



NAMIBIAN
AGRONOMIC BOARD

AGRONOMY AND HORTICULTURE MARKET DEVELOPMENT DIVISION

AGRONOMY MARKET DEVELOPMENT SUBDIVISION

GRAIN MARKETING PROGRESS REPORT

01 APRIL 2021 TO 28 FEBRUARY 2022



Last Updated: 16 March 2022

1. INTRODUCTION

This grain market report presents an overview of the traded volume and value of white maize, wheat, and pearl millet grains imported and purchased and floor prices for locally produced grain during the period 01 April 2021 to 28 February 2022. It does not include processed products manufactured using grain.

In terms of white maize production, the agronomy sector experienced overproduction of white maize from all the production areas, the national estimated tonnage to be harvested and marketed was estimated at **82,734** tons and by 28 February 2022, a total of **90,580** tons was marketed countrywide, valued at **N\$ 421 million**. White maize imported in the country was **88,189** tons, valued at **N\$ 317 million** between 1 April to 28 February 2022.

The marketing season for locally produced white maize ended on 22 December 2021 with the completion of the intake of white maize from the Zambezi region.

As for mahangu, low tonnage was marketed this year as compared to what was expected to be marketed. A total of 1,940 tons of local mahangu was marketed, valued at **N\$10 million**, representing 52% of the projected tonnages for marketing at the beginning of the marketing season. Namibia imported a mere **24 tons** between April 2021 to February 2022, with a value of **N\$104 thousand**.

The marketing season for local wheat starts 1 November 2021 to 31 January 2022 and out of an estimated **19 817** tons expected to be harvested and marketed from Kavango, South, Karst, Central, and North central areas, a total of **18 462 tons** of the projected tonnages was marketed, value at **N\$ 115 million**, with a variation of **1 774 tons (9%)**. This is a sharp rise in local wheat harvested and marketed ever recorded. A total of **101,672** tons was imported between 1 April to 28 February 2022, valued at **N\$ 690 million**.



2. MONTHLY GRAIN TRADE STATISTICS

2.1 White maize volume and value

Namibia produces white maize both under rainfed and irrigation. White maize is currently produced in Zambezi, Kavango, North Central, Karst (Maize triangle), Central and South production areas. An estimated total tonnage of **82,735 tons** was projected to be marketed during the 2021 marketing season. The marketing season for white maize commenced on 1 May and this year the border closed for the importation of white maize grain from 14 May 2021 and the border opened fully for importation on 22 December 2021.

Figures 1 show that the biggest portion of white maize grain was imported in January 2022 (22,572 tons) and the lowest imports were in May 2021 and this is attributed to the closure of the border for importation as of 14 May 2021. On the other hand, the highest volume of the white maize grain was purchased locally in June 2021 (25 116 tons).

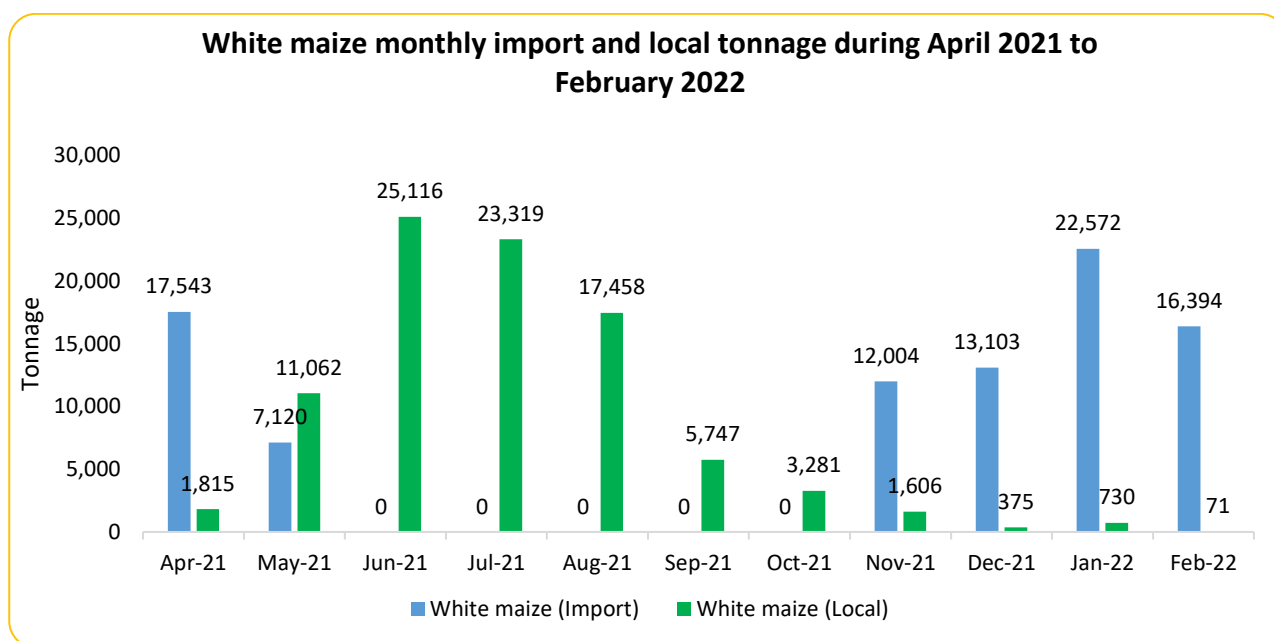


Figure 1: White maize monthly grain tonnage imports and local purchases.



In terms of value, figures 2 below show that N\$ 76 million worth of white maize grain was imported in January 2022, with the lowest being recorded in May 2021 (N\$21 million), and this is attributed to the closure of the border for importation as of 14 May 2021. On the other hand, the biggest portion of white maize grain was locally purchased in June 2021, valued at N\$ 116 million.

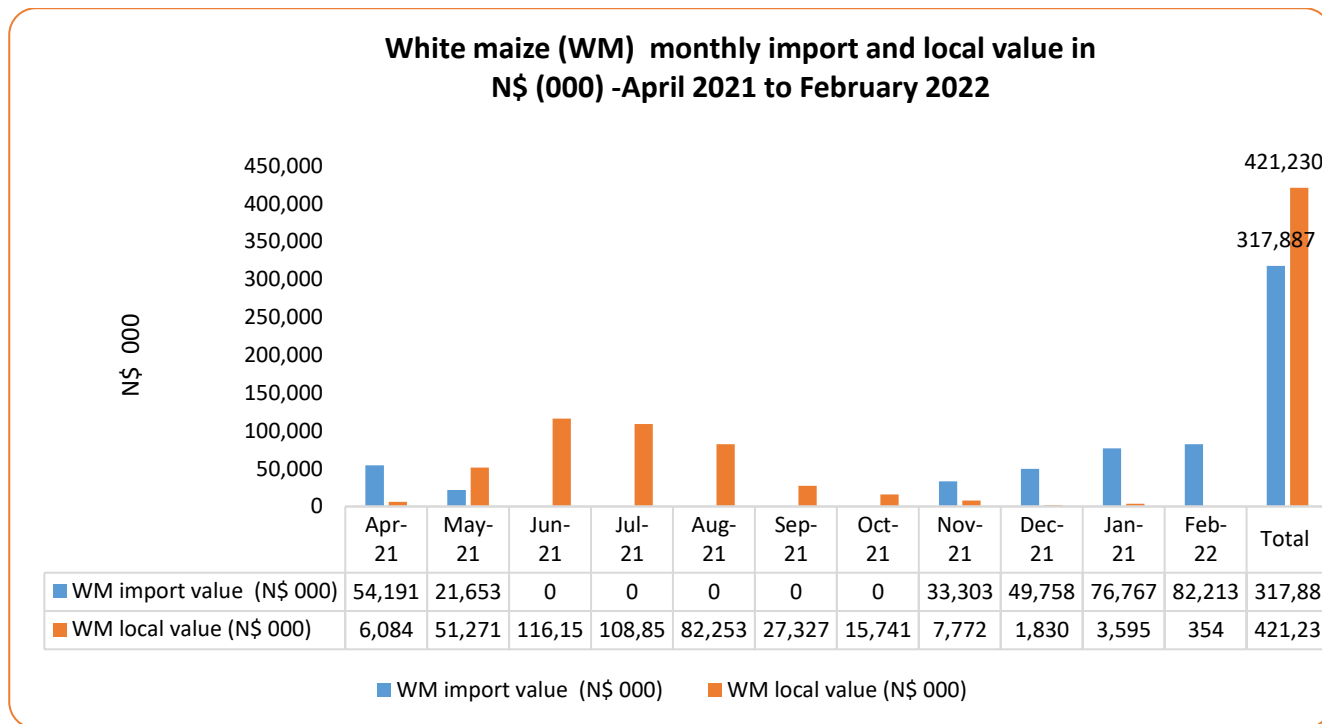


Figure 2, White maize monthly imports and local purchases in value.

2.2 Wheat volume and value

Figure 3 and figure 4 show the wheat total monthly imports and local purchases in volume and wheat total monthly imports and local purchases in terms of volume and value for the period- April 2021 to February 2022. The marketing of wheat officially starts from 01 October to 31 January each year. To satisfy the gap between production (supply) and demand, 86% of the wheat traded during the reporting period was imported.

During the 2021/2022 marketing season, out of **19 817 tons** of wheat projected to be harvested and marketed, a total of **18 043 tons**, valued at **N\$ 116 million** was marketed since October 2021, representing about 13 % of total national wheat demand. The biggest volume of local wheat was marketed in November and December 2021, valued at N\$ 73 Million and N\$ 36 million respectively. The increase in local production is attributed to an increased number of farmers who planted wheat this year and an increase in the number of hectares planted this year.

The biggest volume of the wheat grain was marketed from the South Hardap (11 832 tons) representing 63% of the locally harvested wheat, followed by Karst area (4 537 tons), Central (1 066 tons) and the lowest tonnage marketed was from the Kavango area (608 tons).

During the reporting period, millers imported a total of **119 936 tons**, valued at **N\$ 690 million** of wheat grain. The highest import volume of wheat grain was recorded in January 2022 at **22 238 tons**, valued at **N\$ 138 million**.

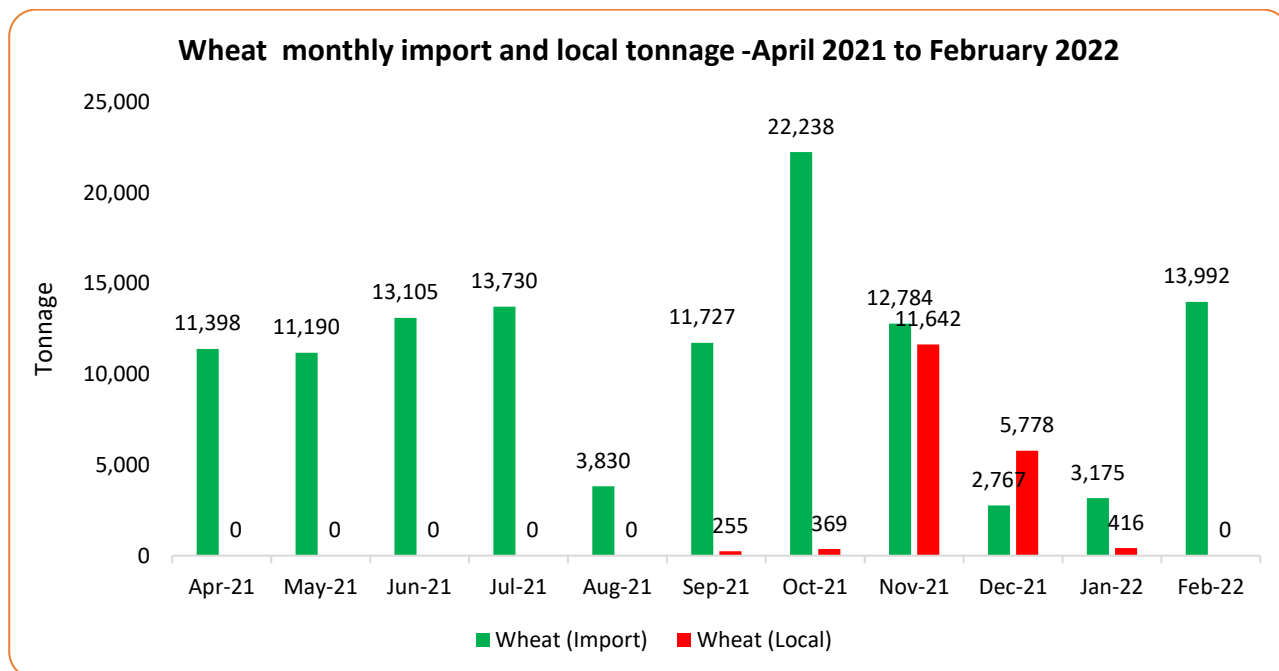


Figure 3, Wheat monthly grain imports and local purchases in volume - April to February 2022

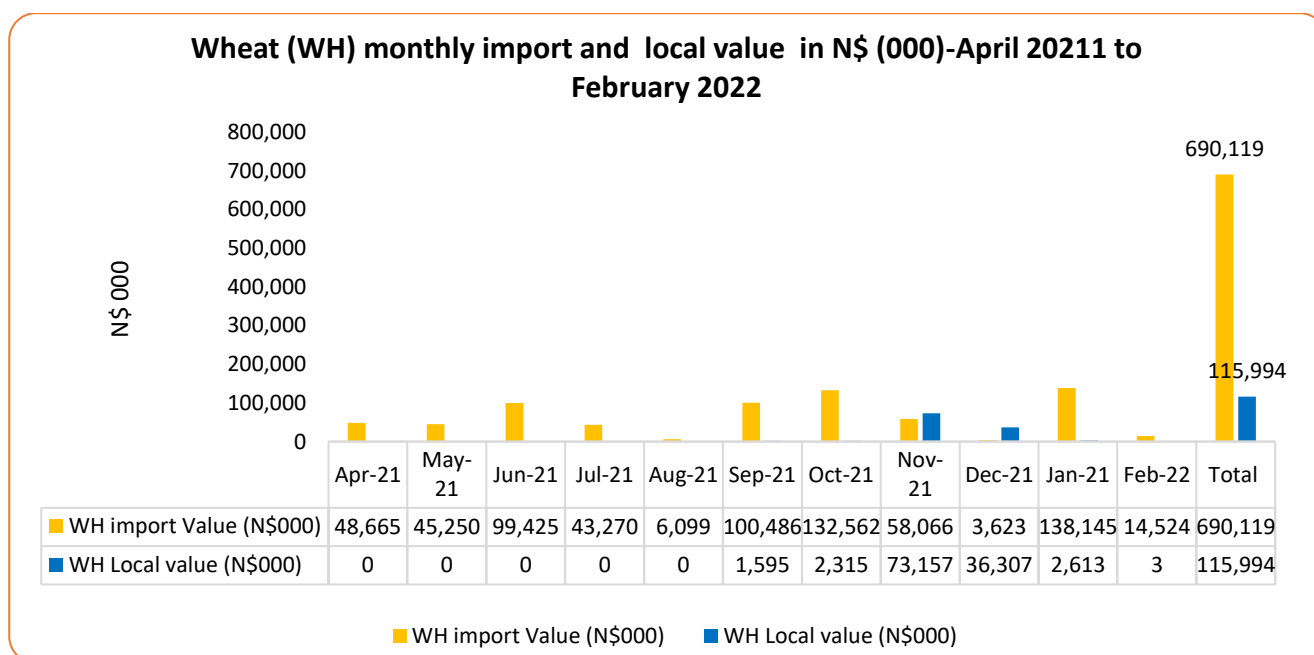


Figure 4, Wheat monthly grain imports and local purchases value.

2.3 Pearl millet tonnage and value

Mahangu is one of the most important cereal crops in Namibia, contributing to overall food security. The crop is cultivated in the North Central Area (NCA) and Zambezi region. This season the production of pearl millet in the North Central Areas (NCA) and Zambezi region was affected by erratic rainfall and pest outbreak, resulting in low harvest marketed than expected.

Figure 5 and figure 6 show the total grain purchased locally and import in volume and value for the period April 2021 to February 2022. The marketing of locally produced grain started on 01 June 2021. During the reporting period, the bulk of the pearl millet was purchased mainly in September 2021 (429 tons), valued at about N\$ 2 million.

In total, 1,940 tons of local mahangu was marketed between April 2021 and February 2022, valued at about **N\$10 million**, whilst a total of 25 tons were imported at the value of **N\$ 400 000**. The low volumes of imported pearl millet during the reporting period are attributed to the high cost of importing from India, triggered by international market forces.

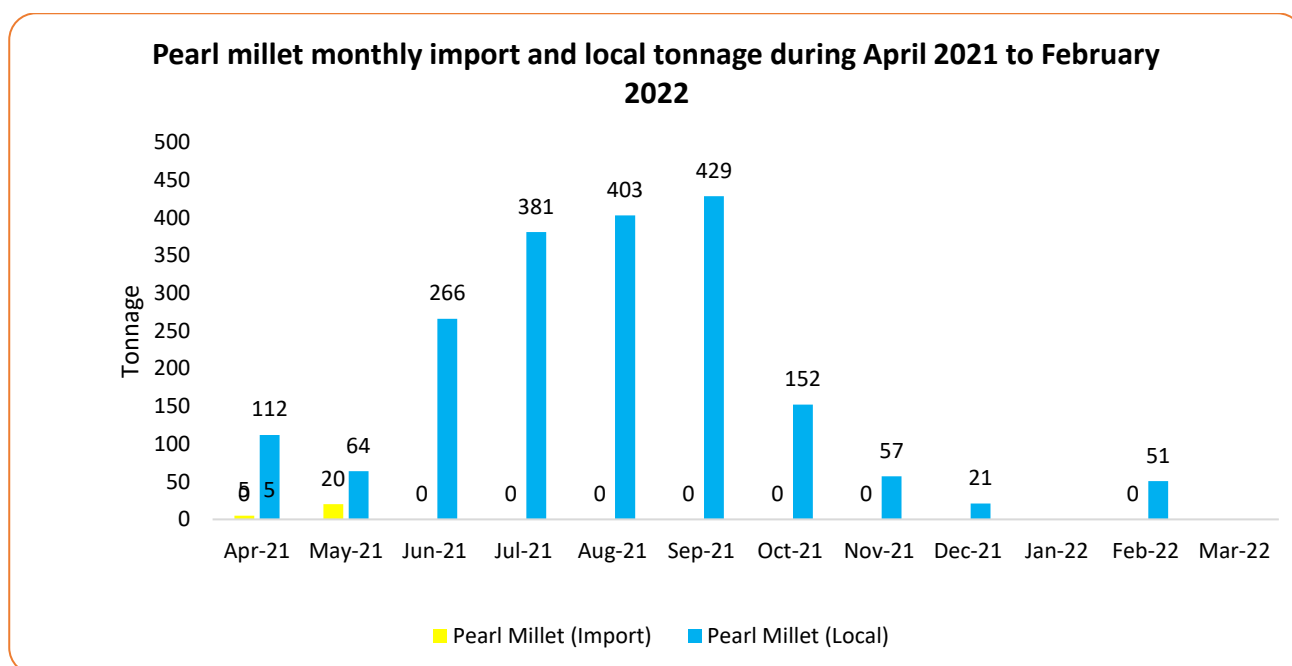


Figure 5, Pearl millet monthly grain imports and local purchases volume.

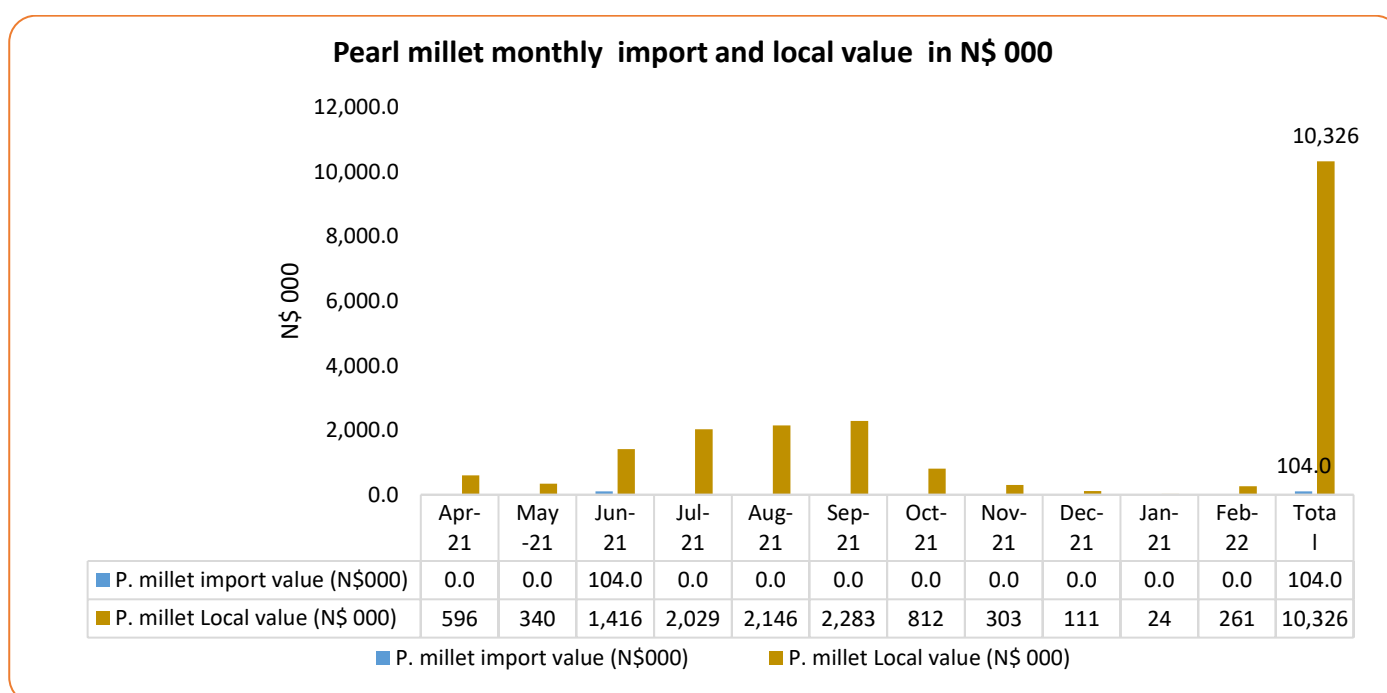


Figure 6, Pearl millet monthly grain imports and local purchases.

3. AGGREGATED GRAIN TRADE STATISTICS

3.1 Total import and locally purchase in tonnage and value

According to figure 7 and figure 8, the total domestic demand for white maize by millers and silos for the reporting period stood at 179,314 tons, valued at N\$ 739 million, of which 90,850 tons, valued at N\$ 421 million was locally purchased and a total of 88, 836 tons, valued at N\$ 318 million was imported.

In terms of pearl millet, the local production marketed stood at 1,940 tons, representing 99% of the total demand, with only 26 tons (N\$104 000) imports, resulting in total domestic demand of 1,966 tons (N\$10 million).

In terms of wheat, 119,936 tons of wheat grain, valued at N\$ 690 million were imported, which represents 87% of the total domestic demand. On the other hand, 18,462 tons (N\$ 116 million) of wheat was locally purchased representing 13%. It is also worth noting that only 21% of the local wheat harvested was classified as B1 grade, 56% was B2 and 26% was B3 grade wheat.

Overall, the total domestic demand for grain (white maize, wheat, and pearl millet) by millers and silos for the reporting period stood at 319,679 tons, valued at N\$ 1.5 billion, of which 110 380 tons, valued at N\$ 544 million was local purchases and a total of 208 657 tons, valued at N\$ 1 billion was imported.

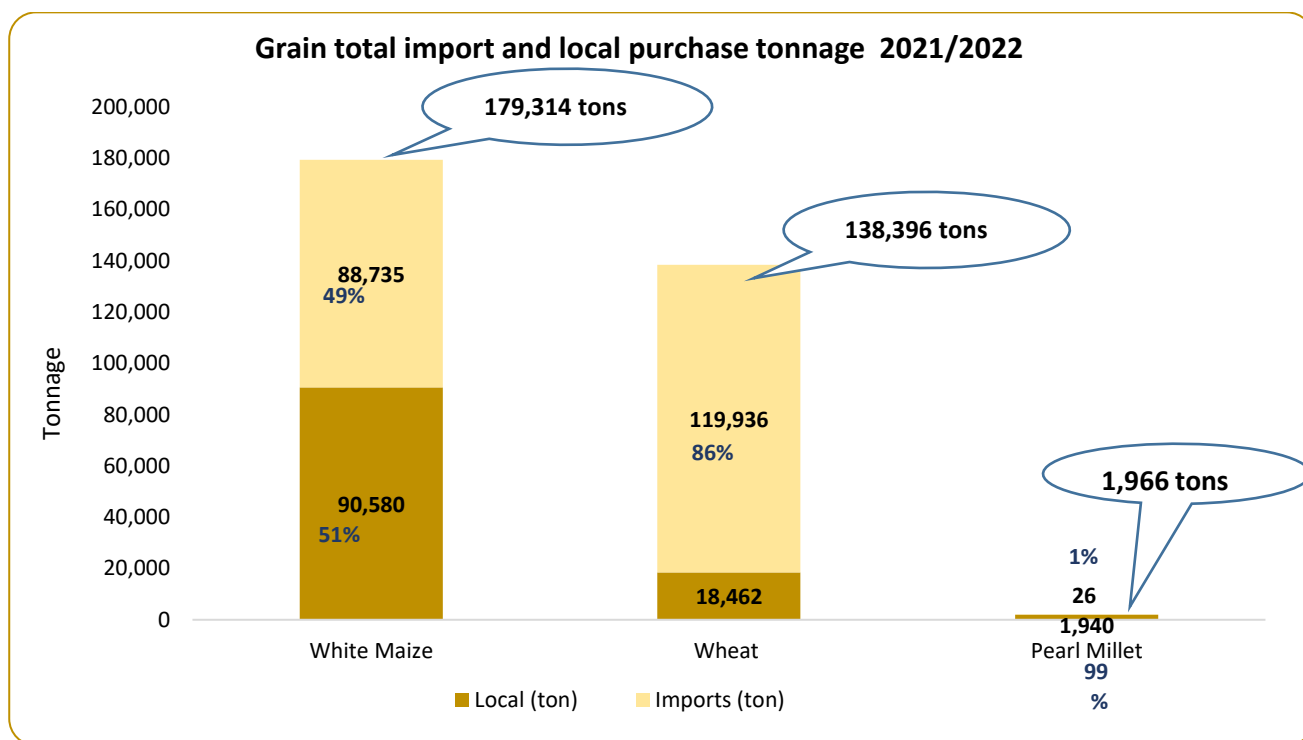


Figure 7, Total grain imports and local purchases tonnage.

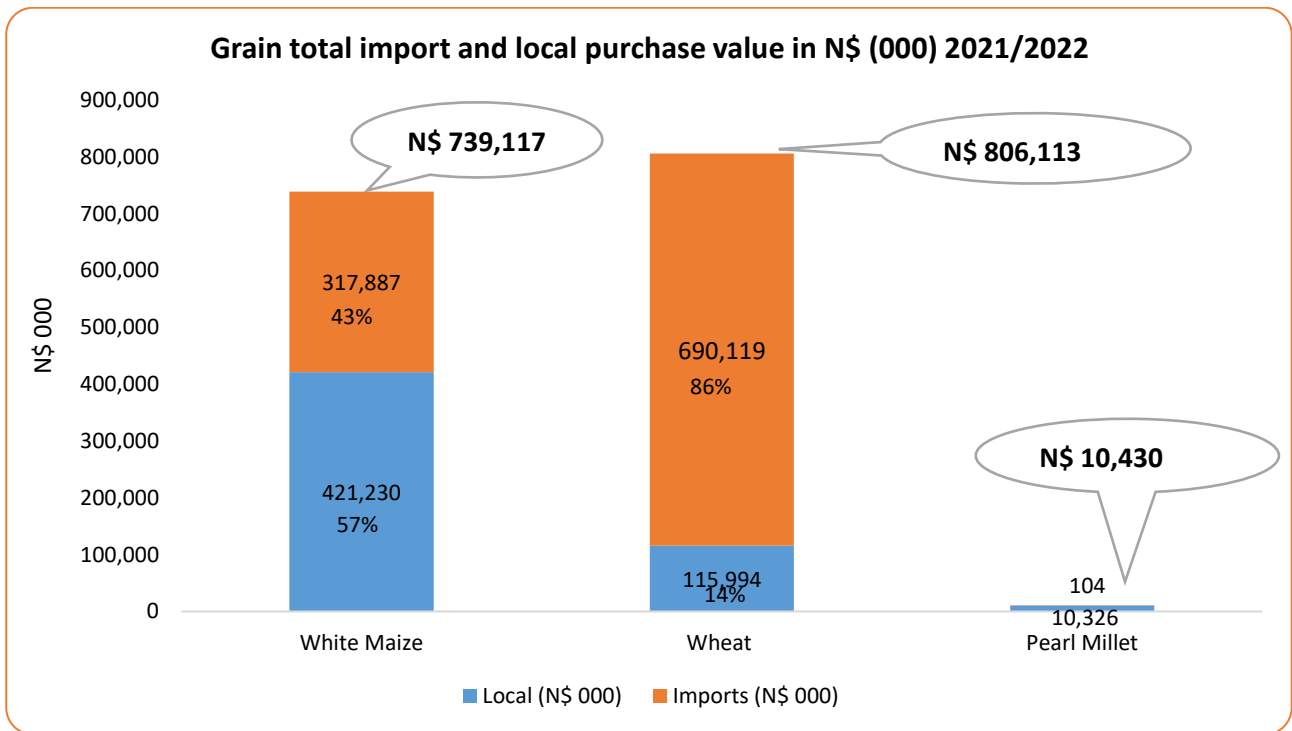


Figure 8, total grain imports and local purchases value.

4. AGRONOMY PERFORMANCE 2021 VERSUS 2020

According to figure 9, the total grain (white maize, wheat & pearl millet) traded from April 2021 to February 2022 is to a large extent higher than the same period in 2020, with a difference of 27 219 tons. This could be related to delayed harvesting in 2021, caused by late planting, though it could also point to an increased domestic demand for grain products in 2021.

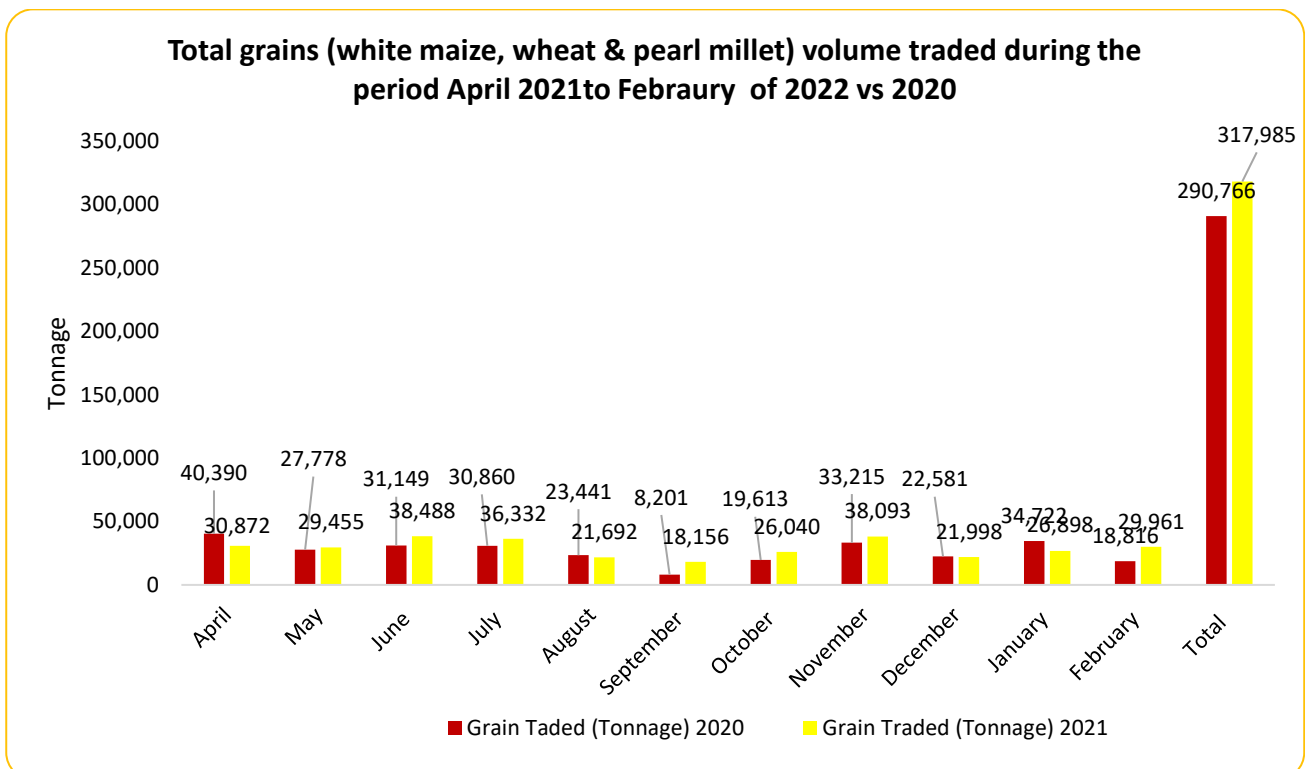


Figure 9, Total grain volume traded during the period, April to February 2022 versus 2020

Figure 10 shows that the monthly tonnage of wheat and pearl millet traded from April 2021 to February 2022 versus 2020 varies significantly, while for white maize there is insignificant variation.

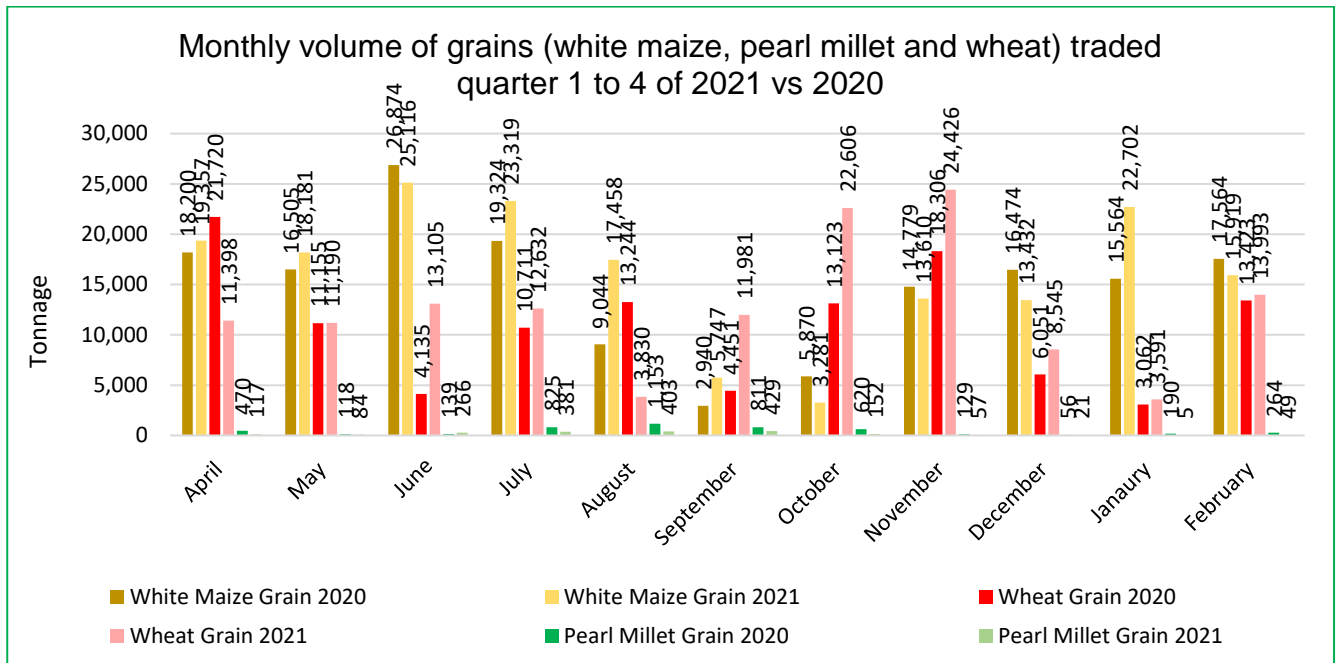


Figure 10, Monthly volume traded per grain type for the period 2021 versus 2020

5. GRAIN MILLED PER PRODUCT PER MONTH

Figure 11, shows the national total grain milled during the period April 2021 to February 2022 by millers. The highest grain milled during the reporting period was white maize, as there is a lower supply of mahangu grain for marketing and milling in the country.

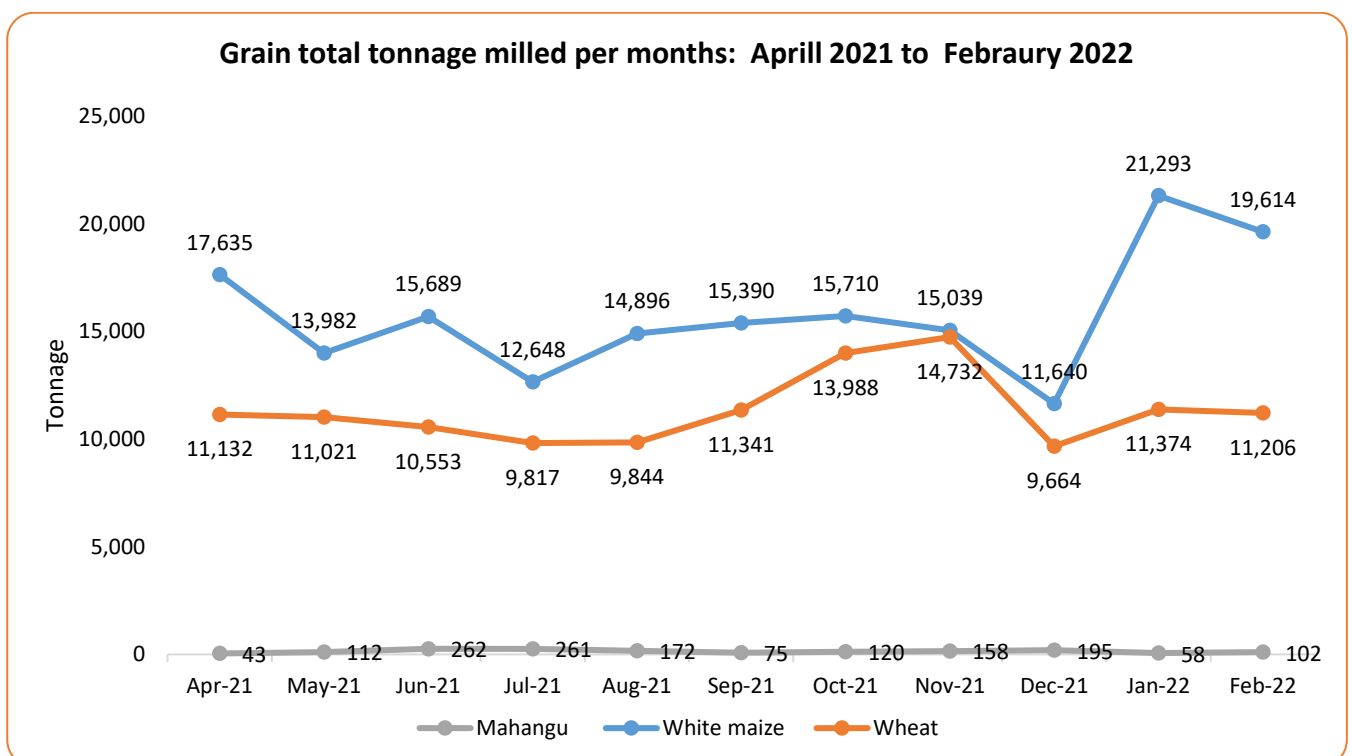


Figure 11, Total grain milled per product per month, April to February 2022

6. GRAIN DEMAND ANALYSIS

The total demand for white maize during the reporting period stood at 179,314 tons, of which 90,580 tons were produced in the country and 88,735 tons imported, thus satisfying the demand gap for processors 51%. As for wheat, Namibia still relies on imports to meet the local demand for wheat and with local production only satisfying about 13% of the demand.

Mahangu being one of the staple foods produced in Namibia, only about 1 940 tons of local production was marketed to processors and silos, with 26 tons imports, resulting in domestic demand of 1 966 tons. During the reporting period, the national local grain (white maize, wheat, and pearl millet) proportion stood at 35%, meaning 65% were imported grains.

Table 1: Total grain imports and local purchases proportion - April 2021 to February 2022

	Local (ton)	Imports (ton)	Total	Local %	Import %
White Maize	90,580	88,735	179,314	51%	49%
Wheat	18,462	119,936	138,398	13.3%	86.7%
Pearl Millet	1,940	26	1,966	99%	1%
Total	110,982	208,697	319,679	35%	65%

7. TOTAL LOCAL VOLUME EXPECTED VERSU MARKETED

7.1 White maize: Total tonnage marketed per month per production area

Figure 12 shows that the biggest portion of the white maize marketed during the reporting period was from the Karst area (42,450 tons), followed by the Central area (24,410 tons) and the lowest tonnage was marketed in the Kavango (7,047 tons). Figure 13 shows that 108% of the estimated harvest has been marketed as of 28 February 2022.

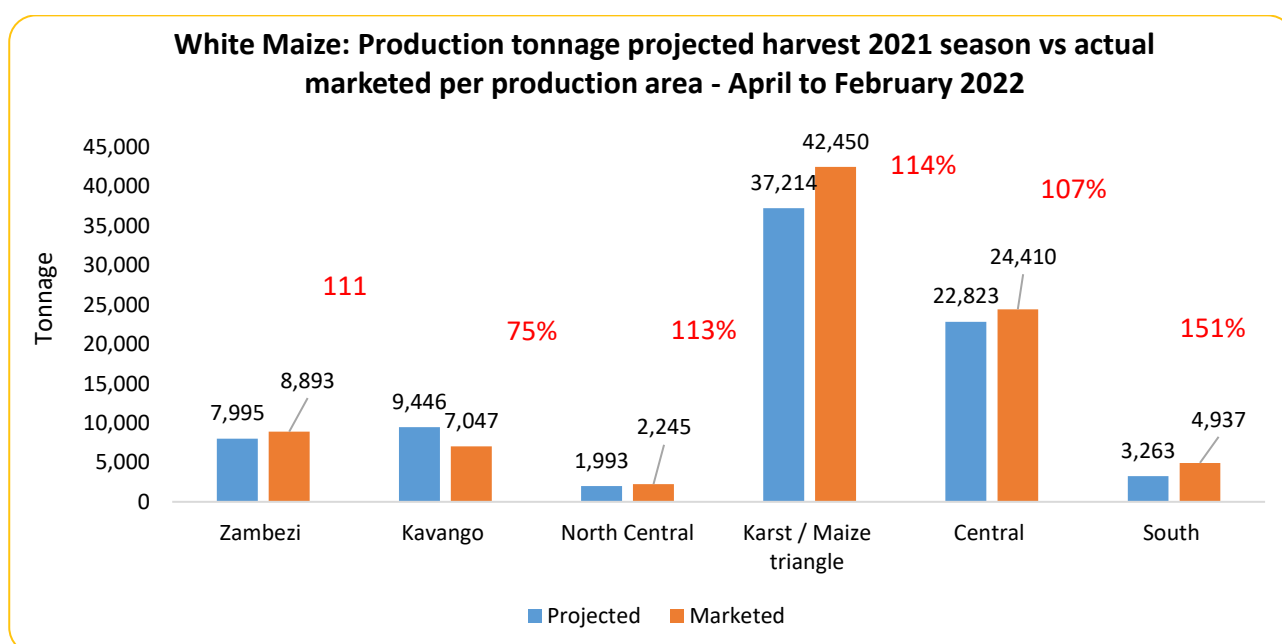


Figure 12, White maize: total tonnage expected vs marketed per month per production area.

White Maize: Progress report of total local production projected 2021 season versus actual marketed during April 2021 to February 2022

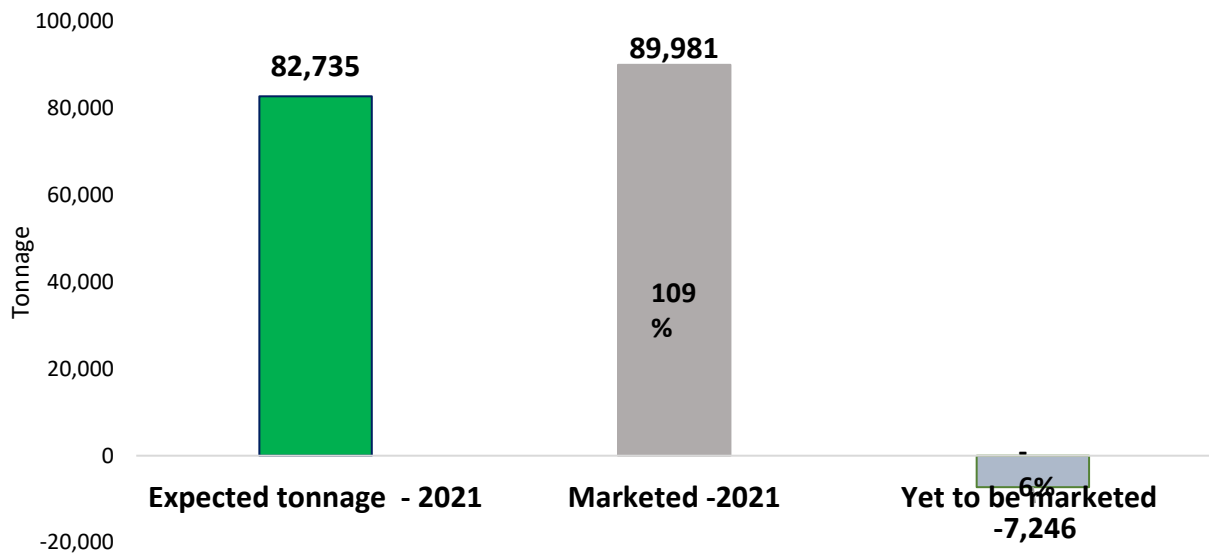


Figure 13, White maize: total tonnage expected vs marketed.

7.2 Mahangu: Total tonnage marketed per production area

Figure 14 below shows that the bulk of the mahangu marketed from this year's harvest came from the Oshikoto (550), Oshana (544), Zambezi (501), Omusati (363), and (Ohangwena (237 tons) regions. The border for import of pearl millet opened on 31 October 2021 as the locally produced mahangu available is not sufficient to sustain the milling industry.

Pearl millet tonnage projected versus actual marketed - April 2021 to February 2022

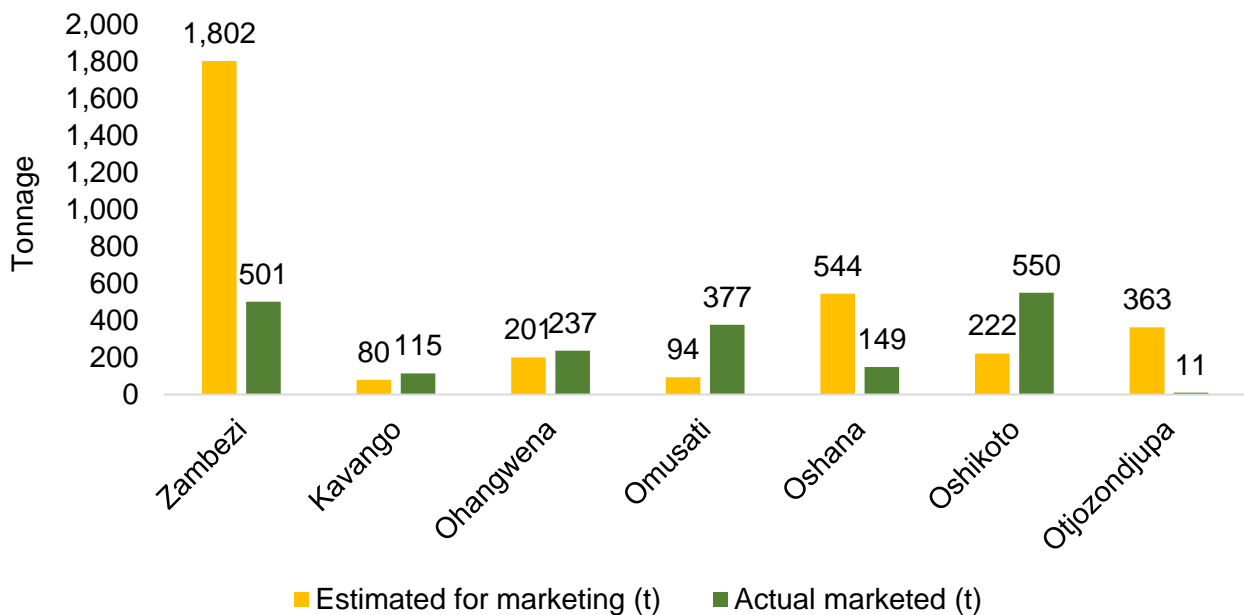


Figure 14, Mahangu: Total tonnage marketed per month per production area.

7.3 Wheat: Total tonnage marketed per production area

Figure 15 shows that the biggest portion of wheat marketed during the reporting period was from the South (Hardap) area (11,832 tons) was harvested and marketed, followed by the Karst area (4,688 tons) and the lowest tonnage was marketed from the North Central area (450 tons).

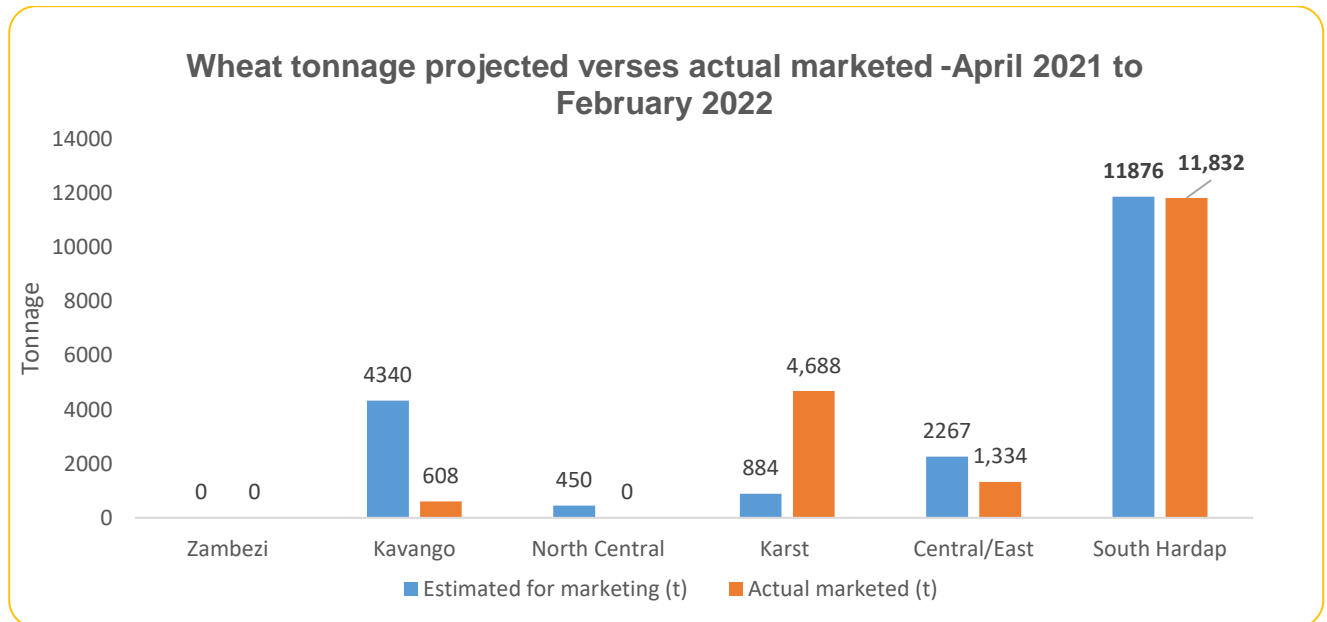


Figure 15, Wheat: Total tonnage marketed per month per production area.



8. GRAIN DOMESTIC FLOOR PRICE PER TON

Figure 16 shows that the floor price for white maize was higher during the period 01-14 May 2021 at N\$4 700 per ton, since the SAFEX Spot Price was higher than the Staggered Floor Price, and then from 15 May until the end of December 2021 the normal Staggered Floor Price was applicable. The

price for pearl millet stood at N\$5 327 per ton and the price for wheat stood at N\$6 284 since it's fixed for the entire marketing period.

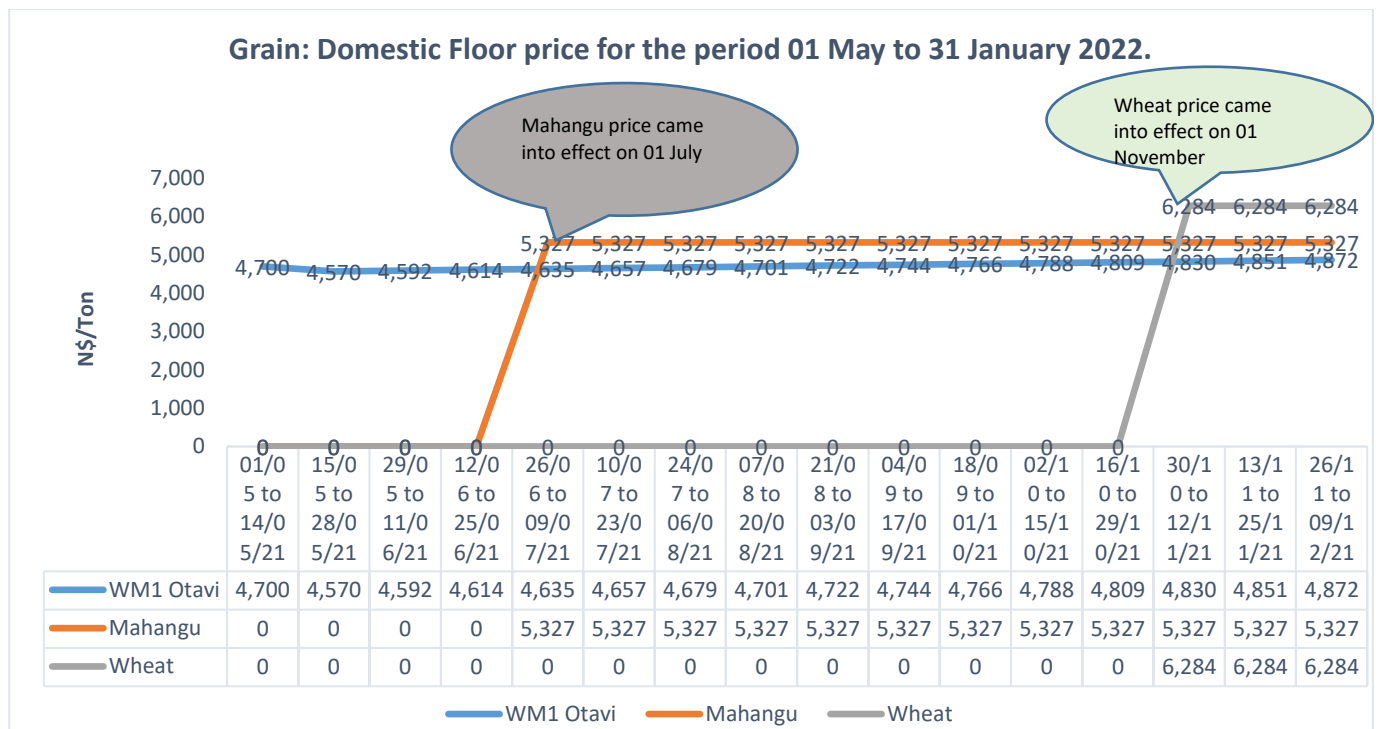


Figure 16: Grain domestic floor prices for the period April 2021 to January 2022

9. CONCLUSION

In terms of white maize grain, out of the national harvest 82,734 expected to be marketed 2021 marketing season, a total of 90,580 tons (108%), valued at N\$ 426 million have been marketed as of 28 February 2022. Furthermore, out of 3 306 tons of pearl millet expected to be marketed this season, only 1, 940 tons (57%) have been marketed as of 28 February 2022, with a value of N\$ 10 million though the NAB have observed a low volume of pearl millet available for marketing in the Zambezi, contrary to the forecasted tonnage. As for wheat, there is an increase in wheat harvested and marketed during this marketing season with 18 462 tons out of 19 817 tons projected, the highest ever recorded in the history of wheat production in Namibia, although the volumes are still low in comparison to the annual domestic wheat demand.

Overall, the total domestic demand for grain (white maize, wheat, and pearl millet) by millers and silos for the reporting period stood at 318 530 tons, valued at N\$ 1.5 billion, of which 110 380 tons, valued at N\$ 544 million was local purchase and a total of 208 151 tons, valued at N\$ 1 billion was imported. The report also indicates that, despite the good harvest of white maize and wheat and pearl millet grains marketed this season, Namibia remains a net importer of staple grain crops, and wheat contributes the bulk of imports.

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