BEEF VALUE CHAIN IN ZAMBIA: CHALLENGES AND OPPORTUNITIES OF LINKING SMALLHOLDERS TO MARKETS

Thelma Namonje-Kapembwa
Presented at the GRSB Visioning Meeting,
Lusaka, 17th November, 2017
Presentation Outline

Beef and Cattle Production Trend

Beef Value Chain Map

Challenges

Policy Options
Beef Production Trend (Tones)

Source: Ministry of Fisheries & Livestock
Estimated Cattle Population 2010-2016

Source: Ministry of Fisheries & Livestock
Livestock revolution taking place

- Population growth, urbanization, increasing incomes
- Increase demand for livestock/livestock products

Evidence - as people emerge from poverty, consumption patterns change
- Consume more high protein foods - derived from Fish, livestock and livestock products.

Projections of Zambia’s total meat/milk demand from 2012 to 2027 show that
- (120 to 600) thousand tonnes of meat
- (260 -1200) million litres of milk

What has driven the change in Beef production?
Raising Incomes

GDP per capita (constant 2005 US$)

Zambia

Sub-Saharan Africa

Indaba Agricultural Policy Research Institute
Beef Market in Zambia

Beef market is segmented between standard beef and choice beef

**Standard Beef**
- Produced by smallholder farmers under low intensity production system
- Low-income groups in urban as well as rural markets
- Makes up 80% of total beef demand in the country
- Standard beef market is characterized by high levels of seasonal supply fluctuations
- Significant seasonal variations in consumer prices

**Choice Beef**
- Produced primarily by commercial farmers and fattened in feedlots
- Targets high income groups mostly in urban markets
Seasonal Retail Price Index (2010-2014)

Source: CSO monthly price data various dates
Three Marketing Channels

- **Small scale traders**
  - channel is highly seasonal, with traders intensifying their efforts in the rural areas during the months of September and October

- **Commercial Farms**
  - Smallholder farmers sell their weaned cattle to commercial farmers which are put in feedlots till they acquire the desired weight

- **Abattoirs**
  - Farmers sell directly to abattoirs.
  - Abattoirs form the main local marketing channel for producers in infected areas where live animals cannot be exported by traders to non-infected zones

Challenges in Beef Production

Extension Service Delivery
- An important aspect in the development of livestock production
- Provision for animal husbandry and animal health management
- Livestock extension service delivery remains limited when compared with the crop production sector.

Government gives priority to the crop sector as reflected in
- Low number of veterinary assistant and the large size of veterinary extension camps
- Low budget allocation to the livestock and fisheries sector

Prevalence of Cattle Diseases
- Disease outbreak is one of the major issues that leads to under investments in the cattle supply chain.
- The type and severity of disease outbreak vary from district to district
Distribution of Households Reporting Cattle Diseases

Source: IAPRI/CSO/MAL RALS 2015
Cattle Mortality Due to Disease

Source: IAPRI/CSO/MAL RALS 2015
## Cont.’ Challenges in Beef Production

<table>
<thead>
<tr>
<th>Seasonal supply and pricing</th>
<th>Challenge of animal health Service Delivery</th>
<th>Other challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seasonal supply variations in the standard beef market is greatest obstacle to improving the performance of the beef market</td>
<td>Limited number of veterinary personnel coupled with lack of transport at camp level hampers the delivery of health services</td>
<td>Low market participation</td>
</tr>
<tr>
<td></td>
<td>Lack of livestock service centers in most rural areas makes it difficult to centrally conduct vaccinations</td>
<td>Small Herd Size</td>
</tr>
<tr>
<td></td>
<td>Lack of cold storage facilities for vaccines</td>
<td>Limited availability of high quality breeding stock</td>
</tr>
<tr>
<td></td>
<td>Some farmers do not want to pay for the services</td>
<td>Non availability of cheap feedstock</td>
</tr>
</tbody>
</table>
What are the Policy Options?
Reduce Livestock Mortality and Disease Prevalence

Reduce incidences of diseases
- Sensitization of farmers on diseases of national importance and management diseases
- Livestock vaccination campaign
- Encourage farmers to use flexible electronic input voucher

Strengthen the extension service delivery
- Reducing vet assistant - farmer ratio
- Increasing participation of other key stakeholders such as NGOs, private org
- Promote community participation

Increase Access to Livestock Services
- Construction of new and rehabilitation of existing community dip tanks
- Training /deploy more veterinary assistants
- Establish and operationalize livestock service centers through PPP
Increase Production and Market Participation

Effective breeding programs
- Rehabilitate the existing breeding centers to fully operational
- Promoting cross breeding to enhance the fertility rate and improve productivity

Restocking program
- Undertake restocking of livestock in areas where these were wiped out by diseases

Promote market Participation
- Formation of livestock marketing groups
Finally, successful implementation of the suggested policy will require:

- Increasing the budget allocation/actual release to livestock sector
- Sustained funding from both public and private sector
- Timely release of funds
THANK YOU