



# Africa and beyond through the *agri benchmark* lens

TEAGASC was represented at the recent *agri benchmark* conference in Namibia, where livestock production issues in Africa were placed in a global context.

Africa's population is predicted to grow from its current 1.2 billion to over 2.5 billion people by 2050. This population explosion will put African livestock producers under pressure to increase production and productivity to meet growing demand.

## Central role of livestock in African society

Research from the United Nations' Food and Agriculture Organisation (FAO) indicates that 62% of rural African households keep livestock. In certain societies keeping livestock encourages women's empowerment and, by 2015, it could ensure the creation of 800 million jobs. However, increased competition among farmers for productive resources may lead to a potential mass exodus from the industry.

Speaking at the 2019 annual *agri benchmark* beef and sheep conference, which was held in Namibia, Ugo Pica-Ciamarra, a livestock economist in the animal production and health division of the FAO, said that "exponential transformation is expected over the next three decades, which will undoubtedly pose huge challenges to societies. In order to be sustainable and profitable, the continent and its livestock industry must adapt and keep up with modern technology and farming practices. This is why more and more individuals will move from rural to urban areas in search of job opportunities. In turn, this will bring about the decline of rural economies".

## *agri benchmark*

During the conference, field trips to farms highlighted issues affecting farming in already difficult climatic conditions, accelerated

by the most severe drought of the past hundred years. A special focus of this international event was on agricultural development, with workshop topics including the costs of predators and other impacts on livestock production, particularly in the southern African context.

A forthcoming report from the conference provides an overview of the most important developments in the global beef and sheep sectors in 2018/2019. The economic analysis undertaken at farm level comprises price developments and benchmarking results from the *agri benchmark* international database.

## The global picture – beef consumption and production

In the last decade, global beef production and consumption have increased. Per capita (p.c.) beef consumption and its development in the countries participating in the *agri benchmark* Beef and Sheep Network are shown in **Figure 1**. Consumption patterns show significant differences, with the chart on the left illustrating the countries with a decrease in consumption in 2017 compared to 2002. Particularly strong decreases are observed in OECD countries, but also in Namibia, Ukraine, and to some extent in Argentina. In Australia and the US, the decrease in domestic consumption means that more production has now to be exported. In the EU, decreasing consumption is mirrored by decreasing production. The chart on the right hand side shows the countries with an increase in p.c. consumption. Uruguay, together with Argentina, has the highest p.c. consumption. Some emerging economies like Brazil and South

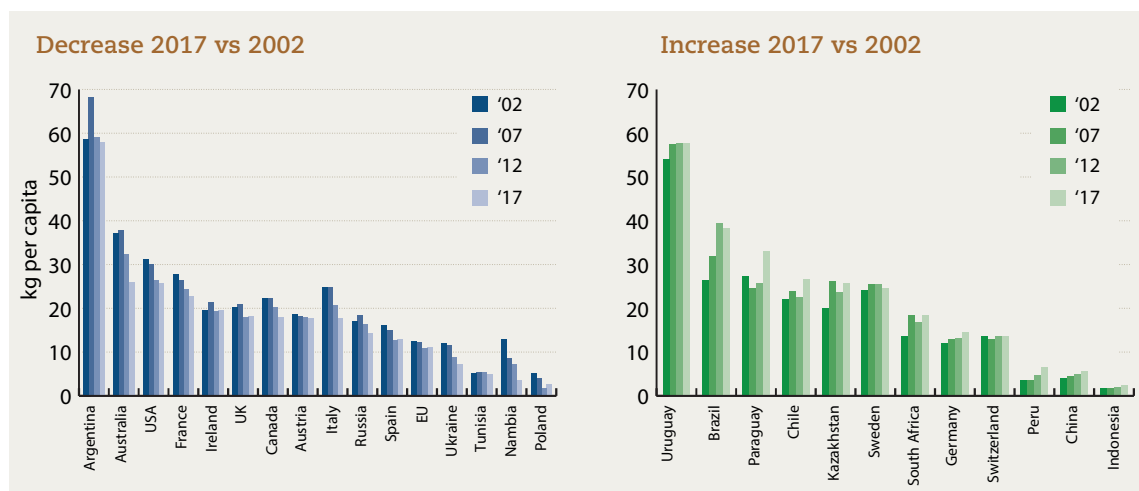


FIGURE 1: Per capita consumption of beef in selected countries 2002-2017 (kg per capita and year). Source: agri benchmark, national statistics.

Africa also show p.c. increases. The strong increase in p.c. consumption in Brazil, China and Indonesia, coupled with the larger populations in these countries, means a significant increase in total consumption.

The top 10 cattle meat trade flows in 2017 are shown in **Figure 2**. Most of the top 10 trade flows have not changed in the last three years, but there is one new entry: buffalo meat (carabeef) from India to Vietnam. Exports from Australia and New Zealand to the US are mainly ground cattle meat from grass-fed animals, which is mixed with grain-fed cattle meat in the US to make hamburgers. Both the US and Australia compete in the high-value Japanese market. Ireland exports significant quantities of cattle meat to the UK, which is the single most important destination for Irish cattle meat. China has already been a target for Brazilian cattle meat for some years. Uruguay now also exports significant quantities to China, making it into the top 10 trade flows.

### Namibia in good standing as beef and sheep producer

When it comes to beef production tonnage, Namibia is ranked 111th in the world and 73rd for sheep. In terms of meat exports it is 32nd for beef and 20th for sheep; for live animal exports 28th for beef and seventh for sheep.

Namibia’s traceable and naturally produced meat products, especially beef, are globally regarded to be of exemplary quality. At *agri benchmark*, Claus Deblitz of the Thünen Institute of Farm Economics and co-ordinator of *agri benchmark* Beef and Sheep, stressed that this counts hugely in the country’s favour: “Namibia is not a big country, but it hasn’t allowed its size to determine its road to success as a livestock producer in a global context. Traceability and an exceptional export sector are just two of the reasons why Namibia has access to some of the most lucrative global markets, such as the EU”. However, one area of concern is in addressing low-to-medium productivity statistics in cow-calf farming systems: “This needs to be addressed as soon as possible considering the fact that Namibia is ranked 28th in live cattle exports. Namibia is classified as a world leader in keeping beef production costs to a minimum, with production costs highest in North America and Europe”.

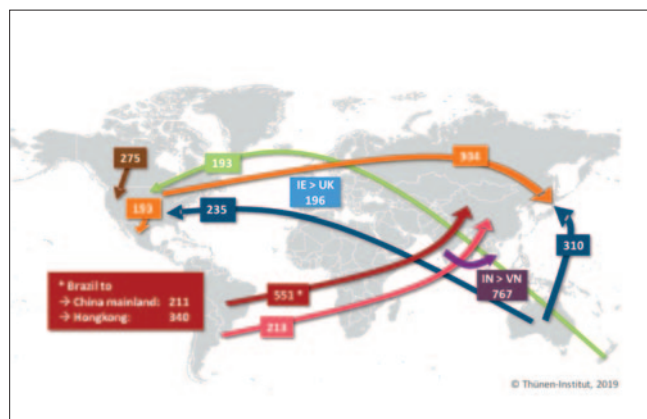


FIGURE 2: Top 10 cattle meat export flows 2017 ('000 tons) – Uruguay is a new player. Source: UNComtrade 09.2019.

### References

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