with us, and will for some time to come, we extend our most sincere condolences to those who have suffered the loss of a loved ones, friends or colleagues because of the covid-pandemic – you remain in our thoughts and prayers. We also extend our most sincere sympathy to those who had to close down their businesses and ceased their operations due to the Covid-19 pandemic.

**FMD outbreak**

Since the initial, most recent foot and mouth disease outbreak in January 2019, several further outbreaks outside of the redline area in the Limpopo Province were reported to date. The lack of direction by government to act and put appropriate measures in place to stop the transfer of possible infected cattle out of the infected area(s), remains a huge concern for the industry. The 2021 outbreak in KZN affected several farmers as well as two feedlots.

## **Auctions**

With the implementation of bio-security measures at auctions, the risk of spreading foot and mouth disease was reduced and same measures were welcomed by the industry at large. Inspections for said measures, will be attended to by SAMIC. The Agricultural Produce Agent Council (APAC), graciously extended the time in which the auctions had to comply with the gazetted rules to 1 July 2021.

Legislation pertaining to livestock auctions in terms of Agricultural Produce Agents Act, the Stock Theft Act, the Animal Identification Act, and the Animal Diseases Act as well as specific requirements pertaining to the prevention of the spread of COVID-19 remains effective.

## **Animal Health**

Animal health is the key to broadening our export base. Same will however only be possible if we can *prove* our animal health status. South Africa lost its Animal Health status since the department Animal Health neglected to submit answers to the World Animal Health Organisation (O.I.E.) before the end of March 2021. The effect is that South Africa are now seen as the rest of Africa, a country with no Foot-and-Mouth disease status.

## **African Swine Fever**

There are currently increased outbreaks of ASF in South-Africa. The latest outbreaks in North-West, Gauteng and the Western-Cape had a devastating effect on the industry. The inability of government to make decisions, leads to millions of Rands of losses. One of the piggeries confronted with an outbreak of ASF, approached the High Court successfully to force government to decide to slaughter pigs that tested positive for ASF.

## **Brucellosis Control Policy**

As is the case with many other animal diseases, the industry is working together with government on a brucellosis policy to be implemented. This is done in conjunction with

the National Animal Health Forum. The industry representatives involved agree that brucellosis needs serious intervention from industry and government.

### **Traceability**

Traceability remains the single most important current drive of the industry. It is clear that traceability will not dissolve or resolve all the biosecurity / animal health issues in South Africa, however, it will assist the red meat industry immensely in adding value and creating a better product and subsequently also enable industry and the role players to manage animal health and biosecurity, and possibly open up international markets, giving our trade partners peace of mind in dealing with us.

### **Livestock exports by sea**

With regards to the court case between Al Mawashi and the NSPCA, the constitutional court denied the national SPCA leave to appeal the judgement handed down in the Eastern Cape. A recent shipment of sheep left the East London harbour and the NSPCA was present at the time of loading of the ship. Government initiated a protocol and the RMIF had the opportunity to make comments towards the protocol, we have however not received feedback on the subsequent comments.

### **SAMIC**

Samic reached its goals with regards to Audits and Inspections done at Abattoirs, Farms, Export Harbours, Export Hides & Skins, Wool & Mohair Stores, Deboning Plants, Feedlots and the Trade in its whole.

### **Animal Health Forum**

The NAHF saw its chairperson resign and Gerhard Schutte was appointed as the new chairperson of the NAHF. NAHF have a good relationship with government and the Animal Health forum has reverted back to its initial obligation, and that is to act as a forum for decision making and not as a role-player or representative body.

## **Statutory levy**

The statutory levy period was extended until November 2022. With this in mind a cluster of industry bodies engaged the Bureau for Food and Agricultural Policy (BFAP) to ascertain the extent of a possible change in the current statutory levy setup.

## **Bureau for Food and Agricultural Policy (BFAP)**

The BFAP study is in process, and we look forward to receiving their research document soon. The cluster consist of the RPO, NERPO, SAFA and the RMAA. The Cluster requested BFAP to assist with the development of an industry strategic plan.

An extract out of the BFAP Proposal:

*“The South African red meat industry is often referred to the “sleeping giant” in the South African agricultural economy. The majority of stakeholders and specialists within the industry share a common view that it is under-performing and not realising the immense potential the industry holds. South African livestock farmers are struggling to sustainably link to lucrative local and export markets to the detriment of all role-players in the red meat value chain and the country as a whole. Furthermore, productivity growth rates remain relatively low, especially in the informal herd and overall pasture management and sustainable farming practices need to improve. Recent analysis of the SA red meat industry, under the auspice of the Agriculture and Agro-processing Master Plan (AAMP), has highlighted a number of policy reforms and investment (public and private) priorities that will drive inclusive growth in the sector, and there is recognition from industry role-players that the industry requires a new / revised and collective industry strategy.”*

The red meat cluster identified the following focus areas as the guideline in the Strategy and implementation plan:

***Animal Health and Traceability.*** The situational analysis on Foot and Mouth (FMD), other biosecurity risks and management and control there off (LITS SA etc.).

**Inclusive growth.** Inclusive Agricultural Transformation. Situational analysis for farmer development programs in the livestock sector & value chain inclusivity

**Market Access.** Discussions with DALRRD, DTIC & focused trade relations. Trade protocols etc.

**Competitiveness.** RMRD compact – relating to genetics, production practices, consumer demand, international accreditation, and benchmarking. Local value adding in agro-processing

This is an inclusive approach and any and all relevant parties or stakeholders are free to engage and participate.

## **Exports**

Although the foot and mouth disease outbreak had a devastating effect, the export of beef did not stop because of the outbreak, since the protocols agreed with trade partners during the 2019 outbreak remind in place.

## **General**

- AfCFTA which was founded in 2018 and created by African Continental Free Trade Agreement, commenced trading on 1 January 2021. Time will however tell if it will have any effect on the manner in which we do business;
- Certain areas in our country remains drought stricken and farmers in these areas are still struggling immensely. In addition, hereto, devastating veld fires also caused huge damage to some farms;
- Internationally, The European Parliament has rejected all the amendments to the Common Agricultural Policy (CAP) on 23 October 2020, that would have proposed to ban the use of meat denominations for plant-based foodstuffs;
- The meat grading system was investigated, it was however place on hold for the time being.

**Word of thanks**

As Chairman, I would like to thank the RMIF role players, all the MANCO members, the Compliance Committee, the Levy Committee, MSMS and SAMIC for all their efforts over the past year. A special thanks also to the vice chairman Dr Kabols Le Riche and Mr Simon Streicher.

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