

BOTSWANA MEAT COMMISSION (BMC) - BACKGROUND

◆ 3 EXPORT ABATTOIRS

- LOBATSE (150,000 HEAD PER ANNUM)
- FRANCISTOWN (87,400 HEAD)
- MAUN (27,600 HEAD) – reopened in 2010 at cost of \$9 million.

◆ LOBATSE CANNERY

- 9 TONS DAILY

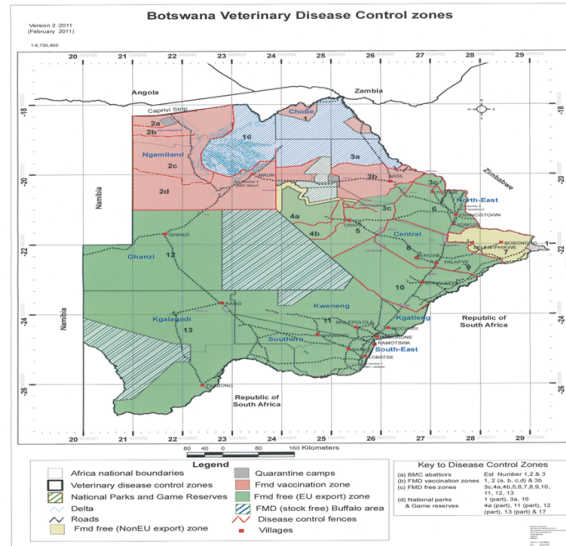
MAUN ABATTOIR

- ◆ Situated in Ngamiland District, with population of 350 – 400,000 cattle
- ◆ Slaughter & deboning capacity 120 head daily @CDM 240 kg
- ◆ Cattle throughput is not a problem, **market is!**
- ◆ All beef undergoes process of **post-mortem inspection, MATURATION and pH test**
- ◆ Foot-and-Mouth vaccination in district – abattoir sources only from FMD outbreak-free areas – subjected to ante-mortem inspection
- ◆ Local market consumes 90% of beef output: Lobatse cannery up to 40-60%; Green zones of Botswana 30-50%.

BUSINESS OBJECTIVES

1. Make profit - **Fail**
2. Generate wealth for beef farmers - **Fail**
3. Natural resources (biodiversity) protection (multi-sectoral) - **Pass**
4. Strategic FMD containment (protection of FMD free-without vaccination areas) - **Pass**







MAUN – EXPORT OPPORTUNITIES

- ◆ The only currently accessible port: Beira, Mozambique
- ◆ Up to 2013 - Live cattle exports to Zimbabwe: 5-7,000 head annually
- ◆ Less than 3% beef output exported to Mozambique
- ◆ High return export opportunities exist for RSA (\$4/kg, Angola, Namibia, and Europe (\$10-16kg/kg) - **BUT** Commodity Based Trade not recognized
- ◆ Importers seeking to purchase “FMD beef” at low prices, which will similarly reduce prices along the value chain.

PRODUCER PRICES (across similar grade) (Grade1)

- ◆ Green Zones:
 - EU export eligible carcasses: \$2.64 per kg cdm
 - Non-EU eligible \$2.17 per kg cdm
- ◆ Maun (red zone)
 - Originally worked to: \$0.76 per kg cdm
 - Cross subsidized to: \$1.32 per kg
 - Increased in 2016 to: \$1.84 without increased market returns
 - Therefore, district producer opportunity loss of \$1.89 million per annum

BMC/NGAMI DISTRICT CONCERNS

- ◆ Poor export market opportunities for beef – region not ready to embrace CBT
- ◆ Abattoir operating at financial loss (\$3million loss per annum)
- ◆ Loss of additional income from lack of access to export markets e.g \$3.6 million per annum if beef after maturation could access regional markets
- ◆ High cost of production for producers and BMC (remote location) relative to existing markets
- ◆ Overall: Ngamiland beef industry highly disadvantaged in spite of stringent regulatory and process controls.

FINAL VIEWPOINTS

1. **An excruciating financial burden to operate an export abattoir in FMD vaccinated areas;**
2. **KAZA and SADC countries need to take action and break the existing glass wall (facilitated meeting between Directors and Ministries leadership)**