



Meat Board of Namibia

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EXPORT OF RAW HIDES & SKINS

STANDARD OPERATING PROCEDURES

1. REQUIREMENTS FOR THE “FIRST RIGHT OF REFUSAL” OFFERING SYSTEM

- All abattoirs, tanneries and traders wanting to export raw hides & skins must be registered with the Meat Board of Namibia.
- The following species are INCLUDED in this “first right of refusal” system for raw hides & skins:
 - Bovine
 - Sheep
 - Goat
 - Seals
 - Game
- The following species are EXCLUDED of this “first right of refusal” offering system for raw hides & skins:
 - Swakara
 - Crocodile
- These registered abattoirs, tanneries and traders must present the following documentation to the Meat Board:
 - Production and export statements of the past 3 months
 - Monthly production reports
 - Monthly performance reports

2. OFFERING TO LOCAL TANNERY OR TRADER

- Raw hides & skins must be offered to local tanneries and traders as first option buyers before applying for a Meat Board export permit. Only local tanneries and traders registered with the Meat Board may participate in this “first right of refusal” offering system.
- The offer should only contain the quantity of pieces, which are offered as per the existing grading system for raw hides & skins (e.g. machine flayed, hand flayed, wet or dry salted etc.).
- The respective party wanting to export the raw hides & skins must establish the price obtainable per species from their export market and share it IN CONFIDENCE with the Meat Board. This price will be verified by the Meat Board as per point 6 below.
- The selling party’s offer must be submitted to the Meat Board, clearly describing the species and the respective description of the grading of the raw hides & skins intended to be exported. The offer to be made to local tanneries and traders via the Meat Board must

match the revenues that would have been made through selling in the export market in terms of respective species price, quantity and grades.

- If intended for export to South Africa: The offer must be made outlining the quantity per grade and must be in the form of a Pro forma invoice (expressed in N\$) excluding transport, insurance, commission and any other costs, i.e., and must be made to the Meat Board only. In the event that the offer will be sold locally and not exported, 15% local Namibian VAT is still to be added to the total value of the Pro Forma invoice.
- If intended for export to rest of the world: The offer must be made outlining the quantity per grade and must be in the form of a Pro forma invoice (expressed in US\$) excluding transport, insurance, commission and any other costs, i.e. F.O.B., and must be made to the Meat Board only. In the event that the offer will be sold locally and not exported, the Rate of Exchange rate of the day of when the offer is submitted to the Meat Board will be used.
- The Meat Board will submit this offer of raw hides & skins outlining species, quantities and grades only (no prices!), to all tanneries and traders in Namibia that are properly registered at the Meat Board. Interest in purchase of the raw hides & skins must be made in writing to the Meat Board within 3 working days.
- Interested parties will be given the opportunity to inspect the raw hides & skins within 8 working days after which they must submit a tender to purchase in a sealed envelope to the Meat Board.
- The tender to purchase must be made per species and per grade and must be in the form of a Pro forma invoice (expressed in N\$ or US\$, whichever applicable) excluding transport, insurance, commission and any other costs to the Meat Board only.
- Should a dispute regarding the grading of the raw hides & skins arise during the first offering to local tanneries and traders, the Meat Board reserves the right to inspect the consignment and instruct the re-grading of the raw hides & skins in question. Such disputes should be directed to the Meat Board within the above mentioned 8 working days inspection period and should be done in writing.
- The tender will be opened in the presence of all parties that submitted a tender to purchase on the 14th day and the Meat Board will compare the total value of each tender to purchase to the original offer for sale and the highest tender to purchase will be accepted.
- Terms and conditions of payment: Payment to be done within 3 working after awarding of tender.
- The following will be applicable per specie:

RAW BOVINE HIDES:

- In the event where there is no interest by local tanneries or traders in purchasing the raw bovine hides on offer within 14 days, the selling party may apply to the Meat Board for the export permit to export the raw bovine hides at offered price. A 25% levy will be charged on the offered price once an export permit is issued by the Meat Board. This levy accounts for the difference in quality of the Namibian bovine hides compared to their South African counterparts and will be payable to the Meat Board on issue of export permit.

- The 25% levy to be collected by the Meat Board is to be reinvested through various initiatives to stimulate the growth of the Namibian bovine livestock industry (Producers, Agents, Abattoirs, Traders and Tanneries).
- Dry salted bovine will not attract the above mentioned levy and therefore have to be specified separately on the offer submitted to the Meat Board.

RAW SHEEP SKINS:

- In the event where there is no interest by local tanneries or traders in purchasing the raw sheep skins on offer within 14 days, the selling party may apply to the Meat Board for the export permit to export the raw sheep skins at offered price. A 25% levy will be charged on the offered price once an export permit is issued by the Meat Board. This levy accounts for the difference in quality of the Namibian Dorper sheep skin and the difference in population of Namibian sheep compared their South African counterparts and will be payable to the Meat Board on issue of export permit.
- The 45% levy to be collected by the Meat Board is to be reinvested through various initiatives to stimulate and growth of the Namibian small livestock industry (Producers, Agents, Abattoirs, Traders and Tanneries).

RAW GOAT, GAME AND SEAL SKINS:

- In the event where there is no interest by local tanneries or traders in purchasing the raw goat, game or seal skins on offer within 14 days, the selling party may apply to the Meat Board for the export permit to export the raw sheep skins at offered price. No levy will be applicable on raw goat, game and seal skins.
- Every specie of game together with the respective quantity has to be outlined separately on any offer to export submitted to the Meat Board. Any tender to purchase must be made per specific game species and will be compared to the offered price submitted to the Meat Board on an individual basis.
- Any award of tender to purchase for game will be done on an individual species basis.

3. DECLINING THE OFFER:

- If payment is not done as per point 3 above, the Meat Board will award the tender to the second highest tender to purchase, only if the tender to purchase value is higher than the selling party's offer to export made to the Meat Board in confidence. If the selling party's offer to export value is higher, the selling party should be allowed to apply for an export permit from the Meat Board.
- Any tannery or trader defaulting on a tender to purchase submitted may not participate in any further offers submitted for a period of 3 months. The Meat Board reserves the right to extend or shorten this period.
- Should the local tannery or trader with the highest tender to purchase decline the offer, it should be done so in writing to the Meat Board. The Meat Board shall then issue the selling party an export permit on condition that all standard operating procedures have been followed.

4. OBTAINING A MEAT BOARD PERMIT

In order to obtain a Meat Board Export permit, the following documents must be presented to the Meat Board:

- Veterinary Health Certificate/ export permit with reference to seal numbers
- Proof of refusal by a local tannery or trader
- Official tax invoice with the description of each grade and price per grade in Namibian Dollar
- Completed Application form
- Proof of receipt of payment for respective levy issued by the Meat Board.

5. INFORMATION ON THE MEAT BOARD PERMIT

- Detailed description of the product to be exported
- Quantity and weight of product to be exported
- Veterinary Health Certificate number
- Veterinary seal number
- Truck registration number
- Official tax invoice number

6. PROCEDURES FOLLOWING EXPORT OF RAW HIDES & SKINS

- A stamped export invoice must be sent to the Meat Board and proof of payment by seller's bank must be given to the Meat Board within a period of 60 days from bill of lading date (when exported by sea) or customs official stamp verifying the export at any Namibian border.

7. CLAIMS

- Any claim from raw hides & skins exported with a valid Meat Board permit resulting in a credit note being passed to the respective customer, must be submitted to the Meat Board for review and proper authorization to prevent any price inflation or false declarations at offering stage and subsequent price correction at a later stage.
- The Meat Board reserves the right to penalise or even expel any party found guilty in making abuse of falsely declared selling prices subsequently corrected from this "first right of refusal" offering system.

8. AUDIT OF THE SCHEME

- An audit on all raw hides & skins exported from Namibia will be conducted by an independent auditor to be appointed by the Meat Board. The scope of the audit assignment will be the verification of the correctness of all documentation mentioned above.