

Economic Implications of FMD



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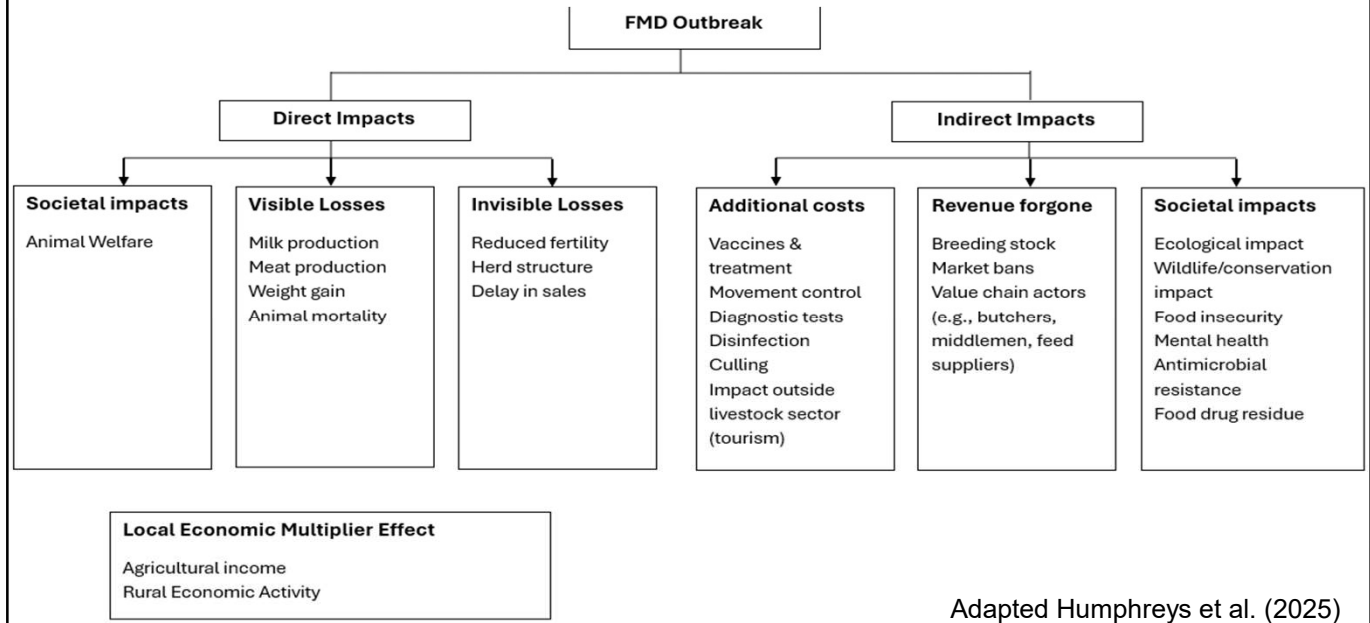
Importance of Livestock sector

- Livestock sector largest agricultural subsector in South Africa (Gross Production Value [GPV]) (Abstract of Agricultural Statistics, 2024/25):
 - Poultry: 68.9 billion
 - Maize: 59.0 billion
 - **Beef: 45.1 billion**
 - Deciduous and other fruit: 36.8 billion
 - Citrus: 33.0 billion
 - **Dairy: 28.6 billion**



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Direct vs Indirect Economic Impacts



Beef Industry Impacts

- BFAP study on the impact of FMD on South Africa's beef industry, 2025
- Assumed a high-burden scenario (recurring outbreaks and inadequate animal health systems)
- Did not consider larger impacts along the value chain
- Annual beef exports stagnate between 10 000 to 15 000 tons – losses exceed R11.3 billion in GPV over the next 5 years
 - Preliminary estimates for 2019 to 2025: beef export losses over R800 million
 - Could grow to R2.6 billion by end of 2026

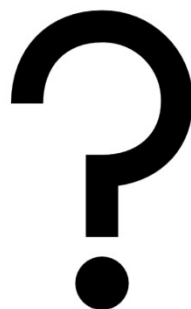
- Trade restriction for 2019 – 2025 FMD outbreak:
 - Beef exports dropped by 22.94% in volume
 - Beef industry lost R1.1 billion in export revenue
 - Could increase to R2.7 billion (in 2024 real terms) by end of 2026.

- Retail meat prices increase about 13% (YoY)
- Carcass weights decrease (11kg YoY)
- Consumers move to more affordable proteins

Dairy Industry Impacts

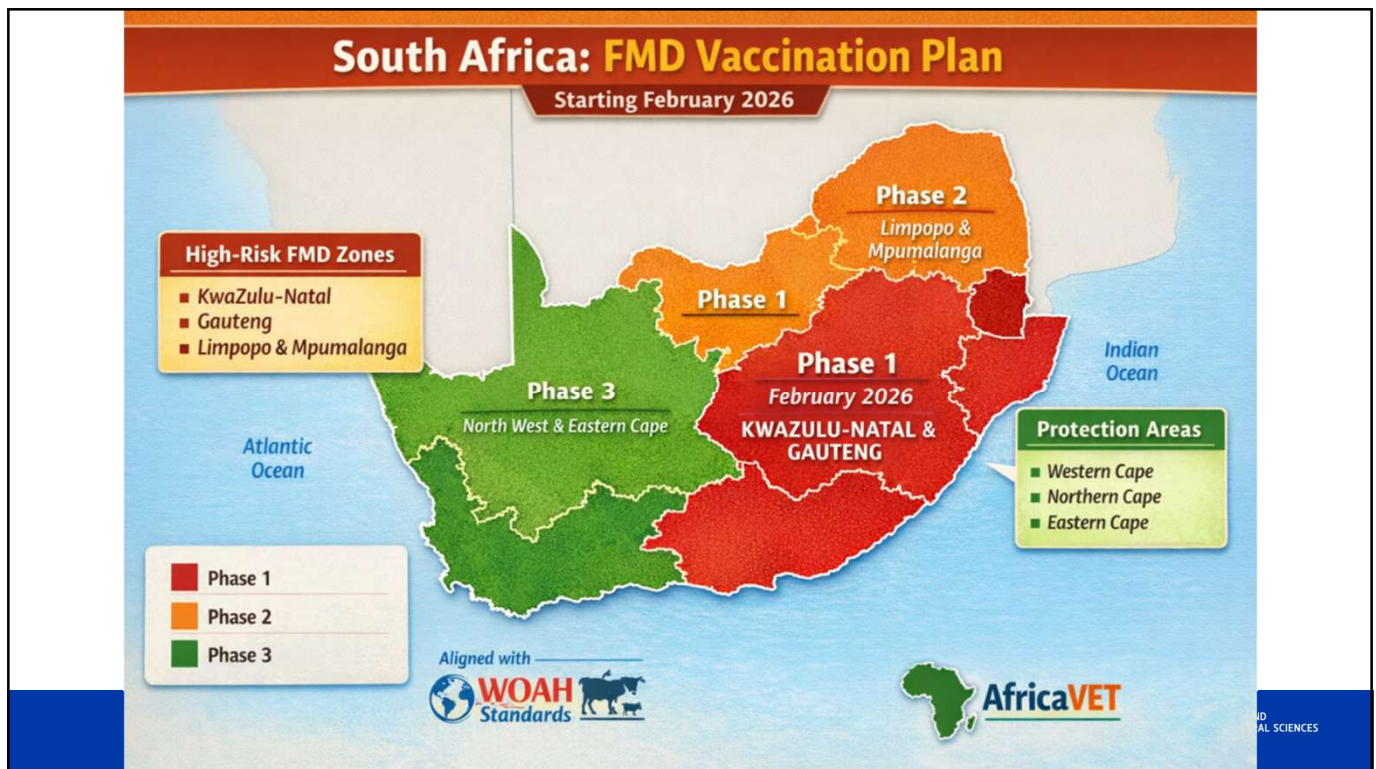
- Outbreaks have increased between November 2025 and January 2026.
- FMD case studies in the Eastern Cape show losses close to R5 000 per head
- To date, losses are estimated at over R1 billion (210 000 dairy animals)
- Many dairy farms could decide to close down – major job losses in rural areas

Piggeries, Sheep & Goats, and Wildlife



Timeframes

- The government goal is that 80% of the national cattle herd is vaccinated by the end of 2026, with reduced outbreaks (70%)
- Receive 2 million doses from Botswana (late 2025)
- Imported 1 million doses from Argentina (February 2026)
 - More to arrive in March (around 5 million)
- Onderstepoort begin vaccine production
 - Plan on producing 20 000 a week from March
 - Increase to 200 000 doses per week (from 2027)



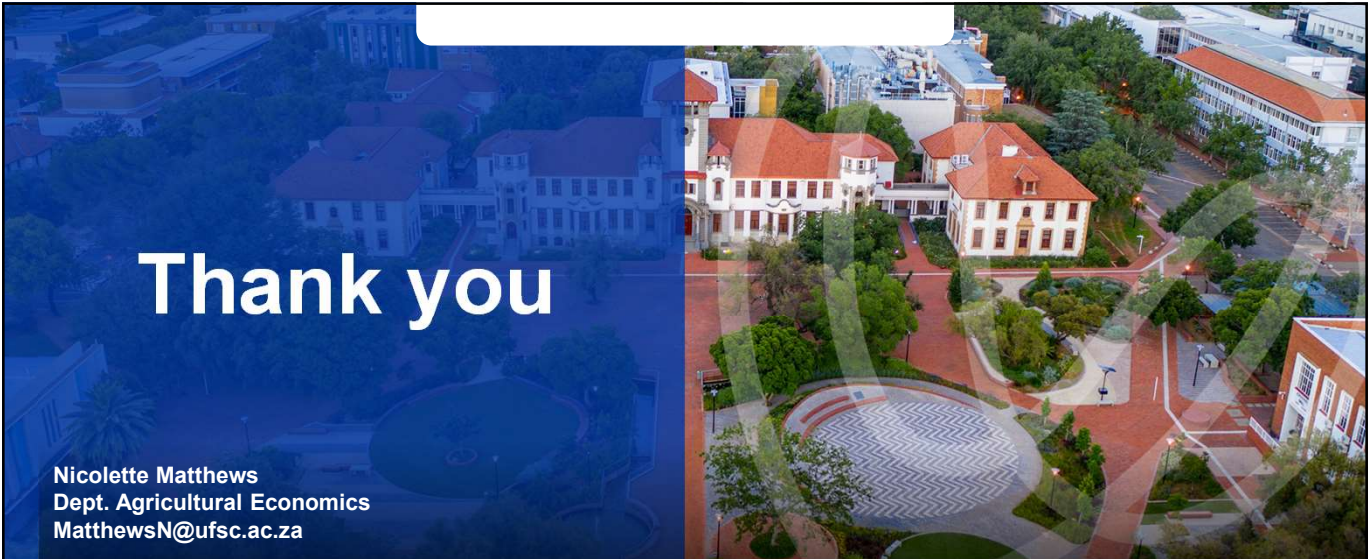
Environmental Impacts of FMD

(Adapted from Environment Agency, 2001)

Impact	Short-term (during outbreak)	Medium-term (within a year)	Long-term (more than a year)
Air pollution	Pyre emissions	Reduced ammonia and methane emissions	Possible soil contamination from emissions of dioxins
Groundwater pollution	Seepage from burials and pits under pyre	Seepage	Seepage could occur over 20 years
Surface water pollution	Disinfection, carcass fluids and slurry	Seepage from burials and pits under pyres Removal of stock	
Soils	Soil erosion Soil contamination (pyres)	Soil erosion	Dioxins, PCB and PAH contamination
Wildlife	Decreased tourism	Grazing changes	Changes dependent on farming and agricultural policy responses
Landscape	Pyre smoke Loss of stock	Vegetation changes due to stock reduction	Changes dependent on farming and agricultural policy responses

Conclusion

- Disruptions reverberate through the economy
 - EIA need to consider biological risk as economic risk
 - Require scenario analysis and sensitivity testing
- Continuous threat to food security, rural poverty and constrains economic potential
 - Loss in production and high-value genetics
 - Potential job losses due to sustained financial pressure
- Recovery is path-dependent and uneven
- Very little information within a SA context



Thank you

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