



AGRONOMY AND HORTICULTURE MARKET DEVELOPMENT DIVISION

AGRONOMY MARKET DEVELOPMENT SUBDIVISION

PEARL MILLET (MAHANGU) GRAIN MARKET REPORT

MARKETING SEASON 2020/2021



1. INTRODUCTION

Mahangu is one of the most important cereal crops in Namibia, making a huge contribution to the overall food security in the country. The crop is mainly cultivated in the North Central Area (NCA), Otjozondjupa, Kavango, and Zambezi regions.

Farmers in the communal areas produce mahangu mainly for subsistence purposes and sell the surplus grain in the formal and informal market, though the biggest of mahangu produced in the Zambezi region is for commercial purposes. The marketing season for mahangu commences on 01 July each year and last until all the marketable grains are sold to millers and silos.

For 2020/2021 marketing season, the borders were closed for importation of mahangu grain as from 1 July 2020 and opened for importation on 02 February 2021. However, small quantities of locally produced mahangu grain was still delivered to small scale commercial millers until 31 March 2021.

During 2020/2021 marketing season, the NAB projected at total of 2,638 tons of mahangu to be harvested and marketed, however a total of 4,139 tons was marketed, greater than the volumes projected to be marketed, as many producers who did not register to market their grain turned up. When compared to the tonnage of mahangu grain that was marketed during 2019 season (1,970 tons), the tonnage marketed during 2020 was higher by 2,160 tons, representing a 52% increase, due to good rainfalls that was received during 2020/2021 planting season.

Therefore, this report presents the total tonnage of mahangu marketed in the formal market during the period 01 April 2020 to 31 March 2021. The mahangu formal market represents the gains sold to licenced millers countrywide. The data presented in this report is based on the monthly returns that were submitted to the NAB by registered millers.

2. LOCAL TONNAGE MARKETING PER MONTH

Figure 1 shows that, the marketing of locally produced mahangu grain started in June 2020, whereby only 22 tons was marketed and the bulk of the mahangu was marketed between July to October 2020. The highest tonnage of mahangu was marketed in August 2020 (1,153 tons), and no mahangu grain was marketed during April and May 2020.

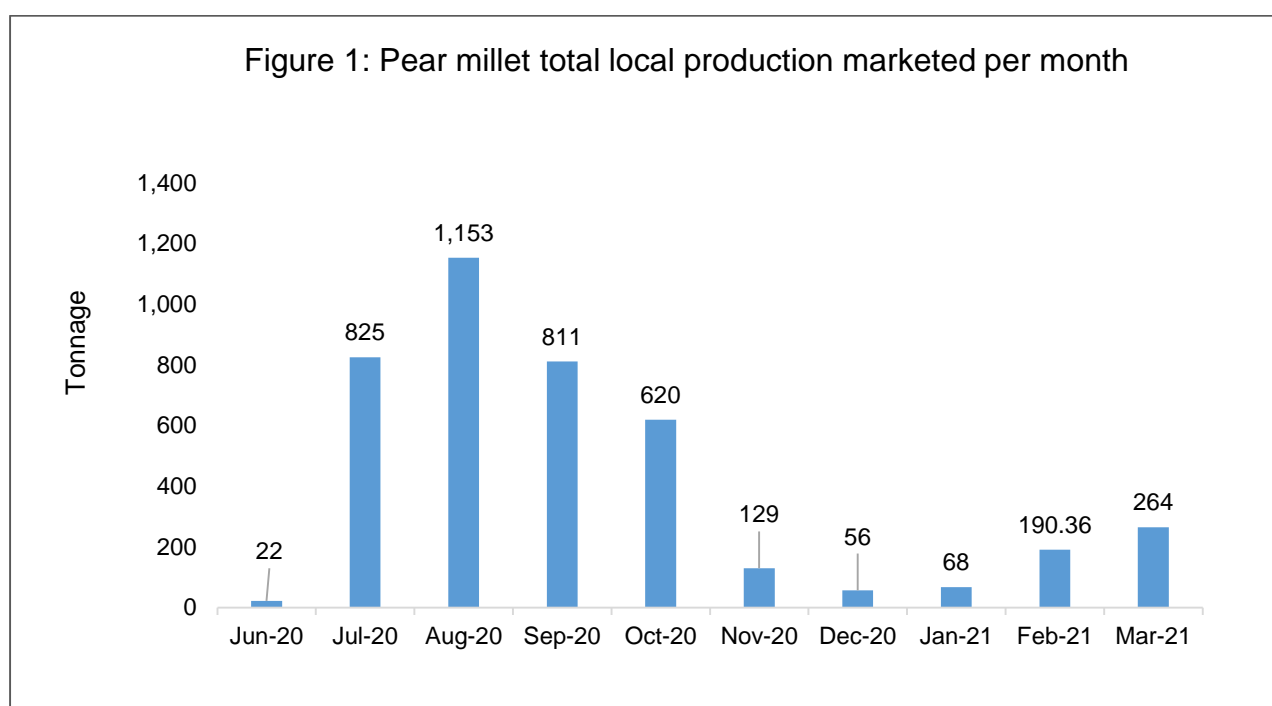


Figure 1: Total tonnage of locally produced mahangu marketed per month.

3. TONNAGE PROJECTED VERSUS MARKETING PER REGION

Figure 2 below shows that the bulk of the mahangu marketed during the 2020/2021 marketing season came from the Zambezi region, representing 1,303 tons (31%) of the national total tonnage marketed during the marketing season, which was 4,139 tons.

However, the total tonnage projected to be marketed from Zambezi region was lower than the actual tonnage marketed by 503 tons more. The second largest actual tonnage marketed was recorded in Oshikoto region, 1013 tons, though the tonnage projected was merely 350 tons, representing a difference of 663 tons. The lowest actual tonnage marketed were recorded in Otjozondjupa and Oshana region, with 60 tons and 165 tons respectively.

Therefore, it is clear that the highest level of accuracy between projected and marketed tonnage was recorded in Otjozondjupa region (100%), while the lowest level of accuracy was recorded in the Zambezi region (63%).

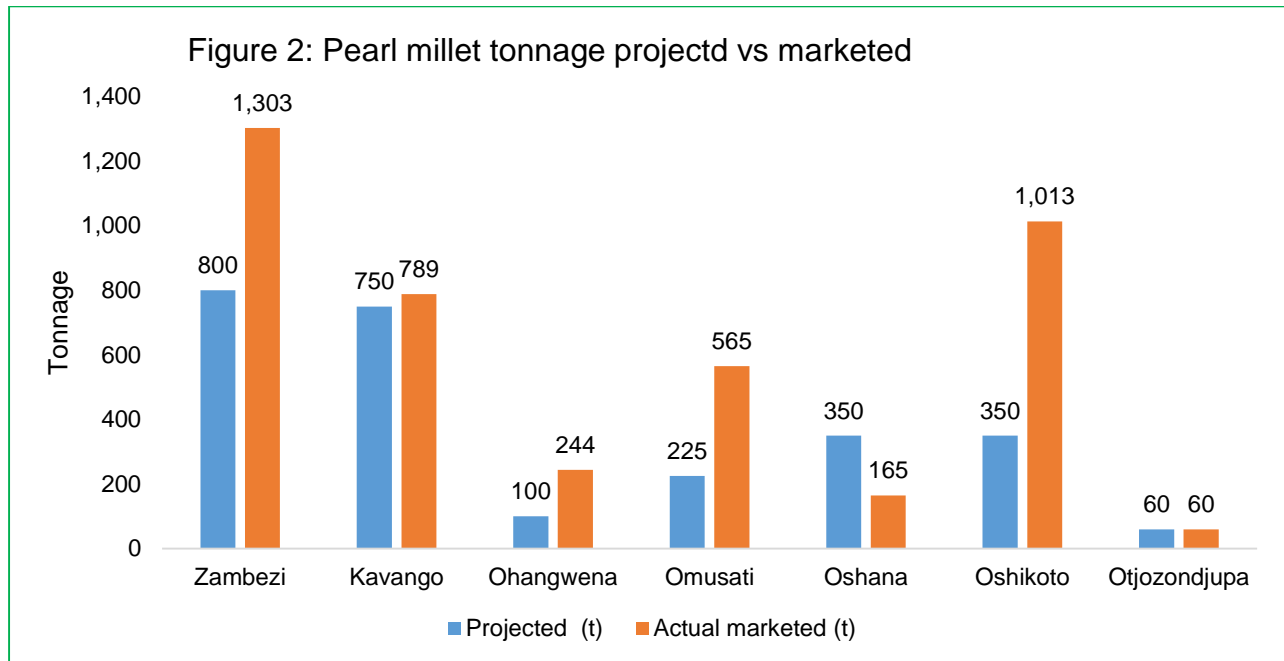


Figure 2: Local tonnage projected versus marketed per region.

According to figure 3 below, the total tonnage projected was 2,638 tons and actual tonnage marketed was 4,139 tons. This means the difference between projected and actual tonnage was more by 1,501 tons, representing a 57% increase in tonnage projected.

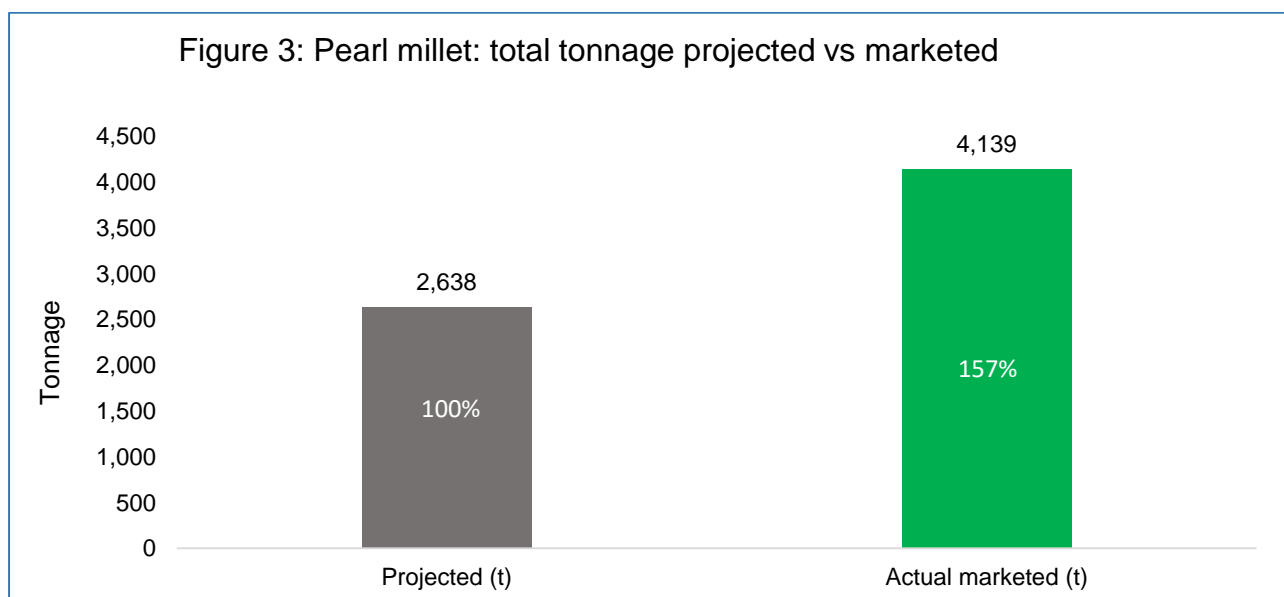


Figure 3: Local total tonnage projected versus marketed.

4. TOTAL DOMESTIC DEMAND AND FLOOR PRICE TREND

4.1 Import, production marketed and domestic demand (2011/2012 – 2020/2021)

According to figure 4 below, local production marketed during 2020/2021 was the highest tonnage of mahangu ever marketed since 2011/2012, however the highest domestic demand for mahangu was recorded in 2016/2017, with a record of 7,125 tons.

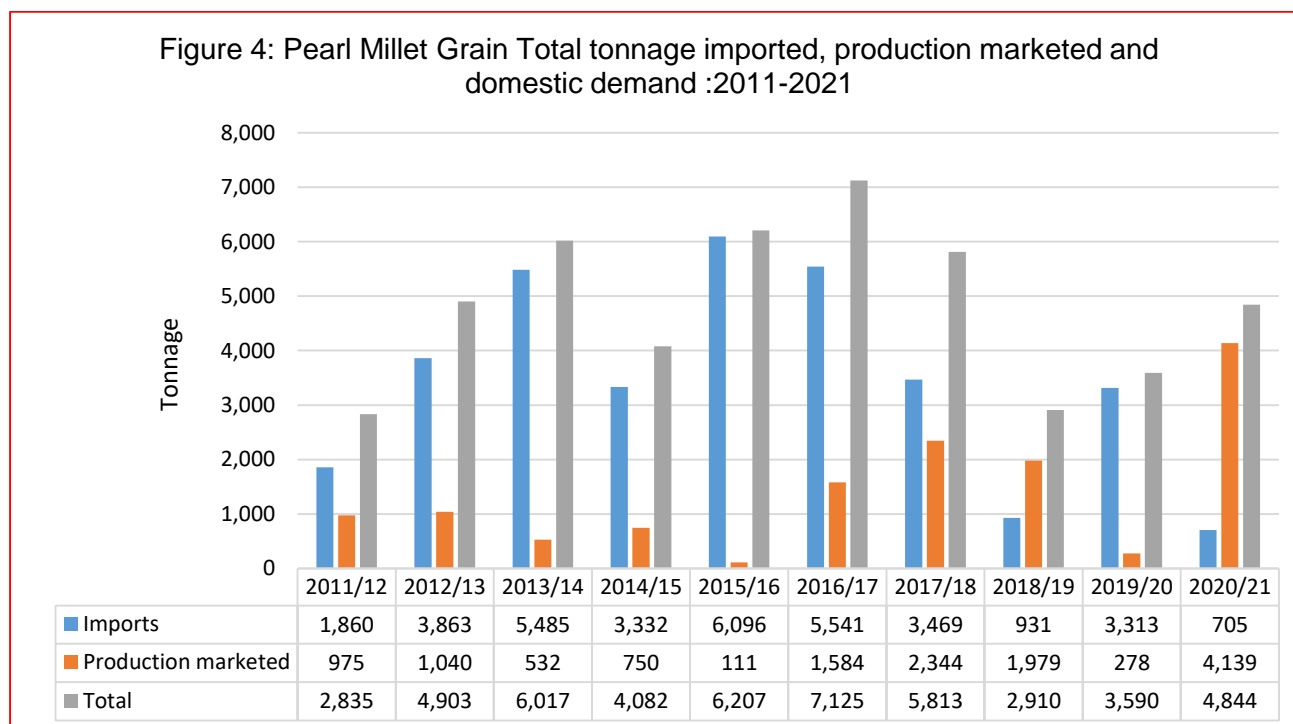


Figure 4: Mahangu total tonnage imported, local production marketed and domestic demand.



4.1 Domestic floor price (mill door) per ton – 2011/2012 – 2020/2021 season

According to figure 5 below, the floor price for mahangu grain for 2020 marketing season, which commenced on the 1 July 2020 was N\$ 4, 988.50 per ton or N\$ 249.50 per 50kg bag at mill door. The floor price decrease from N\$5,609 in 2019/2020 to N\$4,989 per ton, representing a decrease of N\$620 per ton, and this is attributed to low cost of production inputs experienced during 2020/2021 planting season.

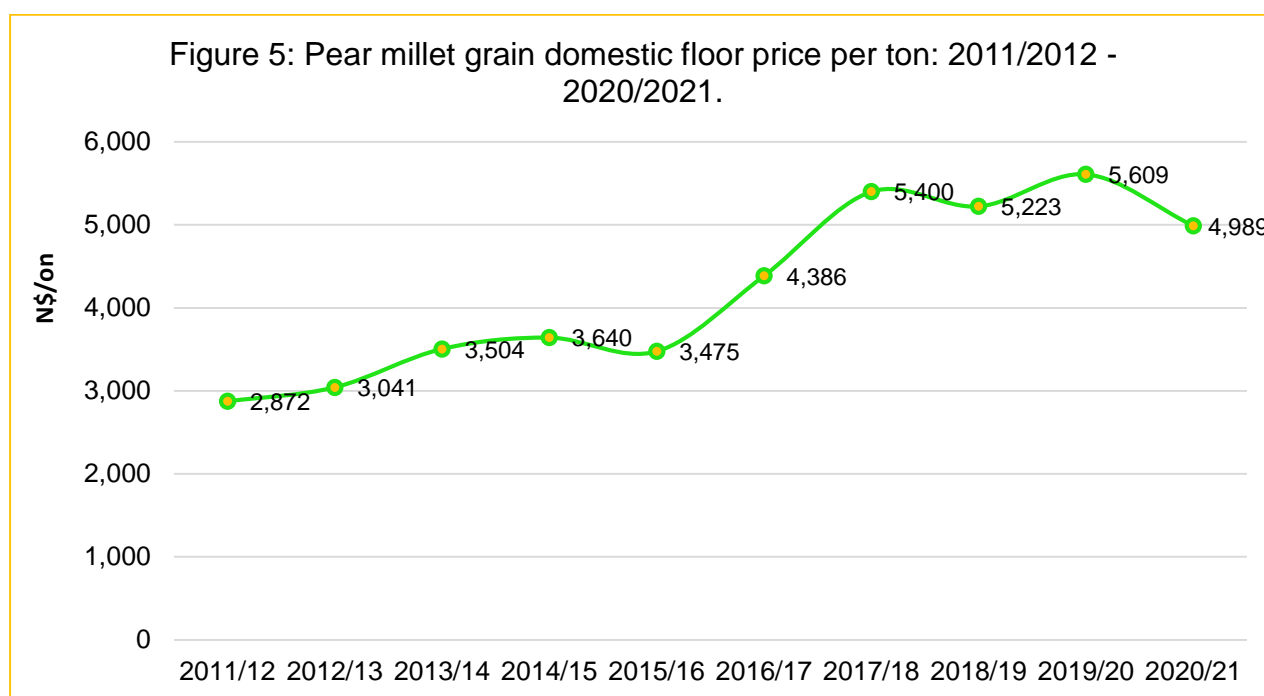


Figure 5: Mahangu grain domestic floor price per ton.

5. CONCLUSION

Due to good rainfall received in most parts of the country, there was a good harvest of mahangu during 2020/2021 marketing season, when compared to previous season whereby only 278 tons was marketed. A total of 4,139 tons of mahangu grain was marketing until end of March 2021, and the tonnage marketed exceed the tonnage projected by 57% or 1501 tons, though this indicates that our level of accuracy was not so good, since more tonnage were marketed, than the tonnage projected.

Furthermore, even though the marketing season for 2020/2021 came to an end on 02 February 2021, deliveries of small volumes of local mahangu to the market continued until 31 March 2021.