AGRONOMY AND HORTICULTURE MARKET DEVELOPMENT DIVISION

AGRONOMY MARKET DEVELOPMENT SUBDIVISON

GRAIN TRADE STATISTICS REPORT

01 APRIL 2020 TO 31 March 2021

1. INTRODUCTION

Namibia currently produces three staple grain crops only and these are: white maize, wheat and pearl millet (mahangu). These grain crops are currently gazetted as controlled agronomic crops, in line with Agronomic Industry act (AIA) 20 of 1992.

Despite the marketing mechanisms put in place to facilitate marketing and production of staple grain crops, Namibia remains a net import of grain (white maize, wheat and pearl millet) due to low local production, worsened by recurrent drought. White maize is annually imported from South Africa, while wheat is mainly imported from Russian Federation and South Africa, and mahangu is exclusively imported from India.

Due to a good harvest of both white maize and mahangu last year, borders were closed for importation of mahangu from 01 July 2020 to 9 February 2021, and white maize from 01 June to 19 October 2020. Close border periods are implemented by the NAB per annum to ensure producers can market their grains.

Due to insufficient local production of wheat, close border periods were not implemented during the reporting, however the NAB facilitated the marketing local wheat to millers, and the marketing season commenced on 01 October 2020 and ended on 31 January 2021.

Therefore, this report gives an overview of the volumes of white maize, wheat and mahangu grains imported and purchased locally by millers and silos during the period 01 April 2020 to 31 March 2021.

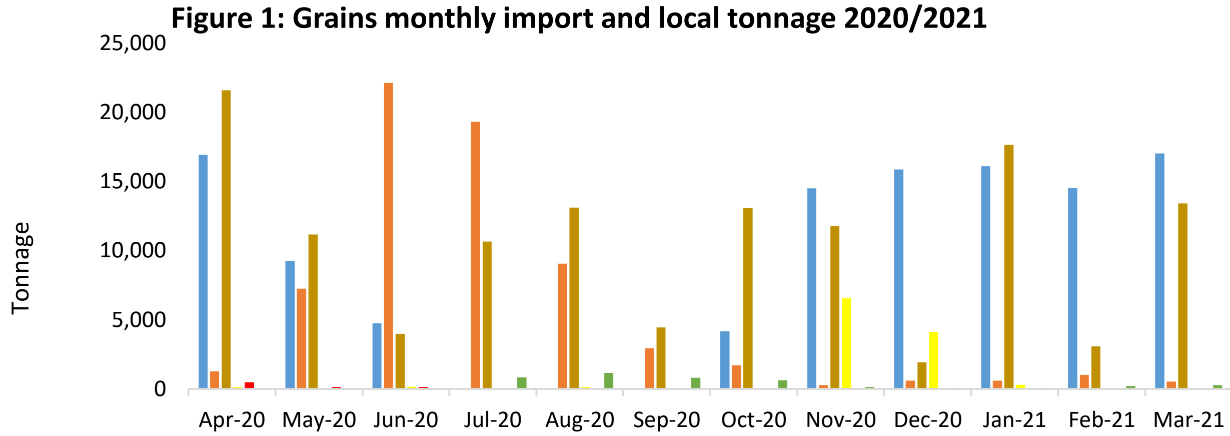


2. MONTHLY GRAIN TRADE VOLUMES

According to figure 1 below, it is clear that importation of white maize and wheat grains were higher than local purchases during the reporting period, whilst the imported tonnage for mahangu was as low as 15% of the total grain demand.

The biggest portion of the local white maize was marketed as from May to August 2020, and from July to October 2020 for mahangu.

The imports of mahangu only took place in April to June 2020 before the border closed and there were no imports for mahangu recorded since July 2020 to 31 March 2021.
The bulk of local production for wheat was marketed in November 2020 to January 2021.



	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
White Maize (Import)	16,937	9,267	4,752	0	0	0	4,159	14,516	15,871	16,115	14,545	17,034
White Maize (Local)	1,263	7,238	22,122	19,324	9,044	2,940	1,711	264	603	584	1,019	531
Wheat (Import)	21,589	11,155	3,986	10,645	13,119	4,450	13,057	11,767	1,924	17,661	3,062	13,423
Wheat (Local)	131	0	149	66	125	1	66	6,539	4,127	294	0	0
Pearl Millet (Import)	470	118	118	0	0	0	0	0	0	0	0	0
Pearl Millet (Local)	0	0	22	825	1,153	811	620	129	56	68	190	264

Figure 1: monthly grain imports and locally purchased volumes – 2020/2021.

3. TOTAL GRAIN TRADE VOLUMES

Figure 2 below indicates that, the total white maize grain demand by millers and silos for the reporting period stood at 179,838 tons, as at 31 March 2021, and of which 63 % (113,196 tons) was imported and 37% (66,642 tons) was locally sourced.

In terms of wheat grain, 92 % (125,838 tons) of the total domestic demand was imported from other countries and only 8% (11,498 tons) was sourced locally.

Furthermore, the total demand of pearl millet grain by millers and silos for the reporting period was 4,844 tons, and of which 15% (705 tons) was imported and 85% (4,139 tons) was locally sourced.

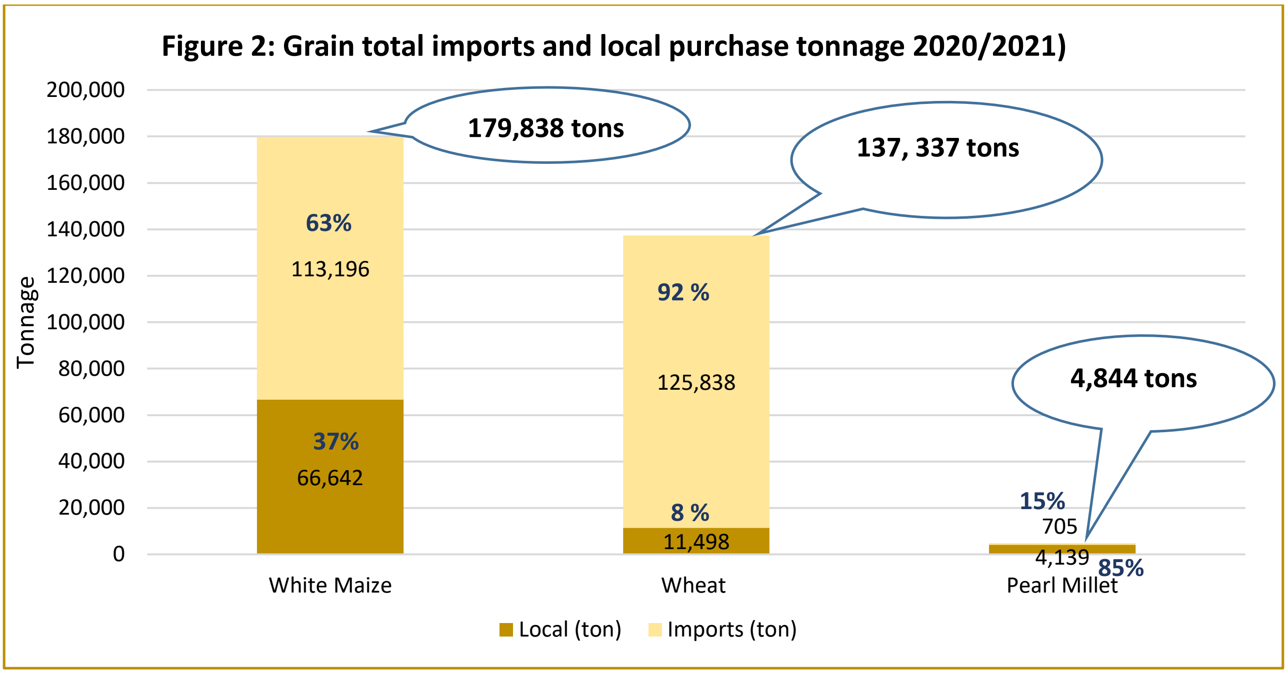


Figure 2: Total grain imports and local volumes for the period 2020/2021.

Table 1 above, clearly indicates that the total grains purchased locally stood at 82,279 tons (26%) and imports 239,739 tons (74%), resulting in total grains demand of 322,018 tons.

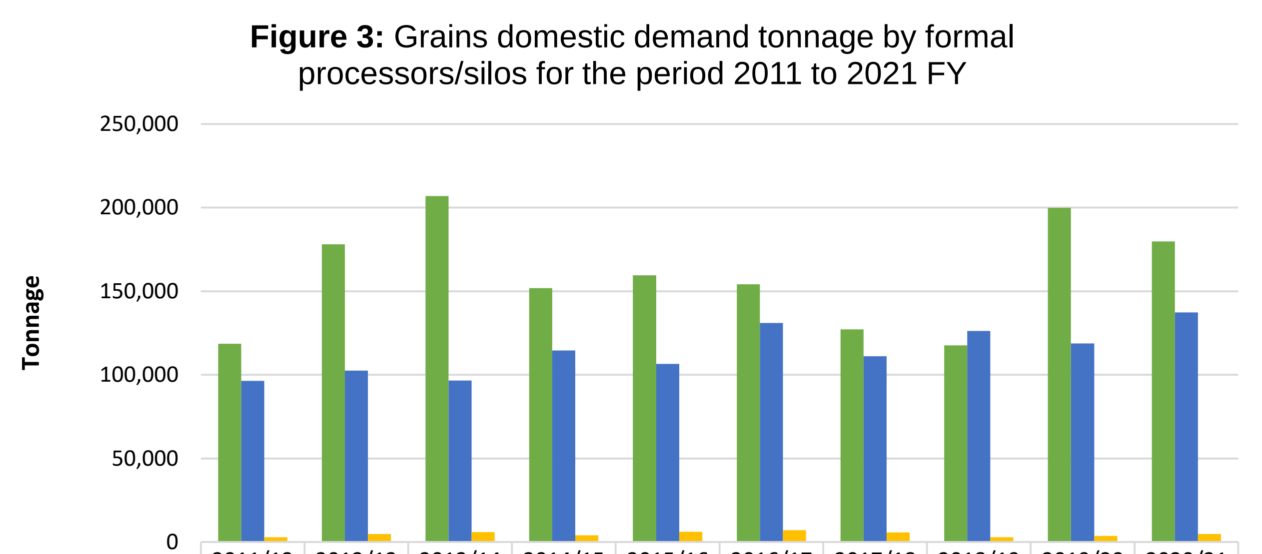
Table 1, Total grain imports and local share analysis for 2020/2021.

Grains Type	Local (ton)	Imports (ton)	Total	Local %	Import %
White Maize	66,642	113,196	179,838	**37%**	**63%**
Wheat	11,498	125,838	137,337	**8%**	**92%**
Pearl Millet	4,139	705	4,844	**85%**	**15%**
Total	**82,279**	**239,739**	**322,018**	**26%**	**74%**

4. DOMESTIC GRAINS DEMAND AND FLOOR PRICE TREND

4.1 Grains domestic demand trend (2011/2021 to 2020/2021).

Figure 3 show the total grains domestic demands between 2011/2012 to 2020/2021 which include both local production marketed and import tonnage.



	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
White Maize	118,533	178,180	206,928	151,960	159,550	154,169	127,143	117,628	199,918	179,838
Wheat	96,473	102,545	96,569	114,635	106,601	131,083	111,107	126,206	118,829	137,337
Pearl Millet	2,835	4,903	6,017	4,082	6,207	7,125	5,813	2,910	3,590	4,844

Figure 3: Grain domestic demand tonnage trend.

4.2 Grain domestic floor price trend

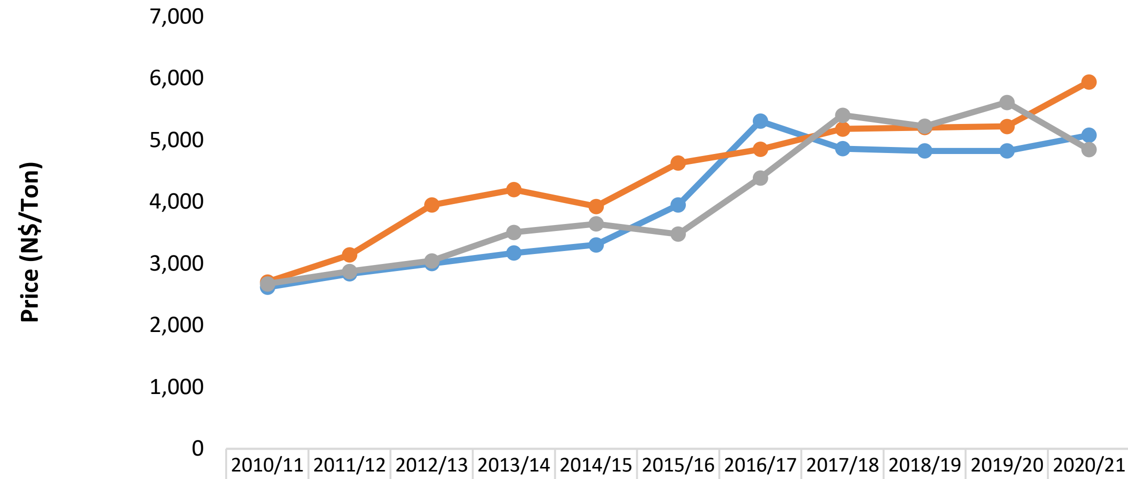
The floor price is simply the minimum price that a miller is required to pay a producer for the grains delivered at mill door. The white maize floor price staggers and increases every fortnight for both the Otjiwarongo Southwards (Windhoek) price and Otjiwarongo Northwards (Otavi).

On the other hand, the floor price for mahangu remains constant throughout the marketing season and it is determined based on commercial input production cost for the previous planting season. The floor price for mahangu for 2020 marketing season (July 2020 to February 2021) was **N$ 4,988.50** per ton or N$249.50 per 50kg bag, at mill door floor.

On the other hand, the minimum floor price for white maize was **N$5,077** (Otavi floor price) and **N$4,940** (Windhoek floor price). The 2020 marketing season for white maize commenced on 01 May 20 to 19 October 2020.

In terms of wheat, the floor price (mill door) for wheat during 2020/2021 marketing season (01 October 2020 until 31 January 2021) was **N$ 5,939.60**, and this price does not stagger fortnightly, unlike white maize price.

Figure 4: Grains domestic price per ton for the period 2010 to 2021 FY



	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Floor Ave. price(White Maize)	2,614	2,831	2,998	3,169	3,302	3,948	5,304	4,860	4,822	4,824	5077
Floor Ave. price(Wheat)	2,700	3,138	3,948	4,197	3,923	4,625	4,850	5,178	5,200	5,220	5940
Floor price(Pearl Millet)	2,668	2,872	3,041	3,504	3,640	3,475	4,386	5,400	5,223	5,609	4844

Figure 4: Grain domestic floor price per tons: 2011/2012 – 2020/2021

4. CONCLUSION

It is clear from the report that white maize and mahangu grain crops constituted the biggest portion of locally produced grains, marketed during the reporting period, and this is attributed to a good rainfall received in many crop production zones during the reporting period. However, Namibia remains a net importer of white maize and wheat, due to the fact that local production is far less than the domestic demand, and hence the grain self-sufficiency rate of 34% was recorded during the reporting period, with wheat leading on imports.

Mahangu self-sufficiency rate was 85%, due to good rainfall received during the reporting period. Wheat and white maize floor price for 2020 marketing season was high than that of 2019 season, due to high exchange rates as a result of COVID-19, while mahangu floor price was less than that of 2019/2020.

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