



**Namibia  
Agricultural Union**

**Annual Report  
2016-2017**

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# Presidential overview



Mr Ryno van der Merwe, NAU President

It is a privilege for me to give my impression of the most important happenings and challenges during the past year.

Even though the biggest parts of Namibia have experienced good rainfall, there are parts in the west, south-west, far south and south-east, which have had little to almost no rain yet. The grazing conditions in these areas have been poor since 2013, which contributed to increased input costs.

In general the grazing conditions in Namibia have weakened in the past years due to the drought and other reasons such as over-grazing. This put pressure on the production potential and therefore also on the profitability of the producers. Rangeland management and the repair of our natural grazing will have to be managed very sensibly.

During my visits to the drought-stricken parts of our country during the past three years, I was delighted with the positive attitude of the producers in spite of the dire circumstances. It was an inspiration to me.

Another challenge for many producers is to get into full production again and to survive financially during this period. I believe that everyone in this situation will make plans in time to overcome this challenge.

Namibia, like other SADC countries, experience difficult economic conditions with negative growth. Government cut its budget drastically, which had an additional negative impact on the economy, as well as job creation. This situation will most probably continue for 2 to 3 years before a turning point is reached. I am optimistic however, that agriculture will make a positive contribution this year.

The marketing environment of cattle has numerous challenges and also holds certain risks. The cash flow crisis of Government has caused among other things that the electricity at the DVS offices was cut and that the important maintenance of DVS fences was not done. Thus, permits could not be issued by regional offices and there is great concern about maintaining our animal health status. Furthermore, there is pressure on the cash flow of Meatco and small stock abattoirs have scaled down on slaughtering and

payments to producers are delayed. This situation causes uncertainty among producers. The NAU/LPO this year, was in constant contact with and also made numerous proposals to the relevant organisations as well as to Government.

On a positive note, I can report that prices of livestock have increased. Regarding cattle, weaners increased by 7,9% and slaughtering cattle by 4,5%. Sheep prices increased by 4,5%.

The Executive Council decided to host NAU open days this year. The aim was to give feedback to members as well as to non-members about the most important activities of the NAU as well as to give an opportunity to ask questions, raise concerns and make proposals. A total of 9 meetings were held and the attendance was reasonable to good.

The Minister of Agriculture last year informed us that the N\$5,7 million levy financing from the Meat Board was to be phased out with immediate effect. The Congress decided to increase membership fees by 43% (the normal 5% plus 38%) and suggested savings of 8%. Other mechanisms to finance the NAU in future were also discussed and considered. The idea of corporate membership was also favourably received and some organisations have already indicated that they will take up membership.

A voluntary marketing contribution was discussed in detail during the NAU Open Days and the Congress will take a decision to this effect this year. Other actions discussed were to put an administrative fee in place for the implementation of projects, income generating projects and the recruitment of new members.

Valuation Court sessions were held during 2016. Even though we thought that the verdict would be that the process of the Regulations whereby land valuations are determined would be referred back for negotiations, discount was given to land owners who had legal representation and also some farmers who represented themselves, but not all of them.

This caused even bigger inequalities in the valuations. The viewpoint of the NAU is that we are willing to pay land tax as long as it is

reasonable, fair and affordable. When the 2012 Valuation Roll was released, the NAU informed the Minister that the increases are unaffordable and that land owners will not be able to pay them. Since 2012 the NAU has made various proposals to the Ministry to adjust the regulations whereby land values are determined. With the verdict from the Valuation Court, it was clear that our attempts were unsuccessful. For this reason the NAU decided to get involved in a supporting and administrative capacity in the Review Application against the procedure, which was followed to compile the Valuation Rolls as well as the appeal against the verdict of the Valuation Court.

The Second National Land Conference is planned for September 18 – 22, 2017. We are aware of emotions, which are bound to flare up, especially concerning certain aspects such as ancestral rights. The NAU has already made a submission to the advisors to the President and will be prepared with its arguments when attending the regional conferences as well as the National Land Conference.

The NAU made various proposals in the provisional Land Bill, which was in the meantime deferred by Cabinet until the conclusion of the Land Conference.

Another challenge, which causes a lot of uncertainty and damage to investor confidence is the NEEEF document, which proposes that all private businesses must sell 25% of their business to previously disadvantaged people. The NAU participated in various discussions and debates on various forums and made formal proposals to the Prime Minister.

As already mentioned, I am aware that for numerous producers, it will take some time to come to reach full production capacity again due to the long-lasting drought, the related input costs as well as emergency sales to survive. With the fixed costs and expenditure in farming where one cannot save, there is great pressure to survive financially.

In the past, we as producers had similar challenges and survived financially. With the positive attitude, which I have experienced, especially from those where the challenges are the biggest, I am convinced that we shall con-

tinue and be successful with in this regard.

It is also true that we have to learn our lessons from our experiences from the past. Farming is a business, which we have to approach more scientifically. Accurate record-keeping is critical to measure our performances and to identify and improve in those areas where we under-achieve and where the costs are too high. We will have to farm smarter.

The NAU continuously gave input and contributions, especially on a national level to ensure optimum, sustainable production. The NAU is acknowledged by Government as the voice of commercial agriculture. This trust has given us the opportunity to consult with Government on various aspects and make proposals.

**With special acknowledgement to:**

- His Excellency, the President of the Republic of Namibia, Dr Hage Geingob
- His Excellency, the Founding President of Namibia, Dr Sam Nujoma
- Right Honourable Prime Minister, Saara Kuugongelwa-Amadhila
- Honourable Deputy Prime Minister and Minister of Foreign Affairs, Netumbo Nandi-Ndaitwah
- Honourable Minister of Presidential Affairs, Frans Kapofi
- Honourable Minister of Economic Planning

- and Director General of the National Planning Commission, Tom Alweendo
- Honourable Minister of Land Reform, Utoni Nujoma
- Honourable Minister of Agriculture, Water and Forestry, John Mutorwa
- Honourable Minister of Justice, Albert Kawana
- Honourable Minister of Labour, Industrial Relations and Employment Creation, Erkki Nghimtina
- Honourable Minister of Finance, Calle Schlettwein
- Honourable Minister of Environment and Tourism, Pohamba Shifeta
- Honourable Minister of Industrialisation, Trade and SME Development, Immanuel Ngatjizeko
- Honourable Minister of Safety and Security, Maj Gen Charles Namoloh
- Honourable Minister of Local and Rural Development, Sophia Shaningwa
- Honourable Minister of Works and Transport, Alpheus !Naruseb
- Honourable Minister of Poverty Eradication and Social Welfare, Bishop Zephania Kameeta
- Meat Board of Namibia
- Agronomic Board of Namibia
- Swakara Board of Namibia
- Meatco
- Agra

- Namib Mills
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Ryno van der Merwe  
President: NAU





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# Organisational

## Affiliations

On June 30, 2017 69 Farmers Associations were affiliated to the NAU.

## Management

### The Executive Council

- Mr R van der Merwe – President
- Mr P Gouws – Livestock Producers Organisation
- Mr G Eggert – Agronomic Producers Association
- Mr J Engelbrecht – Dairy Producers Association
- Mr HHT Förtsch – Agricultural Employers Association
- Mr J Roux – Poultry Producers Association
- Mr P Potgieter – Charcoal Producers Association
- Mr W Visser – Swakara Forum
- Mr F Heger – NAPHA
- Mr J Visagie - Agra
- Mr E Erni – South-western Region
- Mr J Adriaanse – Karasburg Region
- Mr J C de Klerk – Keetmanshoop Region
- Mr H Visagie – Mariental Region
- Mr K von Kühne – Gobabis Region
- Mr L de Jager – Windhoek Region
- Mr B Coetzer – Okahandja Region
- Mr T Pretorius – Otjiwarongo Region
- Mr A van Niekerk – Outjo Region
- Mr P Stoman - Grootfontein/Tsumeb/Otavi Region



Members of the Executive Council

## The Management Committee

The Management Committee mainly attends to staff matters and other matters which are referred to them by the Executive Council. The Management Committee members are:

- Mr R van der Merwe (president)
- Mr S Schneider
- Mr HHT Förtsch
- Mr PS Gouws



Mr R van der Merwe



Mr S Schneider



Mr HHT Förtsch



Mr PS Gouws



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# Congress 2016

The 70th Congress of the NAU was held on October 5, 2016 with the theme "Unlock the potential in the agricultural sector".

No discussion points were handled by the Congress.

The levy financing of the NAU however was thoroughly discussed as follows –

The chairman reported that the Minister of Agriculture said that levy financing will be phased out in 2018 and that the agricultural unions would not receive any further levies from Government. The Minister said that the Ministry decided that the NAU would only get 40% of the 40% (which is shared 50:50 with the NNFU) and that the NNFU would get 60% for the 2016-17 financial year. For the 2017-18 financial year the NAU will get 20% and the NNFU 80% and from the 2018-19 financial year the levy financing would be completely phased out for both agricultural unions. This means that the NAU will have N\$5,7 million less in income. The NAU will therefore have to look at other financing methods.

The Executive Manager of the NAU, Mr Coetzee, made a submission with various proposals for financing and Congress made the following proposals –

- A fee per ha per member;
- An increase in membership fees;

- Voluntary levies;
- Restructuring of the NAU and its affiliates (which will most probably necessitate Constitutional changes);
- The involvement of agri-business;
- A consultation company.

After discussions Congress decided with a majority vote that –

- For the 2017-2018 financial year the membership fees will be increased to N\$4 370 (VAT included) as from March 1, 2017;
- The membership fee for additional members will be increased to N\$230 (VAT Included);
- The EC to re-evaluate the proposed budget and identify eventual savings without losing effectiveness;
- A committee of experts be compiled to investigate alternative sources of income;
- These proposals be communicated to members for input;
- Proposals to be made to the 2017 Congress for consideration and decision-making;
- An option of a monthly debit order be given to the FA for members for the payment of membership fees on a monthly basis;
- The NAU will take responsibility of the LPO budget.

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# Agri Outlook Conference

The attendance of the third Agri Outlook Conference, which was hosted by the NAU on October 6, 2016 again proved that there is appreciation for such an opportunity in Namibia. The programme enlightened the participants.

The Vice-President of Namibia, Dr Nickey Iyambo, who was a guest speaker, assured the farming community that Government is looking after their interests. He also removed all concerns about their freehold as Government is committed to the NAU Constitution and all the relevant Namibian legislation. He invited the NAU to discuss any problems with him which he in turn would submit to the relevant Ministries.

Mr Johann Kotzé of FNB singled out the opportunities in Africa, but cautioned that there

are certain obstacles, which have to be scrutinised before investments can be made in Africa. The biggest challenge to get involved in Africa is to overcome fear of the unknown and make a mental note that we are part of Africa, the same as anybody else.

Mr Ernst Janovsky cautioned that the agricultural sector must use all available technology to get its products directly to the consumer. He made this remark against the background that he expects a drastic increase in product prices and that producers should mainly produce products that earn foreign exchange.

Mr Jurie de Kock, a farmer from Napier in the Southern Cape, discussed a new concept of farming-together to reach economy of scale. This has many advantages regarding profitability, but has to be carefully planned and

executed to realise the advantages. This is a concept which should be seriously investigated in Namibian context especially against the background of profitability of the general size of land on which the Namibian farmers farm.

The practical input of the local speakers Dr Cornelis van der Waal (the use of technology for grazing and agronomy) as well as Ms Judith Isele (dedicated farm management for increased profitability) added value to the success of the conference. Ms Isele again emphasised the importance of record keeping.

Dr Gustav Gouws under the theme "New thinking, new motivation, new results" challenged the audience to draft a business plan for their life which will bring more satisfaction especially in these challenging times we are living in.

## Awards

The following awards were made at the official opening:

**Media Personality of the Year:** The Agra award for Media Personality of the Year was presented to Ms Anet Steyn from Channel 7.

**Community Project of the Year:** The award for the Community Project of the Year was presented to two organisations, namely Johanniter Hilfswerk/Rosi Rumpf organisation and Proud Aranos.

**Agricultural Woman of the Year:** The Agricultural Woman of the Year award was presented to Ms Rheta Olivier of Proud Aranos.

**AgriStars:** Messrs Retief von Wielligh and Leon van Wyk from the Keetmanshoop Regional Agricultural Union each received an AgriStar.

**Long-service award:** A certificate for long service on the Executive Council was presented to Mr Mecki Schneider.



Sponsors of the NAU's third Agri Outlook Conference with Sakkie Coetzee, executive manager of the NAU. From left are Hannes Smit (Santam), Mathys du Preez (Sanlam), Hayley Allen (Novel Ford), Sakkie, Christo Viljoen (FNB Agri), Magda van Schoor (Meat Board) and Ashanté Manetti (Namib Mills). On behalf of the main sponsor FNB Agri, Christo pointed out that recent political developments will not negatively affect the bank's continued investments in agriculture. "We have increased our staff and have confidence in agriculture." He further mentioned that the decrease in total farm debt from N\$5,8 billion to N\$4,8 billion from last year June is not necessarily positive. "This is a clear sign that farmers needed to sell some of their productive animals to survive, which could complicate their repayment ability in the future," he said.



Vice-president Dr Nicky Iyambo receives a token of appreciation from NAU president Ryno van der Merwe after he delivered a well received key-note address at the NAU agri-outlook conference on 6 October.

## Two leading personalities from far south receive AgriStars



Leon van Wyk (left) received the AgriStar award for his exceptional contributions. With him are his wife, Petro, and NAU president Ryno van der Merwe. As a BSc Agric-student at the University of Stellenbosch he achieved distinctions (cum laude) in both his honours and masters degrees. He was the initiator of the southern winter school at Karasburg in 1985 and held various positions in the management of the Langverwacht and Klein-Karas Farmers Associations as well as the Karasburg en Keetmanshoop Regional Farmers Unions. Since 1992 he is the president of the Keetmanshoop Show Society. He has served on the Agra board since 2003 and is involved in the training of upcoming farmers in the Karas Region. Leon is also a member of the Karas committee for resettlement and rehabilitation. His career kicked off in the early seventies as a researcher and lecturer in Swakara breeding, animal feed and physiology, and pasture science at the Neudamm Agricultural College. Since the late seventies he has been a farmer and agricultural councillor in the Karas and Hardap Regions and farmed full-time since 2002.



Retief von Wielligh (left) is honoured with an AgriStar award for his exceptional contribution to organised agriculture and the Swakara industry. With him is his wife, Rika and NAU president Ryno van der Merwe. Since becoming a full-time farmer in 1993 and a member of the Karasberge Farmers Association, he was elected chairperson of the association the following year, serving in this position for four years. He also served in the management of the Keetmanshoop Regional Agricultural Union from 1994 to 2014, being chairperson and vice-chairperson alternatively. In addition he served on the executive committee of the NAU from 2003 to 2004 and for 12 years on the Swakara Board from 2001. For six years Retief was also a member of management of the Swakara Breeders Association. As a respected Swakara producer, he was designated as a Top 10 producer five times. Retief acquired an agricultural diploma at the Neudamm Agricultural College being the best student in karakul breeding and cattle assessment. Further he completed his diploma in education at North-west University and first worked as a teacher at Mariental and PK de Villiers (Keetmanshoop) Secondary Schools before farming full-time.



Arnold Klein, Agra's CEO, handing over the annual media award of the year to Anette Steyn for her well-presented agricultural programme on the Channel 7 radio station. As a farmer herself she knows the needs and issues of farmers to compile interesting and relevant programme material.

## Community project awarded

Christo du Plessis handing over prize money for the Feedmaster Community Project of the Year to Siggie Heimstädt and Dora von Hacht of the Rosi Rumpf First Aid Group, which has been part of the Summerdown, Steinhäusen and Hochfeld Farmers Associations for 39 years. The Summerdown Farmers Association nominated these two dynamic women who work under the banner of the greater Johanniter Unfall Hilfe welfare organisation in Namibia. They deliver excellent services to all three communities by providing emergency services at sport and farmers' days. Every three months they offer clinic services at Summerdown in co-operation with the ministry of health, focusing on the immunisation of children, HIV-Aids testing and contraception. In addition, they offer an ambulance service for emergencies and they received a brand new, well equipped ambulance – a donation from Germany. To finance this important service they present first aid courses across the country for professional hunters, charcoal producers, lodges and guesthouses. The Rosi Rumpf group received the Agricultural Woman of the Year award more than a decade ago and have in the meantime expanded and upgraded their service provision capabilities considerably.



# Liaison

Liaison with members and all role players stays one of the NAU's biggest priorities. This liaison is not only to give information, but also to give the NAU's viewpoint on various forums and to represent the producers' interest. Liaison is done by way of the printed and electronic media, radio programmes, sms messages on cell phones, whatsapp messages, visits to and attendance of workshops and other opportunities.

## AgriForum

*AgriForum*, the monthly magazine of the NAU, is published by AgriPublishers under the editorship of Mrs Marietjie van Staden. *AgriForum* covers a wide spectrum of agricultural themes and is still very popular. Each member receives an *AgriForum* as part of the advantages as member of organised agriculture.

## Radio programmes

*Landboumikrofoon* on the Afrikaans Service of the NBC is broadcast on Saturday mornings at 06:00 with a re-broadcast on Sunday afternoon at 13:15 and is presented by Mrs Hermien Coetzee.

*Channel 7*: With the sponsorships of First National Bank two programmes are broadcast

twice weekly. One broadcast is on Wednesday afternoons at 14:10 and the other one on Saturday mornings at 06:00.

*Kosmos Radio* has a short programme on Friday mornings and *Mixed FM* has a short programme on Wednesdays.

A short programme, *Farmer Infos*, is broadcast on the German Service of the NBC on Friday afternoons at 16:10.

*Hitradio Namibia* offers an agricultural programme for German speaking farmers on Friday evenings at 19:10 with a re-broadcast at 06:00.

## Electronic newsletter

The weekly e-mail news is still popular and supplies NAU members with important information. This e-mail news is also sent to all Agra offices to enable members who do not have e-mail facilities to get a copy at their nearest Agra office. This newsletter is also sent to all media and interest groups, which in turn is used regularly as news source for articles in the newspapers.

## NAU webpage

The updated NAU website ([www.agrinamibia.com.na](http://www.agrinamibia.com.na)) is popular and visited up to 52 593 times per month.

[ia.com.na](http://www.agrinamibia.com.na)) is popular and visited up to 52 593 times per month.

## Liaison with the authority and organisations

The president of the NAU, the Executive Manager and also other Council members liaised with the authority, parastatals, non-governmental and international organisations. This liaison includes –

- The President of Namibia, His Excellency Dr Hage Geingob
- The Deputy Prime Minister and Minister of International Relations and Cooperation
- The Minister of Presidential Affairs
- The Minister of Land Reform
- The Minister of Finance
- The Ministry of Agriculture, Water & Forestry
- The Ministry of Information and Communication Technology
- The Ministry of Poverty Alleviation and Social Welfare
- The Ministry of Public Enterprises
- The office of the Attorney General
- The Inspector General of the Namibian Police
- NAPHA (Namibia Professional Hunting As-

The Proudly Aranos project that aims to create a jewel in the eastern Kalahari, received double recognition during the NAU Congress opening. On the photo left, Retha Olivier receives the award as Swakara Agricultural Woman of the Year from Arnold Klein, managing director of Agra, and for the Feedmaster Community Project of the Year she received the award from Christo du Plessis, marketing manager of Feedmaster. To her right is her husband, Dr André Olivier, who is a minister and among others writer of the *Woordfokus* column in *AgriForum*. The Oliviers are the parsonage couple of the Dutch Reformed Church at Aranos and farm on Ar- eams. Retha's initiative and leadership took the Proudly Aranos project to great heights. Born in Aranos, she is also the parsonage mother in the town and is prepared for any challenge. During the couple's stay in Cape Town, she started a deli shop still operational but now run over a long distance. They were then the parsonage couple of the Grootte Kerk in Cape Town which celebrated its 300th anniversary in 2015. Before this event André has recorded the history for a comprehensive publication meant for this occasion. On sports front, Retha conquered various marathons and half marathons, among others the Comrades and Two



Oceans. She has also tackled the tough Tour de France mountain bike route and won a silver medal for South Africa in the Amabelle Dragon Boat Rowing World Competition in Singapore. With a BSc honours degree in her pocket, she started her career as researcher in nutritional science at her alma mater, the University of Stellenbosch. She is a former lecturer of the Windhoek College of Education and was a teacher at various high schools. Her main subject areas are mathematics and science, but she was also involved in establishing hospitality as a subject at the Jan van Riebeeck Secondary School in Cape Town of which she became a moderator and national examiner. Retha and André have four children, two sons and two daughters (all married), and one grandchild.

# Liaison

sociation)

- The European Union
- Road Fund Administration and Road Authority
- AgriBank
- GLZ (German Society for International Cooperation)
- Various Regional Agricultural Unions and Farmers Associations

## Liaison by the secretariat

Various Farmers Associations were visited by the secretariat by invitation. However, as costs had to be cut, the visits were coordinated with those of the regional representatives and the president. Various Ministries were visited and workshops and meetings attended.

## Liaison by Regional Representatives

Regional Representatives continuously liaised with Farmers Associations, Regional Agricultural Unions and Regional Councils as part of their duties.

## The private sector

The NAU sponsors were entertained by the Executive Council during a barbeque at the NAU offices.

## Non-Governmental organisations, parastatals and other organisations

Various meetings and workshops were attended with inter alia the following subjects:

- Land reform
- Water supply in Namibia
- National Rangeland Policy and Strategy
- Five-year plan of the Road Fund Administration
- Annual Sectoral Execution Plan of the Ministry of Agriculture, Water & Forestry
- International Trade
- Climate change
- Rural development
- Biosafety regulations
- Power supply

## Regional liaison

**AgriSA:** At the invitation of AgriSA (who also paid all costs), Mr Ryno van der Merwe and the Executive Manager of the NAU, Mr Sakkie Coetzee, attended the AgriSA Congress on October 13 & 14, 2016. The Congress was held in Pretoria and one of the discussion

points on the agenda was rural safety. Statistics, which were announced at the Congress, confirm that there was a decrease in farm attacks in South Africa, but that it was still disconcertingly high against the background of the rural population.

The relation of 97 farm attacks per 100 000 residents is much higher than the national average of 34 per 100 000 of the population. Rural safety is thus declared a priority in South Africa. Besides the Rural Safety Strategy, which is implemented in South Africa, an appeal was made by Congress that rural communities collaborate with other organisations to make rural areas safer.

Another interesting observation is that 70% of stock theft in South Africa is reported by the workers. Farmers in South Africa were seriously requested to get more involved to combat stock theft in that country. Even though stock theft is a serious problem in South Africa, it was only 1,2% of all crimes committed in South Africa against 16,18% in Africa.

Other topics discussed were “The future of land reform in South Africa: Intense negotiations and compromise or chaos?; Investment in agriculture and competitive demand for agricultural land”.

**SA Agricultural Outlook Conference:** During the AMT Agricultural Outlook Conference, which was held in Pretoria on September 28, 2016, the well-known economist Mr Mike Schussler specifically focused on the political and economic situation. The conference was attended by the president of the NAU, Mr Ryno van der Merwe, the Executive Manager, Mr Sakkie Coetzee, and the Manager: Commodities, Mr Harald Marggraff. Mr Schussler’s conclusion was mainly based on the currently stormy political situation in South Africa, the drought and the instability of the exchange rate.

The outlook for the economy is that most commodities (maize, corn, soya) will move sideward. For meat (beef and lamb) it is expected that producer prices will increase in December, especially when it rains. However, it also depends on the consumer and his

resistance against high prices as it will be very difficult economically and consumers will have less money to spend. The conference was concluded with the good news of Johann van den Berg’s positive prospects for a good chance for an average to above average rainy season.

**SACAU (Southern African Confederation of Agricultural Unions):** During the Policy Conference of SACAU (Southern African Confederation of Agricultural Unions), which was held on May 30, 2016 in Swaziland, the theme “Young Farmers and Technology for Agricultural Transformation in Southern Africa” was discussed. The NAU was represented by Julene Meyer of Koës and Christoph Knye of Summerdown. These two young farmers proudly carried the NAU flag and their input at the Conference was of great value to the other delegates from Southern Africa, mostly representatives of small-scale farmers.

The core message of the Conference was that Africa is identified as the continent that will have to feed the world population in future its resources are the least exploited. Even though the youth has the latest communication technology, which is also freely available, a bridge will have to be built between the knowledge and experience of the older farmers and the youth. Factors such as infrastructure for the use of this technology, financing, the policy environment, mentorship programmes, economy of scale and transformation of small-scale farming to commercial farming are all aspects, which will play a role in the exploitation of Africa’s potential.

During the sightseeing tour a poultry farmer, pig farmer and feedlot were visited in Swaziland. It is very clear that there is still a lot of work to be done for Africa to transform agriculture from small-scale farming to commercial status.

During the Annual General Meeting which then took place, Dr Theo de Jager of AgriSA was re-elected as president. Dr De Jager is also the chairperson of the Pan African Farmers Organisation (PAFO) where 5 regional organisations such as SACAU are affiliated.

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# Matters handled by the Executive Council / Management Council

## NAU planning session

During the annual planning session of the Executive Council of the NAU the strategies of the NAU were scrutinised again. Following input from Executive Council members, macro-economic aspects such as the environment in which we produce, which advantages the NAU could negotiate for its members, were discussed.

As basis it was again emphasised that Government is a strategic partner of the NAU and that better cooperation on political as well as administrative level with Government is vital. Liaison with administrative staff within Government was emphasised.

The EC is concerned that the public often reacts on perceptions with regard to commercial agriculture and not on factual information. The NAU will make a real attempt to not only give factual information about various aspects to its members, but also to the general public. One of the actions will be to hold a series of meetings throughout the commercial sector early next year. The various regions will be responsible to make the necessary arrangements for these meetings and make the dates available in due course.

The future financing of the NAU, following the out-phasing of the levy financing from the Meat Board, was also debated in detail by the EC. An increase in membership fees was accepted by the last Congress in October 2016, but there are various options, which must be investigated to ensure future financing without burdening members with increased membership fees. As soon as there is more clarity about these possible options for financing, NAU members will be informed accordingly.

The re-stocking after the drought is also of great concern to the NAU. To support farmers to re-stock, negotiations will be held with AgriBank as well as commercial Banks.

## Land reform

### Criteria for expropriation of agricultural land:

On September 1, 2016 the Ministry of Land Reform published criteria for expropriation of agricultural land in the Government Gazette. According to the publication, the Ministry, after consultation with the Land Reform Advisory Commission, has to apply these criteria if agricultural land is expropriated.

The criteria are based on some of the consensus decisions of the 1991 National Land Conference with regard to ownership of land, absentee landlords and foreign nationals owning more than one unit.

The criteria comprise a basic section, which mainly includes the nationality of the owner, number of farms and absentee landlords. Added to this section are the suitability criteria such as location of the land where the most points will be given for land adjacent to state or resettlement land as well as fewer points for infrastructure, carrying capacity, climate, etc. From the total of these joint points, the ownership preference criteria are subtracted for land, which belongs to Namibian citizens (25 points) or 15 points for land which is registered in a Namibian company/CC.

In the process of evaluating and for expropriation purposes, land which will have 80% and more according to the criteria is highly suitable for expropriation, 60 – 79% will be suitable, 40 – 59% will be reasonably suitable and under 39% will not be suitable for expropriation.

In the category of ownership or absentee landlords the score is for example 15, whilst foreigners with more than 1 unit score 20. Land adjacent to Government or resettlement lands scores for example 15.

A few years ago the NAU drafted a similar model according to which farms can be categorised with the aim to assist the Ministry for possible purchasing under the voluntary willing buyer willing seller principle. This model was based on the 1991 Land Conference Consensus decisions and contained 4 categories, namely ownership of land, presence of owners on land, size of land and economic use of land. Some of these proposals are recognisable within the current categorised criteria.

### Valuation Rolls

The introduction of the land values in the first week of June 2016 again started an in-depth discussion at the Executive Council of the NAU. The Council was surprised when they noted that it was the same much disputed Valuation Roll, which was already tabled in 2012 with no amendments made. These valuations of course, are much higher than the valuations on which land tax is currently paid, and should the rate of 75% at which land tax is calculated stay in force, it means that landowners will have to pay as much as 300 – 400% more. This causes

a lot of uncertainty amongst landowners.

During talks with the Minister of Land Reform earlier this year as well as with officials from the Ministry of Land Reform, it was emphasised that there should be distinctions between the land values and the rate of assessment. The rate of assessment is a function, which is determined between the Ministers of Land Reform, Agriculture and Finance and then approved by the National Assembly. The NAU already made certain proposals in 2013 for a rate adjustment should the current Valuation Rolls be confirmed by the Valuation Court.

Numerous landowners again objected and according to the Valuator General, the objections, which were submitted in 2013 against the provisional Valuation Roll 2012 – 2017 will serve at the various regional courts. Landowners however also had an opportunity to submit additional objections before June 30. The Valuation Court then held sessions in various towns in Namibia and gave their verdict in Windhoek on Wednesday, November 23, 2016 that a 40% discount be granted to all landowners who had objected and represented by legal representatives in the Valuation Court.

The 40% discount given by the Valuation Court to objectors however, did not solve the problem of the Valuation Roll. The problem is that the Valuation Roll still disregards certain Regulations according to which it has been drafted, which causes that the Valuation Roll does not take the production potential of land into consideration. Furthermore it does not address the problem that the valuations of two neighbouring landowners who fall in two different valuation zones differ as much as 100% from each other.

The 40% discount, which was now granted to landowners who have objected causes a totally disproportional spreading of land values within the same zone, which makes the aim of the Valuation Court ridiculous. Against this background the NAU cannot accept the verdict of the Valuation Court.

The NAU has decided to join the legal representatives who represented landowners in the Valuation Court in an attempt to rectify the Valuation Roll. The legal representatives who represent objectors decided to appeal to the High Court against the decision of the Valuation Court and to bring a revision application regarding the administrative process followed.

# Matters handled by the Executive Council / Management Council

The aim of the appeal/revision application to the High Court is to correct the 2012-2017 provisional Valuation Roll in line with the production potential of the land to pay land tax. This appeal/revision application to the High Court is a confirmation of the NAU's 2013 viewpoint and the NAU has decided to support this High Court application.

## Farmers Support Programme

This programme, which is financed by the GIZ, has been taken over by AgriBank. The NAU still has a seat on the Steering Committee.

## Agricultural Trade Forum (ATF)

The ATF is acknowledged as the representing trade body of the agricultural sector and the Permanent Secretary of Trade and Industry takes the ATF along to trade agreement meetings.

## National Rangeland Strategy implemented

The implementation of the National Range-

land Strategy has been ongoing for a year with numerous actions taken. The Rangeland Advisory Committee (RAC), which is also the pilot committee of the project, meets regularly. The committee is satisfied with the progress made, but also realised the complexity of the environment in which this project operates.

The focus of the second year of implementation started with rangeland surveys, which were done in cooperation with AgraProVision during May – June 2016. Further priorities for 2016 were the drafting of action plans for all areas in Namibia, the determination of the percentage bare land, wood and grass topping in all areas as well as the capturing of success stories and lessons, which were learned with regard to effective rangeland management.

Furthermore, it was decided to involve the NNFU and NECFU directly in this project. Additional assistance in order to bring about more effective implementation in the com-

munal areas will also be obtained. The NNFU in the meantime has been appointed as a service provider to implement the project in the communal areas.

The project looks forward to an exciting second year to reach the objective that more and more producers implement the principles of effective rangeland management physically in all areas.

The sustainability of the implementation of the National Rangeland Policy is critical to ensure that the current actions put in place will be permanently applied once the current project ends in 2019.

Three working groups were compiled, which respectively represent the communal, emerging and commercial producers. The commercial working groups comprise of game, small stock and large stock working groups whose function it is to implement actions, which will realise the policy in the long-term.



Helmut Stehn, owner of Farm Smalhoek in the Khomas Region, addresses attendees of the National Rangeland Forum on his farm.



Seretse Olibile, a resettlement farmer from Omaheke Region, shares his experiences at the National Rangeland Forum.



Ulf-Dieter Voigts, owner of Farm Krumhuk in the Khomas Region, who is experimenting with herding cattle on a commercial level. Many other activities are practised here.



# Matters handled by the Executive Council / Management Council

## NEEEF (National Equitable Economic Empowerment Framework) and commercial agriculture

The much debated NEEEF was a topic at various discussions and workshops. Originally, the public was allowed to comment on the disputed draft legislation until the end of February 2016, but due to resistance from the public the date for comment was extended to the end of April 2016.

The NAU prepared its comments on this proposed policy and draft legislation through two channels for submission to the office of the Prime Minister. The NEF (Namibia Employers Federation) that the Agricultural Employers Association (AEA) of the NAU is affiliated to, obtained a legal opinion and also drafted a document, which they have submitted. Besides this action, the NAU obtained an external opinion to help compile the official NAU comment, which was directly delivered to the office of the Prime Minister.

In the meantime organisations such as the Banks, the NCCI as well as groups of small businesses seriously criticised the proposed legislation in public and also submitted their comments.

The general criticism against this proposed legislation is that it is totally inappropriate after 26 years of Independence in Namibia. Further comments are that it does not comply with the Namibian Constitution and will most probably fail a constitutional test in Court, whilst there are also numerous obscurities with regard to definitions and general legislative interpretations.

Other comments are that its primary objective is not economic growth and creation of prosperity, but only surrendering a certain percentage of a business to historically disadvantaged persons. In this, the noble objective of economic growth, employment creation and sharing of riches will be lost and it is expected that poor people will get even poorer and the rich will get richer. It is also expected that it will hurt investor confidence in Namibia and will disadvantage Namibia's international competitiveness.

Government also omitted to follow an inclusive debate and negotiation process before Cabinet approved the policy framework with little or no funded research. The implementation of the legislation will also be an administrative nightmare.

The NAU not only criticised the disputed policy framework and proposed legislation about NEEEF for its shortcomings, but also



Trainees graduated after passing two chainsaw and a brush cutter training courses presented by N-BiG recently. From left are Wilko Braun (Cymot), Chris Murangi (trainee), David Bithrey (Stihl) and Dagmar Honsbein (N-BiG).

made certain proposals on how the objectives of NEEEF could be reached. The NAU documents comprise three parts, namely an Executive Summary, a discussion document and comments on the core shortcomings in the proposed policy and legislation.

The objectives of NEEEF can be summarised as follows –

- More equality in the Namibian society;
- Poverty alleviation;
- Creation of an equal social community in terms of an improvement of the so-called Gini Coefficient.

The opinion of the NAU was that there should rather be a focus on growing the economy to alleviate poverty and bring about more equality between rich and poor than to expect that previously advantaged persons must give 25% of their business to previously disadvantaged persons. Numerous recommendations were made about what could be done to bring about faster economic growth.

Thirdly, the NAU also recommends that an inclusive consultation process with prominent and affected persons and groups should be conducted to accommodate the objectives of NEEEF within existing policies and programmes.

### Charcoal Producers Association

The Namibia Charcoal Producers Association (NCA) has opened a new office with two full-time staff members in Otjiwarongo. This action forms part of a total restructuring plan to make the NCA a completely independent organisation affiliated to the NAU, to expand and promote the interests of charcoal production in Namibia.

As from March 1, 2017 the NCA functioned as a proper Section 21 Company in Otjiwarongo. Its financial matters, which were always handled by the NAU, are managed by themselves and an own bank account was opened.

### Bodies on which the NAU and commodities are represented

- Agronomic Board
- Interim Board of Namibia University: College of Agriculture
- SWAKARA Board
- Land Reform Advisory Commission (LRAC)
- Namibia Employers Federation (NEF)
- Namibia Water Resources Management Review (NWRM)
- National State of Environment Report Task Force
- Social Security Commission (SSC)
- Veeverbeteringsraad
- Meat Board
- Namibia Agricultural Labour Forum (NALF)
- Vocational Education and Training (VET)
- Forestry Council
- Kunene/Karas/Erongo Regional Resettlement Committees
- Programme Advisory Committee on Child Labour (PACC)
- Livestock Producers Forum (LPF)
- Agricultural Trade Forum (ATF)
- NUST Council
- Woodland Management Council
- Namibia Training Authority (NTA)
- Namibia Rangeland Forum
- Joint Crime Prevention Forum (JCPF)
- Namibia Qualification Authority (NQA)
- Upper Swakop Basin Management Committee
- CPP Council
- Water Council



# Livestock Producers Organisation



Chairman: PS Gouws

## Introduction

The forecast of a La Nina phenomenon this year became a reality and the biggest part of Namibia received above average rainfall. Even though the rainy season started late, it brought great relief for most producers. Unfortunately certain areas in the south, west and north-west received less rain and the drought continues in these areas. Production conditions have improved for most producers.

Namibia's central storage dams had good inflows, which provided great relief to the water crisis. Enough water is important for processing plants, including Meatco and all other abattoirs around Windhoek to proceed with normal activities. It is however crucial that water is nevertheless saved and used sparingly.

The role and function of Government in the livestock sector and organised agriculture is still of great concern. It is especially the Directorate of Planning and Business Development, which is not transparent and does not carry out its functions according to and in cooperation with the industry. For example the Agricultural Business Development and the Agricultural Marketing and Trade Agency (AMTA) have no certainty on what their functions are in the meat industry. Furthermore, the levy financing to agricultural unions was now scaled down and there is uncertainty about whether it will continue. Lastly, the Minister of Agriculture, Water and Forestry (MAWF) directs that the Meat Industry Act, under which the Meat Board falls, be re-viewed.

## Marketing of small and large stock

The total marketing of large and small stock decreased during this report period by an average of 30% against 2015 due to various reasons. This is a source of great concern and solutions must be found to turn this tendency around and increase production.

The general marketing of large stock decreased by 30% in 2016 in comparison to 2015. This could be partially attributed to the 2015 drought, but is mainly due to the decrease of weaner exports to the RSA. The RSA Department of Veterinary Services has implemented strict requirements on the import permit which completely stopped the export

of weaners for the months July to September. The situation only changed when less stringent requirements were implemented by the RSA authorities on import permits for animals, which are sent directly to accredited abattoirs and feedlots in the RSA. The export abattoirs also had a decrease in throughput. The average carcass prices in 2016 were N\$28,86/kg in comparison to N\$27,61/kg in 2015. The average weaner prices were lower in 2016 than in 2015 with N\$16,72/kg against N\$18,04/kg respectively.

The drought had a big impact on the small stock industry indicating a substantial decrease of 31% in the total marketing of small stock. Slaughtering at the export abattoirs as well as livestock exports decreased. The average price of sheep increased from N\$34,38/kg in 2015 to N\$35,93/kg in 2016.

The Small Stock Marketing Scheme, with the objective to add value locally, must surely take the biggest blame for the decrease in marketing figures of sheep. With this the liquidity of certain abattoirs contributed even more to the financial predicament of producers because they have not always paid the producers on time. The LPO continuously strives to find a solution for the dilemma in the small stock industry. The only alternative for the industry is to get approval for bone-in export to the European Union (EU), which might realise better prices for the small stock producer. Unfortunately no progress was made in this regard due to bureaucracy from both the Namibian Government and the EU. No feedback has been received yet regarding the joint proposal, which was submitted to Government by the small stock industry. The question can thus be asked, when does Government come to the realisation that the application of the value addition policy in the agricultural sector does not work, especially not in a country like Namibia.

Currently the small stock producer has four mechanisms to export sheep to a market, which pays a better price. The current 1:1 marketing scheme where for each sheep slaughtered locally one may be exported is still applicable. Additional animals which are not suitable for slaughtering purposes may

be exported on the "too lean, too small" exemption as well as sheep, which are classified as fat-tailed sheep. As certain abattoirs did not pay producers within an agreed period after slaughtering, the producers who received late payment were allowed to export another 50% on their quota.

## LPO Strategic Vision 2030

The LPO's Vision 2030 document which contains the vision, mission, objectives, required results and actions, serves as guideline to reach the objectives of the organisation through strategic decision taking processes. During the planning session of the LPO in November each year, the action plan of the previous year is evaluated and the most important industry aspects identified. They are then included in the actions for the following year. Attention is continuously given to industry aspects and progress is monitored and discussed during the management meetings of the LPO. This action plan is a dynamic document, which is adapted according to needs and changes in the meat industry.

## Statistics

Determination of production per hectare and farming profit.

Each livestock producer must know how his rangeland can effectively be changed into meat, because the main aim, which everybody should strive for, is to reach optimum livestock production whilst rangeland productivity improves in the long-term.

The AgriStat programme, which was developed in the past was simplified this year to mainly measure the following two factors –

- **Effectiveness of livestock production** - What is the average stocking for the past year, what is the live weight production per hectare and what is the production percentage (which is an indication of how effectively grazing has been switched from herds to saleable meat).
- **Determining the total farming profit** - Producers now have the choice to take part in determining the production per hectare for farming, or additionally to be part



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# Livestock Producers Organisation

of the determination of the farming profit. If producers only participate in the first part (determining the production per ha), no financial figures have to be released.

The formulae for how to calculate production per ha:

- Total estimated herd weight at the end of the year
- **Less** Total estimated herd weight at the beginning of the year
- **Plus** Kg live weight sold during the year
- **Less** Kg live weight bought during the year

If a producer decides to take part, his individual production and profit is analysed and compared with production figures from fellow participants. As such the participant can determine how effective his farming is in comparison to the true figures realised by fellow participants. Members are invited to make use of this service and can contact the NAU office for more information.

Existing study groups that have already calculated these figures for long periods and compared them among their members, played a big role to simplify these questionnaires so that they can be answered in a short time. A big thank you to these study groups for their contribution and support.

## Production cost index

Occurrences during the past 12 months have led to big fluctuations in agricultural inflation as well as producer prices for sheep and cattle. These occurrences include better rainfall recorded in Namibia and South Africa as well as fluctuations in the exchange rate, which were caused by the political instability in South Africa. As Namibia imports a lot of its agricultural input from South Africa, who in turn imports its products from overseas, the exchange rate plays an important role in the prices of various agricultural inputs, which naturally influences the agricultural inflation. The exchange rate is also of special importance to the cattle producer price as Meatco exports a large percentage of its meat overseas. The improved rain recorded in both Namibia and South Africa also influenced both the agricultural inflation and producer prices as lick and feed prices have decreased drastically in the past months, whilst the better grazing and shortage of cattle led to an increase in producers' prices in the first quarter of 2017.

Even though both the cattle and sheep industry in Namibia are still under pressure as far as costs are concerned, there was relief in the first quarter of 2016 in terms of the production cost index as agricultural inflation has

decreased substantially in the second term of 2016, whilst cattle and sheep income has increased drastically. The decrease of the annual agricultural inflation of 7.09% in the fourth term of 2016 to 3.83% in the first term of 2017 has been driven by the strengthening of the Rand as well as the sharp decrease in prices of lick and feed. The increase in cattle and sheep revenue was driven by better rainfall in both Namibia and South Africa, which has increased the demand for livestock. In the long term it is especially the large stock industry which experiences difficult times. On the other hand the small stock industry has shown a more stabilised tendency over the past 11 years with revenue, which has risen at nearly the same rate as the relevant expenditure.

Compared to the base year of 2006 (1st quarter 2006 = 100), the large stock income has increased to 168.47 base points in the first quarter of 2017 whilst the total expenditure increased to 263.97 base points in the same period. Sheep revenue was better and ended with a more acceptable 258.85 base points in the first quarter of 2017. Thus sheep income has increased by 158.85% over the past 11 years, whilst cattle revenue only increased by 68.47% in the same period. The increase of cattle revenue is made up from a weighed increase of 124.94% in the average slaughtering price as well as a 50.51% increase in the weaner price. The high deviation of input and output prices in the large stock industry over the past 11 years has caused an average annual cost increase of 8.68% from the first quarter in 2006 to the first quarter in 2017. The sheep industry on the other hand has shown a more manageable 2.33% in the same period.

## Quality assurance system (FANMeat)

It is important that producers adhere to the quality control of the FANMeat scheme. This means inter alia that prohibited feed or other substances should be used for livestock as well as the application of proper record-keeping. This will ensure the necessary access to the EU markets and will also be of advantage to get access to niche markets. Consumer trust in this system is shown continuously as access is gained to new niche markets. LPO representatives give regular input on the FANMeat committee.

## Animal Health and Veterinary Services (DVS)

Currently the Ministry of Finance applies strict control and limits the financial expenditure of various Ministries. This also affects DVS and causes disruption, especially with regard to the marketing of producers. Due to non-pay-

ment of accounts, the electricity of DVS offices in rural areas is cut off and no permits can be printed for example. Another problem is the non-payment of S&T of the fence teams who then refuse to repair inter alia the veterinary cordon fence. The NAU/LPO regularly expressed its concern by way of visits and letters to the Minister of Agriculture, the Permanent Secretary and the Director of DVS and emphasised that agriculture and specifically DVS should be prioritised when allocating funds. Agriculture is the most important sector in Namibia and if the economy must recover, the marketing of livestock must continue.

## Foot-and-mouth disease (FMD)

The biggest threat to the Namibian livestock sector is the outbreak of Foot-and-Mouth disease (FMD). Since the outbreak of FMD in 2015 in the northern communal area it seems as if DVS has brought the sickness under control by holding regular vaccination campaigns. As mentioned above, the effect of the financial constraints on the maintenance and repair of the veterinary cordon fence and the border fence with neighbouring countries remains a big concern to the LPO. At the request of the LPO, the Farmers Associations, which border these fences are requested to make regular inspections with the reports given to DVS. The LPO requested that a task force be appointed to coordinate the maintenance and repair of the fences. A new outbreak of Foot-and-Mouth disease was reported on the Musele Island in the Kabe South Constituency in the Zambezi region on July 27, 2017.

## Lumpy skin disease

Due to the good rainfall there was an increase in biting insects and thus lumpy skin disease broke out again on January 27, 2017. Lumpy skin disease started in Omaheke and Gobabis and later on spread to other areas. As lumpy skin disease affects the trade of livestock and livestock products, DVS put control measures in place for the movement of animals in the Omaheke and Otjozondjupa regions. These measures influenced the marketing of livestock. With the start of winter and no further outbreaks of lumpy skin disease, the movement restrictions were lifted on June 7, 2017. Producers are encouraged to vaccinate their herds against lumpy skin disease. There is a possibility that lumpy skin disease will lead to compulsory vaccination.

## Venereal diseases

Following a congress decision, the LPO in cooperation with the Meat Board designed three information brochures and posters. This material has been spread around the country for awareness on national level with the assistance of Agra, Kaap-Agri, Swavet and DVS offices.

# Livestock Producers Organisation

## Kudu rabies

The Kudu rabies project originated from a 2010 LPO congress resolution where it was requested that an effective vaccine and method of vaccination must be developed for the kudu population of Namibia. The project started on March 1, 2015 and ended on August 15, 2016. It was executed by Agra ProVision.

Following a visit of Dr Rainer Hassel (the project leader) to the Friedrich Loeffler Institute (FLI) in Germany, new information was received, which confirms that oral vaccination of kudus does work – it just has to be determined at which levels the vaccination must be applied so that kudus can build immunity in order to develop the necessary resistance against the virus. The FLI is a key partner in the Kudu rabies project and has done inter alia further serologic and diagnostic tests on the brain and salivary glands of the affected kudus. This project is the first one in the world where a wild herbivore has been vaccinated successfully. Further research of the FLI has shown that it is possible for kudus to infect each other horizontally.

The FLI emphasised that jackals are still seen as the main source of infection of the kudus. Further research must now be done to understand the cycle of infection between jackals and kudus as well as kudus horizontally. To do this it is necessary to do tests on jackals that have died of rabies. If farmers have such cases on their farms, they are requested to bring the head of the animal (handle with normal care) to the state veterinary laboratory.

There are various actions now planned for the way ahead. Dr Hassel is busy drafting the plan for the next steps.

## Waterberg buffalo

Continuous communication and follow up is done with the personnel of MET.

- Options are explored on how to reduce the numbers of buffalo through harvesting, hunting and exporting to neighbouring countries
- The number of Eland are also reduced
- The fences of the Park are in a good condition
- Actions are ongoing to have Farm 963 proclaimed as part of the Park
- The erection of an extra 5km fence to create a buffer zone is also investigated

Numerous of these actions depend on the approval of other Ministries, but it seems as if MET is proactive and looking for solutions. It is not always easy, as the international media is keeping an eye on Namibia's actions regarding wildlife.

## Human-wildlife-conflict

To begin with it must be mentioned that the LPO is regularly in contact with MET to address the human-wildlife conflict. MET is open and tries to find solutions to problems. During this period the human-wildlife policy was reviewed. The approach is to draft a Species and Environment Specific Policy in order to address the challenges. The new legislation with regard to MET will be discussed again in the near future.

## Elephants

Large numbers of elephants on specific farms in the Kunene region continuously cause problems. During meetings it was mentioned that the MET considers harvesting elephants again.

## Predators

Regions report that the occurrences of predators increase. The LPO is actively busy to get statistics of predator numbers as well as damages done by predators.

## Other animals

Following the drought game multiply due to migration and they compete with livestock for grazing and water. Large numbers of zebras especially, cause problems for producers. MET has approved the increase of zebras on the "shoot and sell" permits as well as on permits for night harvesting.

Another problem is the brindled gnu, which were moved from game farms to livestock farms due to the drought. MET is prepared to support livestock producers to remove the brindled gnu.

## Alternative marketing opportunities for red meat

In June 2016 the European Union (EU) and the Southern African Development Community (SADC) eventually signed the Economic Partnership Agreement (EPA). Namibia's National Assembly ratified the EPA a month later to ensure tariff and quota free access to European markets. Even though not all parties have ratified it to date, the agreement makes provision for a provisional implementation so that trade between the parties is not disturbed. This provisional implementation will be in force until all EU and SADC parties have ratified the EPA.

However, in July 2016 the provisional implementation was overshadowed by the results of a British referendum in favour of exiting the EU. This step, now known as Brexit, brought about various long term economic trade uncertainties. Brexit was suffered a further blow when the British Prime Minister, Theresa May, called an early election in June

this year to apparently strengthen her party's position with regard to Brexit. Unfortunately for her, her party lost so much support that she had to approach a small Irish party to keep the majority. This in itself has weakened the British Brexit voice substantially. In spite of this, Brexit negotiations started on June 19, 2017 in Brussels and indications are that it is too early to predict where these negotiations will lead. Namibia has a great interest in these negotiations as the country currently exports beef, dates and table grapes to Britain under tariff and quota free access according to the EPA.

In July 2016 Namibia was approved by the American Food Security and Inspection Services to export de-boned beef to the United States of America. This permission is a first for Africa, as Namibia is the only country on the continent with this achievement. Meatco has tried to send samples to America, but due to circumstances, it had to be postponed until further notice.

Another first for Africa was that the Chinese authorities granted permission to Namibia to export bone-in beef to that country. Due to a technical point in the agreement between the two countries it became impossible for such exports from Namibia in 2017 after the outbreak of lumpy skin disease.

## Meatco business structure

Generally Meatco is seen as the most important factor in the stabilisation of the Namibian meat industry and it remains the responsibility of Government and the producers to ensure that Meatco survives to fulfil this function. To survive, Meatco must be well managed, on healthy business principles, without interference by Government. The change of the Meatco business structure as well as the appointment of an expert board of directors are attempts to increase Meatco's effectiveness and this is promoted by the LPO at all levels.

Unfortunately the Minister of Agriculture appointed a Board of Directors and the members of Meatco had no chance to nominate their members. According to the Minister this appointment was done within the requirements of the Meatco Act and the Public Enterprises Act. The newly appointed Board of Directors have sent the Chief Executive Officer of Meatco on administrative leave.

Another development is that Meatco has been transferred to the Ministry of Public Enterprises. However, an amendment in the Act must still be made before Meatco can finally fall under this Ministry. According to advertisements in the daily newspapers, the amend-

# Livestock Producers Organisation



ed legislation of Meatco's business structure will be discussed in the National Assembly.

## NamLITS traceability

Under the reviewed import requirements for livestock from Namibia to the RSA it is necessary that the individual identification of animals with ear tags with pre-printed numbers appear on the import permit. The Directorate of Veterinary Services has announced that as from September 1, 2017 all sheep which are exported to the RSA must have double ear tags, of which one must be visual and the other electronic.

## Value chain management plan

Currently beef and lamb as well as wool are quoted and traded on the Johannesburg Stock Exchange (JSE). Soon weaner contracts will also be quoted on the Stock Exchange. The advantage is that producers can buy and sell future contracts and thus entrench a price risk. The entrenchment of a price risk for producers consists of purchasing future contracts in an attempt to fix slaughtering prices (ensure a minimum price). In Namibia this concept is still quite unknown and Mr Johan Orffer has established a company, Manga, in the RSA to support local producers to familiarise themselves with the exchange on the stock market.

## Vision for the meat industry

On February 19, 2015 a joint vision of the meat industry was launched by the Ministry of Agriculture, Water and Forestry (MAWF). This vision has been drafted by the total industry (producers, agents, abattoirs and processors and the MAWF under leadership of the Meat Board) and various aspects are addressed therein, which inter alia include animal health, production, value addition, marketing, trade and industry consolidation.

On July 14, 2017 representatives of the industry gathered again and the strategy was discussed in detail. Certain actions/steps were concluded and new actions identified. Unfortunately not all role players were present at this meeting, but with the renewed support from the new Permanent Secretary of Agriculture, Mr Percy Misika, it is hoped that the Vision will gain momentum again.

## Liaison with the industry

During LPO management meetings open sessions are scheduled where role players from the meat industry are invited to individually consult with the LPO management. This brings about a dialogue, which is more confidential. Talks are mostly positive and further negotiations and possible solutions for problems culminated from these meetings.

## Management

R van der Merwe	NAU President ( <i>ex officio</i> )
PS Gouws	Chairman
E Erni	South-Western
J Adriaanse	Karasburg
JC de Klerk	Keetmanshoop
JW Visagie	Mariental
H-E von Kühne	Gobabis
L de Jager	Windhoek
B Coetzer	Okahandja
T Pretorius	Otjiwarongo
P Stoman	Grootfontein/Tsumeb/Otavi
A van Niekerk	Outjo

## Liaison with Government and other organisations

During the report period contact was made with the following organisations and persons:

- Ministry of Agriculture, Water and Forestry
- Minister
- Directorate of Veterinary Services
- Directorate of Planning and Business Development
- Ministry of Industrialisation, Trade and SME Development
- Office of the Prime Minister
- Ministry of Environment and Tourism
- Meat Board
- Namibian abattoirs
- AGRA
- Kaap-Agri
- Swavet
- Nakara
- Meatco Tannery
- Feedmaster
- First National Bank
- Agri SA
- Red Meat Producers Organisation of SA (RPO)
- SA Red Meat Industry Forum (RMIF)
- SA Feedlot Association
- SA Department of Veterinary Services
- AMTA
- Agrifusion
- European Union
- Namibian Chamber of Environment
- Media
- Friedrich Loeffler Institute
- Wildlife Ranching
- NAPHA
- CANAM
- Ombudsman
- Agricultural Trade Forum
- Uppington and Groblershoop abattoirs
- Local butcheries



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Gobabis	(062) 565 335	Ondangwa Expressmark	(065) 240 483
Gochas	(063) 250 007	Otjiwarongo	(067) 300 300
Grünau Expressmark	(063) 262 059	Rehoboth	(062) 521 550
Hardap	(063) 240 897	Stampriet	(063) 260 046
Keetmanshoop	(063) 227 450	Walvis Bay	(064) 277 400
Mariental	(063) 241 309	Windhoek	(061) 401 490

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Where people still count.



Chairperson: C Stoman

# Agricultural Employers Association

## Management

- Chairperson C Stoman (Mrs)
- Vice-chairperson HHT Förtsch
- Central S Heimstädt (Mrs)
- North C Hellinghausen (Mrs)
- South JM Wasserfall

## Financial position

Thanks to the strict discipline of the AEA management the funds were carefully stewarded, resulting in a surplus of N\$84,856.00 at the end of the 2015-2016 fiscal year.

## Labour documents

Helpful documents concerning labour matters, sold to members and non-members, remain as popular as ever, indicating that employers go to great lengths to implement the correct administrative systems. Even though the price of some documents have to be adjusted annually, the AEA management keeps the prices for members as low as possible.

## AEA represented on various bodies

The AEA was represented on numerous bodies, boards and forums:

NAU Executive Council:	HHT Förtsch
Namibia Labour Forum (NALF):	HHT Förtsch and C Stoman
Namibia Employers Federation (NEF):	D van Vuuren
NARF (Principal Officer):	D van Vuuren
Project Advisory Committee for Child Labour:	D van Vuuren
HIV/AIDS Management Committee of the Ministry of Agriculture:	D van Vuuren

## AEA liaison

### Internal liaison

Executive committee members paid visits to regional agricultural unions and farmers associations during the year. The Principal Officer also attended farmers association meetings. Regular contact was made with members via the weekly electronic Newsletter, the AgriForum magazine, radio programmes and the NAU website.

### External liaison

#### Ministry of Labour and Social Welfare

The AEA has so far been unable to get an appointment with the Minister of Labour and Social Welfare, Erkki Nghitima. The Principal Officer, Mr Van Vuuren, however was able to meet with the new Permanent Secretary of the Ministry, Mr Bro-Mathew Shingudja, and the most important issue resulting from the meeting was an NALF meeting.

## Wage Commission: Minimum wage for domestic workers

A minimum wage for domestic workers and gardeners, which came into force on April 1, 2015, was gazetted on December 24, 2014 by the Ministry of Labour. Due to the input and insistence of the AEA, domestic workers and gardeners on farms who are already covered by the minimum wage for farm workers were excluded from this agreement.

## Child labour

There were no further developments during the past year.

## NCPA (Namibia Charcoal Producers Association)

A new office with two fulltime staff members was opened on March 16, 2016 by the Namibia Charcoal Producers Association (NCPA) at Otjiwarongo. This step is part of a total restructuring plan to make the NCPA an independent organisation, which will expand and promote the interests of charcoal production in Namibia.

## AEA secretariat

The AEA's advisory service concerning best labour practices and labour disputes remains popular, with increasing numbers of telephone calls, e-mails and personal visits to the AEA office.

## Occupational health and safety manual

The user manual was released during the 2015 AEA Congress and given to the delegates for distribution amongst members of the FA's. The manuals were copied on the CD's for sale to become part of the AEA's labour documents.

## Training of farm workers

FA's were requested to send their training needs to the secretariat, who will act as a facilitator between training providers and FA's. At the Congress Agra and Feedmaster indicated that they could also offer training for farm workers and employers on FA level. To make this viable, at least 15 people have to take part in the training.

## Pre-school training for children of farm workers

Crown Ministries are offering workshops about character transformation for pre-school teachers, parents and child minders. Ms Stoman and Ms Förtsch attended one of these, but it is not yet practice-oriented for the children of farm workers. The Amos Meerkat School project is still expanding, even to the communal farming areas.

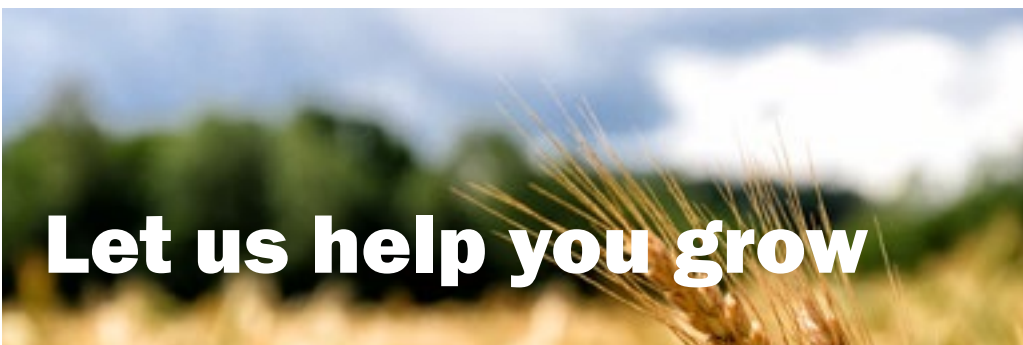
## 2016 AEA wage survey

The 2016 wage survey was shortened substantially to make it more user friendly and was sent with the March 2016 AgriForum (hard copy) and by e-mail (electronically) to members. The wage report information is very important for a healthy agricultural industry and gives important management information for our farmers as well as the AEA management who represent agriculture on various forums.

## Health in the commercial agricultural sector

### HIV/AIDS

PharmAccess is prepared to visit FA's for general health checks of workers which include HIV/AIDS and TB testing, but they will have to be paid their costs. The Principal Officer again pointed out to the HIV/Management Committee that general health scans for farm workers and their families during Agra auctions will not be viable. It has been pointed out to the Committee that problems are experienced with the monthly provision of ARV medication at some clinics.



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# Agricultural Employers Association

## **Namibia Agricultural Retirement Fund (NARF)**

The increasing administrative costs in comparison with the decreasing membership of the Pension Fund has caused the Fund to lose its viability as a Pension Fund. The audit fees increased to more than N\$60 000 per annum, whilst the number of members decreased to 734 as at May 31, 2015. The Trustees decided that alternative saving products in the market to which the members' interest could be transferred be investigated and that negotiations should be conducted with the Receiver on the tax payable when the Fund is dissolved. The dissolution of the NARF has been approved by the Trustees with effect from February 29, 2016. Alexander Forbes Actuarial Services will be the liquidators of the Fund.

## **Social Security Commission (SSC)**

The SSC held two consultative workshops with role players on July 6, 2015 during which two new envisaged programmes were introduced, namely the "Return to Work" programme as part of the ECF benefits and the "Unemployment Insurance Benefit" programme.

The following increased benefits as from January 1, 2016 were published in the Government Gazette No 5967 of March 9, 2016:

- Maternity benefits are still paid at 100% of the basic salary, but the maximum amount has been increased by 24% from N\$10 500 to N\$13 000 per month
- Sick leave benefits are still paid at 75% of the basic salary for the first period of 12 months, but the maximum amount has been increased by 24% from N\$7 875 to N\$9 750 whereafter it will be 65% of the basic salary with an increase from N\$6 825 to N\$8 450 per month
- The single amount death benefit, which is also a retirement benefit at the age of 60 years and older has been increased by 54% from N\$5 515 to N\$8 475.

The monthly contribution rates have remained unchanged.

## **Namibia Employers Federation (NEF)**

NEF members are dissatisfied with the National Equitable Economic Empowerment Framework (NEEEF), which was approved by Cabinet on December 11, 2015 without any input from the private sector. The AEA has given their input to the NEF on behalf of agricultural employers to

be consolidated in the NEF submission to the Prime Minister's office.

The general view is that this policy framework is inappropriate 26 years after Independence in a stable and multi-cultural Namibia. It wants to regulate the economy according to race and sex and it creates the impression that no transformation has taken place in the past 26 years. This policy framework, which is based on the affirmative action legislation of South Africa, will harm the economy and increase unemployment. The new emphasis on race and sex will also increase division and racial tension as can be clearly observed in our neighbouring country.

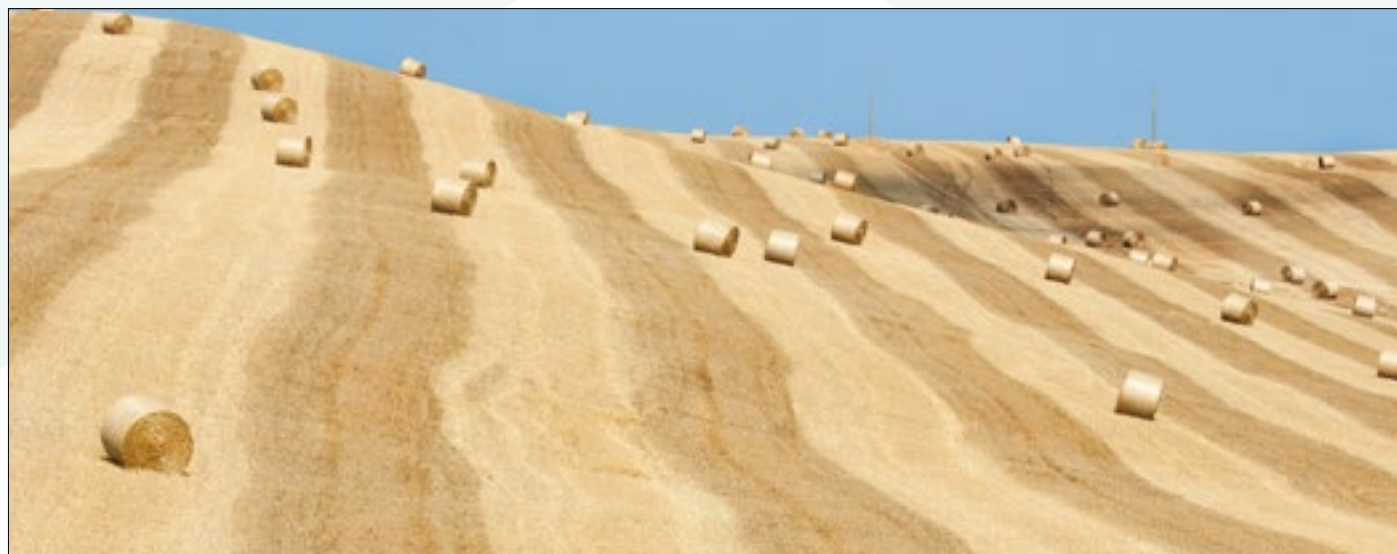
## **Namibia Labour Forum (NALF):**

A NALF meeting was held on September 17, 2015 and the most important matter discussed was the status of the parties of the NALF to represent the agricultural sector. The NNFU is not a registered employers organisation and NaFWU does not represent 50% of the farm workers in the industry.

## **AEA Congress 2015**

The annual congress of the Agricultural Employers Association was held on June 16, 2015. The theme was "Practical Farm Labour". The official opening was done by Mr Derek Wright, president of the NAU, who mentioned that agriculture is currently the biggest employer of untrained workers in Namibia. Adv Pieter de Beer shared practical tips with congress delegates on handling of labour disputes. Ms Manjo Smith from the Namibian Organic Association (NOA) made suggestions on how to plant own healthy vegetables, fruit and herbs on farms. Congress delegates were divided into groups to get input on certain subjects, which resulted in the following Congress instructions to management:

- That guidelines be developed for sound labour relations to be placed on the web page of the AEA;
- That the AEA remains instrumental in job creation activities;
- That the AEA in conjunction with the FA's assists in arranging training courses according to employers' needs;
- That the AEA in conjunction with NOA promotes the growing of fresh vegetables and fruit by means of regular dissemination of information to members;
- That the AEA endeavours to develop practical guidelines on productivity of farm workers.



# Agronomic Producers Association



Chairperson: D de Klerk

## General overview

As noted in the previous Annual Report, the variables, especially in the agronomy industry, are busy increasing. Whilst agronomy producers experienced a bad drought during the 2015-16 season, they were blessed with so much rain during the 2016-17 season, that in some places, the producers were unable to work in their fields and fell behind with their management programmes.

Besides the changing climate/rainfall there was an additional challenge, namely the fall army worm. This worm originates from South and Central America as well as the southern states of the USA. The moth most probably has been blown to Africa by strong winds. The worm was reported for the first time in January 2016 in Nigeria from where it spread over West Africa to Central Africa by April 2016. According to media reports, outbreaks occurred in December 2016 in Zambia, Zimbabwe and Malawi. At the beginning of 2017 the worm was found in Namibia and South Africa. It is known that this worm is resistant to most pesticides and strong chemical substances are therefore needed to control it. The APA together with the Agronomic Board tried to get financial support from Government to drive a coordinated action programme to combat the worm. Unfortunately this attempt was unsuccessful, due to a lack of funds. The threat of the fall army worm is lasting and needs to be tackled seriously to solve the problem.

The real impact of the fall army worm on maize is yet to be determined. On the surface it appears as if, especially after using pesticides, the plague is under control. The real damage will most probably only be seen after the maize had been harvested. Possible infection by Fusarium and crop rot will then be detected, which might have an impact on the grading of maize. The APA management is in negotiation with Namib Mills to investigate the possibility of having maize sifted when delivered, so that producers' maize will not be down-graded.

The drought aid for the 2015-16 season, which was announced by Government was only for human purposes. Thus there was no relief for agronomic producers. Due to the high risk of dry-land agronomists under the climate/

rainfall fluctuations, there is no more harvest insurance for agronomists. Additionally, the possibility of drought aid or support from Government is even poorer. The Agronomic Board, to supplement the Harambee Prosperity Plan, drafted the Harambee Rain-Fed Surplus Grain Production Programme as a proposal for Government. This programme aims to encourage more commercial dry-land maize and mahangu production, regardless of whether it is in the communal or commercial areas. It is based on the principle of decreasing risk in droughts – without continuous subsidisation. This is climate smart in the sense that contracted participating producers receive purchase coupons for seed and fertiliser before they plant. It will only happen however, if positive rain forecasts are made and is announced by Government. Following a normal harvest, producers will have to pay the value of the purchase coupon back. If the rainy season, in spite of weather forecasts, turns out to be a drought, the Statutory National Disaster Fund will write off the value of the purchase coupon and reimburse the relevant organisation directly. In this way the planting risk is decreased for both the producer and Government and it might lead to harvest insurance companies serving Namibia again.

Biosafety regulations, which support the implementation of the Biosafety Act were published in the Government Gazette No 6116 under Government announcement No 210 of September 1, 2016. This regulation came into force on November 1, 2016 as per Government Gazette No 232. The Minister of Agriculture in consultation with the Biosafety Council will announce a list of GMO products, which will start the process of the Act.

The APA is still concerned about the role and function of AMTA, especially with their possible involvement in the total value chain. Reliable figures/statistics with regarding the planting and harvesting of controlled products are not easily available. This aspect will have to be monitored continuously.

The APA Annual Report for 2016-17 can be concluded on a positive note. It is noted with gratitude that the biggest part of the agronomic production area had above average rainfall and a good harvest is expected. The assurance of a stable price as determined by the Agronomic Board will make sure that producers have a good income, which will bring relief to the financial situation this year. Government must take note that commercial



# Agronomic Producers Association

agronomists make a big contribution towards food security in Namibia and that, in addition, they also make the country less dependent on expensive imports. Thus, it remains Government's main responsibility to create an environment for producers where they can produce food. Furthermore, agronomists in Namibia should be praised for driving agronomy with courage, stamina and passion under difficult circumstances.

## Management

- Chairperson (Hardap) D de Klerk
- Vice-chairperson (East) JJ Blaauw
- Otavi/Rietfontein/Kombat G Eggert
- Tsumeb/Abenab G Sievers
- Grootfontein W Lubbe
- Groundnuts JAJ Blaauw

## Representative on Agronomic Board

- Chairperson: Sirkka Iileka
- Commercial sector: Mr André Compion
- Mr Gernot Eggert (Adviser)

## Master agronomists

Mr Georg Sievers of Farm Ilmenau in the Grootfontein district was appointed as the Master Agronomist: Dry-land for 2016. The award was presented to him during the Master Agronomist Day on April 8, 2016.

## Crops

Provisional statistics of the Agronomic Board show the following figures for 2016:

White maize	Dry-land		Irrigation	
	Planted (hectare)	Expected harvest (ton)	Planted (hectare)	Expected harvest (ton)
Zambezi	No accurate information	4 500	No accurate information	4 500
Central & East	1 638	3 750	133	1 474
Hardap & vicinity	0	0	647	5 923
Kavango	310	310	2 673	20 268
Maize Triangle & vicinity	5 620	17 964	1 134	11 862
Omusati & vicinity	0	-	117	819
<b>Total</b>	<b>7 568</b>	<b>27 334</b>	<b>4 704</b>	<b>44 846</b>

Wheat	Planted (hectare)	Expected harvest (ton)
Hardap	700	4 200
Maize Triangle	89	447
Kavango Projects	983	4 447
Omusati Project	60	240
<b>Total</b>	<b>1 832</b>	<b>9 334</b>

## Master Agronomist of the Year Award



Celebrations of the Master Agronomist of the Year. From left are Ms Antoinette Venter from the Namibia Agronomy Board, the Sievers couple, Susi holding their four-year old son Sebastian and Mr Hendrik "Rustie" Kleynhans, last year's winner, handing over the trophy. Mr Georg Sievers needed help in holding all the awards and gifts for the photo.



For the sake of successful maize harvests Mr Georg Sievers plants his maize before the arrival of the rains, which saturates his clay soil and hinders germination.



On farm Ilmenau Mr Georg Sievers cultivates cowpeas and sorghum for silage fed to livestock and in rotation to maize.



Young *swartwortel* plants on the farm of Mr Georg Sievers. This crop is exported to the European market for the manufacture of health products and natural food colouring.

# Dairy Producers Association



Chairperson: JJ Engelbrecht

During the past year the dairy industry literally experienced a proverbial seesaw ride with many highs and lows.

Traditionally, the lows are the first to be addressed and there will be no deviation from this custom. Most probably, the biggest source of concern over the past months is the situation of the local economy. It is not only the dairy industry which is affected by this, but all sectors of the economy.

This condition is clearly visible in the decrease in spending in the market and even in the dairy industry, which is producing basic food produce, is directly affected. Sales of local dairy products decreased sharply, calculated on a year-to-year basis. The South African exports to our country are of course, as in the past, still a contributing factor to the smaller local throughput. The still weakening economic situation in our northern neighbouring country Angola, meant that exports to this country are no longer taking place.

A big part of the current dilemma of the dairy industry must be blamed on Government. During 2014 the court put the supporting measures of the then Ministry of Trade and Industry aside, inter alia, because there was an existing Dairy Act, which should have been used for this purpose. The irony is that this Dairy Act dates back to the era before Independence and cannot be applied in its current form.

Following the court verdict, the dairy producers approached the responsible line Ministry to adapt this "old" Dairy Act so that it could be applied legally in an independent Namibia. The lack of progress with this process has compelled the dairy industry to, with the approval of the relevant Minister, re-write the "old" Act at their own cost in a Namibian context. It was expected that the new Act could come into force in 2016, but mutual misunderstandings between the Ministries of Agriculture and Justice has caused the target date for parliamentary approval to be missed.

The process has been taken up with the line Ministry on various occasions this year again to make them attend to the urgency, and that the 2017 target date for parliamentary approval and acceptance should be achieved at all costs. The Association hopes that the process will be concluded by the target date at the end of September 2017.

The absence of a Dairy Act and the accompanying supporting measures meant that the Government objectives of increased local production and job creation cannot be realised. The current situation has caused, inter alia, that the planned growth of five percent (5%) per annum ended in a negative trend of less three point three percent (-3.3%) for the past year.

There are fortunately also some highlights or

## Dairy Provider of the Year

The awards to producers were made on July 18, 2016 at the Africa Safari Lodge, Mariental and the winners were as follows:

## Intensive Dairy Provider of the Year

- Winner: Mr J Voges
- Second place: Mr C Strydom
- Third place: Mr W Aggenbach

## Extensive Dairy Provider of the Year

- Winner: Mr J Luck
- Second place: Mr H van Niekerk
- Third place: Mr J J Engelbrecht

## Most accurate forecast

- Mr J Voges

## Lowest bacteria count

- Mr D van Wyk

## The Japie Engelbrecht floating trophy for the best quality milk delivered

- Mr C Strydom

The sponsors who made the event and the prizes possible were Feedmaster, Namibia Dairies, IAIMab Superfarm, Poloyoak Packaging Namibia, Komnik & Franck CC and DeLaval.

## Achievers



As a regular winner of the extensive category for milk producers Johan Lück from Gobabis again received the winning prize of N\$20 000 from Günther Ling (left), managing director of Namibia Dairies and a trophy from the Dairy Producers Association from Harald Marggraff (right), manager of commodities at the NAU.



Dairy producer Johan Voges (middle) from the Hardap Irrigation Scheme won the first prize in the intensive category and received N\$20 000 from Günther Ling (left) from Namibia Dairies and a trophy from the Dairy Producers Association from Harald Marggraff of the NAU. Johan also won the prize for the most accurate estimation of monthly deliveries to Namibia Dairies.

## Dairy Producers Association

perhaps rather hope. The maize prices have decreased and with this also the prices of concentrates, which lessen the pressure of feeding costs. Another contributing factor is that silage could again be planted after better rain in the northern and eastern production areas so that consequently the price of roughage could be decreased. The extensive producers have also currently been advantaged by the weaner prices, which have improved.

Consequently, the broad profit margin of the producers did not weaken. Thus, it was only possible to request a two percent (2%) increase this year from Namibia Dairies after producers had not received any increase in the producer price of milk for 18 months.

Another glimmer of hope, is that Namibia Dairies kept all producer quotas as per agreement, even though the production is currently less. A positive result of this, is that extra quotas could be allocated to two new milk producers; these quotas were allocated with the belief that the Dairy Act will be concluded and implemented.

Our vision is and stays to supply as much milk as possible to the country to contribute towards job creation and food security.

### Management

- Chairperson (East) Mr J J Engelbrecht
- Mariental Mr K Adriaanse
- East Mr D J J van Wyk
- East Mr C W Strydom

### Financial position

The financial position of the DPA is healthy and ends its financial year with a surplus of N\$25 915.

### Milk price

An increase of 2% (10 cent) has been bargained for producers and came into effect on June 1, 2017.

### Member meeting 2016

The 2016 member meeting was held at the Tahiti Guesthouse in Mariental on July 19, 2016 under the theme "The value of silage or alternative crops in a feeding dietary". Mr Wallie Roux made a presentation about the effect of Brexit on agriculture in Namibia with special reference to the dairy industry. The keynote speaker was Mr Willie Rousouw, a consultant for Feedfirst, who talked about the value of silage and alternative crops in a feeding dietary. The sponsor for the member meeting was Feedmaster.

### Quota determination

The current quota agreement with Namibia Dairies expires at the end of June 2017 and a new agreement will be entered into in July 2017. All parties have indicated that the quota can stay as it is on 1 million litres per month. Currently there is still room for producers to build quotas.

### Municipal services

Namibia Dairies attempts to have the annual audit at the Municipality accredited to serve as inspection for the annual stable registration. To support producers, Namibia Dairies has offered to handle the annual submission of documents as well as payment with regard to the stable registration of producers jointly, on behalf of the producers. A hearty thank you to Namibia Dairies for this!

Usually there is regular communication between the DPA and representatives from the Municipality and the representatives sometimes also attend the DPA management meetings.

## Donation for charity



The management of the Dairy Producers Association and Günther Ling (middle), managing director of Namibia Dairies, who announced a donation of long-life milk for charity purposes. From left are Christo Strydom, Japie Engelbrecht, Günther, Kokkie Adriaanse and Dirk van Wyk.

## Christo winner of new trophy



Christo Strydom (middle) from Gobabis who is the first winner of the Japie Engelbrecht floating trophy and who received the runner up prize in the intensive category of the annual dairy producers competition from Hellmut Kriess from Komnik & Franck/De Laval, the sponsor. The trophy donated by Japie Engelbrecht (left), chairperson of the Dairy Producers Association, is aimed at promoting milk quality. Japie, who also announced his retirement from organised agriculture at the prize-giving ceremony, said that in comparison with other Third World countries the quality of Namibia's milk is superior and is among the best in the world. The criteria he set for judging are the following: The winner should be a member of the Dairy Producers Association and had to attend the previous year's annual general meeting while product requirements are a butter fat content of 20% (the average is 3,5%), a bacterial count of 40%, a somatic cell count of 40% and the absence of E. coli, antibiotics and water.

### Water crisis

During the crisis period Namibia Dairies implemented various actions for optimal water savings and use at the factory. Good rains however fell in the meantime and the water crisis has been averted in the short-term.

### Liaison

During the past year contact was made with the following organisations:

- Agriculture Trade Forum
- Feedmaster
- Ministry of Agriculture, Water & Forestry
- Ministry of Finance
- Ministry of Trade and Industry
- Cabinet Committee for Legislation
- Ministry of Justice, Legal writers
- Municipality of Windhoek
- Namibia Dairies
- Namibia Breweries
- MPO of SA

# Poultry Producers Association



Chairperson: J Roux

The poultry industry has since the beginning of 2016 suffered from difficult marketing conditions and the risk of possible sicknesses. The challenges escalated, but producers are doing their best to avoid them. It was possible to bargain lower feed costs with Feedmaster to compete with South African feed suppliers. The exchange rate increased in the last year and the prices of imported products were high. Fortunately the Rand strengthened again and this led to better import prices.

The drought was another stumbling block with the scarcity of raw materials, which hampered prices. Water restrictions caused tension in the industry, but fortunately the above average rainfall in the catchment area brought relief for producers. It is anticipated that raw materials will get cheaper due to the surplus in supply. The climate change and rain patterns seem to differ substantially from previous decades and everybody is waiting for more rain.

The Newcastle sickness outbreak in the North of Namibia caused additional pressure. Appreciation has been expressed towards everybody who gave input, especially the Directorate of Veterinary Services (DVS) of the Ministry of Agriculture, who could limit the disease north of the veterinary cordon fence. It seems as if this disease has unfortunately not yet been cured and that it might take some time before the movement limits are lifted. All poultry producers are requested to vaccinate their poultry.

Biosafety has been applied in the poultry industry. With the expert assistance of Namib Poultry Industries (NPI) the DPA put procedures and requirements into place to prevent the spread of disease and to take the general handling of animal welfare into consideration. These guidelines are available to poultry producers through the office of the Namibia Agricultural Union (NAU). Furthermore, there are also registers to monitor the movement of poultry.

The poultry industry in Namibia must grow and thus the DPA reaches out to small-scale and new producers. There are various organisations concerned with training of and support for producers. Furthermore, investors are invited to look at the diversification of the poultry industry. The DPA has been attending to this matter for some time already, but will make renewed attempts in the next year. It will certainly contribute towards job creation and the fight against poverty.

The import of poultry products from overseas are still a concern and it would be better if these products are produced and distributed locally.

In conclusion, organised agriculture is experiencing troubled times. With perseverance producers will reap the fruit of their labours at the right time. Bear up, keep track. The light will shine again.



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