

Pastoral Markets Development (APMD) Platform

Technical Pillar Planning and Stakeholders Engagement Workshop

Ethiopia
National / Regional Overview of the Pastoral
Livestock Marketing Chain, Challenges and
Opportunities.

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Introduction to Pastoral Livestock Marketing Chain



- Livestock performs multiple functions in the Ethiopian economy by providing:-
 - food,
 - input for crop production and soil fertility management,
 - raw materials for industry,
 - cash income as well as in promote saving,
 - fuel, social functions, and employment.
- Various estimates show that the livestock sub-sector contributes
 - 12–16% of the National and 30–35% of agricultural GDP, respectively.
 - 12–15% of total export earnings,

Introduction to Pastoral Livestock



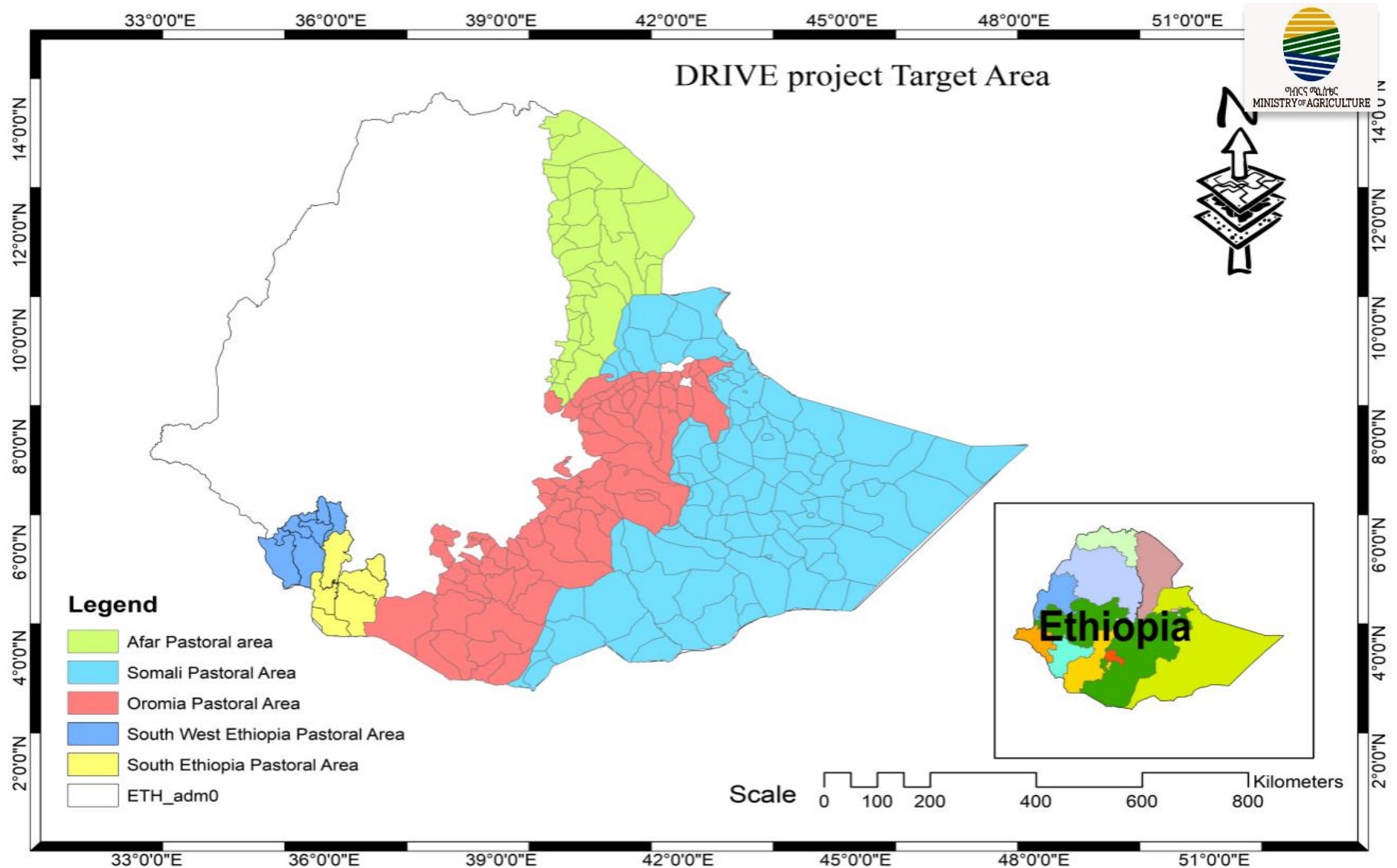
- The sub-sector is the second major source of foreign currency through the export of live animals, meat, hides, and skins.
- The sector also employs about one-third of the country's rural population.
- Therefore, livestock can serve as a vehicle for improving food security and better livelihood, and contribute significantly to agricultural and rural development.
- Ethiopia has the continent's largest livestock population and the highest draft animal population.
- The country has approximately
 - 71 million cattle,
 - 43 million sheep,
 - 54 million goats,
 - 13.33 million equines,
 - 8 million camels,
 - 57 million chickens, and
 - 7 million bee colonies (Ethiopian Policy Institute 23 Feb 2023).

Introduction to Pastoral Livestock ...



- Pastoralism and agro-pastoralism are ways of life among the people living in the arid and semi-arid lowland areas of the world.
- These modes of life are mainly dependent on animal husbandry.
- According to recent estimates, there are about 120 million pastoralists and agro-pastoralists worldwide, of which 41.7% live exclusively in sub-Saharan Africa (SSA) (Mohamed 2019).

Introduction to Pastoral Livestock



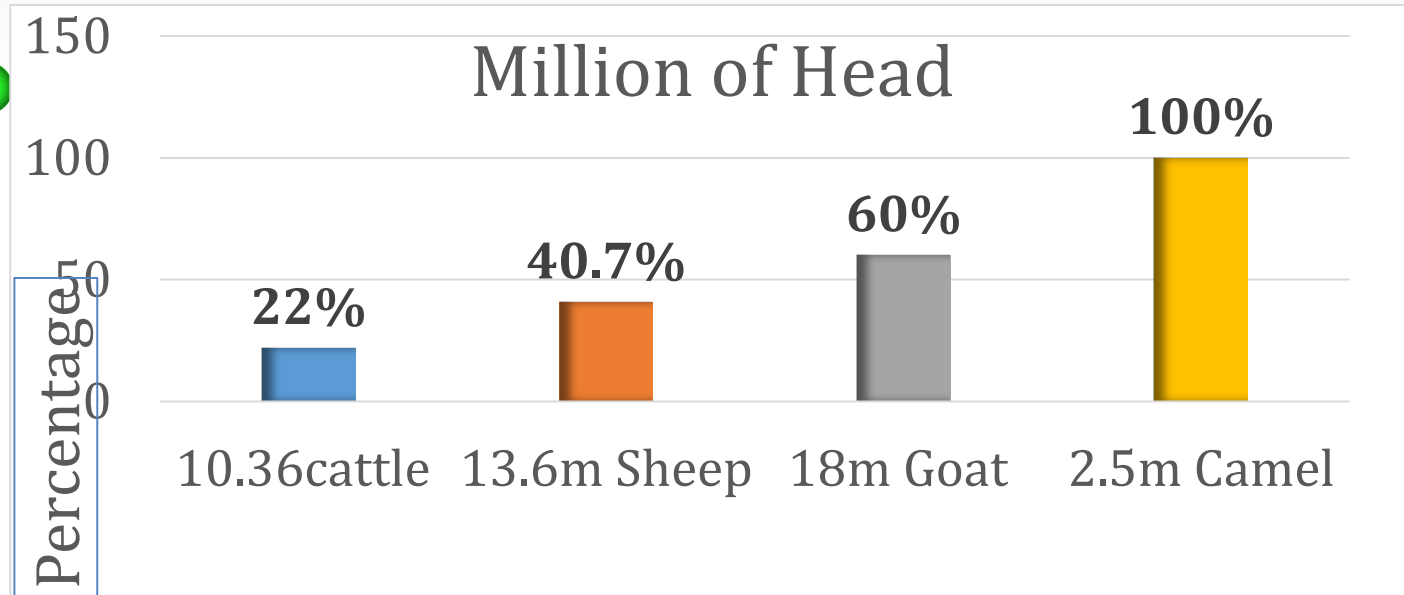
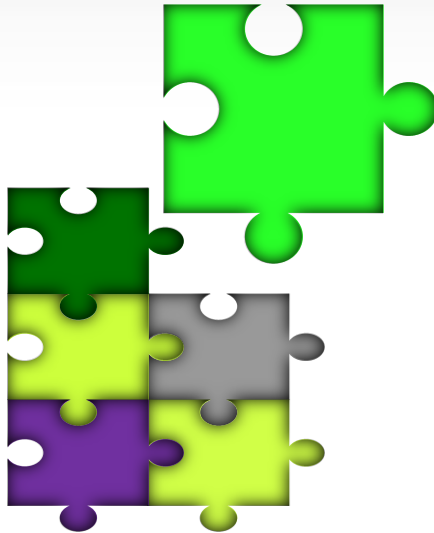
Introduction to Pastoral Livestock



- In Ethiopia, pastoralists and agro-pastoralists are mainly found in the lowlands, which are commonly arid or semi-arid and sparsely populated (Kurt 2003; FAO, 2018).
- The **Arid and Semi-Arid Lowland (ASAL)** in general, where **pastoralism is practiced**, are characterized by **relative land and animal resources abundance**.
- It covers 61% of Ethiopia's total land mass, with 97% of pastoralists concentrated in the northeast, east, and south.
- The sector has an annual market value of >90% of Ethiopia's live animal export supply



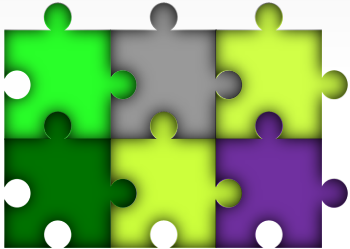
Introduction to Pastoral Livestock



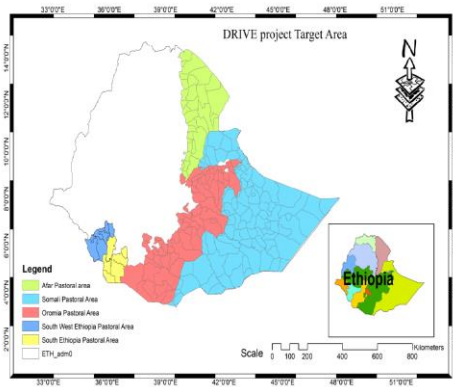
About **10-12 million** human population which is about **10% of 115** million people.



Introduction to Pastoral Livestock



- It provides livelihoods for more than 12 million Ethiopians,
- Pastoral areas of Ethiopia are characterized by recurrent droughts and high livestock mortality, threatening pastoral viability and causing famine resulting in loss of life.
- Moreover, the rangelands that pastorals and agro-pastorals livelihood depend on are shrinking due to various factors such as
 - population growth,
 - agricultural encroachment,
 - land degradation,
 - blocked migration routes, and
 - ethnic conflicts caused by the scarcity of natural resources (Eyasu and Abdi 2010; Rufino et al. 2013; Lind et al. 2016).





Export status of live animals between 2008-2017

- 5,012,487 heads of animals /2,452,569 sheep, 582,076 cattle,688,021 camel, and 289,821 goats/ were exported to importing Middle east countries- such as Saud Arabia, UAE, Egypt Djibouti, Somalia, and Sudan which comes to be an average of 501,249 animals per annum and earned 123,294,000 USD and an average of 245.97 USD/animal during this years.
- Ethiopia's live animal export reached the highest level in 2012 which was 783,888 heads of animal and dropped to 279,480 in 2017./
Source: International journal of research/

Export status of live animals



- Live animal's export volume declined to 416,454 heads in 2018/19 from 783,888 in 2012 and dropped to 279,480 in 2017 and 51,587 in 2019/20 Similarly,
- their value also declined by 92% in 2019/20 from 75million USD to less than 10 million USD according to the above stated report.

Export status of meat between 2008-2017



- The volume of meat and meat products increased from 4795 tons in 2008 to 19,779 tons in 2017.
- The country exported 145,299 tons of meat and meat products between 2008-2017 of which 79.99% is goat meat 8.92% mutton, 3.97% beef, 0.03% camel meat, and 7.09% is edible offals/ .
- The average annual production was 14,530 tons. /Source: International journal of research/.
- Per this report, there are 11 export abattoirs in the country from which Modjo Modern Export abattoir, ELFORA Agro-Industry plc, and LUNA export plc have the capacity to process 30,380 tons of meat per annum

Export status of meat



- According to the Ethiopian Customs Commission report, current export volume for beef, mutton, and goat meat has declined from 17,447MT in 2018/19 to 12,796MT in 2019/20.
- Based on the Ethiopian Meat Producers and Export Association March 2021 report, there are 14 export abattoirs with an average of 200,000 tons of mutton, beef and goat meat production per year.
- However, they are currently operating at less than 10 of their installed capacity because of the absence of quality animal supply and high demand for meat in the local markets/ Source: Feed the future/.
- The export market for sheep and goat meat is between 5450 and 5600 USD /ton which is equal to 5.50 USD/kg/230birr/kg/ compared to 5-10 USD/kg on local markets /230-410birr/kg

Key challenges impacting the resilience and hinder the transformation of the Pastoral Livestock sector



Types of constraints	Rank
Climate change adverse effects (flood, diseases, droughts...etc.)	1
Policy and regulatory hurdles (with national and regional ones like Existence of tariff and non-tariff barriers etc.)	2
Limited availability of quality feed and fodder	3
Poor animal handling/welfare (trekking long distances per day)	4
Inadequate diseases surveillance; diagnosis, prevention and control	5
Shortage of input supply (Vet drugs, seed for forage, genetic material)	6
Seasonality and low supply of quality animals (age and weight category)	7
Limited livestock trade infrastructures	8

Constraints of meat and meat products export



Constraints	Rank
<ul style="list-style-type: none">Poor animal handling /welfare, trekking long distances movement for water and pasture per day	1
<ul style="list-style-type: none">Seasonality and low supply of quality animal/weight and age/	2
<ul style="list-style-type: none">Illegal cross -border trade	3
<ul style="list-style-type: none">Existence of middle men/brokers/	4
<ul style="list-style-type: none">Shortage of meat animal supply resulting from high domestic meat consumption	5
<ul style="list-style-type: none">High purchase price	6

Opportunities for growth and sector transformation (the Pastoral Livestock Marketing Chain)



- Focus currently given to the pastoralist systems,
- interest in supporting private-sector integration in sub sector, etc.
- attempt to include pastoralists in the livestock value chain,
- Emerging markets and trade routes to the middle east, Africa and China.
- Increased demand for livestock and livestock products.
- Strengthened enabling environment for livestock market like livestock market centers, collection centers and quarantine facilities transfer stations and etc,
- high demand created among private Sector Investors,
- Export diversification,
- Promising Gender balance (Women and youth) in the livestock value chain,
- Public Private Partnership (PPP) forums.
- demand created for Index based livestock insurance (IBLI)

Previous and Ongoing Relevant Projects and Interventions, Key Outcomes and Learnings



Project / title	Start - End	Main objectives	Main area (s) of interventions	Main outcomes/impacts
RPLRP	Jan 2015- Dec 2020	Strengthening drought resilience	21 Pastoral Woredas	Access to water, access to fodder, access to LS infrastructures...
DRSLP I	Oct 2013- June 2023	Strengthening drought resilience	15 Pastoral Woredas	Access to water, access to fodder, access to LS infrastructures...
DRSLP II	Jan 2015- June 2023	Strengthening drought resilience	15 Pastoral Woredas	Access to water, access to fodder, access to LS infrastructures...
RF/SDR	Sept 2017- June 2023	Strengthening drought resilience	4 Pastoral Woredas	Access to water, access to fodder, access to LS infrastructures...
DRSLP/ IDC	Jan 2015- Nov 2024	Strengthening drought resilience	4 Pastoral Woredas	Access to water, access to fodder, access to LS infrastructures...
BREFONS	Aug 2022- Dec 2027	Strengthening drought resilience	30 Pastoral Woredas	Access to water, access to fodder, access to LS infrastructures...
DRIVE	June 2022- Sept 2027	Enhancing Livestock trade	187 Pastoral Woredas	Insured pastoralists, improved livestock trade.
LLRP	Nov 2019- Oct 2025	Strengthening drought resilience	142 Pastoral Woredas	Access to water, access to fodder, access to LS infrastructures...

Achievements, Success Stories, and potential Upscale



Notable achievements in transformation and resilience of the Pastoral Livestock sub-sector

- Stakeholders Networking and coordinated actions (e.g., community based livestock marketing, attempt for market linkages, fodder production, etc.)
- Data-driven initiatives, and Knowledge sharing platforms/hubs
- Public-private partnerships approaches/models.
- Strengthen LITS/ Identification and Traceability System,
- Quality infrastructure capacity gap assessment and make ready for investment
- Capacity building activities at all angles especially around quality innfrastructures construction, rehabilitation and human material/equipment support.
- Pomising private sector involvement & investment in the subsector
- already completed trade facilitation and logistics economic fesibility study and follow up activities.
- promotion of Slaughterhouse construction and rehabilitation

Remaining Gaps and Needs for Interventions and scale



Gaps persisting despite efforts and opportunities:

- Policy issues and implementation challenges,
- Limited private sector integration in the value chain,
- Insufficient infrastructure or investments in the subsector,
- Lack of capacity (human, knowledge, infrastructure, equipment, etc.)
- Limited Public Private Partnership and innovative business model
- gap in Livestock Information traceability system.
- Limited access to markets and market information (e.g., price).
- Stakeholders networking and coordinated actions.
- National Quality Infrastructure (NQI) challenges

Potential Interventions and Solutions to fill the remain gaps (*that can be handled by APMD*)



Recommended interventions to address the gaps:

- Expanding market infrastructure (livestock market centers, collection centers, transfer stations, pre quarantine and quarantine centers)
- Modernizing LMCs
- Expanding /rehabilitation of slaughterhouse
- Value add for (e.g., hides and skins, chilling facilities, etc.).
- Enhancing data systems and transparency
- Promoting private-sector participation and integration
- Leveraging technology for resilience and market access.
- Promot fodder production,
- Rangeland rehabilitation and management,
- minimaizing the prevelence of transeboundry diseases,
- Livestock marketing policies.



Thank you