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A world class regulator of a vibrant, diversified and sustainable crop industry

MARKET INTELLIGENCE REPORT

SOYBEANS



ISSUE 4 OF 2022

1. INTRODUCTION

Soybeans (*Glycine max*) are one of the most valuable crops in the world, not only as an oilseed crop and feed for livestock and aquaculture but also as a good source of protein for the human diet and as a biofuel feedstock. World soybean production has been increasing rapidly since 1961. In the 2005 to 2007 seasons, soybeans production reached an average annual production record of 217.6 million tons (Masuda & Goldsmith, 2009). Furthermore, soybean world production was predicted to increase by 2.2% annually to reach 371.3 million tons by 2030 (Masuda & Goldsmith, 2009). Recently, the International Grains Council (IGC, 2020) reported that the world soybean crop production will be at a record of 364 million tons in the 2020/21 season, which is another increase and higher than predicted from previous seasons.

World soybean production has increased by 36% since 2000. However, despite increasing production and supply of soybeans, there is a high increase in soybeans consumption with an upward trend in the export market. The persistent scenarios highlight for agribusiness policymakers and managers, the urgent need for significant investments in yield-improving research and Namibia is of no exemption (Masuda & Goldsmith, 2009) as this might be a multimillion envisioned export market for Namibia.

In addition, some of the largest soybean producers such as Argentina, the world's third-largest producer, had a 30% reduction in output. Therefore, to meet the world's increasing soybeans demand, there are two alternatives: increasing the area under soybeans cultivation or increasing productivity and yield (tons/ha). This again becomes a trigger for an export market opportunity for Namibia.

Therefore, this market intelligence report analysed soybean and soybean products production trends versus consumption demand with the possibility of Namibian's participation in the global soybean market chain for both domestic and export markets. The report further defines soybean production forecasts, as well as the area harvested and yield. The results and the accompanying analysis of the findings demonstrate to the Namibian farmers, policymakers, and managers both the challenges of meeting demand growth and the need for public, private, and farmer investments to increase yields for both domestic and export markets.

2. GLOBAL PERSPECTIVE

This section covers a global soybeans overview focusing on the performance in most recent years on average annual production, marketing (export and import), and consumption.

Production – Soybean is among the most highly traded valuable crops in the world, as an oilseed crop, a good source of protein for the human diet and feed for livestock, with a recorded global trade

value of 64 billion US dollars in 2020 (N\$1.179 trillion) (Oecworld, 2021). World soybean production has been increasing rapidly over the past years and this is predicted to further increase. According to FAOSTAT (2022), based on a three years average (2019 to 2021), 354,433,665 production tonnage of soybeans was recorded per annum. In 2020, the majority of the global soybeans production tonnage came from the United States of America (USA) (29.9%), Brazil (25.2%) and Argentina (26.3), with China leading in the consumption of soybeans (FAOSTAT, 2022), whereas Africa recorded lowest production share of 0.7%. Table 1 below shows increasing soybeans world production, projections, and share among top-producing countries.

Table 1: World soybean production projection summary | Soybean production and share

Country	Million Metric Tons				Share			
	2005-07	2010	2020	2030	2005-07	2010	2020	2030
Year/Period								
USA	80.6	85.1	92.9	99.5	37.0%	34.9%	29.9%	26.8%
Brazil	53.9	60.0	78.3	94.8	24.8%	24.6%	25.2%	25.5%
Argentina	41.4	52.9	81.9	108.4	19.0%	21.7%	26.3%	29.2%
China	15.8	15.8	16.6	17.2	7.3%	6.5%	5.3%	4.6%
India	8.9	10.7	15.0	18.9	4.1%	4.4%	4.8%	5.1%
Paraguay	3.9	4.1	5.2	6.5	1.8%	1.7%	1.7%	1.7%
Canada	3.1	3.1	3.5	3.8	1.4%	1.3%	1.1%	1.0%
Rest of EUAS	5.8	6.2	8.1	9.6	2.7%	2.6%	2.6%	2.6%
Rest of America	2.7	4.1	7.4	10.1	1.2%	1.7%	2.4%	2.7%
Africa	1.4	1.6	2.1	2.5	0.6%	0.7%	0.7%	0.7%
World Total	218	244	311	371	100%	100%	100%	100%

Source: Masuda and Goldsmith (2009)

According to FAOSTAT (2022), as illustrated in Figure 1, since 2019, soybeans' total world area harvested increased from 121,275,801 ha to 129,523,964 ha in 2021 and planted on an average area of 125,952,309 ha per annum globally, based on a three-year average (2019-2021).

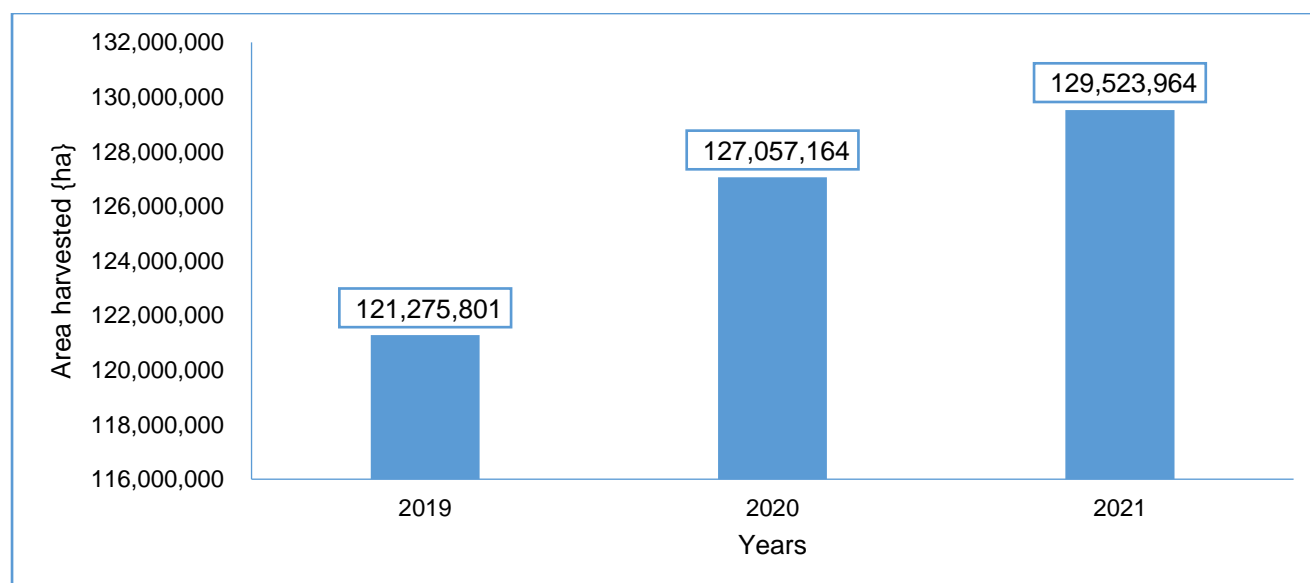


Figure 1: Global soybean total area harvested (ha) from 2019 to 2021(FAOSTAT, 2022)

As indicated in Figure 2, from 2019 soybean global production increased from 335,899,637 tons to 371,693,592 tons in 2021 with an average of 354,433,665 tons over three years (2019-2021) (FAOSTAT, 2022).

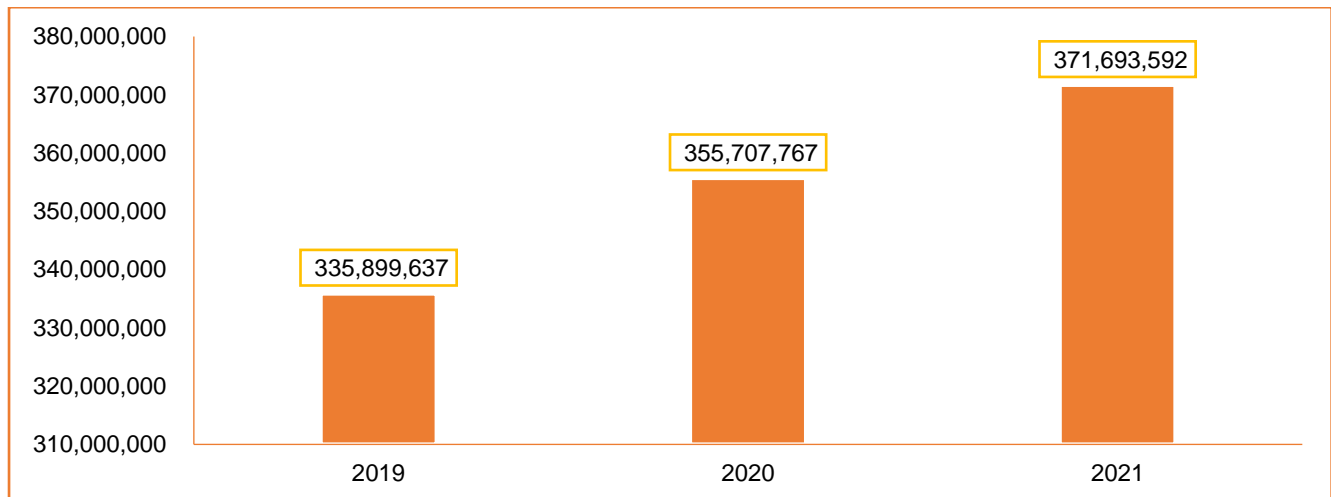


Figure 2: Global soybeans production tonnage from 2019 to 2021(FAOSTAT, 2022)

In addition, global soybeans productivity and yield per ha have been increasing since 2019. This could also attribute to the recorded global soybean production increase. As indicated in Figure 3, since 2019 soybean average yield per ha has increased from 2.7 tons per ha in 2019 to 2.8 tons per ha in 2021. Based on three years average (2019-2021), the global soybean average yield stood at 2.73 tons per ha (FAOSTAT, 2022).

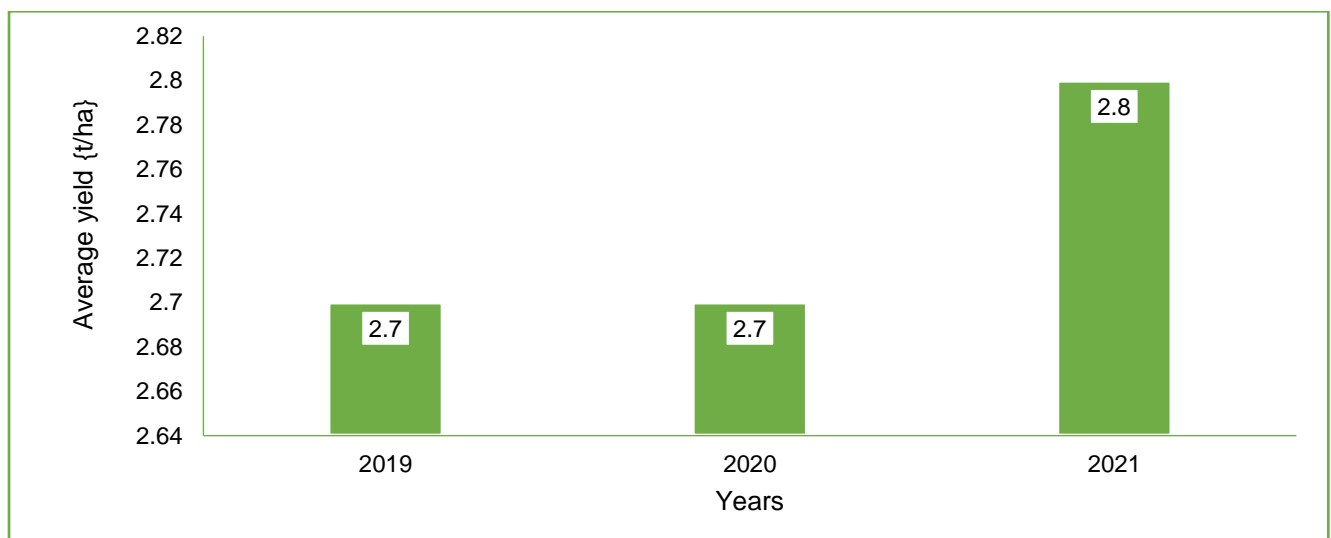


Figure 3: Global soybeans productivity (tons per ha) from 2019 to 2021(FAOSTAT, 2022)

Figure 4 shows the global soybean oil production quantity from 2019 to 2020. Figure 4 depicts that global soybean oil production decreased from 59,885,886 tons in 2019 to 58,573,015 tons in 2020. Global soybean oil production average stood at 58,729,451 tons on a two-year average (2019-2020) (FAOSTAT, 2022).

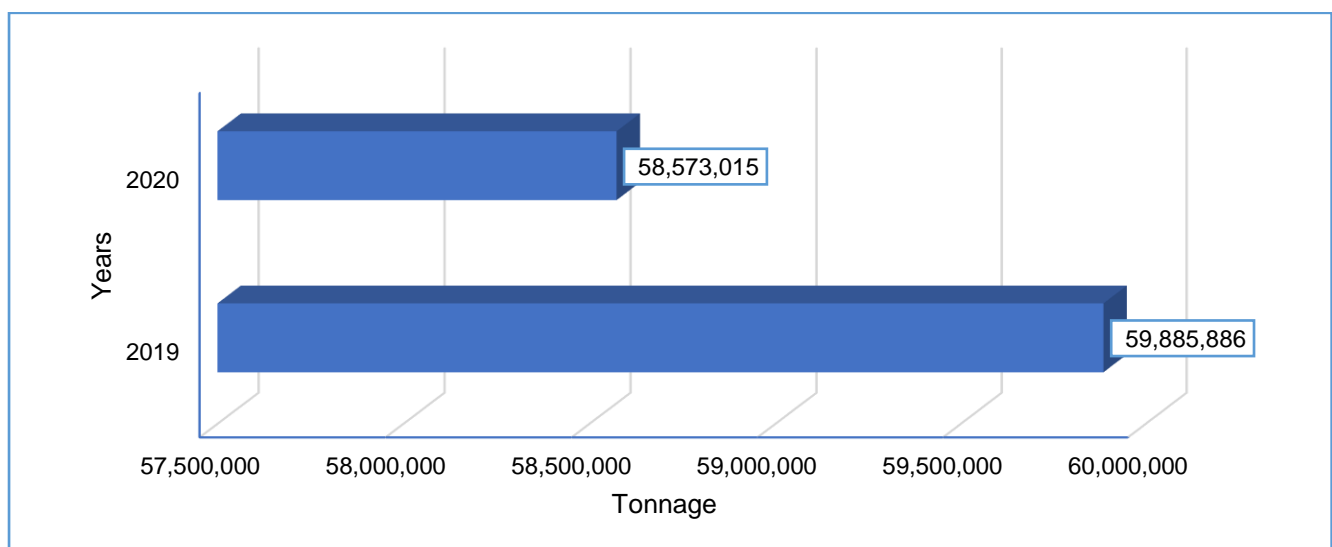


Figure 4: Global soybeans oil production from 2019-2020 (FAOSTAT, 2022)

Figure 5 shows the leading top ten (10) soybean-producing countries in the world. Figure 5 shows that the USA is the largest soybean producer in the world with an average of 123,664,230 tons/annum, followed by Brazil with 117,887,672 tons/annum from 2018 to 2021, and Bolivia recorded 2,942,131 tons which is the lowest volume (Atlasbig, 2021).

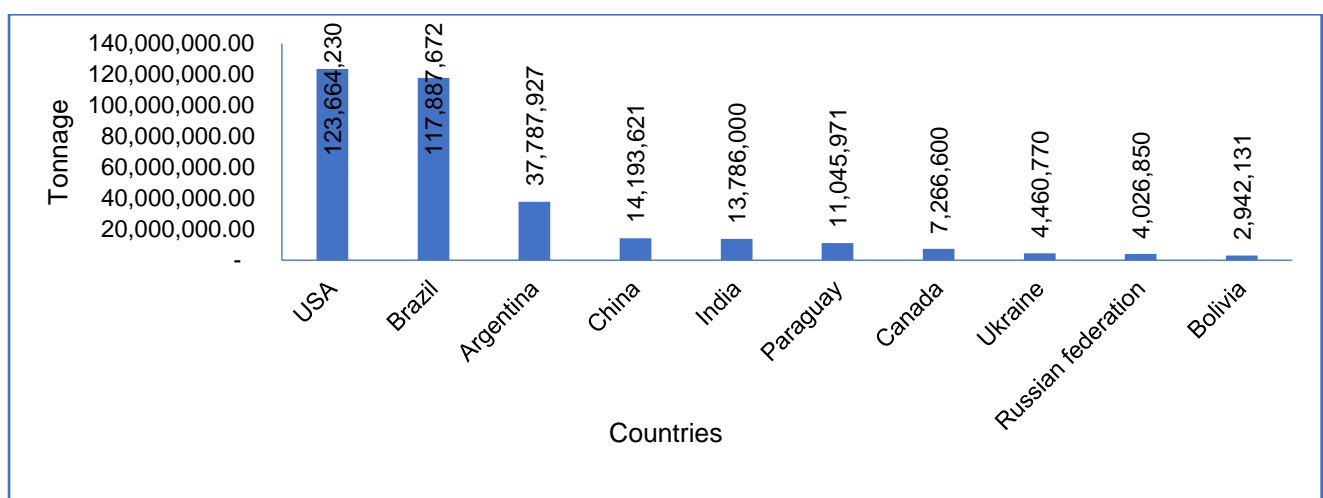


Figure 5: World top ten (10) soybeans leading producing countries, 2018-2021 (Atlasbig, 2021)

Export - On average, a total export volume of 156,258,000 tons of soybeans has been recorded annually in the world. More so, on average, a global export value of 109.3 billion US dollars (N\$1.8 trillion) was recorded (FAOSTAT, 2021). Soybeans are among the most traded product currently ranked 42nd with a 0.38% share of total world trade (Oecworld, 2020).

Table 2 below shows the export share (%) distribution of the top ten (10) soybeans exporting countries in the world. Brazil is the largest soybeans exporter in the world with an annual export share of 29.3%, followed by the USA with a 25.2% share according to a four-year average from 2018 to 2021 and Australia has the lowest share of 1.7% (ITC, 2022). Soybeans' global export value growth from 55.6 billion to 64 billion US dollars (N\$ 1,062,400,000,000) (15.7%) was recorded in 2020 (Oecworld, 2021).

Table 2: Global soybeans export share (%) distribution of top ten exporting countries

Top 10 Exporters	Value in US\$	Value in N\$	Share %
World	109,327,335	1,814,833,761.0	100%
1. Brazil	32,043,474	531,921,664.3	29.3%
2. United States of America	27,548,559	457,306,075.3	25.2%
3. Canada	7,349,961	122,009,348.5	6.7%
4. Netherlands	4,107,012	68,176,399.2	3.8%
5. Argentina	3,286,749	54,560,029.3	3.0%
6. China	2,854,633	47,386,907.8	2.6%
7. Paraguay	2,341,398	38,867,211.0	2.1%
8. France	2,303,855	38,243,988.9	2.1%
9. Ukraine	2,118,903	35,173,785.7	1.9%
10. Australia	1,813,661	30,106,772.6	1.7%

Conversion date: 01/03/2023

(ITC, 2021)

Figure 6 shows the top ten (10) soybeans exporting countries in the world by tonnage. Brazil is the largest soybeans exporter in the world with an annual average volume of 81,690,368 tons followed by the USA with 54,106,319 according to a four-year average from 2018 to 2021, and Australia recorded the lowest annual export volume of 3,477 tons (FAOSTAT, 2022).

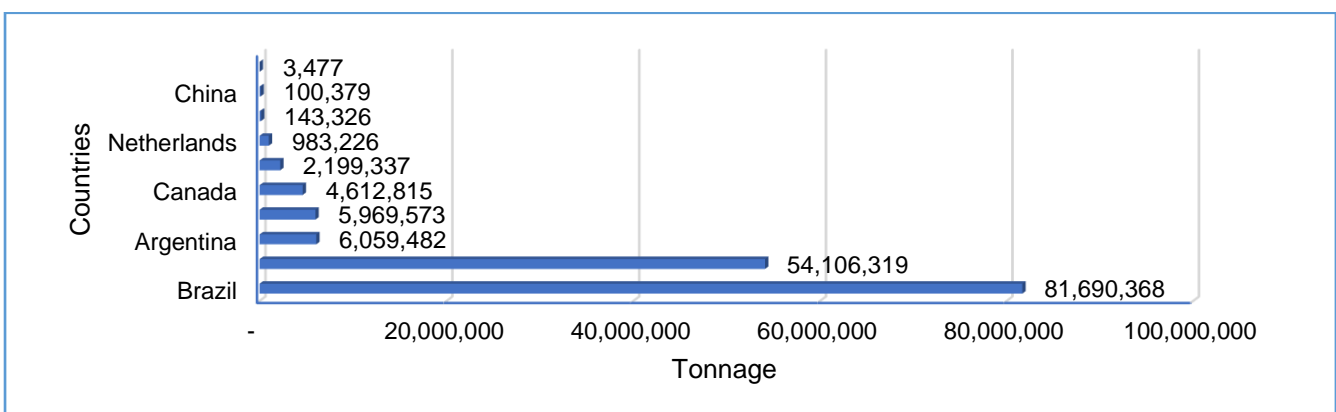


Figure 6: Top ten (10) soybeans exporting countries in the world by tonnage, 2018-2021

On another note, high export and import value and volume of soybeans products such as soybeans oil, soya paste, soya sauce, and soya cake among others were also recorded from 2018 to 2021 (Tables 3 and 5). Table 3 below shows the global export average tonnage and value recorded from 2018 to 2021 on various soybean products (FAOSTAT, 2022). Soya cake recorded the highest tonnage of 68,783,781 and a value of N\$427 billion followed by soybean oil with 12,000,000 tons and N\$166 billion, while soya paste recorded the lowest tonnage of 19,779 and a value of N\$646 million.

Table 3: Global average export volume and value recorded on soybeans products from 2018 to 2021 (FAOSTAT, 2022)

Soybeans products	Export tonnage	Export value US\$	Export value N\$
<i>Soya cake</i>	66,518,528	25,718,143,250	426,921,177,950
<i>Soybeans oil</i>	12,000,000	10,000,000,000	166,000,000,000
<i>Soya sauce</i>	501,805	734,578,250	12,193,998,950
<i>Soya paste</i>	19,779	38,932,500	646,279,500

Conversion date: 01/03/2023

Import – On average, a total import of 161,259,947 tons has been recorded annually in the world. On average, a global import value of 118.9 billion US dollars (N\$ 1.9 trillion) was recorded from 2018 to 2021. Table 4 shows the import share (%) distribution of the top ten (10) soybeans importing countries in the world. China recorded the largest soybeans import in the world with an annual import share of 39.6% followed by Germany with a 5.6% share and France recording the lowest share of 1.8%, according to a four-year average from 2018 to 2021 (ITC, 2022).

Table 4: Global soybeans import share % distribution of top five importing countries

Top 10 Importers	Value in US\$ ('000)	Value in N\$ ('000)	Share%
World	118,987,982	1,975,200,501	100.0%
1. China	47,151,286	782,711,352	39.6%
2. Germany	6,612,875	109,773,725	5.6%
3. Japan	4,957,147	82,288,644	4.2%
4. Netherlands	4,856,678	80,620,847	4.1%
5. Mexico	3,945,297	65,491,934	3.3%
6. Spain	2,614,670	43,403,522	2.2%

7. United States of America	2,584,139	42,896,703	2.2%
8. Argentina	2,266,645	37,626,307	1.9%
9. Turkey	2,246,325	37,288,991	1.9%
10. France	2,130,702	35,369,657	1.8%

Conversion date: 01/03/2023

(ITC, 2022)

Figure 7 shows the top ten (10) soybeans importing countries in the world by tonnage. China is the largest soybeans importer in the world with an annual average volume of 93,365,847 tons, followed by Argentina with 5,293,571 according to a four-year average from 2018 to 2021 and the USA recorded the lowest annual import volume of 487,569 tons (FAOSTAT, 2022).

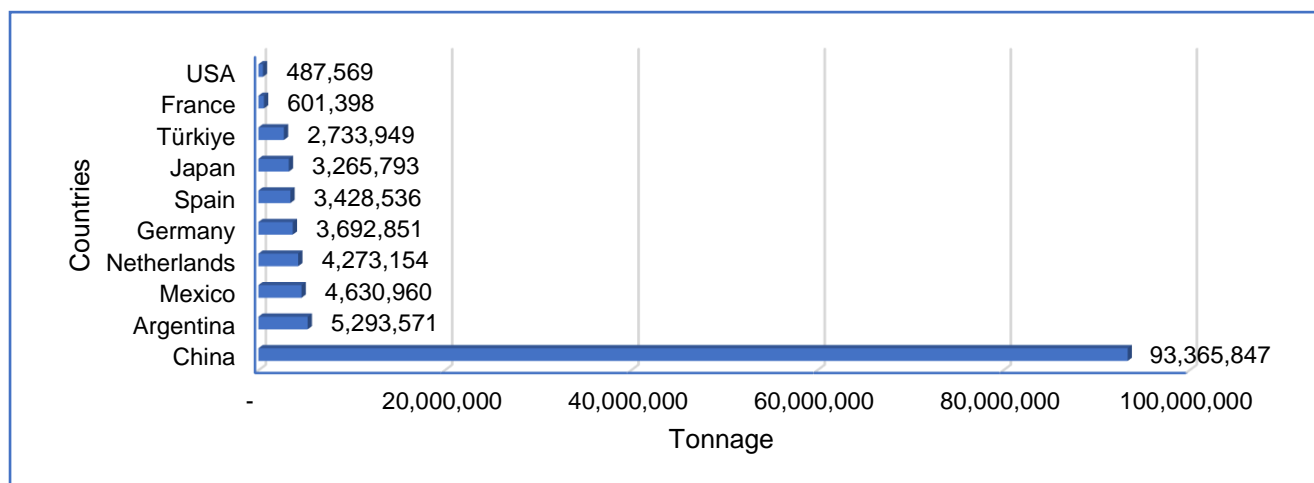


Figure 7: Top ten (10) soybeans importing countries in the world by tonnage, 2018-2021

Table 5 below shows the global import average tonnage and value recorded from 2018 to 2021 of various soybean products (FAOSTAT, 2022). Soya cake recorded the highest import tonnage of 68,783,781 and a value of N\$480 billion, followed by soybean oil with 12,873,144 tons and N\$123 billion, while soya paste recorded the lowest tonnage of 22,984 and a value of N\$287 million.

Table 5: Global average import volume and value recorded on soybeans products from 2018 to 2021 (FAOSTAT, 2022)

Soybeans products	Import tonnage	Import value US\$	Import value N\$
Soya cake	68,783,781	28,935,399,000	480,327,623,400
Soybeans oil	12,873,144	7,431,736,425	123,366,824,655
Soya sauce	479,873	761,774,750	12,464,460,850
Soya paste	22,984	17,340,600	287,853,960

Conversion date: 01/03/2023

3. AFRICA PERSPECTIVE

This section covers soybeans performance overview in the most recent years on average annual production, market value (export and import), and consumption focusing on the African continent.

Production - Soybean production in Africa shows an upward-increasing trend over the past years. According to FAOSTAT (2022), on a three-year average (2019 to 2021), Africa stood at 4,003,977 production tonnage of soybeans per annum cultivated on an annual average area size of 2,961,964 ha. South Africa, Nigeria, and Zambia are the leading countries in soybeans production in Africa, while Egypt is leading in the consumption of soybeans in Africa (FAOSTAT, 2022).

Figure 8 illustrates that since 2019, the total soybeans area harvested in Africa increased from 2,703,594 ha in 2019 to 3,245,818 ha in 2021. In Africa, soybean is planted at an annual average area of 2,961,964 ha, three years average (2019-2021) (FAOSTAT, 2022).

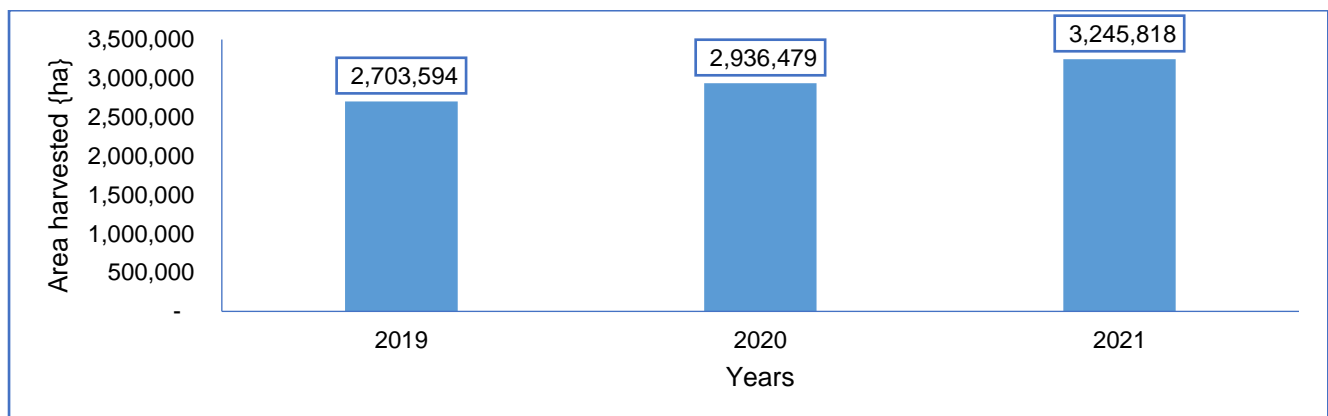


Figure 8: Total area harvested (ha) of soybeans in Africa from 2019 to 2021(FAOSTAT, 2022)

As indicated in Figure 9, from 2019, soybeans production in Africa increased from 3,444,545 tons to 4,679,332 tons in 2021 with an average of 4,003,977 tons over three years (2019-2021) (FAOSTAT, 2022).

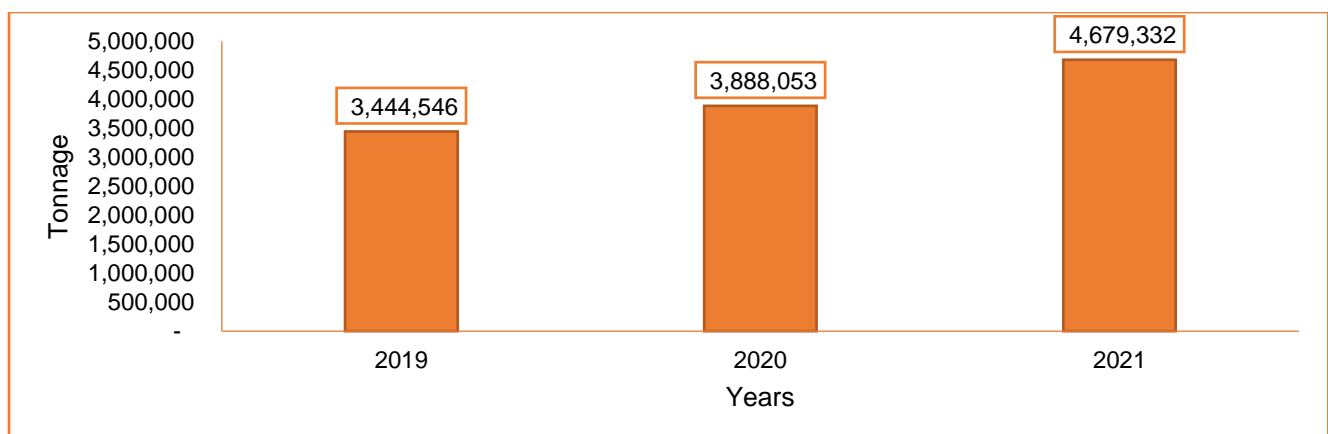


Figure 9: Total soybeans production tonnage in Africa from 2019 to 2021(FAOSTAT, 2022)

Soybean productivity (yield per ha) in Africa has been increasing since 2019. As indicated in Figure 10, since 2019, soybeans' average yield per ha has increased from 1.2 tons per ha in 2019 to 1.4 tons per ha in 2021. In Africa, over a three-year average (2019-2021), the soybeans average yield stood at 1.3 tons per ha (FAOSTAT, 2022).

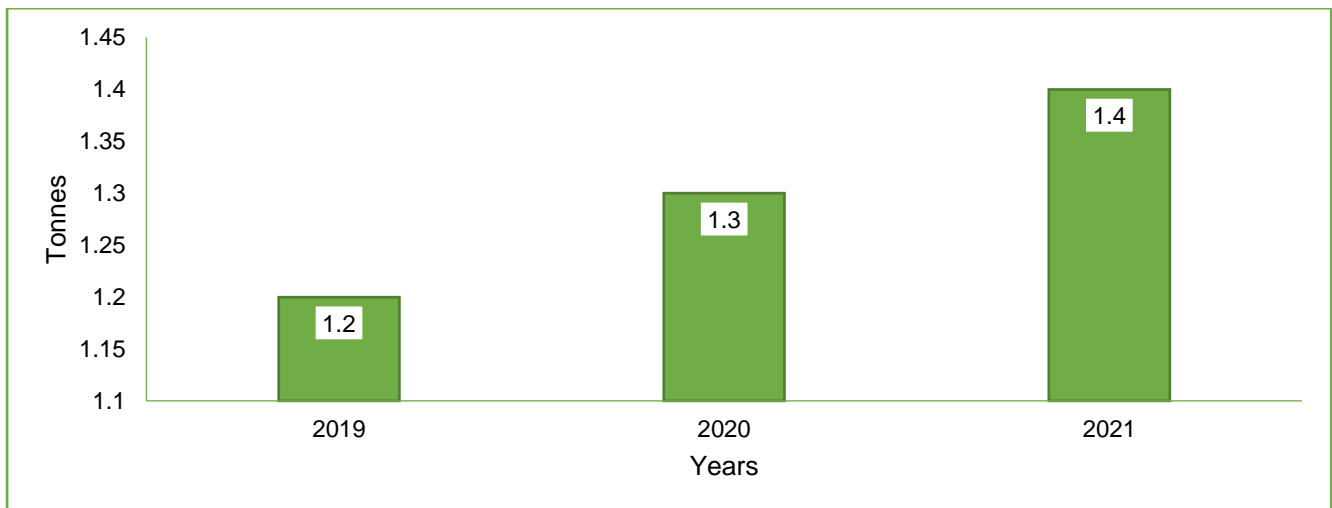


Figure 10: Soybeans productivity, yield tons per ha in Africa from 2019 to 2021 (FAOSTAT, 2022)

An increasing trend in soybean oil production quantity from 2019 to 2020 was observed in Africa as well. Figure 11 below depicts that soybeans oil production in Africa increased from 1,222,126 tons in 2019 to 1,380,705 tons in 2020, recording an oil production average of 1,301,416 tons for two years' average (2019-2020) (FAOSTAT, 2022).

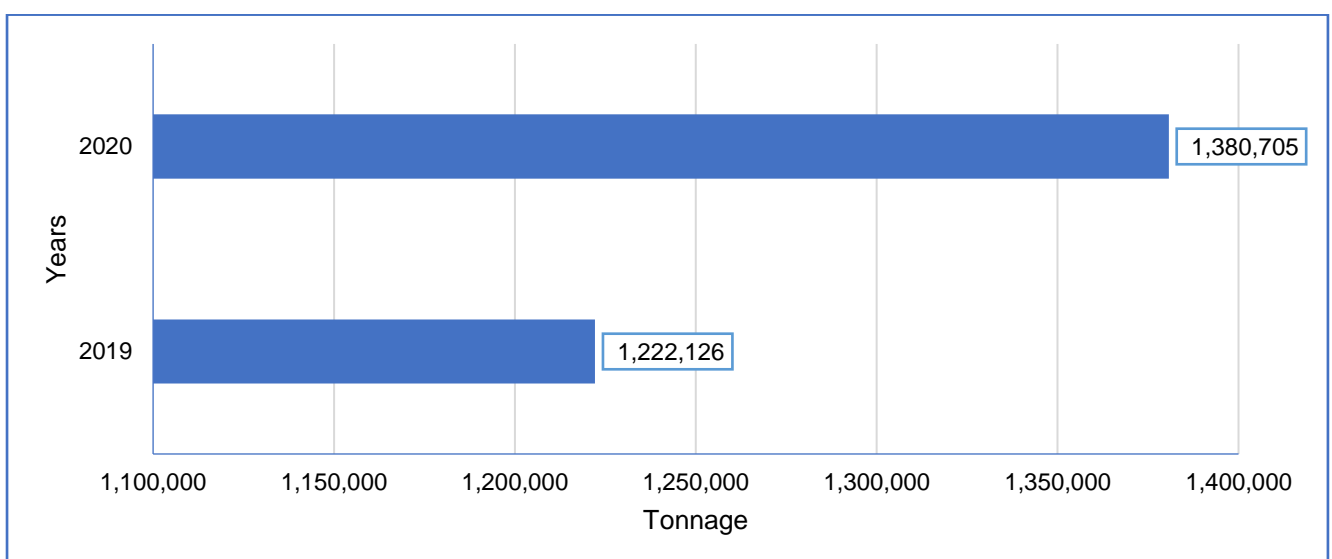


Figure 11: Africa's soybeans oil production from 2019-2020 (FAOSTAT, 2022)

Figure 12 shows the top ten (10) soybean-producing countries in Africa by tonnage. South Africa is the largest soybeans producer in Africa with an annual average tonnage of 1,540,000 followed by Nigeria producing 758,033 tons annually, based on a four-year average from 2018 to 2021 (Atlasbig, 2021).

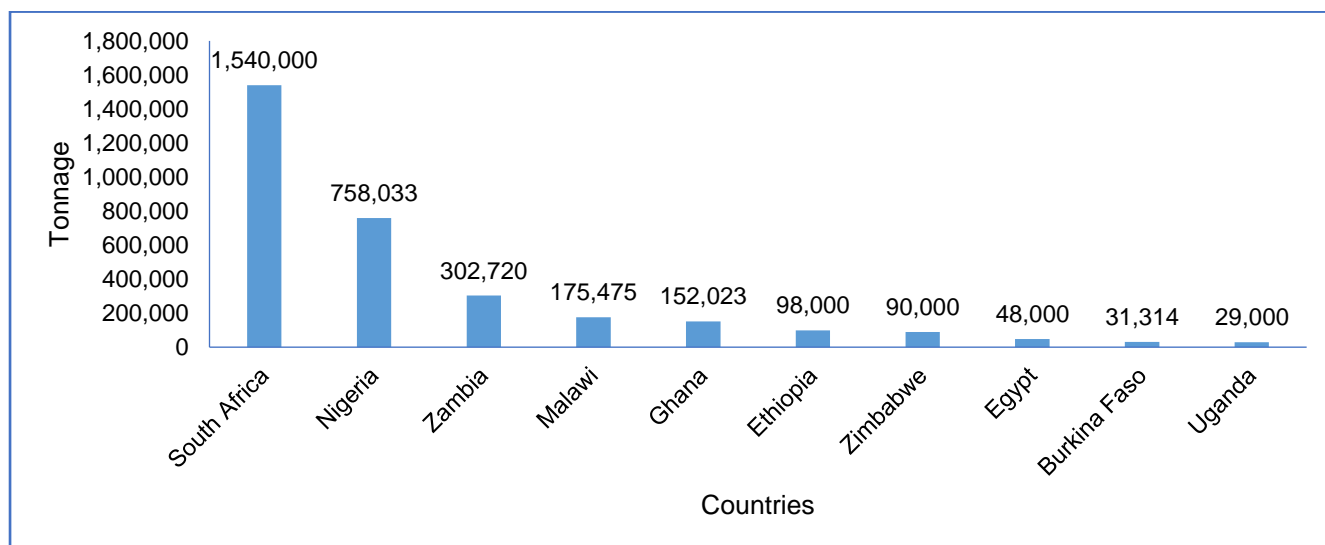


Figure 12: Top ten (10) soybeans-producing countries in Africa, 2018-2021(Atlasbig, 2021)

Export - On average, Africa exports 4,003,979 tons of soybeans per annum. In 2021, an export value of 344 million US dollars (N\$6.3 billion) was recorded (FAOSTAT, 2022). Table 6 below shows the top ten (10) soybean exporting countries in Africa by tonnage. Ethiopia recorded the largest soybeans export in Africa with an annual average volume of 57,875 tons, followed by Togo with 56,666 tons, based on a three-year average from 2018 to 2020 (FAOSTAT, 2022).

Table 6: Top ten (10) soybeans exporting countries in Africa by tonnage, 2018-2020

Exporting countries	Tonnage
1. Ethiopia	57,875
2. Togo	56,666
3. Malawi	29,698
4. Mozambique	23,232
5. Nigeria	17,890
6. Uganda	15,538
7. South Africa	14,076
8. Zambia	11,415
9. United Republic of Tanzania	11,089
10. Ghana	10,558
11. Burkina Faso	9,042

Figure 13 shows the top ten (10) soybeans exporting countries in Africa by value. Ethiopia is recorded as the largest soybeans exporter in Africa with an annual average value of 44,245,000 US dollars

(N\$734,467,000), followed by Malawi with 17,716,000 US dollars (N\$294,085,600), based on a three-year average from 2018 to 2020 (FAOSTAT, 2022).

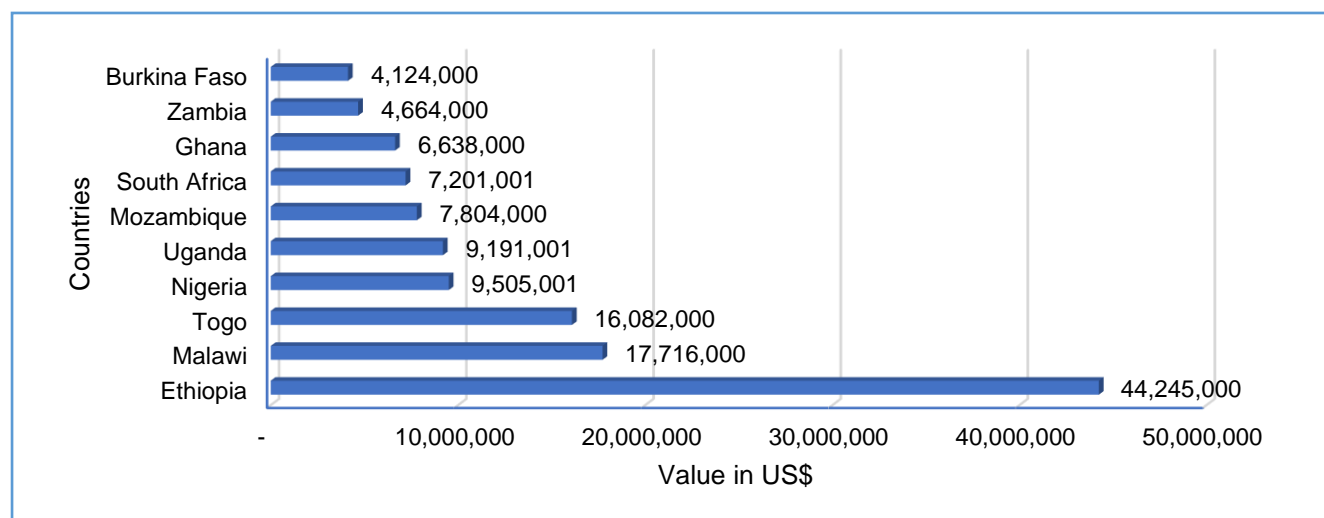


Figure 13: Top ten (10) soybeans exporting countries in Africa by value in US\$

Africa also recorded a high export volume of other soybeans products such as soya cake, soybeans oil, soya sauce, and soya paste as shown in Table 7. The table shows the average tonnage and value of exported soybean products over four years, from 2018 to 2021. Soya cake recorded a high export tonnage of 389, 076 tons among other products, followed by soybeans oil with 301,388 tons per annum, and soybeans oil recorded a high export value of N\$5,150,316,000 followed by soya cake with N\$309,606,600 per annum, while soya paste recorded the lowest average tonnage of 293 tons at a value of N\$697,212 per annum (FAOSTAT, 2022).

Table 7: Average export volume and value recorded in Africa on soybeans products from 2018 to 2021 (FAOSTAT, 2022)

Soybeans products	Export tonnage	Export value N\$
Soya cake	389,076	309,606,600
Soybeans oil	301,388	5,150,316,000
Soya sauce	1398	25,696,808
Soya paste	293	697,212

Conversion date: 01/03/2023

Import – In 2021, Africa recorded 3.1 billion US dollars (N\$50 billion) in import value (FAOSTAT, 2022). Table 8 below shows the top ten (10) soybeans importing countries in Africa by value. Egypt

recorded the highest soybeans import value in Africa with an annual average value of N\$28 billion, followed by Tunisia with over N\$4 billion, while Rwanda stood in tenth position with an average value of N\$67 million per annum, based on a four-year average from 2018 to 2021 according to FAOSTAT (2022).

Table 8: Top ten (10) soybeans importing countries in Africa by value from 2018 to 2021

	Import value in US\$	Value in N\$
1. Egypt	1,715,542,000	28,477,997,200
2. Tunisia	278,087,000	4,616,244,200
3. Algeria	218,063,000	3,619,845,800
4. Morocco	18,560,000	308,096,000
5. South Africa	14,792,000	245,547,200
6. Zimbabwe	13,252,500	219,991,500
7. Mozambique	9,983,000	165,717,800
8. Nigeria	9,561,000	158,712,600
9. Kenya	5,259,000	87,299,400
10. Rwanda	4,042,500	67,105,500

On average, Africa imports 5,187,000 tons of soybeans per annum. Figure 14 shows the top ten (10) soybeans importing countries in Africa by tonnage from 2018 to 2021. Egypt recorded the largest soybeans imports in Africa with an annual average volume of 3,900,706 tons followed by Tunisia with 628,894, while Tanzania recorded 7,315 tons in tenth position, based on a four-year average from 2018 to 2021 (FAOSTAT, 2022).

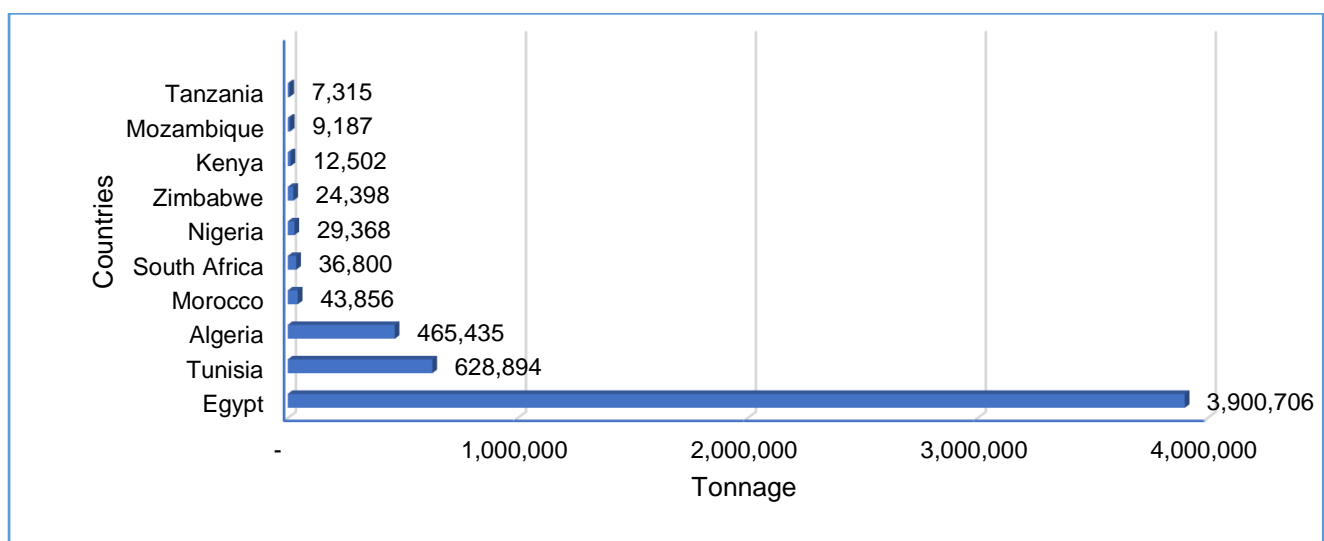


Figure 14: Top ten (10) soybeans importing countries in Africa by tonnage, 2018-2021

Africa also recorded import volumes on other various soybean products such as soya cake, soybeans oil, soya sauce, and soya paste as shown in Table 9. The table shows the average tonnage and value of imported soybean products over four years, from 2018 to 2021. Soya cake recorded a high import tonnage of 3,196,957 at a value of N\$21,505,798,000 followed by soybeans oil with 2,449,131 tons at a value of N\$36,569,119,400 per annum and soya paste recorded the lowest average of 2 tons at a value of N\$33,211 per annum (FAOSTAT, 2022).

Table 9: Average import volume and value recorded in Africa on soybeans products from 2018 to 2021 (FAOSTAT, 2022)

Soybeans products	Import tonnage	Import value N\$
<i>Soya cake</i>	3,196,957	21,505,798,000
<i>Soybeans oil</i>	2,449,131	36,569,119,400
<i>Soya sauce</i>	10,346	179,998
<i>Soya paste</i>	2	33,211

Conversion date: 01/03/2023

Consumption – An increasing trend in soybeans consumption in Africa was recorded in 2018. Table 10 below shows that consumption increased from 7,931,546 tons in 2018 to 10,361,332 tons in 2020 with an annual average of 9,144,977 tons (FAOSTAT, 2022).

Table 10: Soybeans consumption tonnage in Africa, 2018-2020 (FAOSTAT, 2022)

	2018	2019	2020	Average
Local production	3,444,546	3,888,053	4,679,332	4,003,977
Importation	4,487,000	5,164,000	5,682,000	5,111,000
Consumption	7,931,546	9,052,053	10,361,332	9,114,977

11. SOUTHERN AFRICA

This section covers soybeans performance overview in most recent years on average annual production, market value (export and import), and consumption as well as the price trends by focusing on the Southern African context.

Production - Soybean production in Southern Africa has shown an upward-increasing trend over the most recent years. According to FAOSTAT (2022), over a three-year average (2019 to 2021), Southern Africa stood at 1,437,615 production tonnage of soybeans per annum cultivated on an annual average area size of 754,200 ha. South Africa, Zambia, and Malawi are the leading countries in soybeans production in Southern Africa, while South Africa, Tanzania, and Zimbabwe are leading in the consumption of soybeans in Southern Africa (FAOSTAT, 2022).

Figure 15 below shows that since 2019, the total soybeans area harvested in Southern Africa increased from 730,500 ha in 2019 to 827,100 ha in 2021. In Southern Africa, soybean is planted on an annual average area size of 754,200 ha, based on a three-year average (2019-2021) (FAOSTAT, 2022).

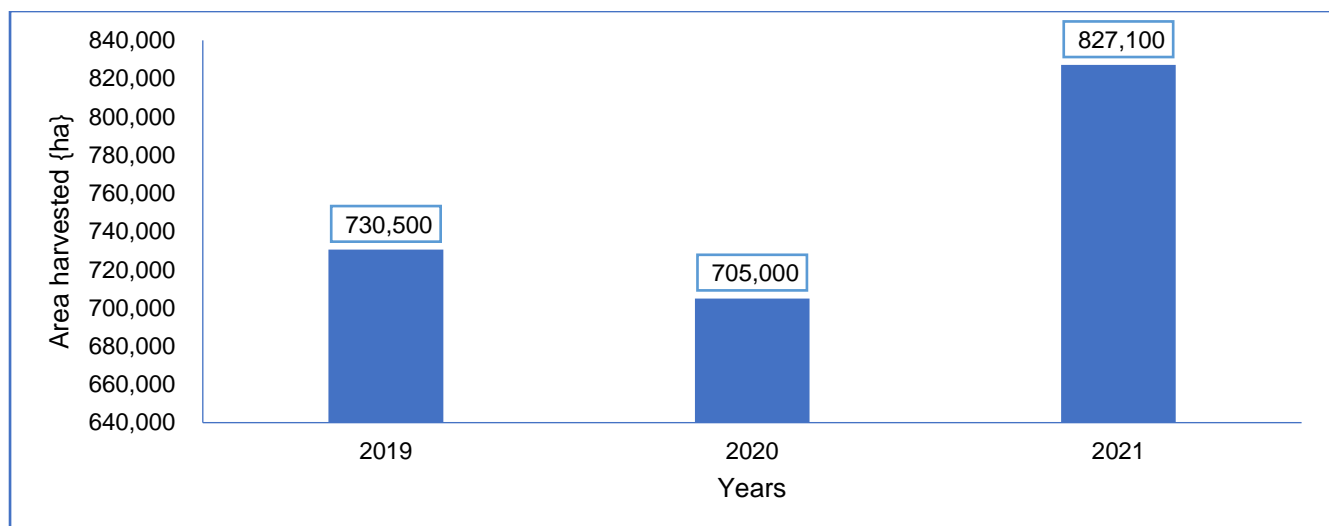


Figure 15: Area harvested (ha) of soybeans in Southern Africa, 2019 to 2021(FAOSTAT, 2022).

As indicated in Figure 16, from 2019 soybeans production increased from 1,170,345 tons to 1,897,000 tons in 2021. The soybeans production average in Southern Africa stood at 1,437,615 tons over three years (2019-2021) (FAOSTAT, 2022).

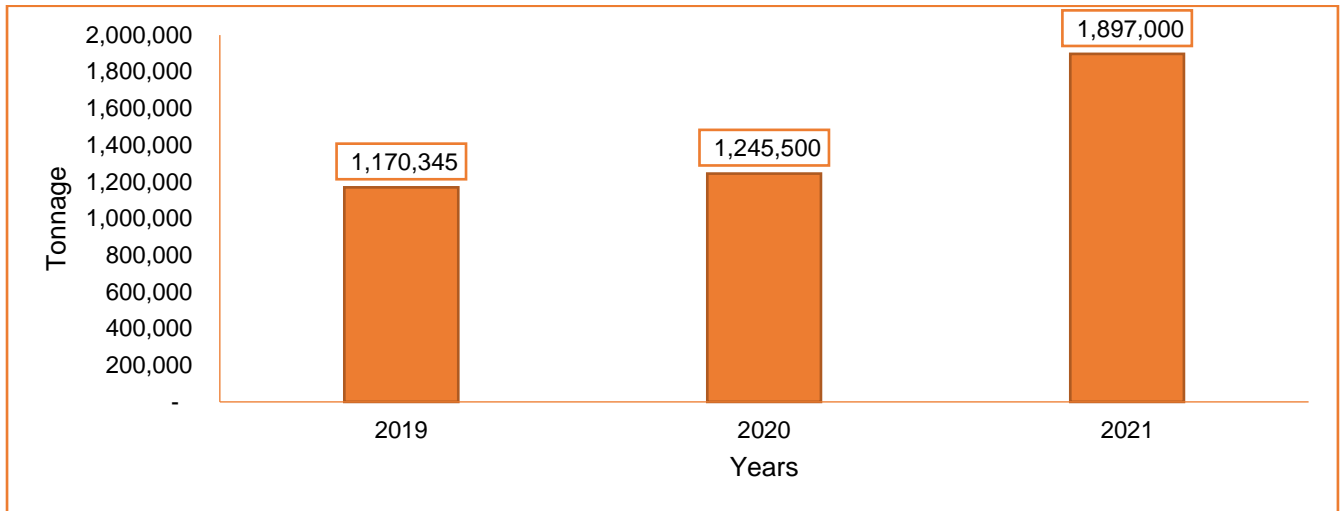


Figure 16: Total soybeans production tonnage in Southern Africa, 2019 to 2021(FAOSTAT, 2022)

Soybean productivity (yield per ha) in Southern Africa has been increasing over the past few years. As indicated in Figure 17, since 2019, the soybeans average yield per ha in Southern Africa has increased from 1.6 tons per ha in 2019 to 2.3 tons per ha in 2021. In Southern Africa, based on a three-year average (2019-2021), soybeans yield stood at 1.9 tons per ha (FAOSTAT, 2022).

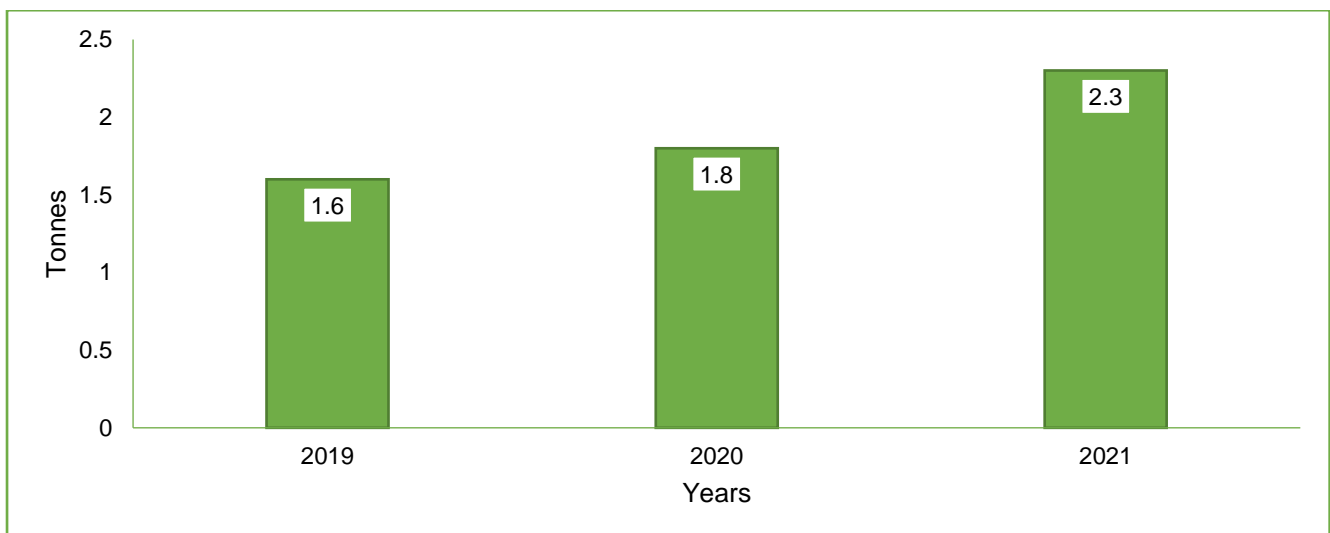


Figure 17: Soybeans productivity, yield tons per ha in Southern Africa from 2019 to 2021(FAOSTAT, 2022)

An increasing trend in soybean oil production quantity from 2019 to 2020 was observed in Southern Africa as well. Figure 18 below depicts that soybeans oil production in Southern Africa increased from 222,400 tons in 2019 to 234,800 tons in 2020, recording an oil production average of 228,600 tons over a two-year average (2019-2020) (FAOSTAT, 2022).

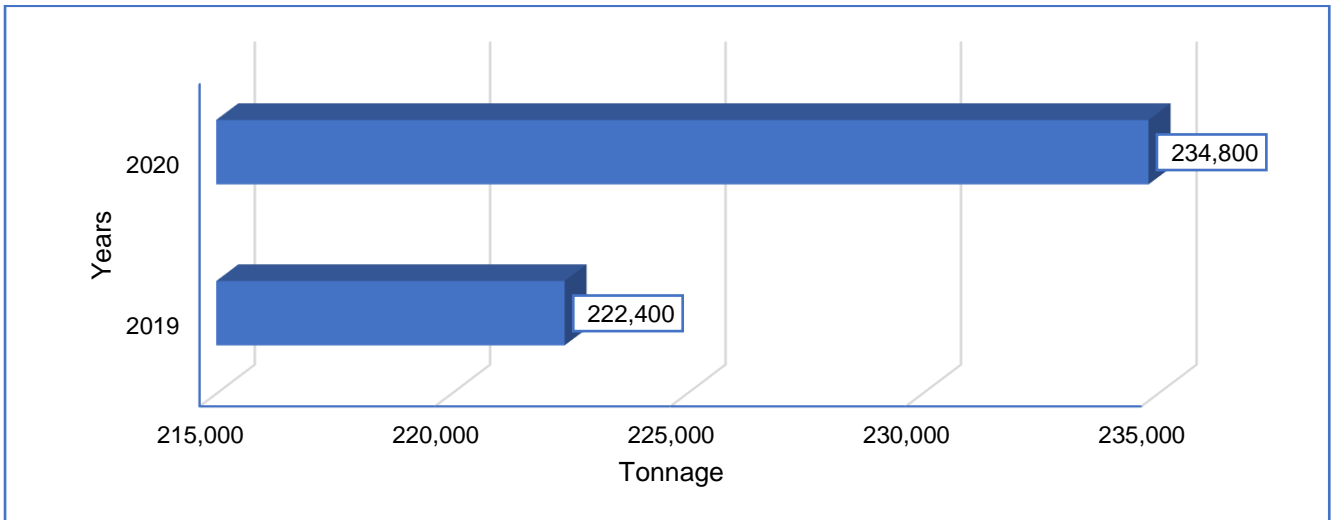


Figure 18: Southern Africa soybean oil production from 2019-2020 (FAOSTAT, 2022)

Figure 19 shows the top six (6) soybeans-producing countries in Southern Africa by tonnage. South Africa is the largest soybeans producer in Southern Africa with an annual average tonnage of 1,540,000 tons, followed by Zambia producing 302,720 tons annually, according to a four-year average from 2018 to 2021 (Atlasbig, 2021).

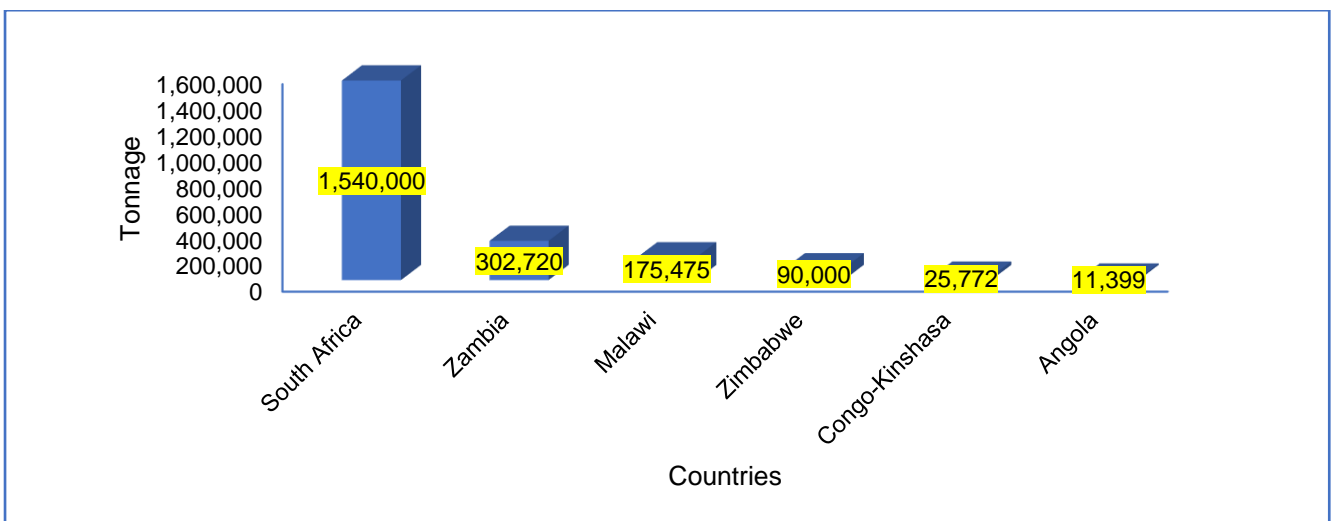


Figure 19: Top six (6) soybeans-producing countries in Southern Africa, 2018-2021(Atlasbig, 2021).

Export - Figure 20 shows the top ten (10) soybeans exporting countries in Southern Africa by value. South Africa recorded the highest soybeans export value in Southern Africa with an annual average value of 249,471 US dollars (N\$4,1 million), followed by Mozambique with 81,512 US dollars (N\$ 1.3 million), while Botswana recorded the least value of 367 US dollars (N\$6,096), based on a four-year average from 2018 to 2021 (ITC, 2022).

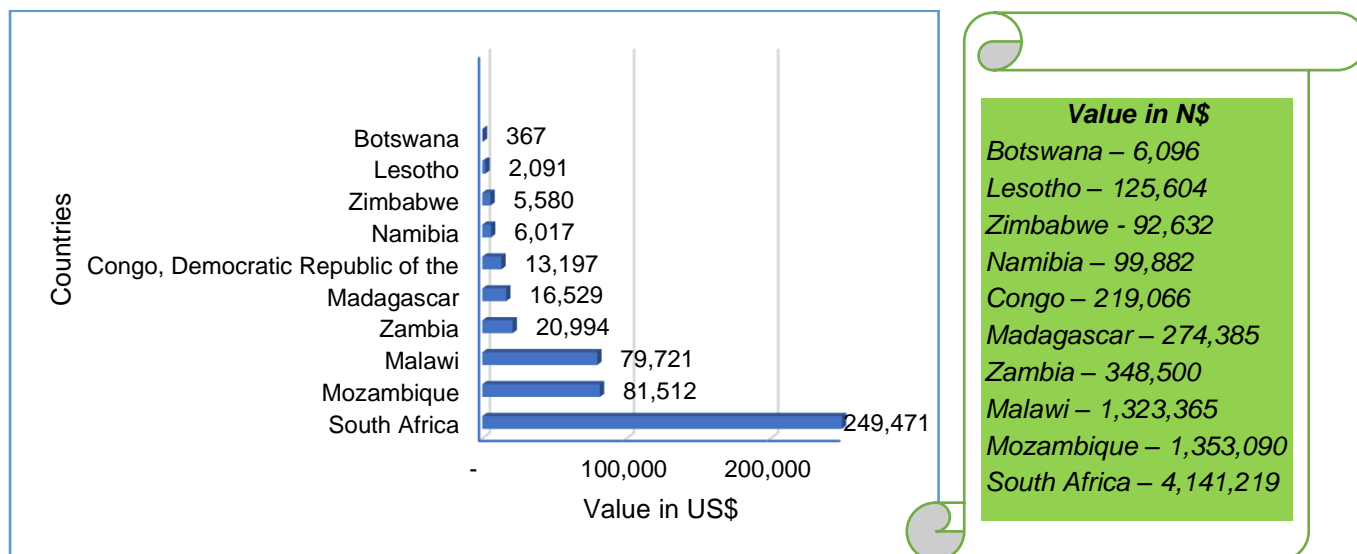


Figure 20: Top ten (10) soybeans exporting countries in Southern Africa by value in US\$ (ITC, 2022)

Table 11 below shows the top ten (10) soybean exporting countries in Southern Africa by tonnage. Malawi recorded the highest soybeans export volume in Southern Africa with an annual average volume of 53,556 tons, followed by Mozambique with 35,229 tons, while Lesotho recorded the lowest volume of 0.05 based on a four-year average from 2018 to 2021 (FAOSTAT, 2022).

Table 11: Top ten (10) soybeans exporting countries in Southern Africa by tonnage, 2018-2021 (FAOSTAT, 2022)

Countries	Tonnage
1. Malawi	53,556
2. Mozambique	35,229
3. South Africa	20,388
4. Zambia	16,937
5. Democratic Republic of the Congo	197
6. Zimbabwe	144
7. Botswana	40
8. Namibia (re-export)	18
9. Mauritius	1
10. Lesotho	0.05

Southern Africa recorded export volumes on various other soybeans products such as soya cake, soybeans oil, soya sauce, and soya paste as shown in Table 12. The table shows the average tonnage and value of exported soybean products over four years from 2018 to 2021. Soya cake recorded a high export tonnage of 105,325 tons at a value of N\$792,650,004 followed by soybeans oil with 55,806 tons

at a value of N\$1,077,738,412 per annum and soya sauce recorded the lowest average of 513 tons at a value of N\$18,957,212 per annum (FAOSTAT, 2022).

Table 12: Average export volume and value recorded in Africa on soybeans products from 2018 to 2021 (FAOSTAT, 2022)

Soybeans products	Export tonnage	Export value N\$
Soya cake	105,325	792,650,004
Soybeans oil	55,806	1,077,738,412
Soya sauce	513	18,957,212
Soya paste	-	-

Conversion date: 01/03/2023

Import - On average, Southern Africa imports 87,468 tons of soybeans per annum, and an average import value of 52,263,000 million US Dollars (N\$937,075,590) was recorded during 2018-2022 (ITC, 2022). Figure 21 shows the top ten (10) soybeans importing countries in Southern Africa by value. Mozambique recorded the highest soybeans import value in Southern Africa with an annual average value of 15,623,800 US Dollars (N\$280,134,734), followed by Zimbabwe with 14,339,000 US dollars (N\$257,098,270) while the Democratic Republic of Congo recorded 131,800 US Dollars (N\$2,363,174) (Conversion date 18/07/2023), according to a five-year average from 2018 to 2022 (ITC, 2022).

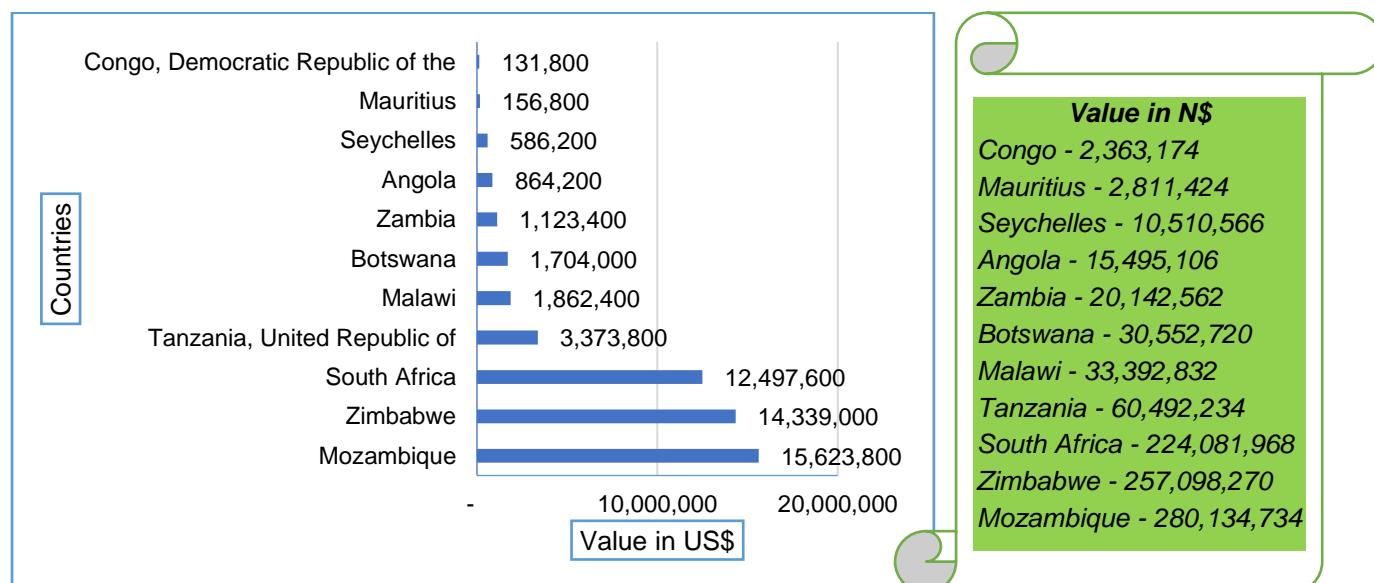


Figure 21: Top ten (10) soybeans importing countries in Southern Africa by value in US\$, 2018-2021

Table 13 shows the top ten (10) soybeans importing countries in Southern Africa by tonnage. South Africa recorded the highest soybeans imports in Southern Africa with an annual average volume of 30,362 tons followed by Zimbabwe with 25,462 while the Democratic Republic of Congo recorded the lowest import volume of 141 tons, according to a five-year average from 2018 to 2022 (ITC, 2022).

Table 13: Top ten (10) soybeans importing countries in Southern Africa by tonnage, 2018-2022 (ITC, 2022)

Countries	Tonnage
1. South Africa	30,362
2. Zimbabwe	25,462
3. Mozambique	16,227
4. Tanzania	7,275
5. Botswana	2,903
6. Malawi	2,198
7. Angola	997
8. Zambia	729
9. Mauritius	180
10. Democratic Republic of the Congo	141

Southern Africa recorded import volumes on various soybean products such as soya cake, soybeans oil, soya sauce, and soya paste as shown in Table 14. The table shows the average tonnage and value of imported soybean products over four years from 2018 to 2021. Soya cake recorded the highest import tonnage of 517,258 at a value of N\$3,281,786,812 followed by soybeans oil with 129,901 tons at a value of N\$1,874,588,212 per annum and soya sauce recorded the lowest average tonnage of 19,789 at a value of N\$53,535,012 per annum (FAOSTAT, 2022).

Table 14: Average import volume and value recorded in Africa on soybeans products from 2018 to 2021 (FAOSTAT, 2022)

Soybeans products	Import tonnage	Import value N\$
Soya cake	517,258	3,281,786,812
Soybeans oil	129,901	1,874,588,212
Soya sauce	19,789	53,535,012
Soya paste	-	-

Conversion date: 01/03/2023

Consumption – Soybeans consumption in Southern Africa has been increasing. Table 15 shows that consumption increased from 1,179,891 tons in 2019 to 1,960,849 tons in 2021 with an annual average of 1,467,187 tons, based on a three-year average from 2019 to 2021 (FAOSTAT, 2022).

Table 15: Soybeans consumption tonnage in Southern Africa, 2018-2020 (FAOSTAT, 2022)

	2019	2020	2021	Average
Production	1,170,345	1,245,500	1,897,000	1,437,615
Import	9,546	15,320	63,849	29,572
Consumption	1,179,891	1,260,820	1,960,849	1,467,187

(FAOSTAT, 2022)

11. DOMESTIC PERSPECTIVE

This section covers the soybeans performance overview in Namibia over the past few years focusing on average annual production, market value (export and import), and consumption as well as price trends.

Production – Currently there is no local soybeans production in Namibia. Soybeans and soybeans products traded on the Namibian market are from imports. Overall, according to Oecworld (2022), Namibia's annual average soybean grains trade value stood at 40,600 US Dollars (N\$ 604,552), based on a two-year average from 2019 to 2020.

Import – Namibia recorded soybeans grains import value of 11,200 US dollars (N\$206,304) from 2019 to 2020 (Oecworld, 2022). Furthermore, according to the Namibia Statistics Agency (NSA, 2022), from 2020 to 2022 other soybeans products; soya bean seeds (HS code: 12011000), and other soya beans (HS code: 12019000) recorded an import total average value of N\$607,494.

Figure 22 shows that the highest soybeans import volumes are derived from South Africa accounting for over 87%, followed by China with 10%, then the remaining soybeans imports come from Zimbabwe (2%) and Brazil (1%) (Oecworld, 2022).

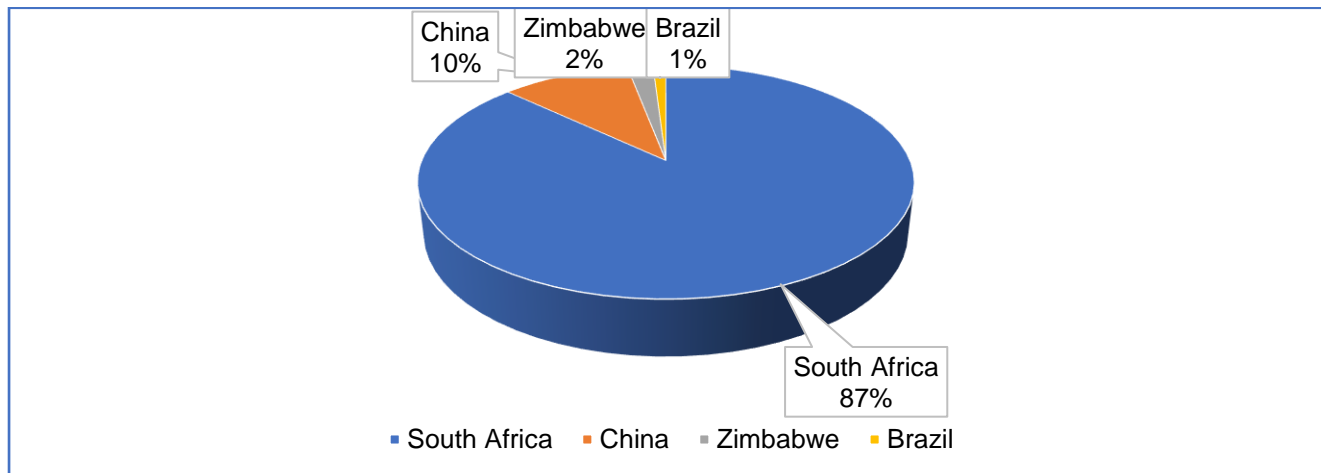


Figure 22: Namibia soybeans import share % distribution, 2019-2020 (Oecworld, 2022)

In addition, as illustrated in Table 16, in 2021 Namibia imported 897 tons of soybean oil at a total value of 1,530,000 US dollars (N\$ 28,182,600) at a unit price of N\$31,418 per ton, and 65 tons of soybean sauce at a total value of 213,000 US dollars (N\$ 3,923,460) at a unit price of N\$60,360 per ton. Overall, an increasing trend in both import volume and value from 2019 to 2021 was observed (FAOSTAT, 2022). Namibia's soybean oil import price per ton has increased from N\$14,010 per ton in 2019 to N\$31,418 per ton in 2021 (FAOSTAT, 2022).

Table 16: Namibia's volume, value, and import price per ton of some soybean products (FAOSTAT, 2022)

Products	Year	Import			
		Tonnage	Value in US\$	Value in N\$	Import price per ton {N\$/t}
Soybeans oil	2019	447	340,000	6,262,800	14,010
	2020	745	695,000	12,801,900	17,183
	2021	897	1,530,000	28,182,600	31,418
Soya sauce	2019	63	149,000	2,744,580	43,564
	2020	98	206,000	3,794,520	38,719
	2021	65	213,000	3,923,460	60,360
Soybeans	2019	29	59,000	1,086,780	37,475
	2020	25	12,675	227,263	9,090
	2021	4	4,000	73,680	18,420
Soya oil cake	2021-22	17 505	7,752,898	139,009,464	7,941
	2022-23	17 058	8,519,547	152, 755,492	8,955
Soya full fat	2021-22	2 834	1,478,525	26,509,960	9,354
	2022-23	4 398	2,824,581	50,644,753	11,515

Conversion date: 18/07/2023

(FAOSTAT, 2022: ITC, 2022).

On the same note, the import of soya oil cake of 17,058 tonnage at the value of N\$152,755,492 was recorded during 2022-2023 and 17,505 tonnes of soya oil cake were also imported in 2021-2022.

According to the Namibia Statistics Agency (NSA, 2022), from 2020 to 2022, import records on other soybeans products such as soya beans seeds (HS code: 12011000) and other soya beans (HS code: 12019000) were also recorded in Namibia at a total average value of N\$607,494 imported from different countries as shown in Table 17. On average, Namibia imports other soya bean seeds (HS code: 12019000) at an annual average value of N\$600,065 and soya bean seeds (HS code: 12011000) at an annual average value of N\$7,429. An increasing trend was observed in the import value of other soya bean seeds from 2020 to 2022, increasing from N\$114,449 to N\$1,188,339, and a decreasing trend in the import value of soya beans seeds was observed, decreasing from N\$12,157 to N\$7,794 (Table16).

Table 17: Namibia import value records of soya beans seeds and other soya beans from 2020-2022 (NSA, 2022)

Partner	HS Commodity Description	Import value N\$			
		2020	2021	2022	Average
South Africa	12011000:-Soya beans seeds	10,500	559	7,652	6,237
	12019000:-Other Soya beans. nes	87,627	495,819	992,169	525,205
Zambia	12011000:-Soya beans seeds			142	47
	12019000:-Other Soya beans. nes			166,632	55,544
China	12011000:-Soya beans seeds				
	12019000:-Other Soya beans. nes	20,879		29,538	16,806
Zimbabwe	12011000:-Soya beans seeds				
	12019000:-Other Soya beans. nes	5,083	150		1,744
Germany	12011000:-Soya beans seeds	649	1,777		809
	12019000:-Other Soya beans. nes				
Angola	12011000:-Soya beans seeds				
	12019000:-Other Soya beans. nes		1,437		479
Brazil	12011000:-Soya beans seeds	1,008			336
	12019000:-Other Soya beans. nes				
Japan	12011000:-Soya beans seeds				
	12019000:-Other Soya beans. nes	860			287
Total	12011000: -Soya beans seeds	12,157	2,336	7,794	7,429
	12019000: -Other Soya beans. nes	114,449	497,406	1,188,339	600,065

(NSA, 2022)

Export – As shown in Figure 23, Namibia also recorded soybean grains re-export mainly to South Africa, accounting for 99.9% of total export and also to Botswana (0.1%), with an export value of 29,400 US Dollars (N\$ 541,548) and 30 US Dollars (N\$ 552.6) respectively (Oecworld, 2022).

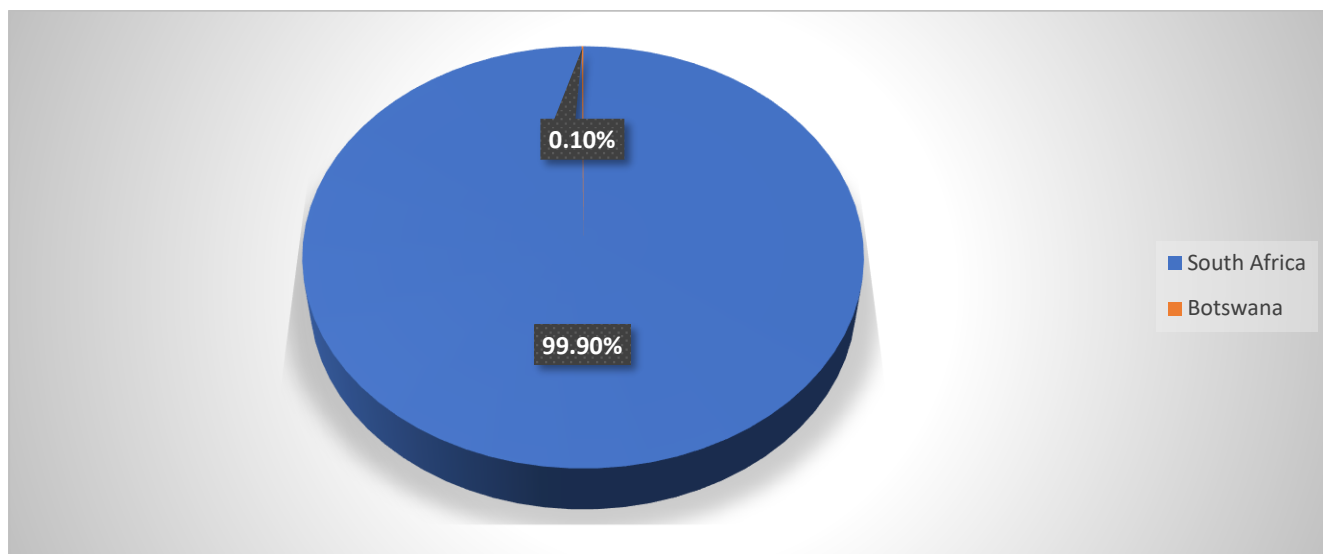


Figure 23: Namibia soybeans export share distribution, 2021 (Oecworld, 2022)

According to the NSA (2022), from 2020 to 2022, re-exporting of other soya beans. nes products was recorded in Namibia to various destinations such as South Africa and Angola. An annual total average re-export of 15 tons at an average value of N\$175,721 was reported (NSA, 2022). During that period, South Africa recorded the highest re-export value of N\$491,884 in 2020 and the lowest value of N\$80 in 2022 (Table 18).

Table 18: Volume and value of re-exported soya beans. nes

Partner	Year	2020		2021		2022	
		NAD	kg	NAD	kg	NAD	kg
Angola	12019000: - Other Soya beans. nes			35,200	50		
South Africa	12019000: - Other Soya beans. nes	491,884	45,000			80	4

Prices – The global average soybeans price per ton has been increasing for the past few years. Figure 24 shows that the soybeans unit price per ton increased from 396 to 641 US dollars (N\$ 6,796 to N\$ 11,807) (Statista, 2023), while the South African soybeans price increased from 296 to 607 US dollars (N\$ 5,440 to N\$ 11, 190) and the Zambian soybean price per ton decreased from 710 to 470 US dollars (N\$ 13,078 to N\$ 8,657) (Indexmundi, 2023). Namibia's soybeans price per ton decreased from 2,258 US dollars (N\$37,475) in 2019 to 1,109 US dollars (N\$18,420) in 2021 (FAOSTAT, 2022).

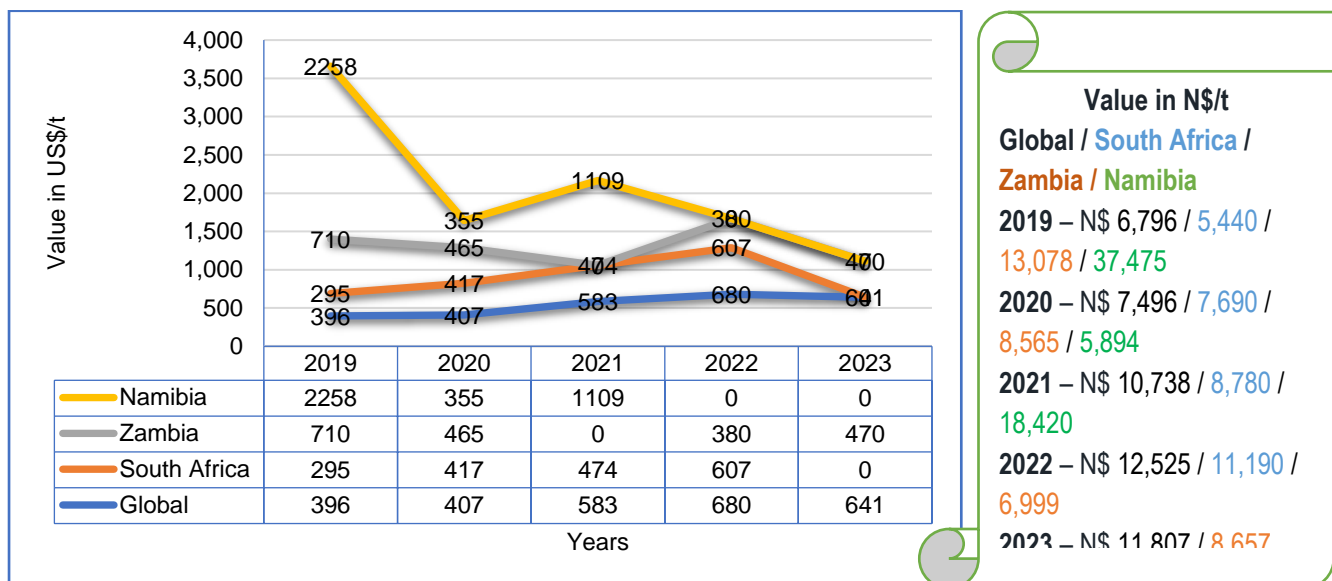


Figure 24: Global average soybean price per ton in US\$, 2019-2023 (Statista, 2023).

Consumption – As there is no local production, the total soybean consumption and re-export come from imports. Table 19 below shows the total consumption and re-export of soybean, soybean oil, and soya sauce in Namibia from 2016-2020. The high consumption of soybean oil of 1,324 tons was recorded in 2016 (FAOSTAT, 2022).

Table 19: Total consumption of soybean, soybean oil, and soya sauce, 2016-2020

	Year	Soybean oil	Soybeans	Soya sauce
Import	2016	1,328	15	164
	2017	1,164	6	112
	2018	516	39	166
	2019	449	29.29	63.38
	2020	745	25.29	97.61
Re-export	2016	4	-	0
	2017	-	-	0
	2018	-	10	0.59
	2019	-	-	-
	2020	-	45	-
Consumption	2016	1,324	15	164
	2017	1,164	6	112
	2018	516	29	165
	2019	449	29.29	63
	2020	745	-	-

12. KEY POTENTIALS TO UNLOCK THE SOYBEANS EXPORT MARKET OPPORTUNITY

Although there is no local soybeans production currently happening specifically in Namibia, overall, a significant increase in soybeans production and the export market worldwide including Africa was reported. World soybeans production has increased by 36% since 2000, with a notable high increase in soybeans consumption and a vividly upward trend in the export market (Masuda & Goldsmith, 2009). The persistent upward trends of the soybeans market highlight for agribusiness, policymakers, traders, and producers the urgent need for significant participation and investment in soybeans production and research in Namibia. This might be a possible multimillion export market for Namibia. In addition, some of the largest soybeans leading producers such as Argentina, the world's third-largest producer, had a 30% reduction in output due to drought occurrences (Masuda & Goldsmith, 2009). Therefore, to meet the world's increasing soybeans demand, increasing the area under soybeans cultivation or increasing productivity and yields (tons/ha) might be of significant benefit to the local traders and producers as well as the Namibian economy as this is a great export and domestic market opportunity to Namibia. World soybeans projections show a further rapid increase in the future.

Furthermore, an overall increasing trend in both import volume and value over the past recent years was observed. The soybeans supply to China has been affected by a recent trade war between the US and China (Wu *et al.*, 2020). It is therefore critical to assess the sustainability of soybeans supply to China and other export markets such as Egypt in the African continent and South Africa in the Southern Africa region. There is a great export opportunity for these markets as all of them recorded the largest import volumes of soybeans in recent years (FAOSTAT, 2022).

The soybeans import price per ton has also increased significantly since 2019. According to FAOSTAT (2022), in Namibia, the soybeans volume imports increased from 447 tons in 2019 to 897 tons in 2021, while the import total value per annum increased from N\$ 6,262,800 in 2019 to N\$ 28,182,600 in 2021. Namibia's soybeans price per ton decreased from 2,258 US dollars (N\$37,475) in 2019 to 1,109 US dollars (N\$18,420) in 2021 (FAOSTAT, 2022). A low volume of export was recorded in Namibia during this period and this could be due to a lack of local soybeans production. Thus, local farmers are encouraged to maximise these opportunities and introduce local soybean production to benefit from the global export market as well as fulfil soybeans' domestic demand and reduce import reliance. It was also observed that value-added soybeans products such as soybeans oil and soya sauce collect high premiums than grains. Therefore, local traders and processors must invest in soybeans value addition or finished products.

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PUBLISHED BY:

Namibian Agronomic Board

Agronomy and Horticulture Market Development Division

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