Global animal products' supply and demand-
Challenges for the Horn of Africa

STDF 13/ OIE/ FAO/ CIRAD

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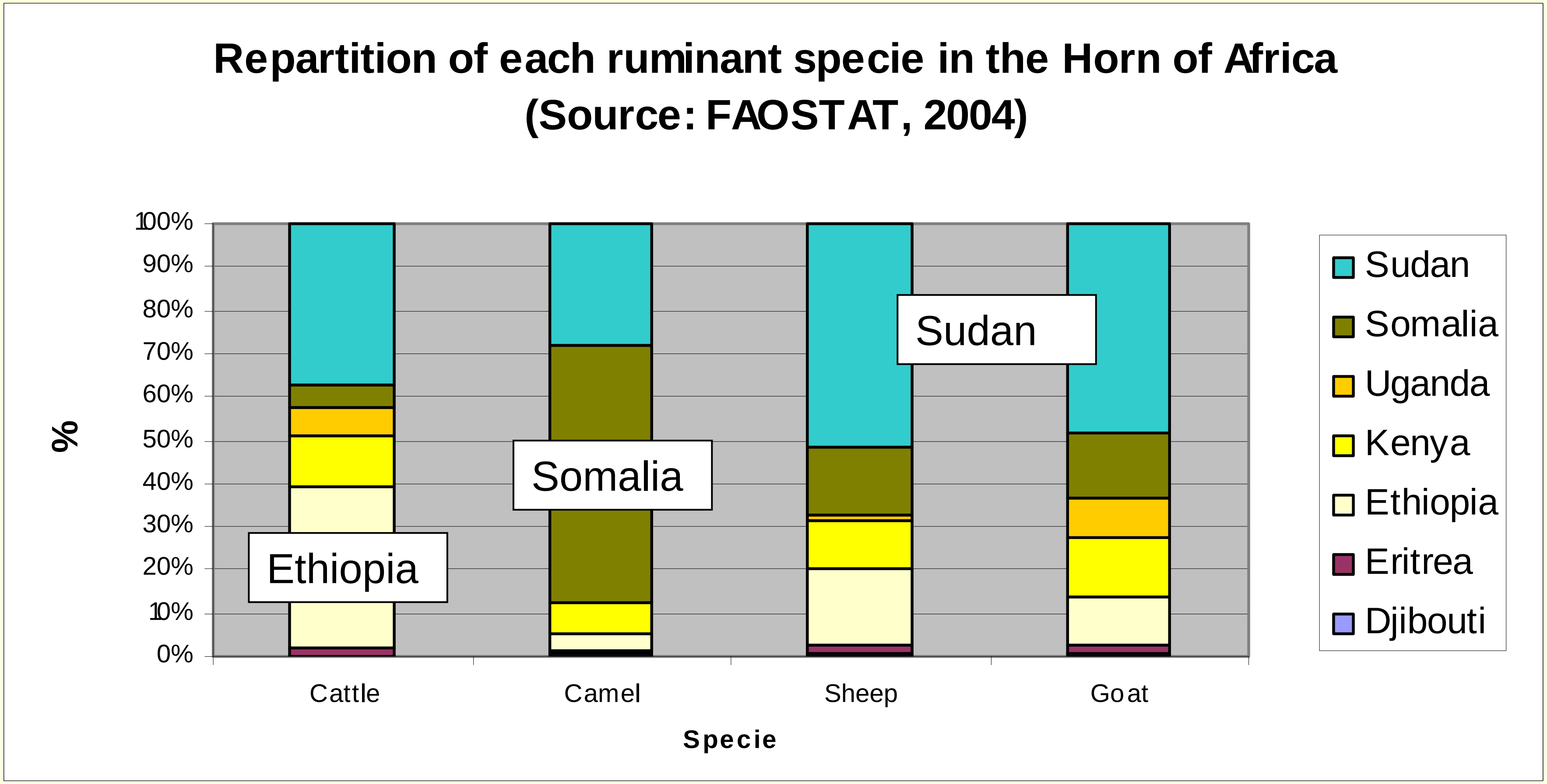
1. Potential exportation from the Horn of Africa

1.1. Animal stock

Animal stock in the IGAD region- An important capital (Faostat, 2004)

Countries	Cattle	Camel	Small ruminants
Djibouti	297 000	69 000	978 000
Eritrea	1 930 000	75 000	3 800 000
Ethiopia	38 102 688	468 390	26 201 520
Kenya	12 000 000	830 000	22 000 000
Uganda	6 100 000		9 300 000
Somalia	5 350 000	7 000 000	27 300 000
Sudan	38 325 000	3 300 000	90 000 000
Total IGAD	102 104 688	11 742 390	179 579 520

Repartition of animal stock per country in the IGAD region (Faostat, 2004)- Some specializations



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Animal stock in the IGAD region-
Importance in the world and African animal stock

	camel	Cattle	Sheep	Goat
% IGAD Stock/ World stock	62.1%	7.5%	8.8%	10.9%
% IGAD Stock / African stock	76.2%	42.6%	36.7%	37.2%

1. Potential exportation from the Horn of Africa

1.2. Official and unofficial exportation

Official exportation of animal products in 2004 (Source: FAOSTAT, 2004)

	Cattle	Camel	Sheep	Goat
Djibouti	48 993	4049	0	0
Eritrea	0	0	1 213	4 545
Ethiopia	2 000	0	53	120
Kenya	463	0	60	1 500
Somalia	150 000	981	500 000	842 929
Sudan	0	35 662	1 400 000	50 000
Uganda	59	0	0	158

Official exportation of meat products in 2004 en tonnes (Source: FAOSTAT, 2004)

Pays	Djibouti	Eritrea	Ethiopia	Kenya	Somalia	Sudan	Uganda
Camel meat fresh chilled or frozen	ND	ND					
Cattle meat boneless fresh chilled or frozen	ND	ND	1	27			140
Cattle meat carcasses fresh chilled or frozen	ND	ND	177	61	4	110	36
Cattle offal fresh chilled or frozen	ND	ND	10			4	
Goat meat fresh chilled or frozen	ND	ND	2094	2		231	1
Sheep meat fresh chilled or frozen	ND	ND	8	21		901	

Precautions..

- The main exportation: live animals
- The majority of live animals' exportation from Ethiopia use Somali or Djiboutian ports.
  - … It is proposed to join the exportation of Djibouti+Ethiopia+ Somalia
- Sudan: main exportation from Port Sudan
- Kenya & Uganda: regional potential of importation
- Eritrea: only control exportation data

Official exportation of animal products in 2004 (Source: FAOSTAT, 2004)

	Djibouti+ Ethiopia+ Somalia	Sudan	Eritrea	Kenya	Uganda
Cattle	200 993	0	0	463	59
Camel	5 030	35662	0	0	0
Sheep	500 053	1400000	1213	60	0
Goat	843 049	50000	4545	1500	158

Under estimation of exportation- Confrontation of sources

Pays	Somalia+Ethiopia+ Djibouti (Source: FAOSTAT, 2004)	Exportation from Berbera + Bossasso Ports (2004)
Cattle (heads)	200 993	211 846
Sheep & Goat (heads)	1 343 102	2 025 884
Camel (heads)	5 030	7 636

Estimation of exportation in Ethiopia (2006)- Confrontation of sources

Source of data	reference period	cattle (heads)	Shoats (heads)	camel (heads)
MEDaC, 1998	1998	260 000	1 200 000	
Gebresellasie et al. 1998, Dirbaba 2001	2001	325 000	1 150 000	16 000
Ahrens, 1998	1998	64 606	372 656	42 828
Pratt et al., 1997	1997		1 407 244	
Pratt et al., 1999	1999		1 024 063	
Belashew and Jembery, 2005 (potential)	2005	322 000	4 500 000	69 000
Belashew and Jembery, 2005 (real)	2005		558 000	
Estimation from CSA, 2001-2002 (Desk review, STDF 13, 2006)	2001	272 288	720 427	9 223
Estimation Field review STDF 13 (real formal + informal) (2006)	2006	127 620	635 240	40 988
Estimation Field review STDF 13 (potential) (2006)	2006	226 800	1 431 500	57 750

Estimation of exportation in Ethiopia (2006)- Field review jan. 2007

	Estimation from declarations of exportations in 2006	Estimation from the capacity of each holding area
Cattle	126 000	226 800
Shoat	497 000	1 431 500
Camel	37 100	57 750

Precautions..

- High fluctuation of estimation of potential exportation
  - Due to high variation of off take rate according to year
  - Difficulty to estimate the rate of off take
- ….

1. Potential exportation from the Horn of Africa

1.3. Estimation of regional potential exportation

Sources of information

- Stock, slaughtered, consumption (Faostat, 2004)
- Yield carcass of sheep & goat (El Khidir et al. 1998)
- Yield carcass of Bovine (Lemma et al 2007)
- Yield carcass of camel (Kurtu 2004)
- Off take rate (Fao, WB, EU, 2004)

Estimation of potential supply of the Horn of Africa

	Cattle	Camel	Small ruminants
1. Stock (Fao, 2004)	102 104 688	11 742 390	179 579 520
% of slaughtered animals (Fao, 2004)	9.0%	4.7%	25.3%
2. Consumption (g/capita, Fao, 2004)	16.25	0.98	7.96
Estimation of total consumption (tons)	1 094 166	66 289	535 827
Estimation of total consumption (heads)	11 256 852	392 709	39 735 623
3. Potential exportation or importation			
Off take rate (FAO, WB, EU, 2004)	11.30%	7.00%	27.30%
Exportation (heads)	280 978	429 258	9 289 586
4. Exportation			
Exportation (FAO, 2004)	201 515	40 692	2 800 578
Exportation (Somali & Port Sudan)	240 061	43 298	4 068 654
% of potential exportation	85.4%	10.1%	43.8%

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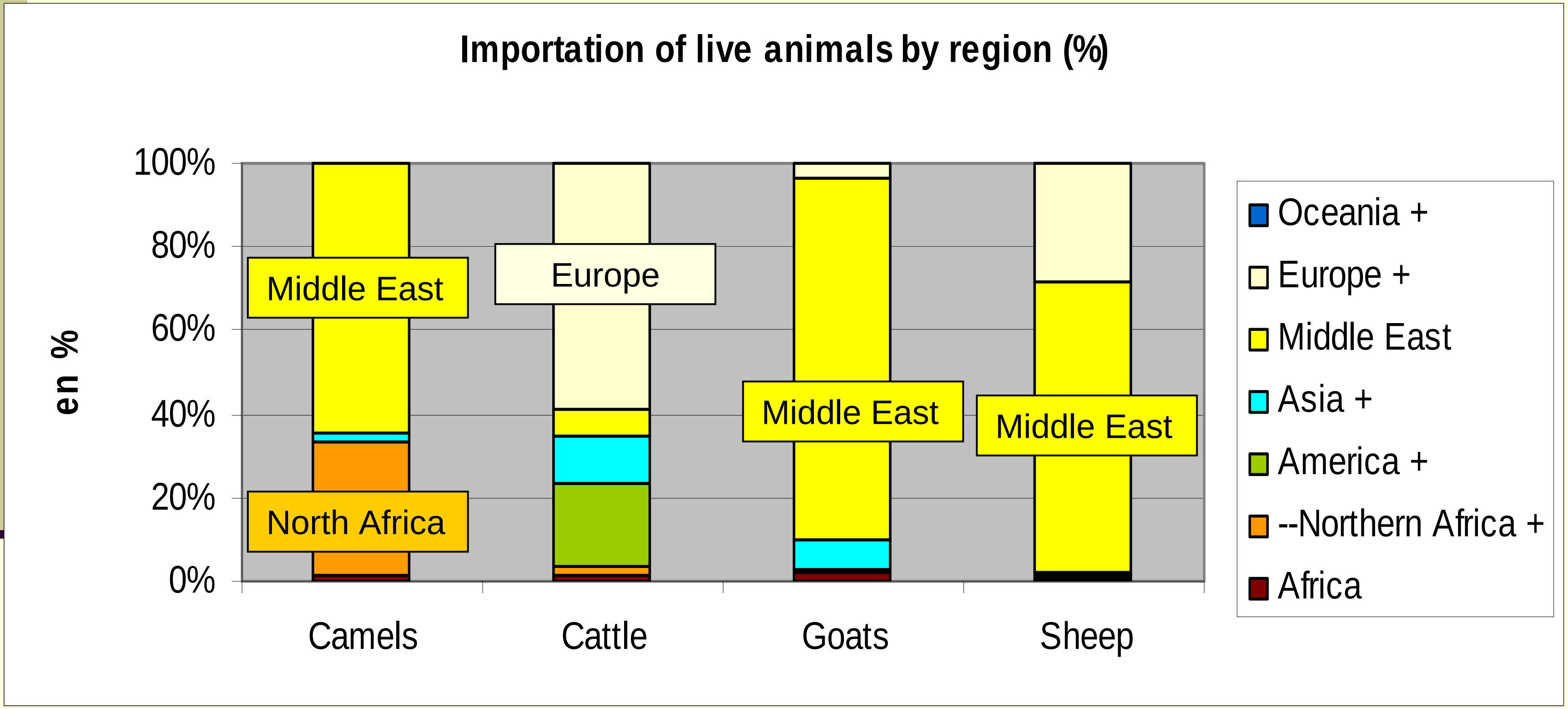
Precautions..

- Risk of under estimation of local consumption
- High fluctuation of zootechnical parameters
- ….

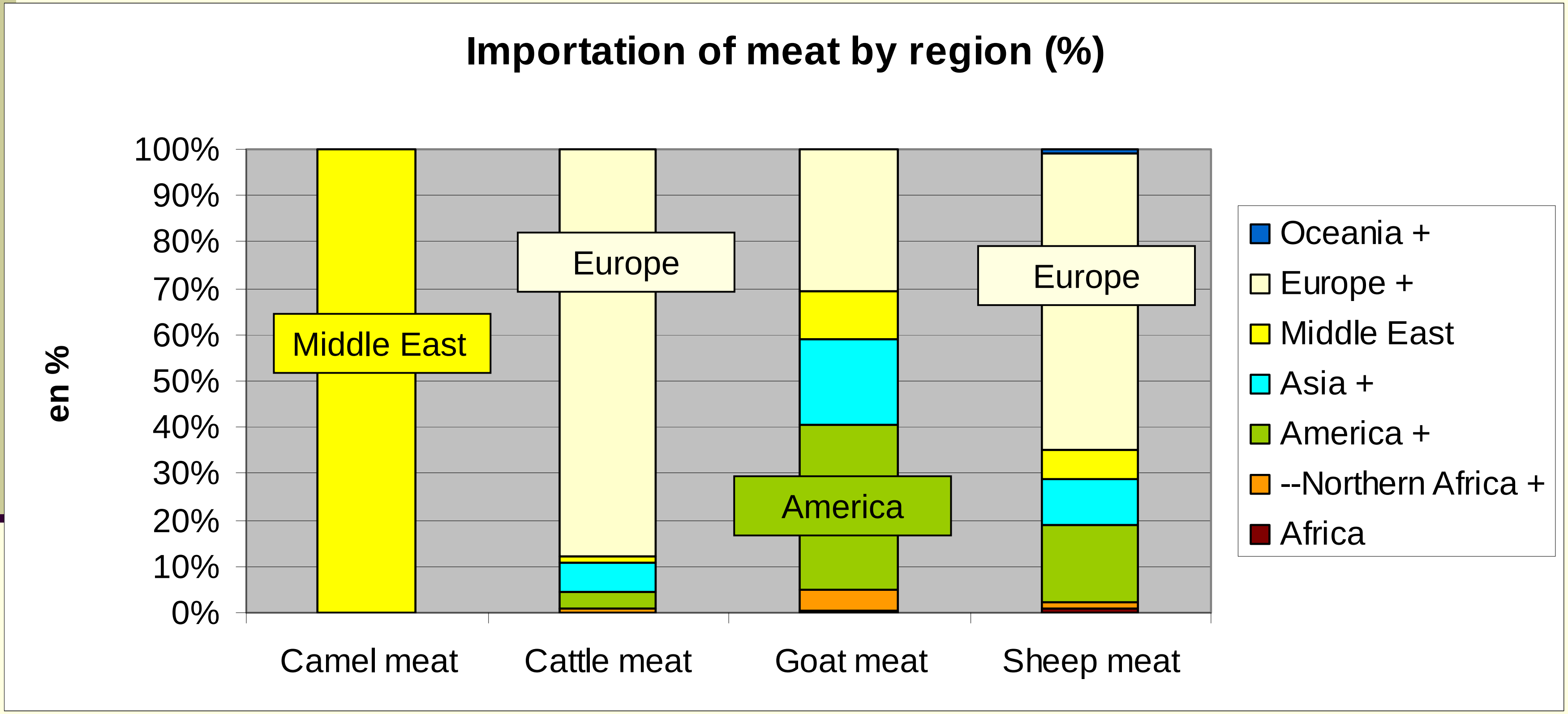
2. Who's importing animal products?

2.1. Animal demand in the world

Who's importing animal products? The live animal demand (Faostat, 2004)



Who's importing animal products? The meat demand (Faostat, 2004)



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Main markets for Sheep and goats

- **Middle East** :
  - Saudi Arabia (7 million heads),
  - The Emirates (2.5 millions heads)

2. Who's importing animal products?

2.2. Main importation from the Horn of Africa

Who's importing live animal products from IGAD? (FAOSTAT, 2004)

	Main countries	Official demand (heads)	% IGAD	% Australia
Camel	**Egypt**	48 867	94.1%	
Cattle	**Emirats**	70 517	88.9%	8.4%
	Jordan	34 775		29.1%
	Saudi Arabia	13 591		73.0%
	Yemen	46 224	99.7%	
Small ruminant	Emirats	1 070 370	41.8%	21.1%
	Oman	1 178 956	26.6%	29.7%
	Saudi Arabia	4 564 466	30.2%	32.3%
	Yemen	669 936	99.1%	

Who's importing meat products from IGAD? (Faostat, 2004)

	Main countries	Area potential (Tons)	% IGAD	% Australia	% South America
Meat	Egypt	125 690		0.1%	72.3%
	Emirats	67 773	8.4%	19.7%	9.2%
	Jordan	29 988	4.8%	15.8%	4.0%
	Saudi Arabia	104 142	7.2%	27.6%	43.5%
	Yemen	6 489	5.3%	1.8%	1.9%

Part of Horn of Africa in the Middle East and North Africa sheep markets (M tons, 2004)

	EU	Middle East & North Africa	South Africa	Other	Total
New Zealand	0	0	0	0	0
Australia	0	77	0	0	77
East Europe	14	8	0	1	23
South America	0	3	0	0	3
Horn of Africa	0	31	0	0	31
Other	0	43	20	0	63
Total	**14**	**162**	**20**	**1**	**197**
% Australia	0.0%	47.5%	0.0%	0.0%	39.1%
% Horn of Africa	0.0%	19.1%	0.0%	0.0%	15.7%

Part of IGAD in the Saudi Arabia Markets (from 1998 to 2004)

items	1998	2000	2002	2004
Cattle	0.00%	0.00%	1.14%	2.13%
Goats	91.02%	94.45%	12.65%	9.66%
Sheep	53.97%	56.10%	27.33%	42.19%
Cattle meat, carcasses, fresh, chilled or frozen	18.88%	2.29%	25.03%	0.00%
Goat meat, fresh, chilled or frozen	11.64%	57.81%	2.75%	61.14%
Sheep meat, fresh, chilled or frozen	10.87%	9.48%	9.62%	11.69%

Beyond the traditional markets…

- Intra regional market
  - 26% of the beef production in Kenya was supplied through the cross-border market
- International market
  - New markets**: Africa→ Meat products**: Egypt, Algeria, Ghana, Ivory Coast, Gabon, Congo, Angola, Mauritius and South Africa

3. Discussion on the development of the markets of animal products in the Horn of Africa

Advantages & Inconvenient

Advantages/ inconvenient of IGAD region related to Middle East markets

Main advantages	Inconvenient
1. Sudanese, Somali black and Awash sheep 2. Quality products at competitive prices 3. Proximity: common frontiers and cultures 4. Development of export abattoirs	1. Lack of quarantine facilities 2. Poorly developed market infrastructure 3. Absence of market information and promotional activities 4. Banking sector constraints

The main threats of the Middle east market for the IGAD region→ Sanitary bans

- The main consequences:
  - Livestock trade halt→ increase of feed demand
  - Reduced foreign currency→ food insecurity
  - Devaluation of local currency and inflation → declining of the purchasing power
  - Increase illegal exports
  - Unemployment
  - Loss of revenue

Need: Adaptation to importing countries

- **At short term**
  - **Adaptation to sanitary requirements**
  - **Sanitary certificate**

- **At short to medium term**

  - **Adaptation to the demand:**
    - **quality, quantity,**
    - Taking into account the change of distribution channels and food habits on potential importing countries

  - **Adaptation to the market standards**
    - Market infrastructure, trade protocol,
    - **Regular information** on local production to inform the importing countries
    - **Efficient export service**: foreign exchange control and payment modalities
    - Obtaining timely information on tariffs, rules, regulations and trade restrictions imposed by importing countries

Conclusion

- Margin of progress on the Middle East market
- But new demand: meat products…