



AUGUST 2018



Welcome to the
**RED MEAT
ABATTOIR**
Association

Tel: (012) 349-1237/8/9
Fax: (012) 349-1240

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2018 RMAA Conference and Congress

took place on the 13 - 15 June 2018, at Spier Wine Farms. Find feedback on the RMAA Congress on page 2 - 3, photos on page 4, CPD point information, along with the new RMAA Board members on page 5.

The RMAA will be hosting a workshop on the 24th August 2018, in Calvinia. Find out more on the topics and details on page 6 - 9. Please remember to send your registration forms to info@rmaa.co.za

The RMAA strives to create and maintain an information system containing relevant and historical data essential for planning and development purposes. The primary objective is to timeously release accurate and valid information to the benefit of the South African abattoirs industry. Find out more information on the **RMAA Price Information System** on page 10, with comparison graphs for Cattle, Sheep and Pigs on pages 11-12

We are currently busy with the 2019 **RMAA Diaries** for the abattoirs. Should you wish to advertise in the RMAA Diaries please contact Michelle at marketing@rmaa.co.za

We would like to expand the **RMAA Website** to include a page for all the Association's members. Should you wish to make use of this opportunity please contact Michelle at 0123491237 or marketing@rmaa.co.za

Find out on all the **Industry Matters**, from Listeriosis, all the new and amended regulations, National Regulator for Compulsory Specification Act (Act 5 of 2008) as Amended through the Legal

Metrology Act (Act 9 of 2014), Draft changes to the Animal Protection Act, Independent Meat Inspection, Industry liaison with DAFF and export on hides on pages 14 - 17

The current situation in the leather industry is very different to the previous crises it has gone through, but there is the possibility of "fundamental change" in 2019, according to the latest edition of our exclusive Leather Pipeline market intelligence report. Find out more regarding the **Leather pipeline: Brighter prospects for the industry in 2019** on page 18

The BFAP baseline agricultural outlook - 2018-2027 was launched in Pretoria on 15 August 2018. Find highlights on the **BFAP Launch** on pages 19 -21

Since January 2018 the RMAA hired a few new faces, and sadly said good bye to some. Find out more on the RMAA staff members on page 22

Get the latest **AST Feedback** from Meat Examiner 6 month course, to Animal Welfare at the Abattoir, Formal Training and Learnerships on page 23-26

Our latest Associated Member is **NDC Structural Engineering Consultants**. They are able to assist you with Structural, Civil Engineering, Construction and Service Delivery fields. Find out more about NDC Structural Engineering Consultants on page 12

AMT Trends provides you with an in-depth analysis on the industry. Find extract of their latest report on page 29-37

2018 RMAA Congress Feedback

Opening address

The Deputy Minister, Hon Sifiso Buthelezi (MP) of the Department of Agriculture, Forestry and Fisheries presented the opening address of the RMAA Congress. He appreciated the opportunity to interact with industry and outlined some of the challenges that government are facing in solving and confronting those aspects that inhibit the growth of the red meat industry in particular.

In his introduction he referred to the founding father of our democracy, the late Nelson Mandela when he captured the importance of this sector beautifully when he said: *“The success of Reconstruction and Development Programme requires a partnership among all social structures, Few other sectors can be as crucial as the agricultural industry”*. He continued to say, *“for it is on your shoulders that the food security of the nation rests”*.

He confirmed that Agriculture is the Government’s responsibility at both National and Provincial levels. Deputy Minister Buthelezi exclaimed that, South Africa should have very strict national norms and standards which should be complied by all stakeholders and underlined that South Africa’s ability to monitor should also be beyond reproach.

In November 2017, the Minister of Agriculture, Forestry and Fisheries, Mr Senzeni Zokwana, approved the Meat Inspection Scheme. This scheme serves as an implementation tool to assign meat inspection service providers to perform meat inspection on behalf of government at abattoirs in the country. The implementation of the scheme has had its challenges and Deputy Minister Buthelezi acknowledged that there has been reports indicating some problems in the implementation of services, who must perform their duties independently, and without fear or favour. Deputy Minister Buthelezi appealed to the industry to respect the meat inspection personnel operating in the abattoirs and to let them make professional decisions that they are trained to make, in the interest of food safety.

The Department is currently finalising the game meat regulations which will regulate game meat production to the same extent as red meat. Game meat beneficiation is one of the outcomes of the Operation Phakisa lab, which is aimed at fast tracking processes to reach the desired outcomes. The Red Meat Abattoirs Association has been an integral party to the Operation Phakisa process and for this we are grateful for your participation.

DAFF is continuously engaging with foreign trade partners and potential new trade partners in opening export markets for animals and animal products. Our veterinary service officials are working tirelessly to complete questionnaires from trade partners and provide the necessary assurances that are required before export markets can be opened. The recent opening of the China market for South African beef is an example of such hard work by government officials and industry stakeholders.

In his closing remarks the Deputy Minister Buthelezi invited the industry to work with the department to deal with all the obstacles which may threaten and impede the growth of the red meat industry, to see each other as partners who are facing enormous competition from the world and to ensure that we take advantage of the opening markets in the world for the benefit of our people and our country.

Microbiological monitoring at abattoirs Dr Kudakwashe Magwedere DAFF (State Vet)

A draft guideline for microbiological sampling at abattoirs was published, comments provided and workshops held in January 2018.

Dr Kuda Magwedere was not able to attend the RMAA Congress due to illness. Our biggest concern is different guidelines within the country and also the scientific principles in terms of testing and recall.

The following written feedback was received: *“The draft microbiological guideline program will be released for comments within 2 months. A draft Food and Veterinary Laboratory registration program is under consultation with the respective laboratory.”*

Background; Commission Regulation (EC) No 2073/2005 on microbiological criteria for foods, applicable from 1 January 2006, lays down food safety criteria for relevant foodborne bacteria, their toxins and metabolites, such as Salmonella, Listeria monocytogenes, Enterobacter sakazakii, staphylococcal enterotoxins and histamine in specific foods. These criteria define the acceptability of a product or a batch of food applicable to products placed on the market. In addition, this Regulation lays down certain process hygiene criteria to indicate the correct functioning of the production process. The microbiological criteria has been developed in accordance with internationally recognised principles, such as those of Codex Alimentarius. Scientific advice on matters relating to microbiological risk in

food is provided by the European Food Safety Authority (EFSA). (Reference- EC Food safety Microbiological criteria)

Update on food safety legislation by the Department of Health

- The Regulations relating to Hygiene on Food Premises and the Transport of food, published in 2015 for comment were received from the State Law Advisors and will be gazetted shortly .
- The process to make HACCP mandatory in high risk meat processing facilities through an amendment to the Regulations pertaining to the application of the hazard analysis and critical control system (HACCP), (R908 of 2003) will also be gazetted shortly.
- Water saving guidelines for red meat abattoirs in South Africa (February 2018)

Best Practice in Water Use and Waste Water Management

Document was distributed in March 2018 to members which included:

Strategies should therefore be instituted to facilitate cleaner operational procedures, minimise and/or prevent waste generation, properly dispose of waste, recycle waste or institute waste beneficiation systems, which should include:

- Effective management of water utilisation and the accompanying generation of wastewater.
- Implementation of system improvements:
- Livestock transportation and lairage arrangements
- Process operations
- Cleaning regime
- Wastewater pre-treatment
- Water Conservation

In terms of wastewater treatment and water recovery options for red meat abattoirs: Selected technologies can be used to address key components of the wastewater, or a combination of technologies to achieve superior water quality targets. Technologies generally used with the red meat abattoir effluent sector includes the following in consecutive order:

- Mechanical screen – removal of large solids.
- Dissolved Air Flotation (DAF) – removal of suspended solids (insoluble COD)
- Anaerobic Digestion – removal of soluble COD.
- Activated sludge – removal of nutrient and soluble COD.
- Ultra-Filtration – polishing of water for potable use.

Background to FSSC22000 Food Safety Management Program: Additional requirements – Food Defense

Feedback was provided by Thea Laufs – LTL Group of Companies

Food Defense is an important element in protecting your business and consumers from internal and external threats. It encompasses a range of potential threats from relatively common tamper hoaxes to less probable terrorist attacks. Searching the web for “product tampering” or “product tampering employee” gives numerous examples to illustrate that the threat is real. Often supply chain or manufacturing threats can be mitigated to reduce a wide range of threats. For example, putting a locking lid on a vat can reduce a wide range of potential intentional attacks. Food Defense Programs shall be developed to reduce the risks from both internal and external threats in order to protect your customers.

The FSSC 22000 scheme v4.1 has been extended with clauses related to Food Defense. Although in ISO 22002-1 chapter 18 this topic was addressed, it is now aligned with new GFSI requirements and taken to the management system level, making it a part of the management responsibility process.

The new FSSC requirements have become mandatory from January 1, 2018.

Find out more on the speakers <http://www.rmaa.co.za/rmaa-conference-2018-speakers/>

Look at some of the photos on <http://www.rmaa.co.za/rmaa-conference-2018-photos/>

For the presentations please feel free to contact Michelle at info@rmaa.co.za

2018 RMAA Conference & Congress - Photos



2018 RMAA Conference & Congress - CPD Points

The RMAA applied for CPD Points by the **South African Veterinary Council (SAVC)** and the **Health Professionals Council of South Africa (HPCSA)**. The **HPCSA** unfortunately declined the application as we had to apply before the Conference and Congress took place, we obtained the procedure to apply for CPD points and hope that we will be able to obtain HPCSA CPD Points for the 2019 RMAA Conference and Congress. The **SAVC** approved CPD Points for the RMAA Conference and Congress, kindly send an enquiry info@rmaa.co.za with your SAVC membership number and full name to obtain certification.

The South African Veterinary Council hereby confirms accreditation of your CPD activity entitled

2018 RMAA CONFERENCE

with registration number **AC/1944/18**

FULL ATTENDANCE OF THE EVENT BY VETERINARIANS AND ANIMAL HEALTH TECHNICIANS WILL EARN THEM 8 STRUCTURED CPD POINTS



DIRECTOR: EDUCATION

3 August 2018

Date

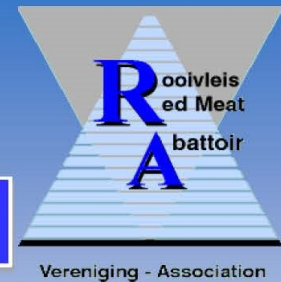
2018 -2019 RMAA Board Members

The following Board Members were elected to stand on the RMAA Board for 2018 - 2019 .

RMAA Chairperson	Dr Kabols le Riche
RMAA Vice Chairperson	Mr Laurie Terblanche
Representing Gauteng	Me Sarah Wethmar
Representing Mpumalanga	Mr Anton Appleton
Representing North West	To be Confirmed
Representing Limpopo	Mr Callie Calitz
Representing Free State	Mr Niel Venter
Representing Mpumalanga	Mr Bryce Pretorius
Representing KwaZulu Natal	Mr Patrick Friend
Representing Western Cape	Mr Laurie Terblanche
Representing Northern Cape	Mr Gert Blignaut
Representing Eastern Cape	To be Confirmed
Free State Sekundi	Mr David Niemann
KwaZulu Natal Sekundi	Mr Marc Gevers
Western Cape Sekundi	Mr Hennie de Bod
Northern Cape Sekundi	Mr Kobus van der Merwe

We thank you for bringing your passion, intellect, insight and experience to the table.

Noord-Kaap RVAV Werkswinkel



op

24 AUGUSTUS 2018

by

KLK KANTORE—CALVINIA

09:30 vir 10:00

tot ongeveer 13:00

Voorlopige Program:

- ◊ *Terugvoer oor die RVAV Konferensie en Kongres*
- ◊ *Onafhanklike Vleisinspeksie*
- ◊ *Listeriose agtergrond: 'n mikrobiologiese program vir abattoirs*
- ◊ *Residu Monitering by Abattoirs*
- ◊ *Opdatering van ISO22000 - Voedselverdediging*
- ◊ *Provinsiale terugvoer - Abattoirs*
- ◊ *Verminderde mikrobiologiese kontaminasie by die bron - dier-en abattoirprosesse*
- ◊ *Dierewelsyn - Gee aandag aan verbruikersvereistes*



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REGISTRASIEVORM

Noord-Kaap RVAV Werkswinkel

24^{ste} Augustus 2018; 09:30 vir 10:00

Abattoir Naam: _____

RC Nommer: _____

Deelnemer 1: _____

Deelnemer 1 Kontaknommer: _____

Deelnemer 1 E-Pos: _____

Deelnemer 2: _____

Deelnemer 2 Kontaknommer: _____

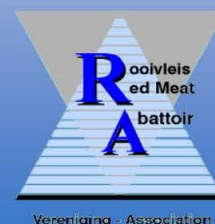
Deelnemer 2 E-Pos: _____

Deelnemer 3: _____

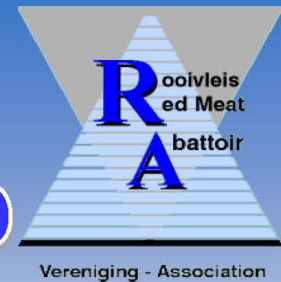
Deelnemer 3 Kontaknommer: _____

Deelnemer 3 E-Pos: _____

Geen registrasiefooi
Stuur registrasie na info@rmaa.co.za



Northern Cape RMAA Workshop



on

24 AUGUST 2018

at

KLK OFFICES—CALVINIA

09:30 for 10:00

till approximately 13:00

Provisional Program:

- ◊ *Feedback from the RMAA Conference and Congress*
- ◊ *Independent Meat Inspection*
- ◊ *Listeriosis background: microbiological program for abattoirs*
- ◊ *Residue Monitoring at Abattoirs*
- ◊ *Updating of ISO22000 - Food Defense*
- ◊ *Provincial Feedback - Abattoirs*
- ◊ *Avoid microbiological contamination at source - animal and abattoir processes*
- ◊ *Animal welfare - Pay attention to consumer requirements*



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REGISTRATION FORM

Northern Cape RMAA Workshop

24th August 2018; 09:30 for 10:00

Abattoir Name: _____

RC Number: _____

Attendee 1: _____

Attendee 1 Contact Number: _____

Attendee 1 Email: _____

Attendee 2: _____

Attendee 2 Contact Number: _____

Attendee 2 Email: _____

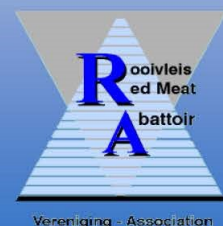
Attendee 3: _____

Attendee 3 Contact Number: _____

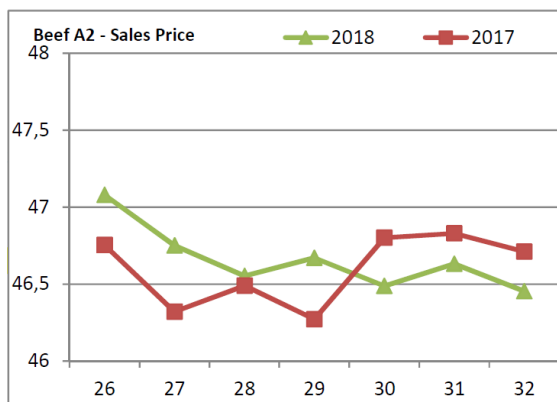
Attendee 3 Email: _____

No registration fee

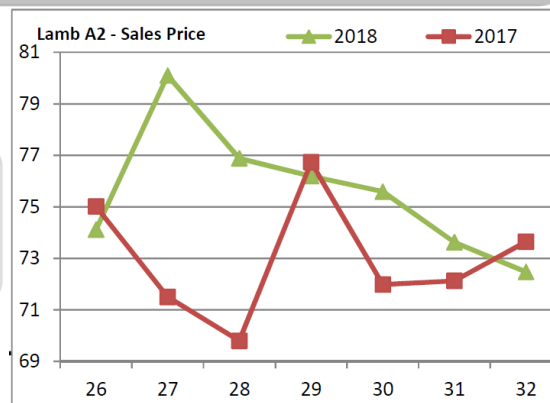
Send registration to info@rmaa.co.za



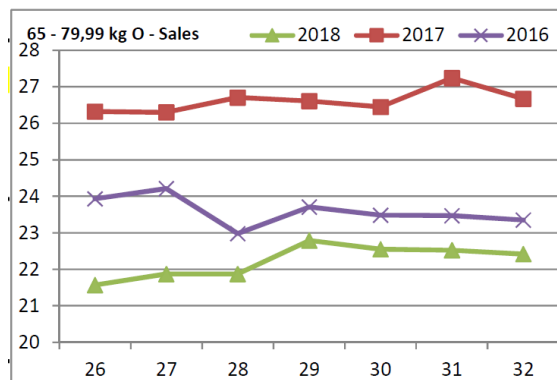
RMAA Price Information System



The RMAA strives to create and maintain an information system containing relevant and historical data essential for planning and development purposes. The primary objective is to timeously release accurate and valid information to the benefit of the South African abattoirs industry.



The price information report is released once a week. All participating abattoirs will receive a report, free of charge. A predetermined fee is payable by non-participating abattoirs and all subscribers.



Benefits Include:

- * Keeping record of the price fluctuations
- * Aiding as a guideline when purchasing and selling carcasses, comparing your prices to the average
- * Improve your predictions on the JSE Futures Contract

Slaughter Totals:

Total slaughtering of the day whether the carcass was sold or not.

Purchase Price:

Chilled carcass mass, including the fifth quarter as paid to feedlot or farmers.

Carcass Purchase Price Excludes

- ☞ Vat
- ☞ Transportation
- ☞ Commission

Abattoir:					Week:				
Pork / Varke					Cattle / Beeste				
NO	Classification / Klassifikasie	Weekly Amount / Week Aantal	Average Price / kg Gemiddelde Aankoop Prijs/kg	Purchase Price / kg Aankoop Prijs/kg	Classification / Klassifikasie	Number of cattle slaughtered / Aantal beeste geslag	Average Weight / Gemiddelde gewig	Purchase Price / kg Aankoop Prijs / kg	Average selling price / Gemiddelde verkoopprijs
20-1800	P				A2				
	D				A3				
	R				AB2				
	C				AB3				
	U				B2				
18-4430	P				B3				
	D				C2				
	R				C3				
	C								
	U								
12-1730	P				Sheep / Skape				
	D				Classification / Klassifikasie	Weekly Amount / Week Aantal	Average Weight / Gemiddelde gewig	Purchase Price / Aankoop Prijs/kg	Selling Price / Verkoop Prijs/kg
	R				A0				
	C				A1				
	U				A2				
10-1030	P				A3				
	D				A4				
	R				A5				
	C				AB2				
	U				AB3				
1000 kg					B2				
					B3				
					C2				
					C3				
Hides and Skin Price / Huides en Velle / kg									
Hides / Huides (10kg)	Feedlot / Voerzaal								
Hides / Huides (10kg)	Field / Veld								
Dorper Skin / Poot	Each / Elk								
Merino's	Each / Elk								

Please send us your weekly report to marketing@rmaa.co.za on or before Thursday at 12:00pm / Stuur ons die slyping deur na marketing@rmaa.co.za op ofte Donersdag voor 12:00.

A new definition for cattle reporting is defined which excludes rebates / 'n Nuwe definisie van die verkoopte van beeste word geïntroduceer om teëskyn te kom.

A hindquarter refers to one side of a carcass / 'n Agterkwart verwys na een sy van 'n karkas.

Contact Michelle at the RMAA:
marketing@rmaa.co.za
 012 349 1237/8/9

Selling Price:

Average price of carcass as directly supplied to Wholesaler
Carcass Selling Price Excludes

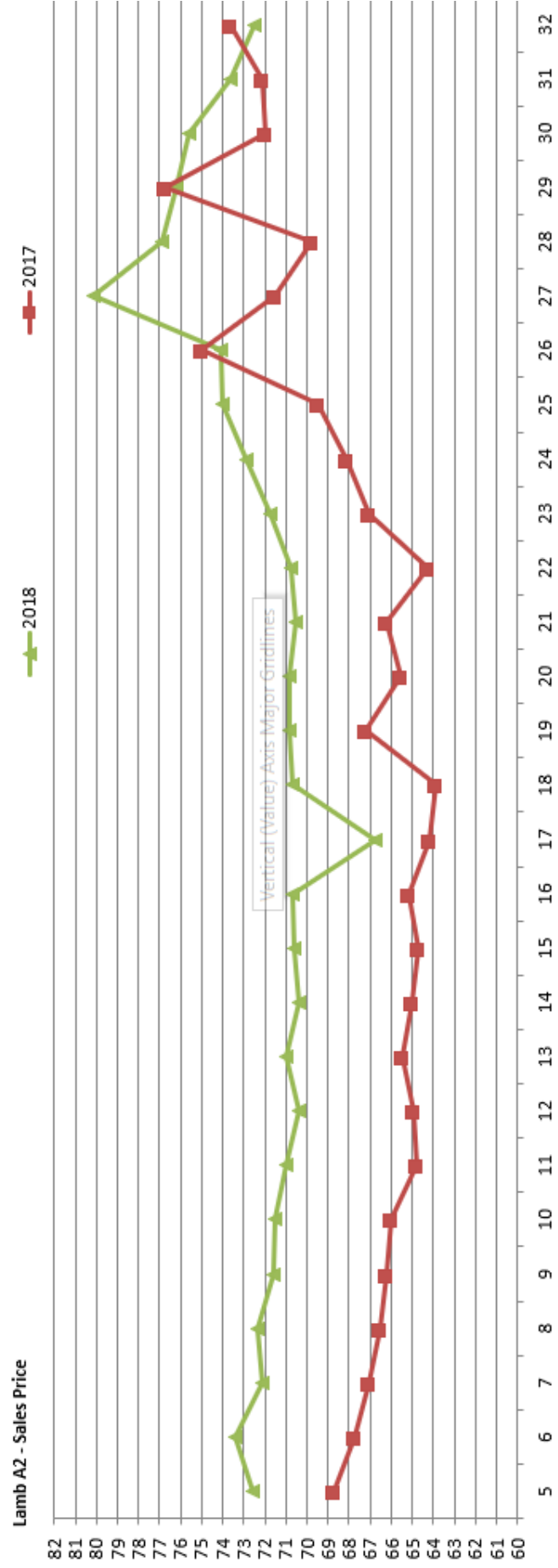
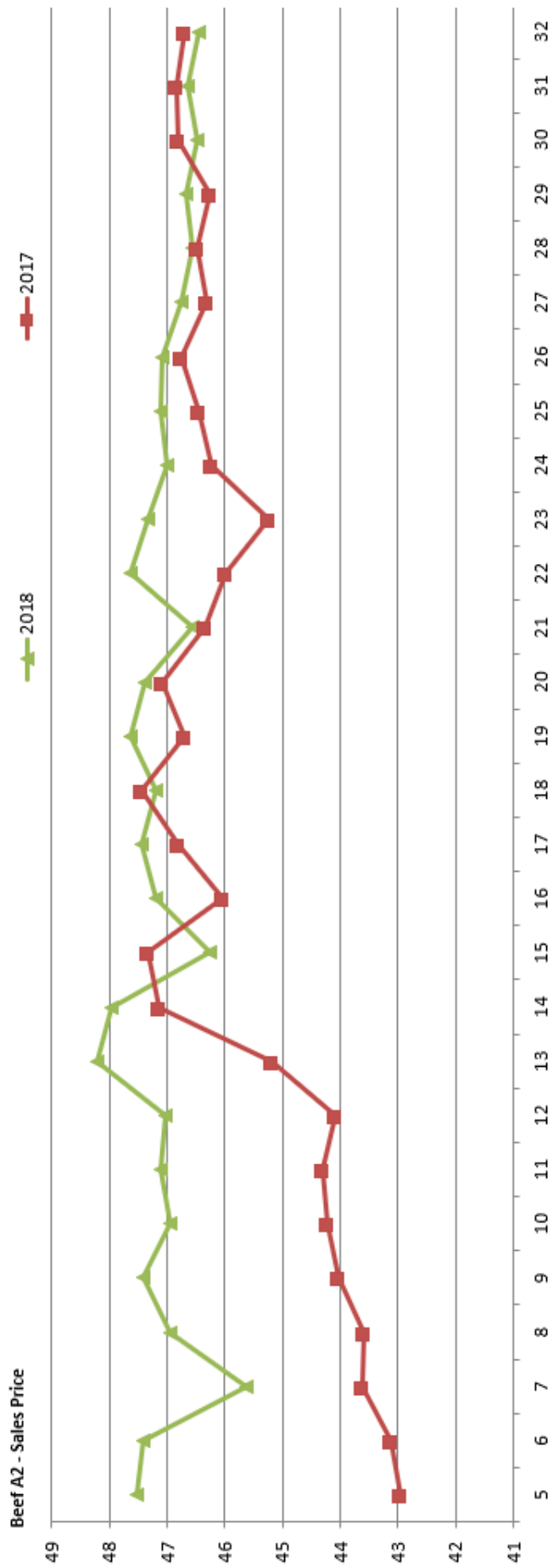
- ☞ Vat
- ☞ Slaughter costs
- ☞ Transportation
- ☞ Fifth quarter
- ☞ Rebates

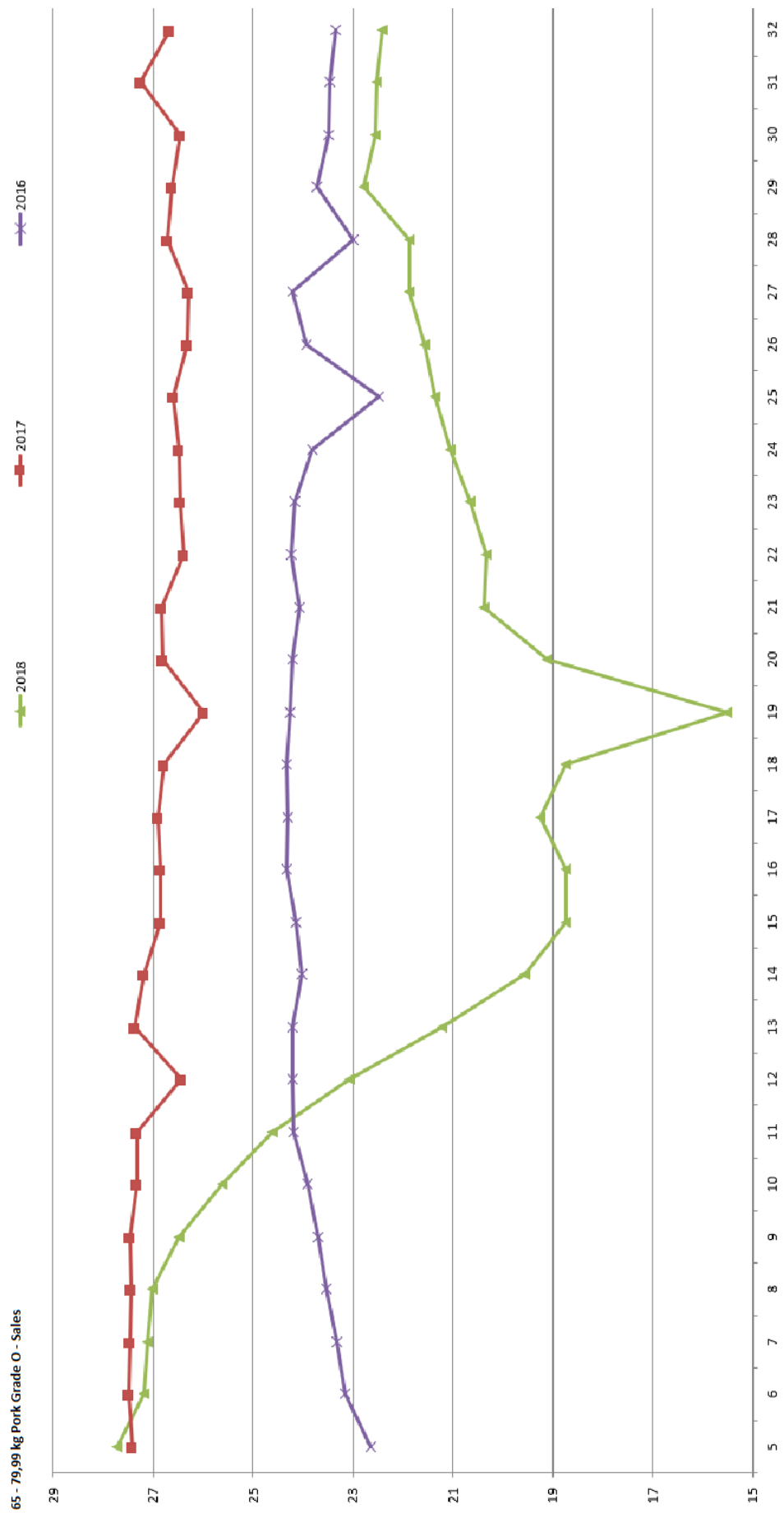
Hide Selling Price

- ☞ Feedlot hides
- ☞ Field hide

Skin Selling Price

- ☞ Baster glover skin
- ☞ Dorper skin





2019 RMAA Diaries

The RMAA is currently busy with the 2019 Diaries for the abattoirs. Should you wish to advertise in the RMAA Diaries please contact Michelle at marketing@rmaa.co.za



RMAA Website

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www.rmaa.co.za



RMAA - Industry Matters

Listeriosis

Following the Press release by the DOH on the risk of Listeria in all processed products, the Minister was requested to provide further information as to the results of tests in other plants in view of the devastating effect of such information to the meat but particularly the pork industry.

For articles, links and press releases please visit the RMAA website <http://www.rmaa.co.za/listeriosis/>

The Department of Health published the amendment of the Foodstuffs, Cosmetics and Disinfectants Act regarding the regulation relating to the Hazard Analysis and Critical Control Point System (HACCP System) in notice 607 on the 14th June 2018. The amendment indicates the name and date of sectors of the food industry and food handling enterprise associated with such sectors listed by the minister of Health in terms of regulation 3, to be listed within 9 months of the publication of the notice.

The Department of Health published Foodstuffs, Cosmetics and Disinfectants Act regarding the Regulation Governing General Hygiene Regulation for Food Premises, the Transport of Food and Related Matters in notice 638 on the 22nd June 2018.

The Meat Processing Industry received communication from the Director General of Health - Recommendation to the meat processing industry to be listed as a Food processing facility to be implementing HACCP.

A generic HACCP plan was received for approval by the Minister. The Department in this letter also acknowledged international guidelines and set the following criteria in the absence of regulatory guidelines:
Max 100 org/ g in RTE foods in which LM will not grow

No growth in 25 /g growth for RTE food supporting the growth of LM. (Mr Matsoso - 16/06/2018)

For the legislation please visit the RMAA website <http://www.rmaa.co.za/act-54-of-1972-foodstuff-cosmetics-and-disinfectants-act/>

4 No. 41707

GOVERNMENT GAZETTE, 14 JUNE 2018

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF HEALTH

NO. 607

14 JUNE 2018

FOODSTUFFS, COSMETICS AND DISINFECTANTS ACT, 1972 (ACT NO. 54 OF 1972)

REGULATIONS RELATING TO THE HAZARD ANALYSIS AND CRITICAL CONTROL POINT SYSTEM (HACCP SYSTEM): AMENDMENT

The Minister of Health has, in terms of section 15 (1) of the Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No. 54 of 1972), made the Regulations in the Schedule.

SCHEDULE

Definitions

1. In these Regulations "the Regulations" means the Regulations published under Government Notice No. 908 of 27 June 2003.

Amendment of Annexure B of the Regulations

2. The Regulations are hereby amended by the listing of the following categories of food handling enterprises in Annexure B as provided for in Regulation 3 and Annexure A of the Regulations.

4 No. 41730

GOVERNMENT GAZETTE, 22 JUNE 2018

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF HEALTH

NO. 638

22 JUNE 2018

FOODSTUFFS, COSMETICS AND DISINFECTANTS ACT, 1972 (ACT NO. 54 OF 1972)

REGULATIONS GOVERNING GENERAL HYGIENE REQUIREMENTS FOR FOOD PREMISES, THE TRANSPORT OF FOOD AND RELATED MATTERS

The Minister of Health has, in terms of section 15 (1) of the Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No. 54 of 1972), made the Regulations in the Schedule.

NB: The isiZulu and Sesotho sa Leboa versions will be published in due course.

SCHEDULE

DEFINITIONS

1. In these Regulations a word or expression to which a meaning has been assigned in the Act bears that meaning and, unless the context otherwise indicates –

"abattoir" means a facility used for the slaughtering of animals of which the meat and meat products are intended for human consumption, which is approved and registered in terms of section 8 of the Meat Safety Act, 2000 (Act No. 40 of 2000);

"animal" means a member of the animal kingdom;

"available" means also available elsewhere than on the food premises in question;

"batch" means a volume or quantity of milk that is stored under controlled temperature and time frame or period, when offered for sale to a consumer, as stipulated in regulation 6(7)(a);

"best available method" means a method which is practicable and necessary for the protection of food against contamination or spoilage, having due regard to–

- (a) local conditions and circumstances whether at or on food premises or elsewhere;
- (b) the prevailing extent of established practice and the financial implications thereof;

RMAA - Industry Matters Continued...

National Regulator for Compulsory Specification Act (Act 5 of 2008) as Amended through the Legal Metrology Act (Act 9 of 2014)

On the 20th July 2018 the Department of Trade and Industry requested comments from interested parties on the Compulsory Specification for Processed Meat Products.

The Scope includes:

This Compulsory Specification applies to the handling, preparation, processing, packaging, refrigeration, freezing, chilling, labeling, marking and storage of high risk processed meat products covered in the scope of SANS 885, processed meats products; and it includes the microbiological and compositional requirements of these products. The high risk classes of processed meats products are identified as heat treated and ready to eat (RTE) categorized in classes 1,2,6,10,12 and unspecified RTE products listed in clause 5.3 of SANS 885, which are as follows:

1. Class 1 - Whole muscle, cured, heat treated products
2. Class 2 - Whole muscle, uncured, heat treated or partial heat treated products;
3. Class 6 -- Comminuted, cured, heat treated products;
4. Class 10 - Comminuted, uncured and heat treated products;
5. Class 12 - Reformulated, cured, heat treated.; and
6. Class 14 - Unspecified class i.e. Any other unspecified RTE processed meats product.

The requirements for canned meats, raw boerewors, species sausages, mixed species sausages, poultry meat and red meat (cattle, sheep, goat and pig) which are untreated or treated in such a way that the product still looks like a normal raw carcass, cut, portion or pieces (whether fresh or frozen), all of which are governed by other relevant national legislation, are excluded from this Compulsory Specification. The compositional requirements covered under the scope of the regulations published under the Agricultural Product Standards Act, 1990 (Act No 119 of 1990) processed meat are excluded from this Compulsory Specification.

Shops, hotels, boarding houses, restaurants or other eating establishments that do not manufacture processed meat products other than for inclusion in prepared cooked meals served from the establishment are excluded from the scope of this Compulsory Specification.

Note: A shop or butchery involved in the manufacturing of processed meat products for sale is regarded as a factory/processing facility (see 2.2.6 of this Compulsory Specification).

For the entire draft schedule please visit the RMAA website

<http://www.rmaa.co.za/act-5-of-2008-national-regulator-for-compulsory-specifications-act/>

48 No. 41781

GOVERNMENT GAZETTE, 20 JULY 2018

NO. 724

DEPARTMENT OF TRADE AND INDUSTRY

20 JULY 2018

NATIONAL REGULATOR FOR COMPULSORY SPECIFICATIONS ACT (ACT 5 OF 2008) AS AMENDED THROUGH THE LEGAL METROLOGY ACT (ACT 9 OF 2014)

COMPULSORY SPECIFICATION FOR PROCESSED MEAT PRODUCTS

It is hereby made known under section 13(4) of the National Regulator for Compulsory Specifications Act (Act 5 of 2008) as amended, that I, Dr Rob Davies, Minister of Trade and Industry, on the recommendation of the NRCS, intends to declare the new Compulsory Specification for processed meat products as set out in the attached schedule.

Any person who wishes to comment on the intention to introduce the new Compulsory Specification concerned may submit their comments in writing to the Chief Executive Officer, National Regulator for Compulsory Specifications, Private Bag X25, Brooklyn, 0075, on or before the date, two (2) months from the date of publication of this notice.



Dr Rob Davies, MP
Minister of Trade and Industry

RMAA - Industry Matters Continued...

Draft changes to the Animal Protection Act

The Animal Protection Amendment Bill was published for comments. The purpose is summarized as follows:

- substitute the definition of "animal" and insert definitions for "cosmetic" and "premises";
- correct the listing of definitions;
- provide for new offences related to the testing of a cosmetic, or ingredient of a cosmetic, on an animal; and for the failure to make sufficient space in an appropriate environment available to an animal;
- increase the penalty applicable to an offence and to provide for liability where an offence is committed by a company;
- provide for a court to make an order regarding the welfare of an animal prior to conviction where a person is charged with an offence in terms of this Act;
- remove the limit placed on an award for damages after conviction;
- provide for the recovery of reasonable expenses in relation to an animal prior to conviction where a person is charged with an offence in terms of this Act;
- provide for the qualification requirements of an officer contemplated in section 8(1) of this Act; and
- empower the Minister to make regulations setting standards for the testing of any matter, other than a cosmetic, on an animal and to increase the maximum penalties that the Minister may set by regulation, and to provide for matters connected therewith

For the entire bill and request for comments please visit the RMAA website

<http://rvav.co.za/animals-protection-act-act-71-of-1962/>



agriculture,
forestry & fisheries

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

Department of Agriculture, Forestry and Fisheries
Private Bag X138, Pretoria 0001

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TO: ALL STAKEHOLDERS

09 July 2018

Dear Stakeholders

REQUEST FOR COMMENTS ON THE ANIMAL PROTECTION AMENDMENT BILL AS
PUBLISHED IN THE GOVERNMENT GAZETTE NO. 41289 OF 30 NOVEMBER 2017

The Animal Protection Amendment Bill (hereinafter the "Bill" – See attached) is a proposed amendment to the Animal Protection Act 1962, Act no.71 of 1962 and was published for public comments on 25 November 2017 by a member of parliament.

Stakeholder participation is a standard requirement for legislative review or development. The Department of Agriculture, Forestry and Fisheries (DAFF) notes that your organisation is not listed as having been consulted when the Bill was being drafted. DAFF, as the custodian of the Animal Protection Act 1962, Act No.71 of 1962 hereby requests your organisation to peruse the Bill and respond to its specific clauses by indicating whether it is Supported/Not Supported or listing your Proposed Amendments

Please submit your responses to: EsmarielL@daff.gov.za and MorongwaS@daff.gov.za. Alternatively use the postal address as provided on the letterhead and hand delivery to Department of Agriculture, Forestry and Fisheries, Delpe Building, Corner Annie Botha and Union Street, Riviera, 0084 office number 156 or 158 the 27th of July 2018.

Your urgent attention on this matter will be highly appreciated.

DR MSM MOLEFE

DIRECTOR: VETERINARY PUBLIC HEALTH

DATE: 2018-07-18

Independent meat inspection

Feedback was provided during Congress on the Implementation of Independent Meat Inspection. Following the appointment of the assignees the Department is currently implementing the Independent Meat Inspection services. A full report was prepared following the meeting of the Meat Inspection Advisory Forum, this feedback will be used as update of progress made as prepared with inputs from Dr Mphane Molefe.

This report is available to members on request, kindly send email requests to info@rmaa.co.za

RMAA - Industry Matters Continued...

Industry liaison with DAFF

During the past months the following items were listed as priorities in the broader industry:

1. Implementation of the Veterinary Strategy
2. Implementation of the outcomes of Operation Phakisa
3. Expanding participation in terms of Exports to China
4. Jealously protecting the current FMD free status of the Country
5. Providing the necessary assurances to satisfy the OIE inspection visit (June 2018)
6. Cleansing the Animal Identification Database and taking a phased approach to Livestock Identification and Traceability
7. Preparing the dossier to apply for limited BSE free status
8. Conducting the National Livestock Census
9. Implementation of Independent Meat Inspection
10. Residue monitoring in meat – expanding on the pilot project.
11. Capacity for Animal Welfare.
12. Food Safety : Listeriosis / microbiological testing

Export of hides

Position statement: Hide Export Policy - Feedback and Comment - SUMMARY

Background

A Hide Export Policy process was initiated in 2010 when the DTI proposed local beneficiation of hides. The 3 policy instruments were proposed i.e. a total ban on raw hides; 20% tax/levy on semi processed hides in the 1st year and the tax/levy on semi processed hides to be escalated to 40% from 2nd year onwards. It was estimated that the imposition of the policy instrument would cost Industry around R480 million per annum. Initially SHALC did not have a consensus position as they were divided at that point in time. In February SHALC held a workshop and the official SHALC position was formulated which was tabled in a letter to the RMIF Council.

RMIF

During the meeting of the RMIF (March 2018) concerns were raised on the impact of this restriction and levy on the rest of the industry with an effect on job losses opposite to what the ban intend. SHALC also indicate that the DTI has not published a formal document. The Forum have enquired to the DTI on the status of the matter and further stated that in a previous meeting between DTI, SHALC and the RMIF, the deficiencies in the Silimela report was already indicated.

It should further be noted that a letter was already forwarded to Mr Jaywant Irkhede in November 2013 to confirm discussions whereby , following a demand study, consultation would be held with the Red Meat Industry stakeholders who are the affected parties. This letter also asked to be informed as to whether such export restrictions are still under consideration and if so when consultations with directly affected parties like our clients are to be scheduled. No response was received

RMAA Congress

During the discussion on Proposed Hide Export Policy ,representative insisted that a formal document must be published for comment by the broader industry. It was further stated that the recent decline of the hide prices with a limited number of facilities able to beneficiate hides, indicate the possible devastating effect of the proposed ban. Veld hides are traditionally exported and this ban would render such hides virtually worthless.

Congress also request clarification on the communication between DAFF & DTI on this matter and request for active involvement of DAFF in the further deliberations on the proposed ban. National Treasury indicate that the policy will still be available for consultation. The RMIF will pursue the matter on behalf of upstream industry.

Leather pipeline: Brighter prospects for the industry in 2019

The current situation in the leather industry is very different to the previous crises it has gone through, but there is the possibility of “fundamental change” in 2019, according to the latest edition of our exclusive Leather Pipeline market intelligence report.

“Even the most experienced pundits cannot remember a time when the industry had to deal with so many problems at the same time. We have had problems and we have had the crisis, but those issues were local or regional and there was always a clear light at the end of the tunnel,” the report says.

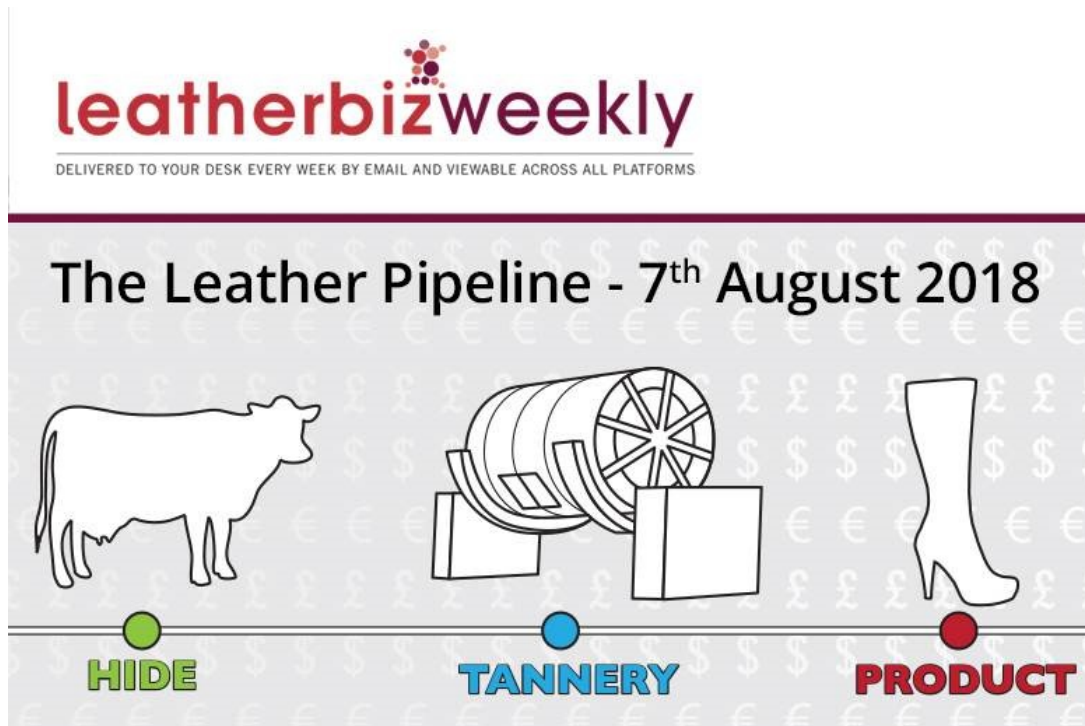
The big difference this time is that the main problem is not a fall in general consumption. This time, there is no issue of insufficient demand for finished products; instead, the problem is directly related to the use of leather as a material. The harsh reality is that leather production is shrinking due to falling demand, which has caused a build-up of material stocks across the world.

It is not all bad news, however, with the report saying the situation cannot last forever. With hides only able to be stored for a finite amount of time, they will eventually need to be sold off at lower prices or disposed of. This will return the raw material market to balance. “This will either happen due to the increased waste of raw material or due to an increase in demand,” the report explains.

It warns that the situation might have to get worse before it can get better, especially for those at the beginning of the supply chain but says that “markets always return to balance eventually”. It will not happen at the same time or to the same extent for all sectors and origins, but “trying to force it is not a good idea”, the report adds.

In the meantime, all that those within the industry can do during the summer break is to closely watch the changes in general conditions so that they are prepared for the re-start of the production season in September, the report concludes.

Ernest Heunis; Chairman Skin Hide & Leather Council, South Africa
e-mail: ernest@leatherite.co.za
cell: +27 82 905 9505
fax: 0865301213



BFAP Launch

The BFAP baseline agricultural outlook - 2018-2027 was launched in Pretoria on 15 August 2018.

International agricultural markets have consolidated following a prolonged period of declining prices resulting in pressure on profit margins. In many industries, 2017 marked a reduction in stock levels for the first time in several years. International livestock prices initially showed signs of recovery in 2017, with the FAO meat price index on average 9% higher relative to 2016. Increasing supply during the latter part of 2017, did see livestock prices started trending downwards. This is expected to continue in the short term.

Outlook for South African Agriculture

The real agricultural GDP is expected to decline sharply. In the meat industry this is due to the impact of Diseases (Influenza, Listeriosis) over the course of 10 year projection period, a slow recovery is expected with agricultural GDP ultimately consolidating at 2013 levels in real terms.

The following factors influence the BFAP projection:

1. Consumer spending power will remain under pressure although rising income levels in the medium term will support a growing demand of meat and dairy products.
2. Diversification in meat consumption is also expected to support demand for beef.
3. The supply of product with longer production cycle (beef / sheep) remains constraint by herd rebuilding efforts as a result of droughts.
4. Lower grain prices support a return to profitability in the intensive livestock production.
5. Growing feed demand from the expanding livestock sectors, combined with modest short term recovery in international grain prices and depreciating exchange rate, support some recovery in domestic grain and oilseed prices towards 2020.
6. Though slower than in recent years, the expected continuous depreciation of the exchange rate will support price competitiveness of South African product in the global market. At the same time it however increase the cost of dollar based inputs. (Figure 54 - Meat consumption in South Africa: 2027 vs 2015/17)

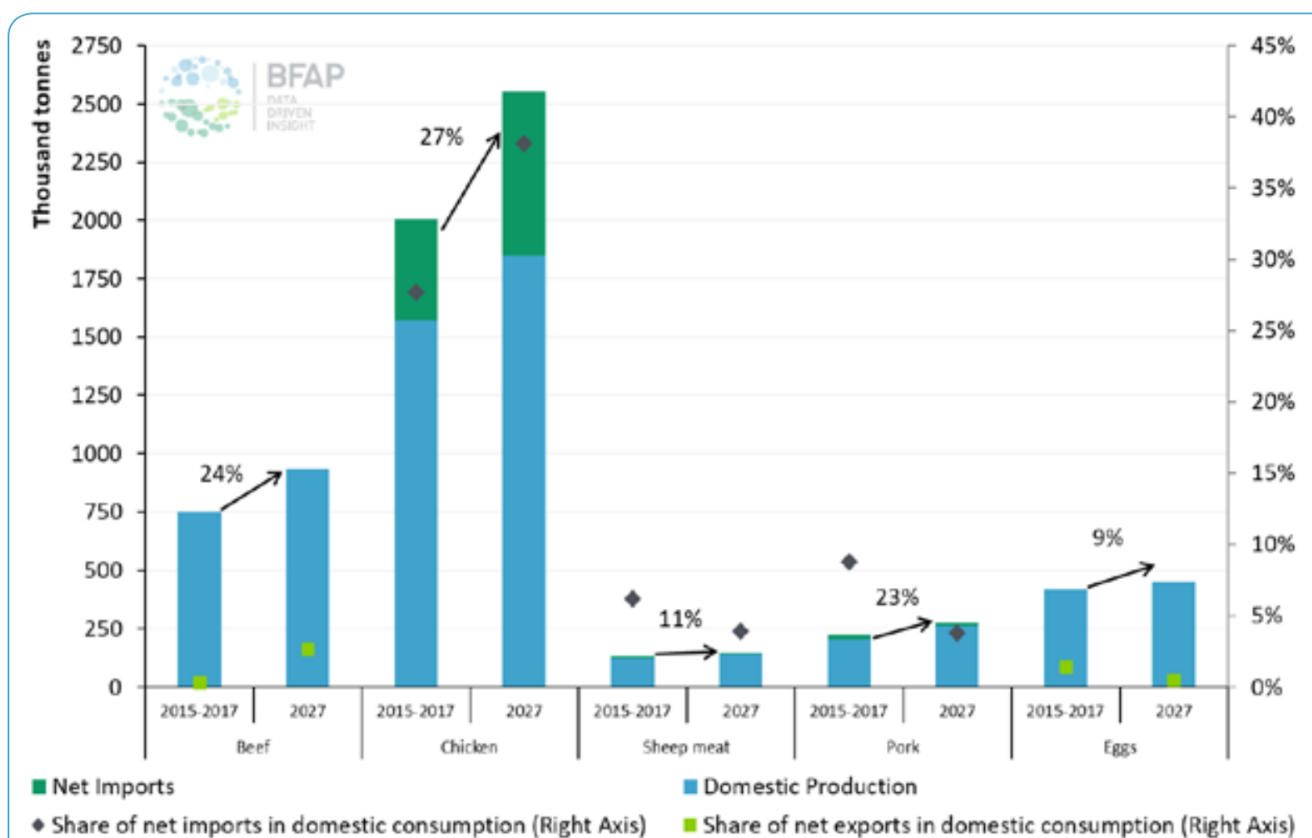


Figure 54: Meat consumption in South Africa: 2027 vs. 2015-2017

BFAP Launch Continued...

To summarise, fast growth in the sector will not be simple to achieve and the true level of competitiveness and sustainability of the South African Agri food system on the global stage will be tested thoroughly. Innovation, productivity and investment in the best technology will be critical to position the sector for a prosperous future.

The outbreak of Listeriosis, and resultant recall of processed products led to the halting of production in several meat processing facilities. The resultant decline in demand caused a sharp decline in pork prices, which plummeted by 34% from January 2018 to May 2018. (see also Box 3 extracted from Baseline on next page)

In light of expected income growth over the coming decade, meat consumption is projected to continue on an expanding path. The trend in diversification is also expected to continue, with beef and pork projected to expand by 23%. Sheep meat is only expected to increase by 11% to 2027.

Reduced slaughters emanating from herd liquidation through the 2016 drought, were somewhat offset with by higher carcass weights in a lower feed cost environment in 2017. Beef production still declined by 8 % year on year. By 2027, beef production is expected to expand by 25 % relative to 2015 , to exceed 930 000 tons.

The rapid growth in exports in recent years has resulted in South African markets trading closer to global trends than has been historically. South African producers will therefore be exposed to the decline in beef prices over the next three years through greater competition in the export market.

As a result of the Listeriosis outbreak, the pork to maize price ratio is expected to stabilize at a price well above the recent past, supporting production growth of almost 3% per annum over the next 10 years.

Flock rebuilding in the sheep industry has also been constrained by the Co tip drought in the Western Cape . For this reason sheep meat production is expected to trade largely sideways , reflecting the first significant increase in 2020. An annual production expansion of 1.4 % is expected over the next 10 years.

Going forward domestic supply and demand conditions are expected to have an increasing impact on price levels . Nominal lamb prices are expected to increase by an annual average of 4.7% over the next 10 years, marginally less than general inflation and therefore declining in real terms .

Please visit the BFAP website for the full report. <https://www.bfap.co.za/bfap-baseline-2018/>



BFAP
DATA
DRIVEN
INSIGHT

BFAP BASELINE

AGRICULTURAL OUTLOOK 2018 - 2027



BOX 3: IMPLICATIONS OF THE 2018 OUTBREAK OF LISTERIOSIS: CONSUMERS PERCEPTIONS

On 4 March 2018, the South African Minister of Health reported that 948 cases of Listeriosis have been confirmed by laboratories, with a 27% fatality rate. A number of processed meat production facilities in Polokwane and Gauteng were subsequently identified as the source of contamination.

How did South African consumers feel about meat safety BEFORE the Listeriosis food scare?

Consumer research⁴ conducted by the University of Pretoria and BFAP, with funding from RMRDSA, indicated that consumers across the socio-economic spectrum attach significant importance to food safety when purchasing red meat. Product attributes such as 'food safety' and 'expiry date', were considered important factors in the purchasing decision by the majority (more than 76%) of interviewed consumers. In general, consumers did not reveal high levels of concern regarding the safety of red meat, with less than 15% of low-income consumers and about a third of middle- and high-income consumers having some red meat food safety concerns.

How did South African consumers feel about meat safety AFTER the Listeriosis food scare?

In the week after the announcement by the minister of health, two surveys were conducted in order to evaluate the effect of the outbreak on consumers' perceptions on food safety in general⁵. The first survey was conducted in townships around Johannesburg, whereas the second was an online survey amongst affluent consumers. The levels of concern was consistent with pre-listeriosis food safety perceptions, with only 20% of affluent consumers noting that they did not perceive food purchased from formal retail outlets, such as supermarkets and butcheries, as safe. In the case of low income respondents, only 10% did not perceive food from formal retail as safe. Informal retailing outlets such as spaza shops and street vendors were, however, perceived as unsafe with approximately 66% of respondents indicating that they did not agree with the statement that these outlets sell safe food. It is however, unclear if these negative perceptions were induced by the listeriosis outbreak. Further questioning revealed that only 44% of the low income respondents answered "Yes" on the question "Do you know what Listeriosis is?" and were also only able to identify an average of 2 out of 7 symptoms generally associated with Listeriosis. Conversely, 75% of the total sample were aware that polony and viennas should be avoided. This somewhat inconsistent results suggest that lower income consumers received incomplete food safety information with regards to listeriosis.

Examples of consumer implications pertaining to the Listeriosis food scare:

- Processed meat (in particular polony) is one of the most affordable and convenient (ready-to-eat) animal protein food options available to consumers. Consumer distrust in the safety of polony could reduce dietary diversity among low-income consumers in particular with limited means to substitute with alternative animal protein food options.
- Survey results suggest that income and asset endowment seem to play a key role in access to food safety information. This should be addressed by tailor-made messages specifically aimed at vulnerable groups, where vulnerability is based on level of exposure to the hazard and income level.
- Actions by government and industry to improve the food safety systems within fresh meat and processed meat supply chains could eventually translate into a more expensive retail price at consumer level.

⁴ This research was conducted in 2011/12 in Gauteng and in 2016/17 in the Western Cape.

⁵ These surveys forms part of broader collaborative research, on Asymmetry of Information in Food Chains in South Africa, between BFAP and Dr. Melissa van der Merwe.

RMAA Staff

In June 2018 Mariana du Toit resigned from the Association on a permanent basis, and is working as an independent contractor for the Association.



With Mariana's resignation the Association employed Monty Mmurwa as the Training Manager, to fulfil the management duties of the Association. For any training enquires please do not hesitate to contact him

Tel: 084 047 0001
Email: monty@rmaa.co.za

Due to Matthew Monare passing in February 2018, the Association employed David Skosana as the Slaughter Instructor. He joined the team end of April 2018.



Clara Mmakola departed the Association end of January 2018, which enabled the Association to employ Ann Nel as the Training Administrator. Please feel free to contact Ann at ast@rmaa.co.za for any training admin queries

*The Association wishes all our new employees a wonderful experience with us, and know you will learn a tremendous amount, overcome new challenges and enrich the Association.
We thank you for being part of our team.*

AST Feedback - Red Meat Examiner 6 Months Short Course

RME 2018 01 Meat Examiner Course: 01.01.2018 - 30.06.2018 (6 months, Non-Seta)

The first course for 2018 commenced in January 2018 in Gauteng (Macello Meats abattoir), East London (East London & Glen Victor abattoirs), Western Cape (Roelcor Malmesbury abattoir) and Orange Free State (Sparta abattoir, Welkom).

The Meat Examiner students wrote their final examination during the first week in August 2018 and AST is looking forward to receiving their portfolios of evidence to consider the learners for certification.

Mentors at the abattoirs where training is done do not realize their inputs in the lives of our learners. If the focus remains on quality training, mentors will always remain in the minds of our learners and good practices will be visible in the workplace.

AST and our learners appreciate all our mentors and Training Officials and the work they do to render quality training.

The second course for 2018 commenced on 01st July 2018. 7 Learners registered for this course and the low numbers can be due to the high course fees and financial constraint of the learners.

AST approved the following course fee down payments over the 6 month period:

- 50% of the course fee payable on registration
- 75% of the course fee payable to write examination
- 100% course fee payable for successful learners to issue their certificates



AST Feedback - Animal Welfare at the Abattoir Course

This course focuses on the welfare of animals at abattoirs in general. It promotes knowledge on just and equitable standards of practice, operation and legislation on animal welfare at abattoirs and it raises awareness and value of processes to the South African and global Community. The course covers South African and International Legislation and Guidelines.

The 2018 course took place in Stellenbosch, Western Cape at Spier Resort on 24 – 26 June 2018. 18 Learners from DAFF (Gauteng), Jarvis, Morgan Beef Abattoir, Roelcor Malmesbury Abattoir, Dreamland Piggery Abattoir, Van Rensburg Vleis Abattoir, Department Western Cape, Elsenburg.

Dr Gerhard Neethling Facilitated the course and Dr Antonio Velarde (IRTA), Franci Swart Klopers (Elsenburg), Dr Cletos Mapiye (Elsenburg) and Deon Myburgh (Jarvis) were Tutors who added value to the course presentations.



The next Animal Welfare At The Abattoir will be in 2019 and the Province detail will be communicated early in the new year.

AST Feedback - Formal Training

HMS & HACCP / ISO 22000: 26 – 29 March 2018 (Potchefstroom, North West Province)

14 Learners attended the course in Potchefstroom. North West Provincial Government nominated 13 learners and Bandelierkop Abattoir sent one learner to the course.

Our next course dates are scheduled for:

2018 08 28 - 2018 08 31 - HMS & HACCP / ISO 22000 - OFS (Sparta)
2018 10 30 - 2017 11 02 - HMS & HACCP / ISO 22000 - Gauteng (CSIR)

This course covers 2 very important modules that are pre-requisites to attend the Lead Auditor course: Introduction and Implementation of ISO 22000.

ISO BRIDGING (Per special arrangement)

Learners who completed their HMS & HACCP courses prior to October 2017 must enroll for the ISO 22000 Bridging course. Course requirements can be forwarded to ella@rmaa.co.za

LEAD AUDITOR COURSE: 17 – 21 September 2018 - Gauteng (CSIR)

This course is intended for experienced food safety professionals i.e. the ideal candidate has worked in the food industry for at least 4 years and has been involved in food safety management systems as a core function. Prior to registering for the Lead auditor course you must conduct at least a 2 day course in ISO 22000(including HACCP), PRP/HMS course of 4 days.

SAATCA require the following for food safety auditors:

- A post matric food related qualification
- At least 4 years work experience in the food industry in food safety management systems
- Training in food related microbiology if not part of your qualification 1 Day
- Training in food related legislation/regulations
- Training in Pre-requisite programs or GMP's
- ISO 22000 2 day course
- Training in HACCP in terms of SANS 10330
- Training in auditing techniques according to ISO 19011 which is where THIS course comes in.
- An audit log of at least 20 audits totaling 120 audit hours (for auditor level)

To register with SAATCA as a Lead Auditor, you must met these requirements and then fulfilled additional audit requirements as a Lead Auditor.

Knowledge of the standards is evaluated daily, during the course with closed book tests, which contribute to the overall course assessment.

Course requirements can be forwarded to ella@rmaa.co.za



AST Feedback - AgriSETA Learnership

AgriSETA has granted an amount of R1 350 440 towards the General Abattoir Processes Learnerships for the period 2018 / 2019.

We want to thank you for applying for the Learnership and for your participation to provide training and skills within our industry.

- We are currently training and coordinating at the following venues:
- Beefmaster Abattoir (Kimberley)
- Driefontein Abattoir (Driefontein)
- Ikangala Abattoir (Bronkhorstspuit)
- Lentaba Meats (East London)
- Lynca Meats (Meyerton)
- Macello Meats (Benoni)
- Sparta Abattoir (Welkom)

All Learnerships have started, contracts have been received and most have been assessed on the first few Unit Standards. The progress on training ranges from 15 to 30 % of the Learnership at the different venues.

We strive to make the process to run smooth and with great success.



Skills Development Facilitator (SDF)

To register as a SDF, an appointment letter from the employer is required, which must be imported to the SETA website, for the registration. The SETA confirms registration via e-mail and access is then granted to the new Primary SDF of the company, to the online system, to capture ATR & WSP's online and to apply for discretionary grant, for example Learnerships, Internships, Bursaries, Skills Programs, Commodity Funding, etc.

AST can render the following SDF functions to our Members:

- Assist the employer and employees to develop a workplace skills plan
- Assist the employer to draft an annual training report on the implementation of the workplace skills plan
- Submit the workplace skills plan to the relevant SETA;
- Advise the employer on the implementation of the workplace skills plan;
- Advise the employer on the quality assurance requirements set by the SETA;
- Act as a contact person between the employer and the sector SETA; and
- Serve as a resource with regard to all aspects of skills development.

MANDATORY GRANT (SDL Levies) Application period due date for annual submission is 30 April

SDF's submit an Annual Training Report and Workplace Skills Plan on behalf of employers. If approved by the SETA, 20% of the skills development levies paid by the registered levy payer, will be paid to the levy payer to utilize for skills development in the workplace.

DISCRETIONARY GRANT – 1st Window Period (01 September 2018 – 31 October 2018)

Application can be submitted only for the following:

- Bursaries
- Internships
- Learnerships
- NVC & Artisan Development

DISCRETIONARY GRANT – 2nd Window Period (01 November 2017 – 31 January 2018)

Application can be submitted only for the following:

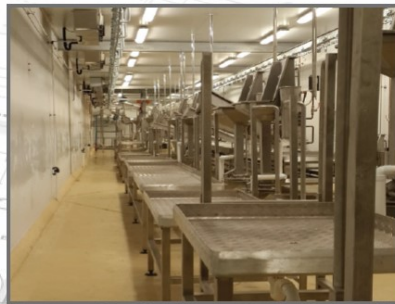
- Skills Programmes
- Commodity Organizations
- Rural Development
- Graduate Placement
- AET (Adult Educational Training)

Requests for assistance with SDF services can be forwarded to ella@rmaa.co.za



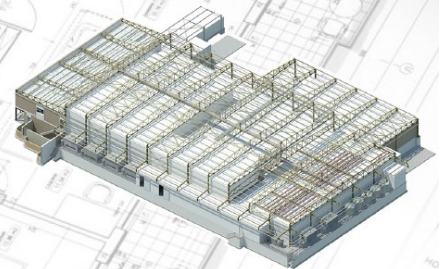
**NDC** STRUCTURAL ENGINEERING CONSULTANTS

Unmatched experience in the Structural, Civil Engineering, Construction and Service Delivery fields has cast our name in stone as a **leader in specialised Design and Construction Management of Abattoirs and Meat Processing Facilities.**



A multi-disciplinary consulting engineering firm with competencies in:

- Structural Engineering
- Architectural Designs
- Construction Management – Turnkey projects
- Hygiene management and Training
- Continued R&D -(Research & Development) on Energy efficient & serviceability design of structures.
- Carbon Footprint - Bio Gas Plants, LED and Motion Sensor Lighting, Solar Energy, Rain Water Harvesting
- UV Sterilisation
- Integrated IT management systems (cctv, networking, grading, weighing, bar coding and traceability)
- **The above core disciplines of a project are produced in house, including:**
 - MEP - mechanical, electrical, plumbing
 - HVAC - heating, ventilation and air conditioning.
 - BIM - Building information modelling & project management schedules.





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NEXT PUBLICATION
September 2018



AMT BEEF & MUTTON MONTHLY REPORT AUGUST 2018

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AMT MONTHLY BEEF AND MUTTON REPORT – AUGUST 2018**BOTTOM LINE****Beef price**

- In July 2018 year-on-year, the average producer prices of Class A2/A3, Class B2/B3 and Class C2/C3 beef increased in total by respectively 0,4%, 2,0% and 0,8%.
- This increase in prices was caused by mainly less cattle being slaughtered in July 2018 year-on-year. This decline is still the aftermath of the drought of 2016-18, which had a destructive effect on cattle herds throughout the country. Producers are at present still in a herd building phase.

For the coming month

- Due to the seasonal trend in beef prices, the probability is 80,0% for a higher price in August compared to July, based on price information over the past 20 years. The under supply of cattle to the markets will continue in the months to come. We can therefore assume that the present high price level will continue in the months to come, with the possibility of a 2,7% increase from July to December.
- Due to the large differential between world prices of beef and RSA prices, imports from overseas hold at this stage no threat to South African beef producers. In March year-on-year, total beef imports from overseas constitutes for approximate 0,4% of the total South African commercial slaughter and 6,9% when offal is included.

Weaner price

In July, the average weaner price is still in a downward trend after the relative sharp decline of 8,1% in February 2018. The decline in the average weaner price is expected to be mainly the result of an increase of 10,8% in the price of maize from February to July.

For the coming month

An increase in the weaner price is expected in July, and based on the price information of the past 20 years, the probability is 75,0% that the average price of weaners may be higher in August compared to the previous month.

Mutton price

- As in the case of beef cattle, the mutton industry also suffered severely due to the 2016/17 drought, and lamb prices reach a record price level of R77,43/kg in July 2018, which is 6,5% higher year-on-year.
- Preliminary information indicates that slaughter shows a decline of 1,2% in July year-on-year.
- In June compared to the previous month, the average producer price of lamb increased in total by 5,3%, which may be the result of the pressure on the supply of Class A2/A3 being slaughtered in July.
- From the import side, Namibia is still the main exporter of mutton to South Africa and in April year-on-year it amounted to approximate 10,7% of the total South African commercial slaughter.
- As far imports from overseas are concerned, the world price for lamb meat and mutton is still well above the average South African price level, with is putting a damper on imports from overseas.
- In May year-on-year imports from overseas amounted to only 3,5% of the total South African commercial slaughter, and if the import of offal is included imports from overseas amounted to 8,1%. At this stage imports from overseas do not have a substantial impact on the South African lamb and mutton market.

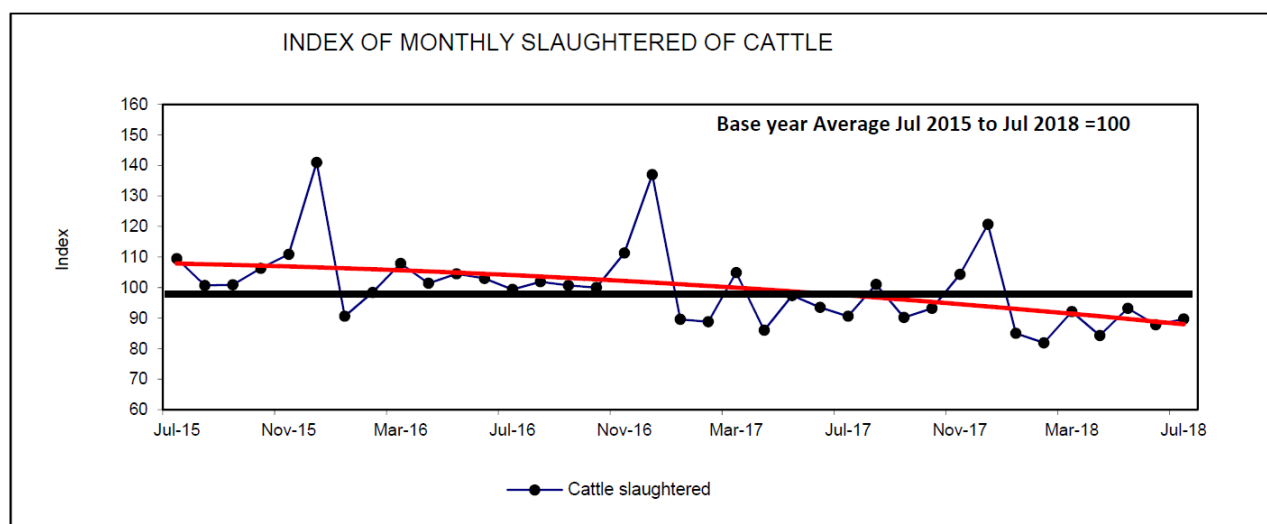
For the coming month

The average lamb price is expected to increase in August and based on the average lamb prices of the past 20 years, the chance is 70% that the price will be higher in August compared July, but 65,0% for a lower price in September against the previous month.

PRODUCTION INFORMATION FOR THE MONTH OF JULY 2018					
Item	Jul '18	Previous month	Jul '17	Forecast	
				Aug'18	Sep'18
BEEF					
Abattoir selling prices (c/kg)					
A2/A3's	4 668	4 721	4 648	4 721	4 654
AB2/AB3's	4 543	4 630	4 513	4 603	4 576
B2/B3's	4 307	4 374	4 222	4 420	4 408
C2/C3's	4 115	4 125	4 082	4 264	4 287
Net weaner price (c/kg)	3 195	3 204	3 320	3 118	3 006
Slaughtering index (Ave.=100)	89,7	87,8	90,6		-
Import parity AU-cows (c/kg)	5 690	5 581	6 534	-	-
MUTTON					
Abattoir selling prices (c/kg)					
A2/A3's	7 743	7 356	7 272	7 920	7 836
AB2/AB3's	6 474	6 667	6 666	6 937	6 828
B2/B3's	7 047	6 419	6 385	7 168	6 992
C2/C3's	6 067	5 758	5 858	6 561	6 487
Slaughtering (Ave.=100)	82,0	85,3	90,1	-	-
Import parity AU-mutton (c/kg)	6 595	5 839	6 085		-
Import parity AU-lamb (c/kg)	9 492	8 303	8 509	-	-

BEEF INDUSTRY

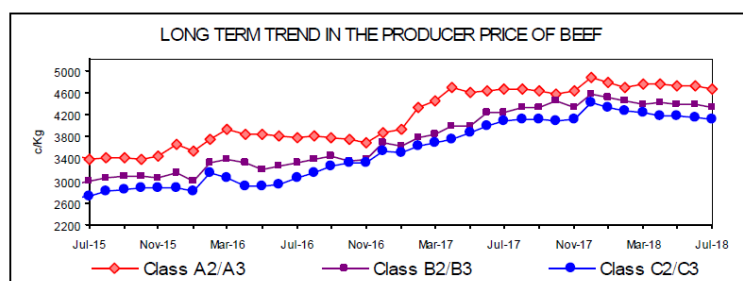
Slaughtering of beef cattle



- Aggregate commercial slaughter Information received from of Red Meat levy Admin only available till **May 2018**. The month of July 2018 is an estimate, calculated by means of the smoothing multiplicative technique of Holt & Winters, which gives an indication of what can be expected in the month of June..
- The horizontal 100-line on the graph represents the long term average monthly slaughter of beef cattle from July 2015 to July 2018.
- In July 2018, the slaughter of beef cattle estimated to increase in total by 2,1% compared to the previous month, and declined by 1,0% compared to the same month a year ago, and 10,3% below the long- term average based on the period July 2015 to July 2018. The slaughter curve shows a downward trend from July 2015 to July 2018 due to the effect of the drought.

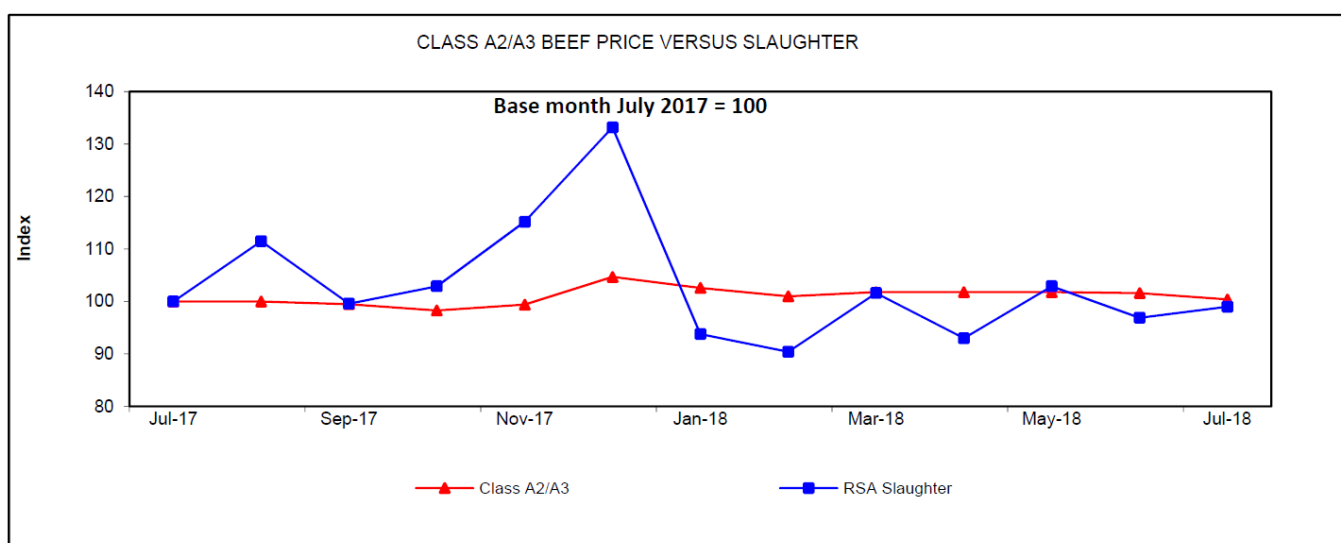
Price movements of beef

Long term trends in beef prices



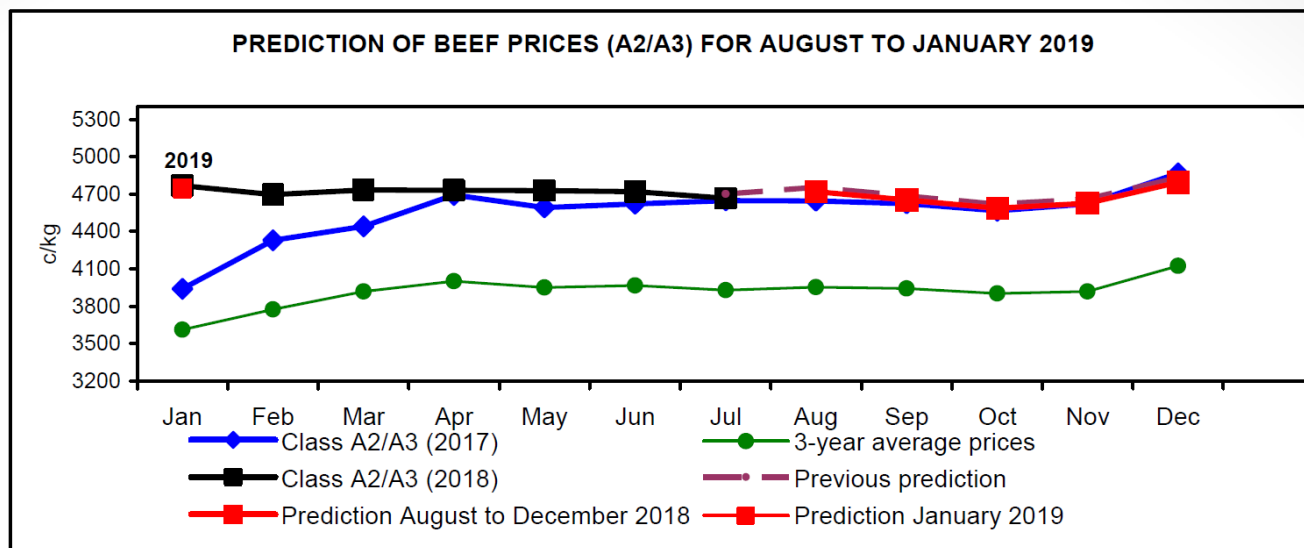
In July 2018 year-on-year, the average producer prices of Class A2/A3, Class B2/B3 and Class C2/C3 beef increased in total by 0,4%, 2,0% and 0,8%. The average price of the A2/A3's was 12,4% above the long term average over the period July 2015 to July 2018.

Price of Class A2/A3 beef versus slaughter



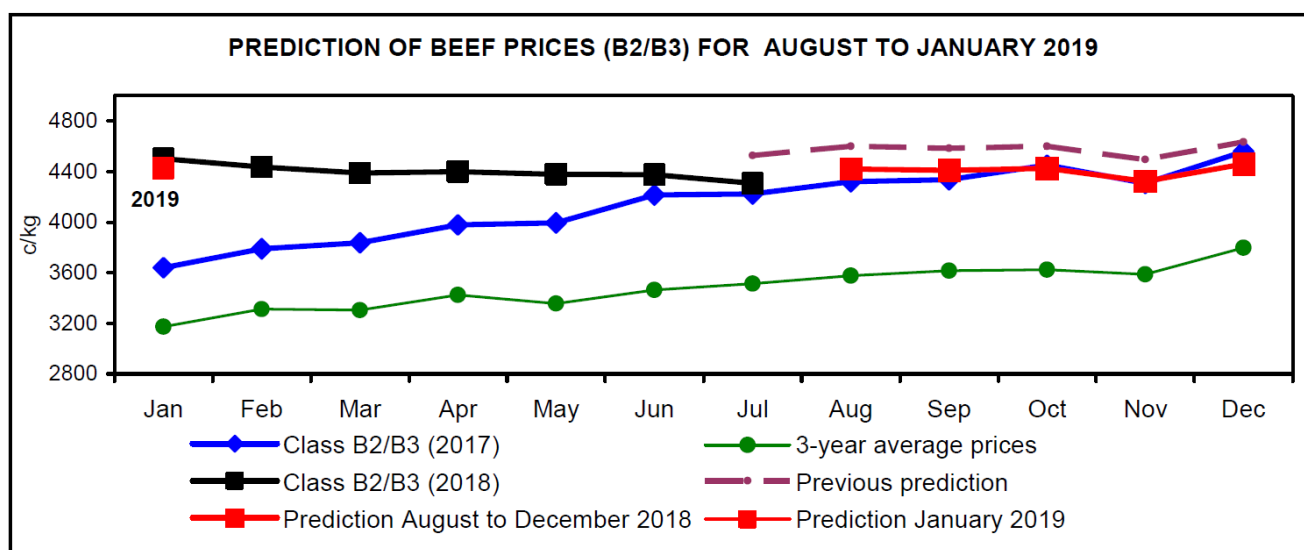
In July 2018 year-on-year, the average producer price of Class A2/A3 beef increased in total by 0,4% and over the same period national slaughter declined by 1,0%.

Price prediction for Class A2/A3 beef



- In July 2018, compared to the previous month the average price of Class A2/A3 beef declined in total by 1,1%. For July 2018 a decline in the average price for Class A2/A3 beef was predicted in the previous monthly report, which was correct, but it was based on a probability of 65,0% for an increase in price according to the price information over the past 20 years.
- The actual beef price in July was 0,7% (R0,34/kg carcass weight) lower compared to the price predicted for July in the previous monthly report.
- For August 2018 an increase is predicted in the average price of the A2/A3's but according to the price information over the past 20 years, the probability is 80,0% for an increase in price from July to August each year.

Price prediction for Class B2/B3 beef



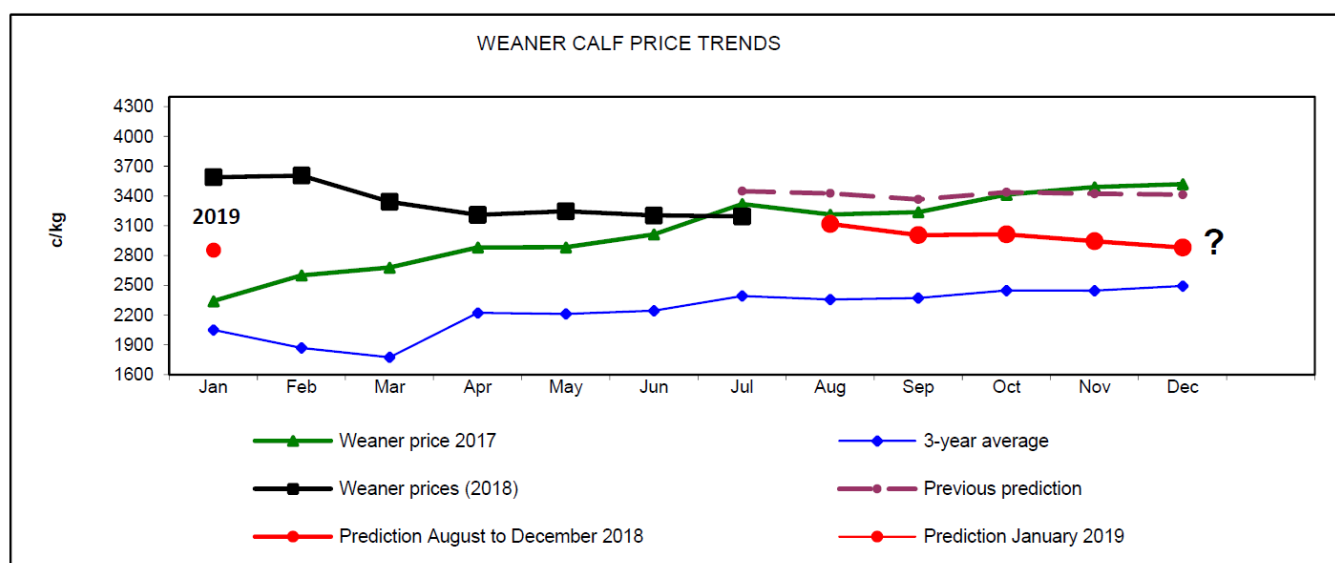
- In July 2018, compared to the previous month the average price of Class B2/B3 beef was 1,5% lower. For July an increase or decline in the average price for Class B2/B3 beef was predicted for July, which was incorrect, and based on the price information over the past 20 years, the probability is 80,0% for an increase. The actual beef price in July was 4,9% (R2,21/kg carcass weight) lower compared to the price predicted for July in the previous monthly report.

- For August 2018 an increase is predicted in the average price of the B2/B3's, and according to the price information over the past 20 years the probability is 80,0% for a higher price in August compared to July each year.
- Although not being shown in the above graph, the average producer price of Class C2/C3 is expected to increase in August.

MONTHLY AVERAGE ABATTOIR SELLING PRICES OF BEEF CARCASSES EXCLUDING V.A.T.

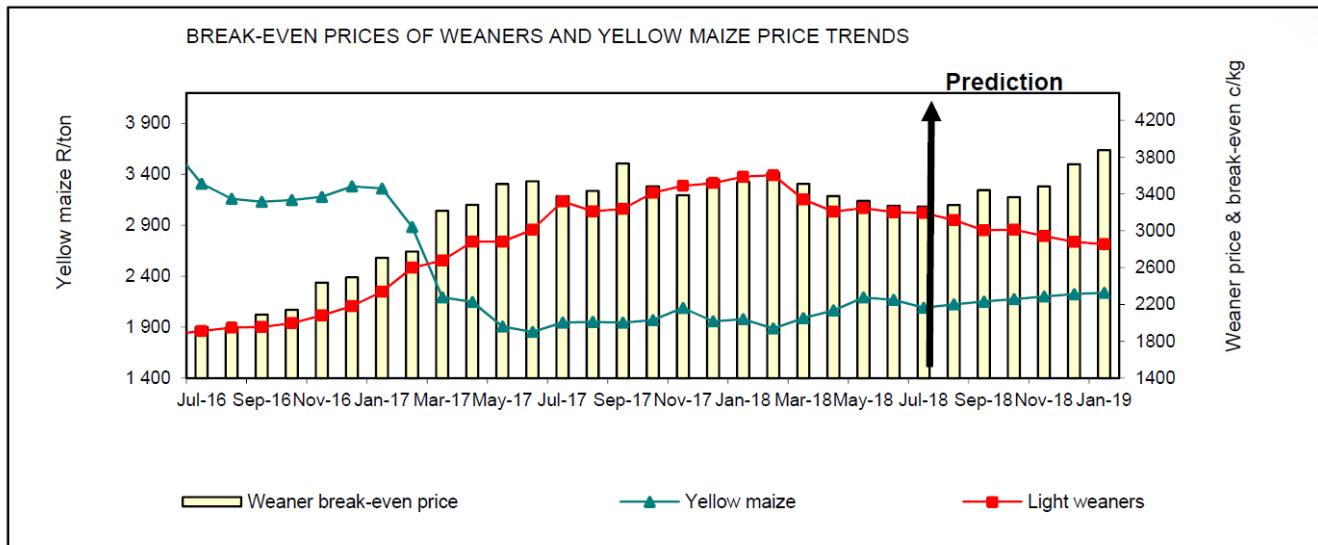
Monthly prices (c/kg)	Feb'18	Mar'18	Apr'18	May'18	Jun'18	Jul'18
Class A2/A3	4 696	4 733	4 732	4 729	4 721	4 668
Class AB2/AB3	4 526	4 655	4 646	4 657	4 630	4 543
Class B2/B3	4 436	4 388	4 400	4 378	4 374	4 307
Class C2/C3	4 261	4 234	4 156	4 175	4 125	4 115
Medium Light weaners	3 606	3 342	3 210	3 247	3 204	3 195

Weaner (190 – 240kg) price movements



- The net price (farm gate price) of medium light weaners (190-240kg) declined in total by 0,3% in July 2018 compared to the previous month and declined in total by 3,8% year-on-year. The prediction of an increase in the average price of weaners for July 2018 in the previous monthly report was incorrect and was based on a probability of 90,0% over 20 years for the average price to be higher in July compared to the previous month.
- The real price in July 2018 was 7,4% (R2,54/kg) lower than the predicted price for July in the previous monthly report.
- For August 2018, an increase is predicted in the average price of weaners, but based on the price information over the past 20 years, the probability is 75,0% for the average weaner price to be higher in August compared to the previous month.

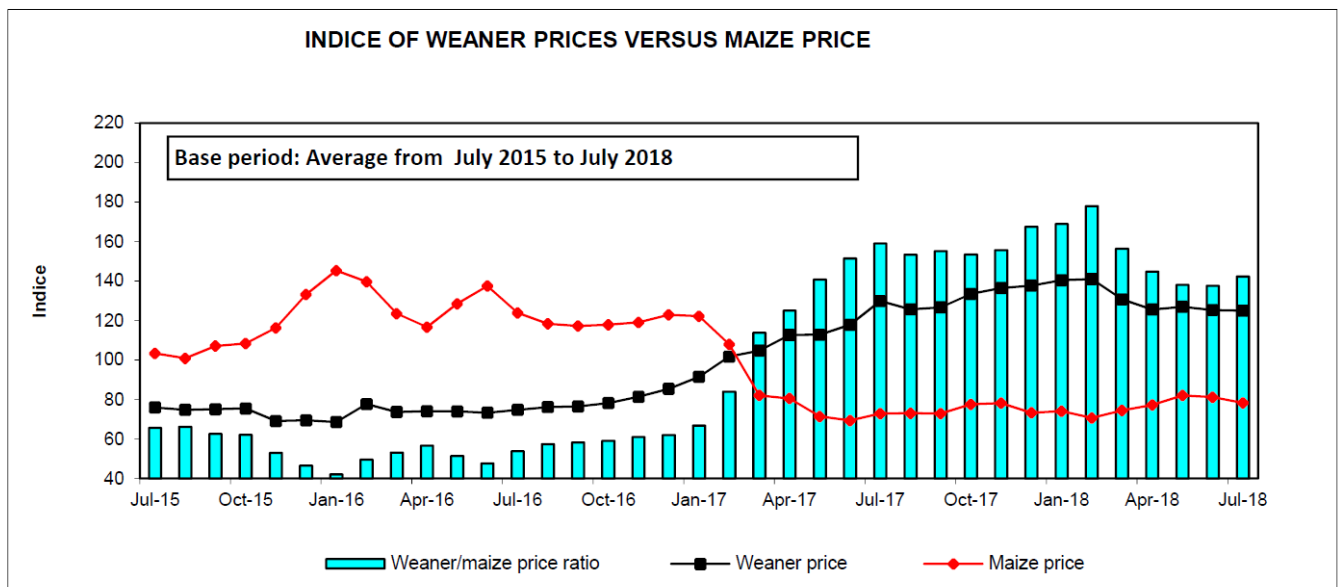
The maize/weaner break-even price

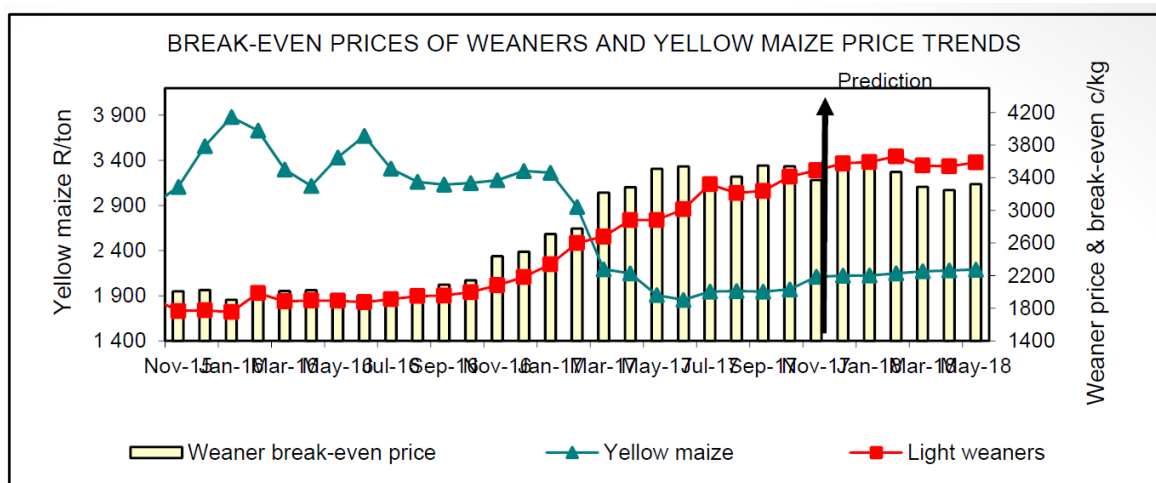


The average yellow maize price in July 2018 was in total 3,6% lower compared to the previous month, and 7,5% higher compared to the same month a year ago.

The expected break-even-price of weaners for August 2018 is based on the predicted future price of Class A2/A3 beef in November 2018 and the SAFEX price for yellow maize in August 2018 (based on all July 2018 contracts Randfontein). With a predicted meat price (Class A2/A3) of R46,28 per kilogram in November 2018 and an average maize price (JSE SAFEX) of R2 091 per ton in August, for a feedlot to break even in August as far as the price beef and the price of maize are concerned, the weaner price should not higher than R32,82 per kg live weight in August, which is 5,3% higher than the average predicted weaner price of R31,18/kg for August. Or based on the expected average weaner price of R31,18 per kg live weight for weaners in August and a maize price of R2 091 per ton in August, by selling these animals in November 2018, the price for Class A2/A3 beef should not be less than R44,77 per kilogram, which is 3,3% lower than the predicted price R46,28/kg for Class A2/A3 in November 2018.

Weaner price versus maize price

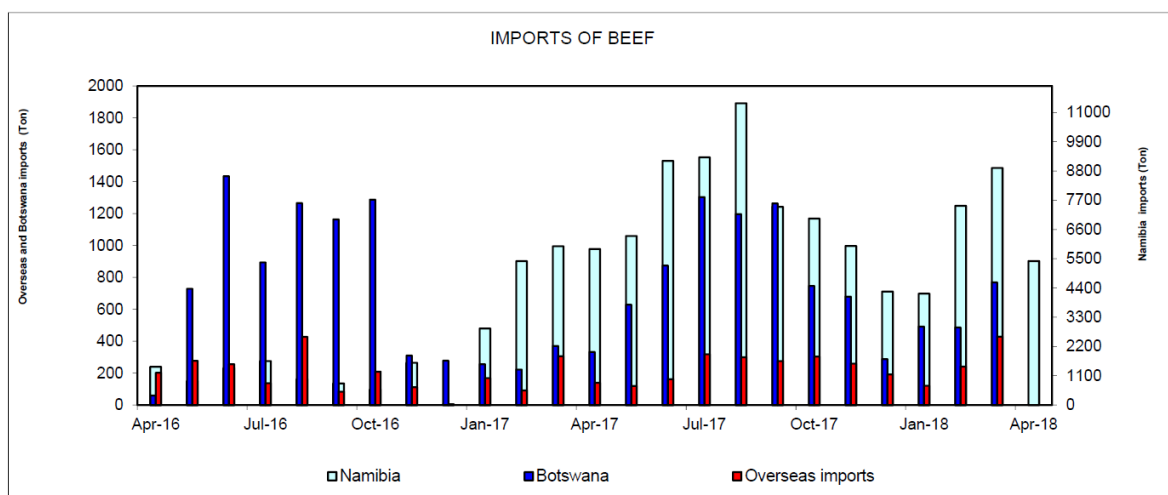




The above graph shows clearly the effect of a lower maize price on the weaner/maize price ratio.

In July 2018, the weaner/maize price ratio improve in total by 3,4% against the previous month and year-on-year the weaner/maize price ratio weakened in total by 10,5% due to an increase of 7,5% in the maize price and a decline of 3,8% in the average price of weaners.

Imports of beef



Import information from Namibia is only available till **April 2018**, and Botswana and overseas up to **March 2018**.

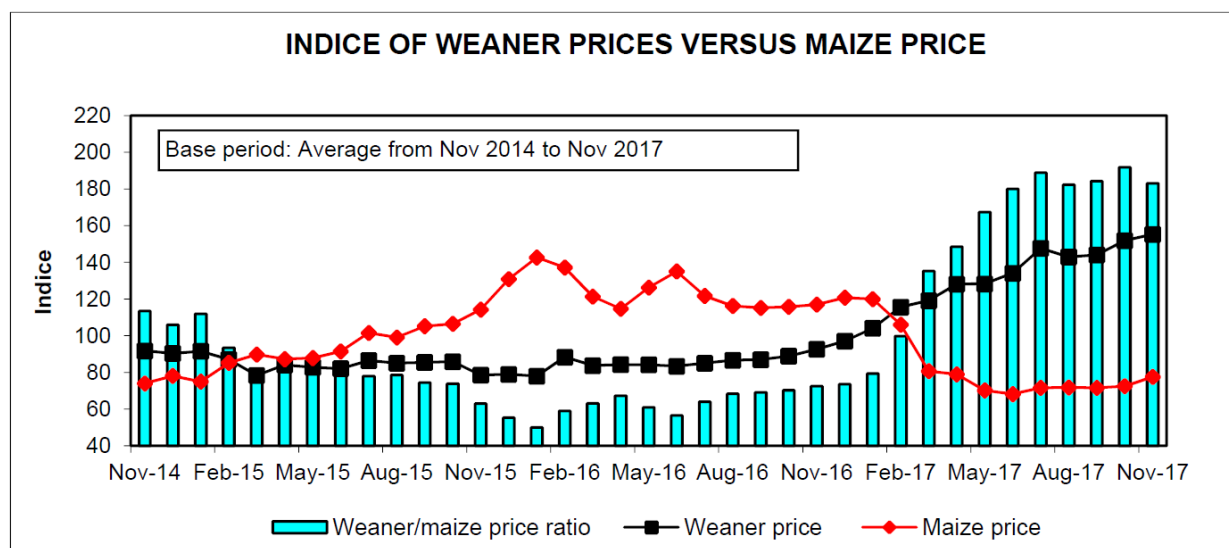
In April 2018 South Africa imported 5 413 tons of beef from Namibia, which was 39,3% less than in the previous month and 7,7% less than in the same month a year ago. These imports include live animals and canned meat.

In April year-on-year, total beef imports from Namibia constitutes for approximate 12,5% of the total South African commercial slaughter.

In March 2018, South Africa imported 768 tons of beef from Botswana, which was 58,0% more compared to the previous month and 107,6% more compared to the same month a year ago.

In March year-on-year, total beef imports from Botswana constitutes for approximate 1,3% of the total South African commercial slaughter, and also 1,3% when offal is included.

In March 2018, South Africa imported 429 ton of beef from overseas, which was 78,0% more than in the previous month and 40,2% more than in the same month a year ago. The beef import data from overseas exclude tongues, hearts and livers.

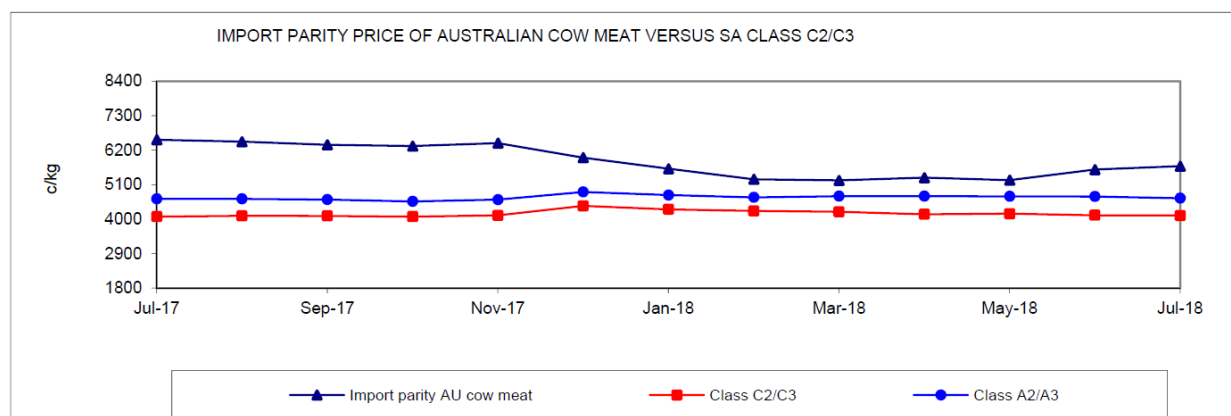


In March year-on-year, total beef imports from overseas constitutes for approximate 0,4% of the total South African commercial slaughter and 6,9% when offal is included.

In March, the main export country from overseas of beef meat to South Africa were Uruguay (43,3%), USA (38,0%), %, and Australia (18,6%). When liver, hearts, offal and tongue were included, the total imports amounted to 4 477 tons and the main export countries were Australia (28,9%), U.S.A (20,0%), Britain (15,9%), Argentina (8,6%) New Zealand (8,5%), Ireland (7,8%), France (4,9%),Uruguay (4,2%), Denmark (0,6%) and Estonia (0,6%).%,

International markets and price movements of beef.

The import parity price situation



In July 2018, the average price of South African beef (A2/A3 and C2/C3) was 4 668c/kg and 4 115c/kg compared to the derived import parity price of Australian cow meat of 5 590/kg. The import parity price is thereby 21,8% and 38,3% higher compared to the average price of Class A2/A3 and C2/C3 beef.

In July 2018-year-on-year, the import parity price of Australian cow meat was 12,9% lower compared to an increase 0,4% and 0,8% in the average producer price of Class A2/A3 and C2/C3 beef.

Update of RMAA Database

The RMAA are in the process of updating our Abattoir database. Please update your information and fax it back to the RMAA. We also require a fax copy of your Abattoir Certificate.

ABATTOIR INFORMATION

Abattoir Name:		Abattoir RC Number:		VAT Number:	
Abattoir Postal Address:		Abattoir Physical Address:			
Telephone:	()	Fax:	()		
Unit Capacity:		Species:	Cattle <input type="checkbox"/>	Sheep <input type="checkbox"/>	
			Pigs <input type="checkbox"/>	Calf <input type="checkbox"/>	
			All <input type="checkbox"/>		

ABATTOIR OWNER

Name:		Surname:	
Telephone:	()	Fax:	()
Cell:		E-mail:	

ABATTOIR MANAGER

Name:		Surname:	
Telephone:	()	Fax:	()
Cell:		E-mail:	

TRAINING CONTACT (Person responsible for training at the abattoir)

Name:		Surname:	
Telephone:	()	Fax:	()
Cell:		E-mail:	

FINANCE/ACCOUNTS CONTACT (Person responsible for payments at the abattoir)

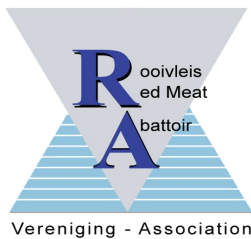
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Cell:		E-mail:	

Office Use:

Filed: ☐ Signed off: ☐ System updated: ☐ Copy of RC: ☐ Signed: Date:

www.rmaa.co.za

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Fax: 555-555-5555
E-mail: someone@example.com



The RMAA is an independent membership-based organisation, which was established in February 1991 with its primary aim being training at all abattoirs in South Africa. The Association is a representative forum for red meat abattoir owners in South Africa and aims to establish communication and co-operation between the members of the Association in order to determine a coordinated opinion on matters of general, as well as specific, importance. The Association provides members with specific and general information and technology regarding all aspects of the industry and related activities and renders services to advance and promote the industry.

STRIVING TOWARDS MEAT SAFETY AND QUALITY

ABATTOIR SKILLS TRAINING (AST)

AST was established by the Association to adhere to the legislation and regulations of the Department of Higher Education and Training as a registered Further Education and Training College. AST conducts generic and specific food safety and quality training in the meat industry and other related industries.

Abattoir Skills Training is responsible for the formal training with the industry on behalf of the RMAA and is an accredited training provider registered with:

AgriSETA as a training provider (ETQA) –
AGRI/c prov/027710
Department of Education as a Further
Education and Training College – 2011/
FE07/010
SAATCA accreditation for Lead auditors
training
AST has a Level 4 BBBEE rating with a
B-BBEE Procurement Recognition level
of 100%

