



Webinar Poultry West Africa

30th June 2020



- Welcome!
- The webinar starts at 3.30 pm
- Please mute your microphone and video during the webinar
- Presentations will be shared after webinar
- Questions can be asked through the chatbox (in both Dutch or English)



Welcome to the webinar!



Bram Wits

Agricultural Counsellor
Ghana/Nigeria/Ivory Coast



Niek Schelling

Agricultural Counsellor
Morocco & Senegal



NL Embassies

Viviane Faye-Senegal



Joel Kouame-Ivory Coast





NL Embassies

Abdul Rahaman Abdulai-Ghana



Brian Udoh-Nigeria





Introduction speakers

Jan Hulzebosch – *Dutch Poultry Centre*



Nan-Dirk Mulder-*Rabobank*

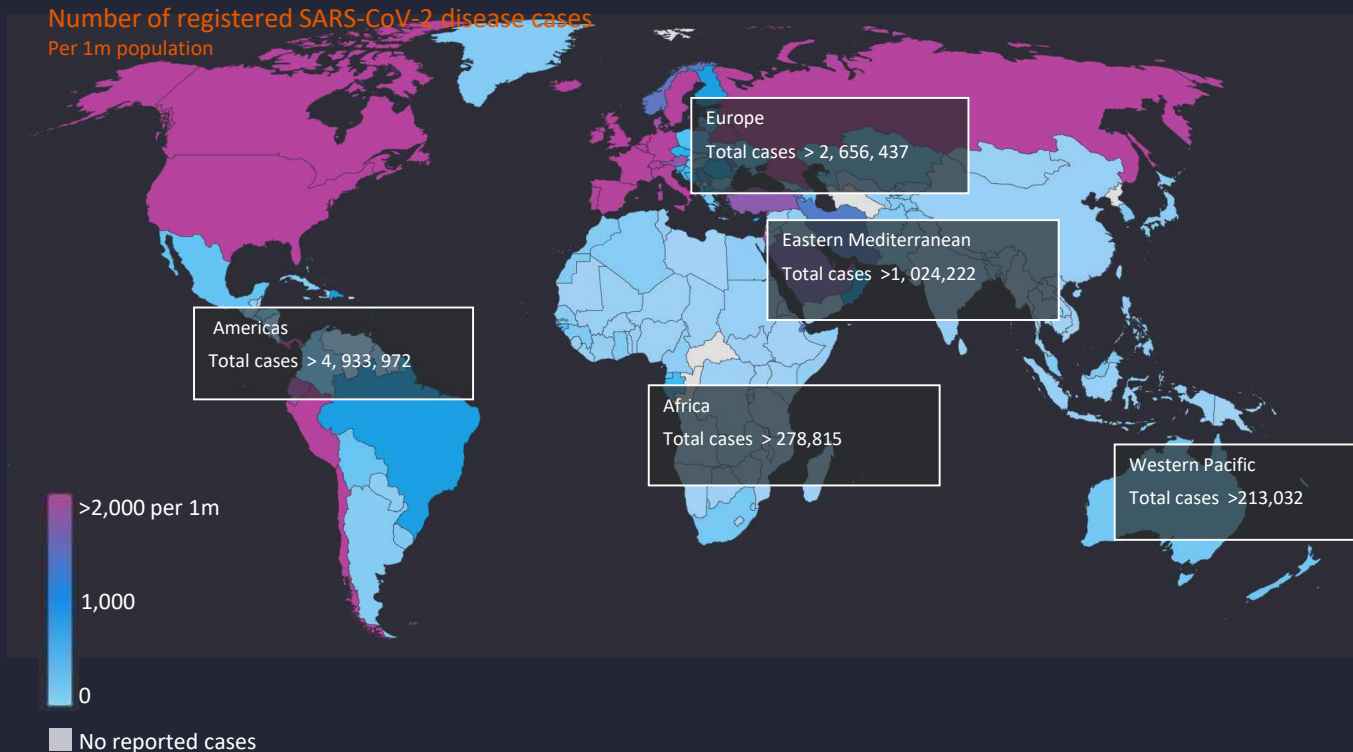




Impact COVID-19

Brian Udoh

The COVID – 19 continues to spread across the world slowing economies



Source: <https://www.worldometers.info/coronavirus/>, World Bank

Cote d' ivoire

Total confirmed cases **9,101**

Total confirmed cases **66**

Ghana

Total confirmed cases **16,431**

Total confirmed deaths **103**

Nigeria

Total confirmed cases **24,077**

Total confirmed cases **558**

Senegal

Total confirmed cases **6,459**

Total confirmed cases **102**

How Countries in West Africa are Responding to Covid-19 Impacts



Free Internal Movement of commodities

- In West Africa, most countries restriction of movement policies, exempts transporters of agricultural commodities, such that they are freely transported under hygienic conditions from cross within country.



Partial Opening of food market

- Markets where agricultural produce are sold are partially open. In some countries, markets are open to certain times of the day, while in others; markets are open everyday of the week with strict social distance regulations.



Essential Workers

- Farmers, food vendors and food producers are classified as essential workers in all four countries in focus.



Low interest loans

- Governments are rolling out interventions to stimulate food production through low interest loans.



E-delivery services

- The region have seen a surge in e-delivery service provision. Most food vendors have resorted to B2C models to meet customer demands through the internet of things.



International Trade by Sea

- Cote d'ivoire has continued to Import products despite the pandemic to reduce impacts on food securities.



Inputs deliveries

- Governments are supporting farmers with seeds, fertilizers and other farm inputs to produce grains that would ultimately support the poultry feed chain.



State aid

- Some Governments are providing bailout to the agricultural industry. Farmers are being provided stimulus packages comprising of cash and farm inputs. All four countries in focus are currently applying like policies.

Effects of COVID-19 on Poultry Value Chain



Ghana

- Imported inputs like DOCs, feed concentrates, has been harder to source.
- There been an Increase in the cost of production items, and supply chain distribution, following intensive checks and delays.
- Biosecurity measures to cope with the risk of covid-19 are not sufficiently in place in most poultry farms.



Cote d'ivoire

- Cote d'ivoire's poultry food system is heavily dependent on input imports and respondent to mostly global stocks. Thus, some disruptions related to input imports were experienced.
- Food supplies into major cities, open markets and inflows from ports where kept open. However hospitality facilities such as hotels and restaurants were closed .Thus, the sector was also impacted by a decline in demand.
- The small breeders are the most at risk for cessation of their

Effects of COVID-19 on Agricultural Value Chain



Nigeria

Food inflations in Nigeria reached 14.98 in the month of April 2020 compared to 13% in 2018,

- Agri-food logistic and transport system disrupted as goods and people are hindered from moving freely, resulting in higher post harvest losses at farm gets for poultry nearly 70%.
- Feed production affected by low demands, and egg industry experiencing post harvest losses due to logistics complexities,.
- Importers of agri-food and inputs scale down for scarcity of FX and slow port processes.



Senegal

- Uncertainties is pressuring producers (especially smaller ones) to sell with a reduced price, which lowers their benefit.
- Significantly drop in demand for poultry meat and eggs.
- The reduction in import of critical production inputs due to global supply chain disruptions.
- Seasonal job migrants disrupted, causing limitation production.

Imported products
• Reduction of security

Thank You



Poultry Sector West Africa

SENEGAL- Viviane Faye

IVORY COAST-Joel Kouame

GHANA – Abdul Rahaman Abdulai

NIGERIA-Brian Udoh



Viviane Faye-NL Embassy Senegal





Contents



uation and market for Poultry and Egg

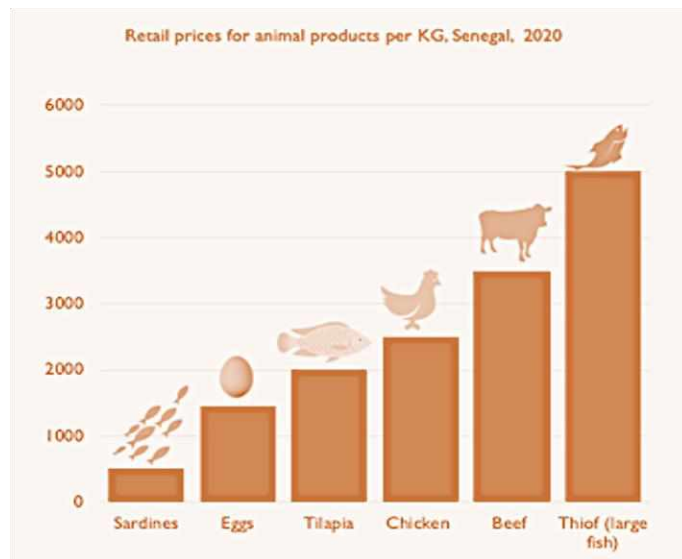
Government Policies

Opportunities for investment

Situation and market of Poultry and Eggs

A growing market with low poultry and egg consumption compared to global norms.

We expect an inevitable move to poultry as fish stocks diminish and prices rise



A young fast food and restaurant culture, where chicken plays an increasing role

RUFFLED FEATHERS

VIPs, fried chicken and sexist polemic: Senegal's first KFC

By Marion Laplace, in Dakar
Posted on Wednesday, 9 October 2019 10:18



Babacar Ndiaye cuts the ribbon of the "First Lady Store" on October 4, 2019 in Dakar. To his right, Trade Minister Aminata Assane Diatta. To his left, Amy Halman of the U.S. Embassy in Dakar, and Youssef N'Dour. © Marion Laplace for JAMG

Situation and market of Poultry and Eggs

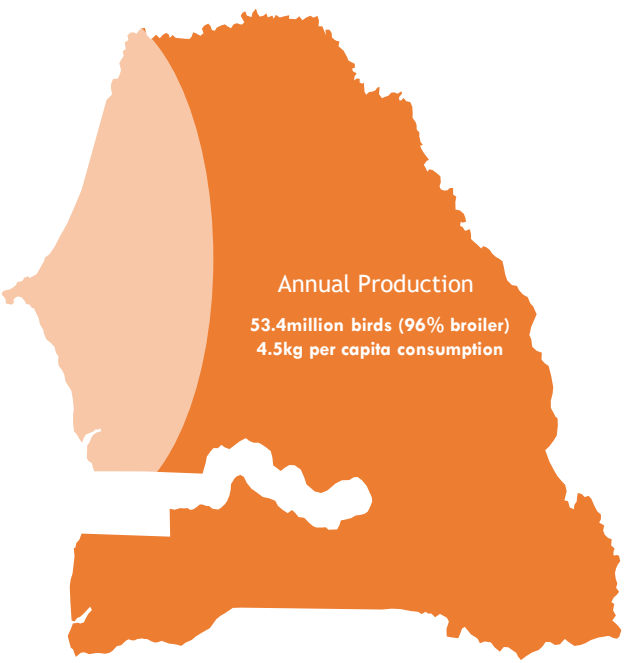


A Growth market, with import protections

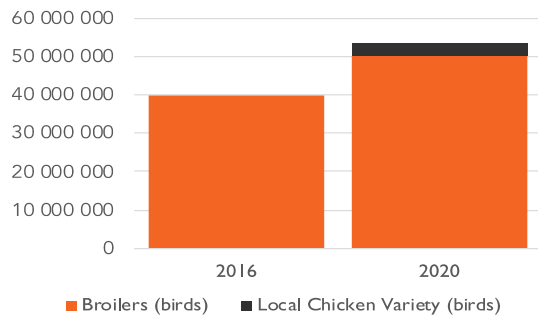
- High growth of market
- Ban on chicken meat imports
- Rapid Scale up of suppliers
- Low barriers to entry
- Growing Professionalisation
- Strengthening input provision

Situation and market of Poultry and Eggs

Production Locations& Volumes



Chicken Production Senegal, 2016 vs 2019



4500 Small Commercial Units >30 Large Commercial Units 1 Industrial Vertically integrated Producer

Scale of production (per 45 days)	1000-2000 birds 1425kg-2850 kg	>10 000 birds 14520-171000kg	200 000 birds
Production Method	Imported broilers Open air shed	Imported broilers Air-conditioned sheds	Imported broilers Own Breeder, Hatcheries, feed supply etc Air-conditioned sheds Automated slaughterhouse

Government policies

Stop importing poultry

- Since 2005

no import of used equipment

- Encourage to buy a new equipment

tax free import of hatching eggs

investment promotion



Opportunities for Dutch Enterprises

Industrial Producer	Large and Small Scale Commercial	Abattoirs
1. Processing equipment to enable the transformation of waste into value added products like Nuggets, schnitzel, sandwich meat etc.	3. Dutch equipment is poorly represented at large and small commercial growers	5. Formal Abattoirs, with small scale equipment & refrigeration need expansion.
2. Increase share of (DOC) egg sales in Senegal	4. Technical know how is required for small and backyard growers to reduce loss rates, and feed conversion rates	6. Refrigeration at the level of the abattoir is required to encourage smoother transition between production cycles & guaranteed 45 day cycles

Welcome to the land of Teranga (Country of Hospitality).





Netherlands Enterprise Agency

THANK YOU FOR YOUR ATTENTION



Joel Kouame – NL Embassy Ivory Coast





Poultry Sector in Côte d'Ivoire

Presented by Joel AMANI KOUAME

Senior Trade and Economic Adviser

Embassy of the Kingdom of the Netherlands Abidjan



OUTLINE

1

- Poultry Sector's Overview

2

- Government's Policies

3

- Business Opportunities

4

- Why Invest and Trade in Côte d' Ivoire ?





Poultry Sector's overview

\$430 million USD market, 80 000 Tons of poultry meat, 1,6 billion eggs, 220 000 jobs

- **Raw materials:** 60% maize and 40% Soybeans (expensive imports) used for feeds.
- **Feed:** Expensive Feeds. Rapidly developing Feed Market dominated by few players.
- **Breeding/Hatchery:** Immature market. High cost. 10 out 32 hatcheries are professional.
- **Farming:** 1500 farms and only 2 are large and vertically integrated. Production in dep liter, battery cages. Large number of medium to small scale.
- **Traders:** They act as middlemen for farmers thus they have a high bargaining power. They source directly from farms and arrange the logistics to the market.
- **Wet Markets/Processing:** 70% meat is sold on the wet markets. Few operational slaughterhouses (2 modern). Lack of diversification in processing. No value addition
- **Customer Demand:** 70% of informal trade and 30% formal trade.
- **Challenges:** Training - Biosecurity - Distribution and logistics issues - Access to Financing - Reinforcement and control in the application of laws and regulations relating to the poultry sector



Government's Policies

- **Tariff Barrier:** import tax of 1,50 Euro per kg of poultry meat (introduced in 2005, extended in 2019)
- **National Poultry's Recovery Plan(2012-2020):** All the objectives were met by 2016.
- **National Poultry's Strategic plan 2020-2030 :** the embassy will assist the sector in devising this new plan
- **Ambition to Build a national poultry center of Excellence**
- **PPP for slaughterhouses**
- **Fiscal Incentives :** Investment Code offers 5-15 years of tax exemption including VAT.

No customs fees on equipment.



Business Opportunities

- **Slaughterhouses (\$48 million USD available from the government)**
- **Hatcheries with or without a breeding farm**
- **Animal Feed (distribution or manufacturing)**
- **Veterinary product and services**
- **Hatching eggs supply**
- **Day-old chicks supply**
- **Breeding material & equipment**
- **Animal health laboratories**
- **Poultry breeders (Genetics)**
- **Impact Cluster: Parent Stock Farm**
- **Key Events: Journees Nationales de l' Aviculture 2020 -2021 and SARA 2021**



Why Invest and Trade in Côte d' Ivoire ?

- **1st Economy in WAEMU zone 3rd in West Africa with GDP growth over 7% in the past 9 years**
- **Poultry sector projected growth between 6 to 10% per year (growing population/middle class)**
- **Raw materials at competitive prices :** cotton, palm oil, maize
- **Priority sector for the government (10 year strategy and fiscal incentives)**
- **Privileged access to markets :** free access to UEMOA, ECOWAS, the EU and the United States
- **Modern and High quality infrastructures :**
 - Ports , railway, airports, motorways
- **A reliable supply of energy:**
 - An energy surplus to export to neighboring countries (Mali, Burkina Faso, Guinea, Sierra Leone)
- **A skilled, abundant and competitive workforce:**
 - A good level of training and education



Thank you for your attention!
EKN Abidjan is ready to assist you



Abdul Rahaman Abdulai-NL Embassy Ghana





EMBASSY OF THE KINGDOM OF THE NETHERLANDS

OVERVIEW OF THE GHANA POULTRY SECTOR

OUTLINE

- 1. Facts and general sector characteristics**
- 2. Government policies**
- 3. Opportunities for investment**



FACTS AND GENERAL CHARECTERISTICS OF THE POULTYR SECTOR IN GHANA

- Poultry production is both commercial and subsistence(Over 70 million birds in Ghana)
- 29 large scale companies in Ghana- 50,000+ birds
- Constitutes 20% of the total poultry sector producing layers mostly(Produce broilers to target festivals)
- Few hatcheries and so imports DOC
- 511,960-broilers DOC
- 7,130,999-layers DOC
- Imported in 2018
- Currently, DOC are commercially produced by 15 companies and 8 companies imports according to GPP survey carried out in 2017
- Average industry egg production is 230 to 250 eggs per year
- 80% feed produced is layer feed
- Consumption patterns shifted towards imported chicken due to cost
- Poultry imports keeps increasing due to demand and the declining local production
- Imports from USA, EU and Brazil



GOVERNMENT POLICIES

- Rearing for food and jobs programme(Boost local production and cut down on import of meat. \$380 million worth of meat is imported yearly.
- Limit poultry meat imports to 60% and reserving 40% for local production since 2014
- Removed customs duties on imported inputs(feed, additives, drugs etc) since 2013
- Colleges run formal training in animal health
- Regulatory bodies(GSA,FDA,EPA)
- Institutional settings that regulates the sector
- Research institutes are also exploring alternative feed/feeding regimes to cut down on the cost of production using black soldier fly
- Proactiveness of the donor community(EKN,GPP)



OPPORTUNITIES FOR INVESTMENT

- Input level(vaccines and feed)
- Investment in hatcheries and collaboration with some existing ones
- Investment in processing facilities(including testing facilities for carcass and water)
- Collaboration with already established farms to provide training on feed formulation for optimized yields-Partnerships with local training institutions to run short courses in the area of bio-safety systems.

UNIQUE SELLING POINT INVEST IN GHANA

- Good business climate
- Very peaceful democratic nation
- Growing urban population with taste for poultry products



THANK YOU



Please contact us for any questions:

Abdul Rahaman Abdulai,
abdulrahaman.abdulai@minbuza.nl
+233 302 214364 (ext 364) / +233 50 142 3689



Brian Udoh-NL Embassy Nigeria



WHY IS NIGERIA AN IMPORTANT DESTINATION

Over 200 million people

GDP of over 410 Billion USD



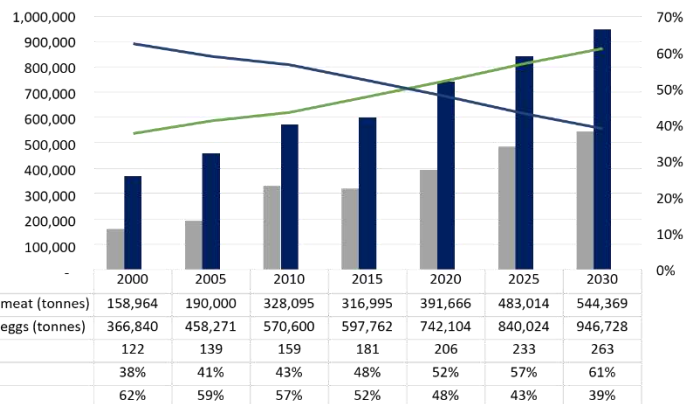
Key Insights

Consumption per Capita

Nigeria: 3.71kg/ capita
World: 14kg/capita

Nigeria: 2.5kg/ capita
World: 9.94kg/capita

Market Demand Projections



- Nigeria's poultry production and consumption has grown steadily in over the last 3 decades, despite the myriad of challenges faced.
- The country is the most positioned in the region for private sector trade and investment, Just by it share population, urbanization trends, GDP and volume of available private capital.
- In 2019, Nigerians Spent Over 50% of Household Expenditure on Food Alone –Amounting to 49.46 billion Euros, and 1.8 billion Euros was spent on poultry meat and egg products
- The Nigerian poultry industry contributes approximately 25% to agricultural GDP.
- Nigeria has a poultry feed, and veterinary pharmaceuticals market that is characterized by a mix of locally produced and imported products.

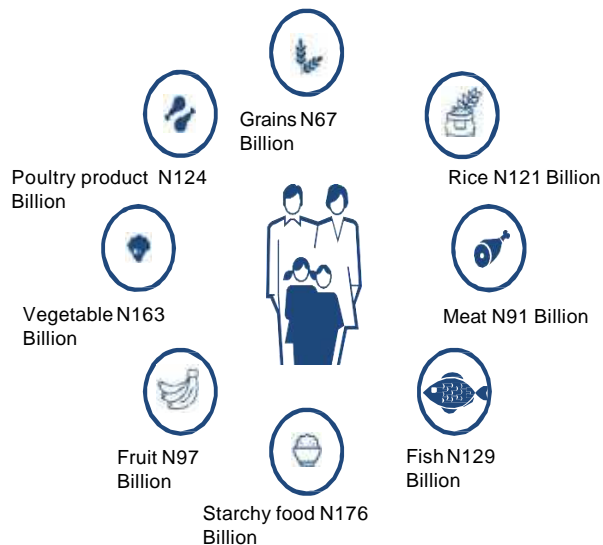
DOC sales in 2015 was 153 million pieces with a projected demand of around 299 million pieces by 2030.

Relevant National Policies and Regulations

The principal agricultural policy is focused on import substitution and agricultural investment promotion.



Lagosian spent N1.08 trillion on unprocessed food (agrocommodities)



Imports and Export

- Live or dead birds and eggs including hatchlings are on import prohibition list.
- Export of poultry products is allowed only under permits from government. with incentives attached.
- Common external tariffs remains in effect with 0% Duty on HS 84, 85 and 90

Opening a Business

- Liberalize ownership of investment by any national.
- NIPC act, provides free transferability of funds through authorized dealers.
- pioneer incentives status applicable to the sector .
- Investment protection agreement includes the Netherlands as a partner

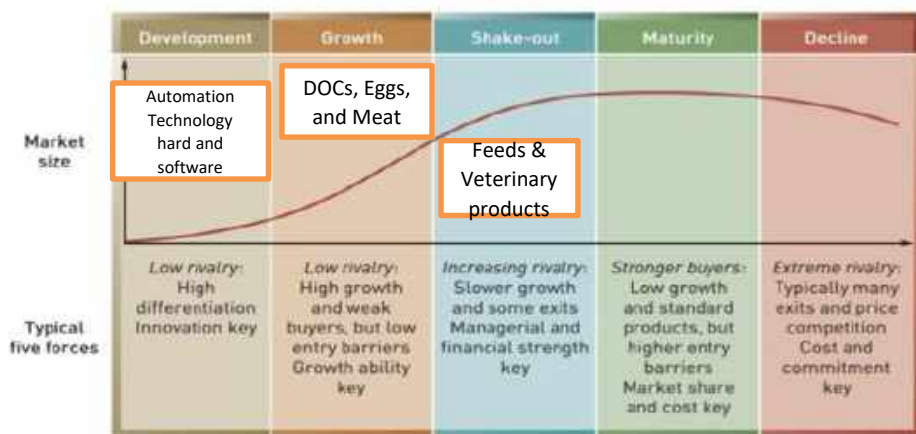
Trading of processed food products

- NAFDAC holds the mandate to regulate and control manufactured and imported food.

Education and innovation

- Nigeria's technical training system is supervised by the National board of technical educutions.
- The National Agricultural research council holds the mandate for agricultural research.
- No Statutory IPR laws for Livestock but trade secretes can be protected

Opportunities for Trade and Investments



Industry Rivalry

Low – Moderate

- Industry concentration is moderate (big 5 cover 25% of the market share)
- Overall industry is at growth stage.
- Moderate brand loyalty
- Moderate barriers to exit.
- Low barriers to entry
- Strongest substitute is fisheries and aquaculture

Opportunities for B2K, B2B and B2C

- **Education and training:** strengthening the technical and research capabilities in country for more localized solutions.
- **Refurbished Equipment:** European refurbished equipment seems to be on high demand, due to countries positive perception on quality.
- **Circular technology :** the waste streams from poultry meat and eggs production are not optimally utilized.
- **Growing demand for poultry feeds, meat, and eggs:** with growing population and economy, comes growth in demand for meat and eggs.
- **Opportunities for egg and meat processing and storage;** The limited quality processing facilities that are modular. Growing demand and current realities will spike the need for modularity.
- **Automated production systems and management tools:**



Thank You



Nan-Dirk Mulder
Rabobank





West African poultry market

*A strategic view on investments in
West African poultry*

Nan-Dirk Mulder, 30 June 2020



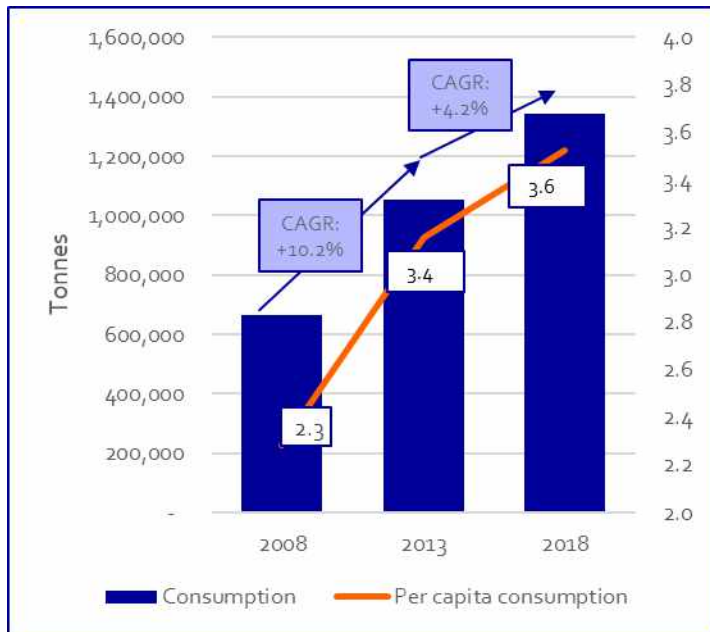
Rabobank



Rabobank

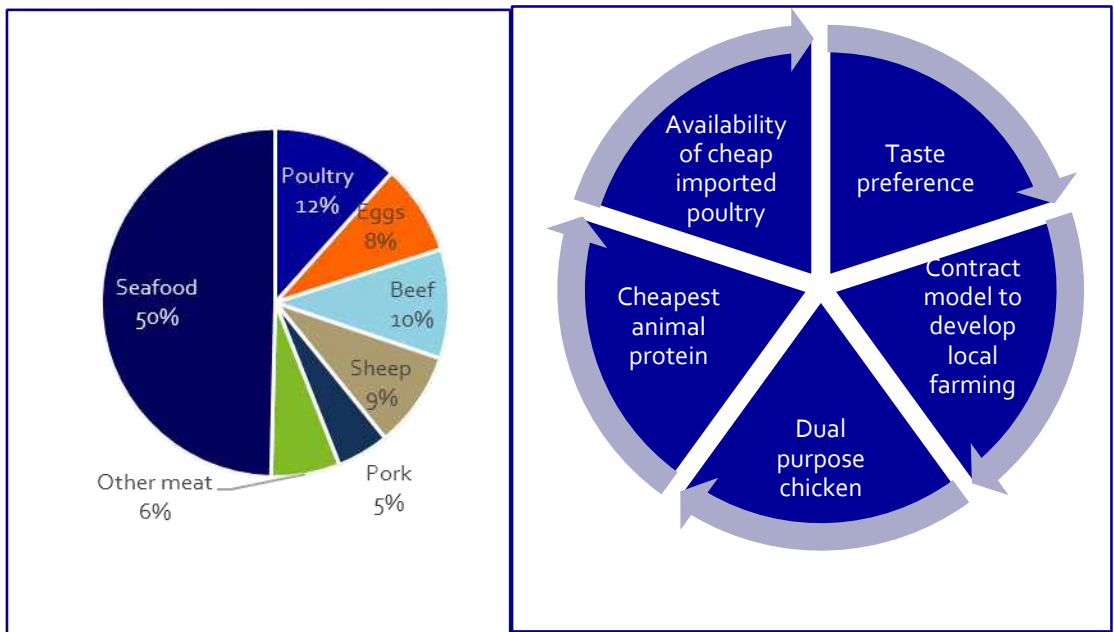
West African poultry market – a fast growing industry in a seafood dominated market

West Africa Poultry Market



Source: Rabobank analysis based on FAO, USDA and local statistics, 2020

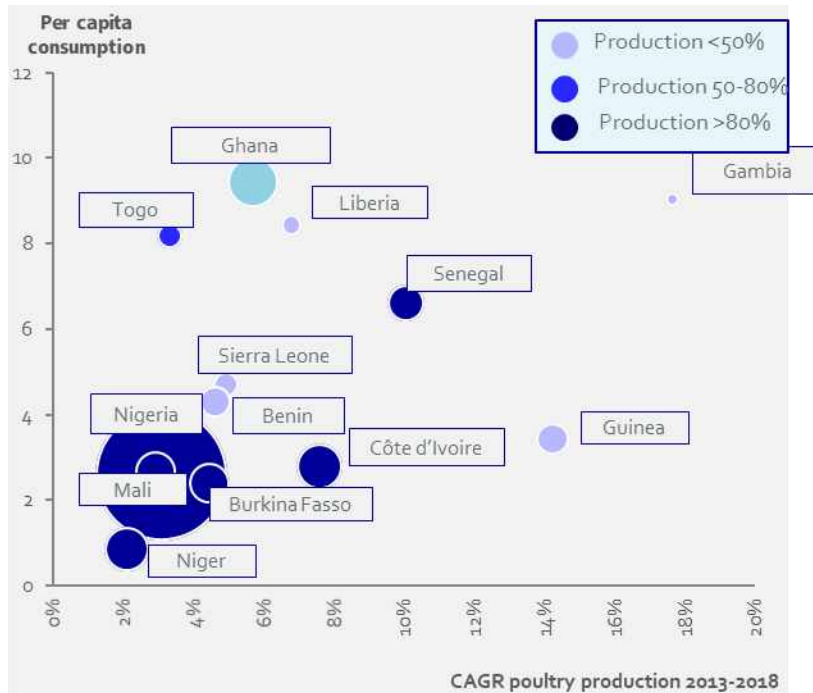
West Africa Protein Market Drivers for poultry market growth



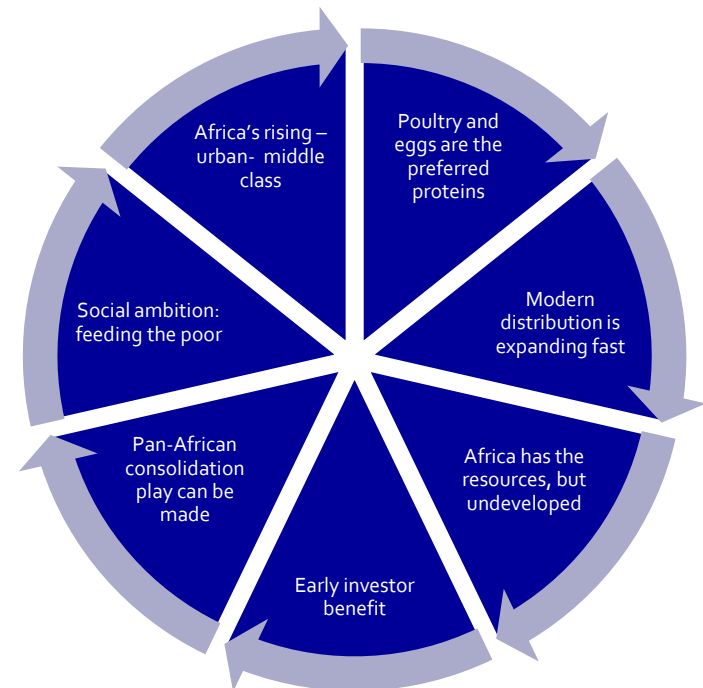
Africa: the rise of the Sub Saharan African poultry industry



West Africa poultry market growth vs consumption level

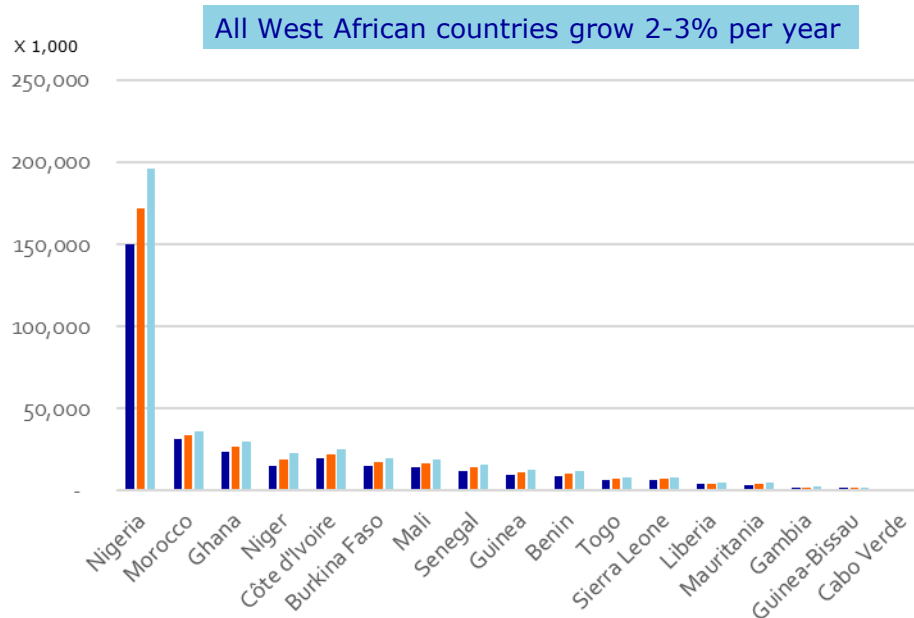


Key drivers for investments in Africa

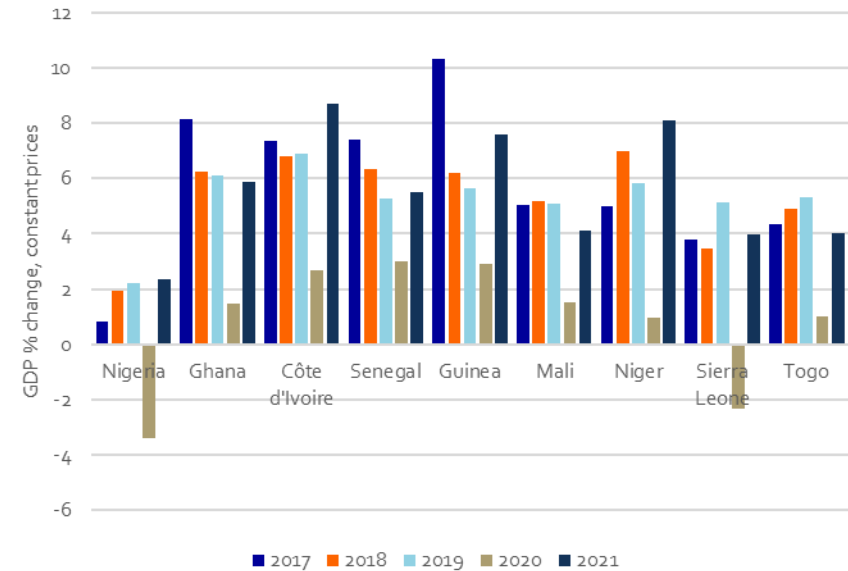


West Africa's drivers for growth. Population and income growth. Covid-19 will slowdown growth

West Africa's population to grow by 30% in next decade

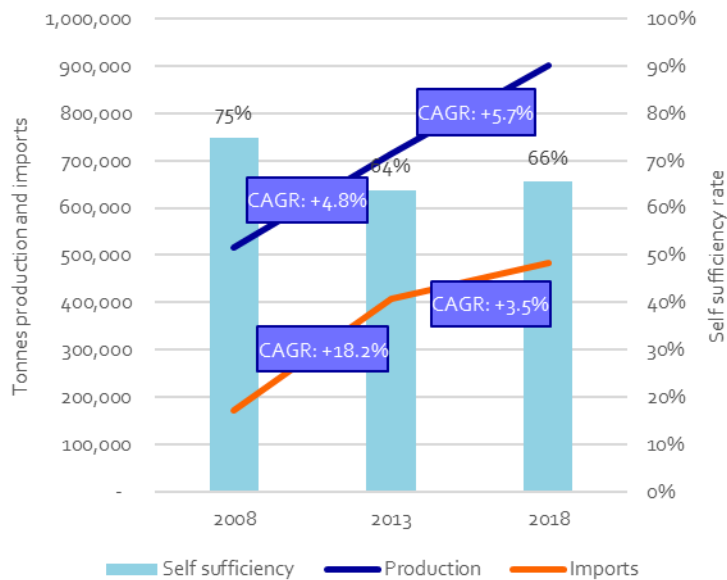


Sub Saharan Africa's economic growth



West African's gradual changed focus to higher self sufficiency

West Africa poultry market supply: falling self sufficiency



West Africa is one of the core export markets for global trade

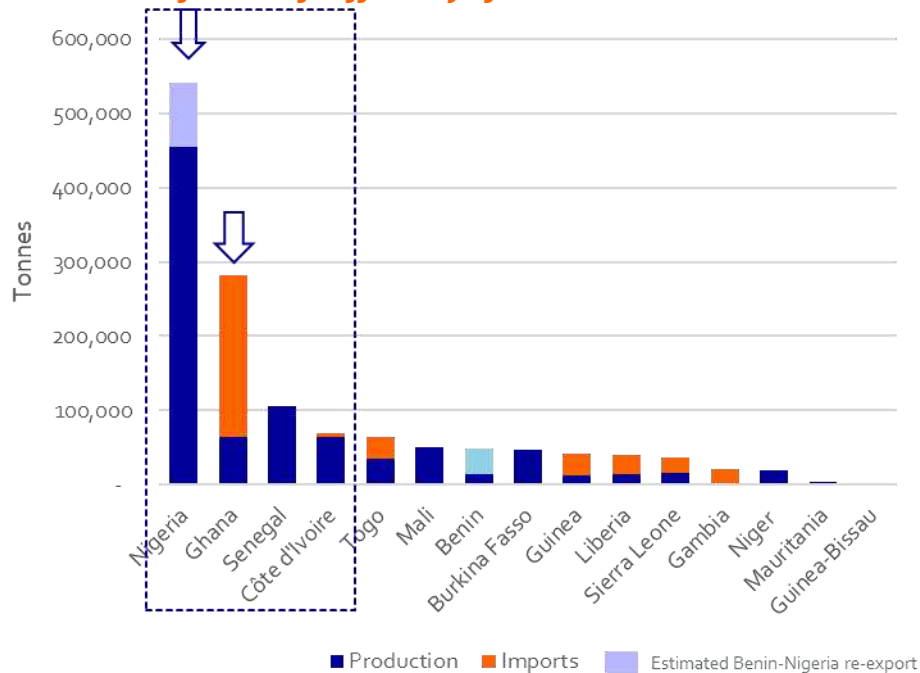


Source: Rabobank analysis based on FAO, USDA and local statistics, 2020

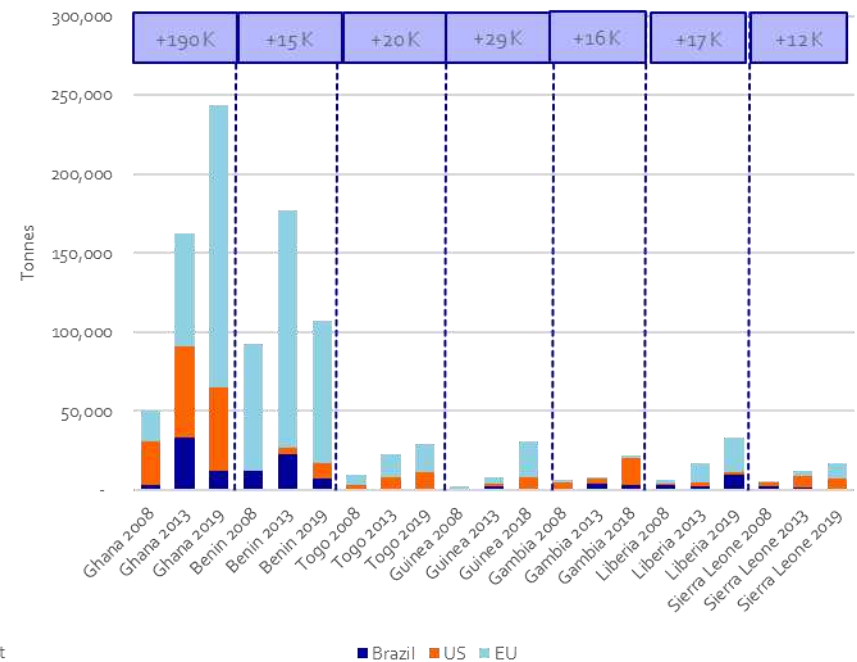
West Africa's big 4 poultry markets to move to higher self sufficiency



West Africa: Self sufficiency of local industries in 2018



Poultry imports 2008-2019 by country of origin

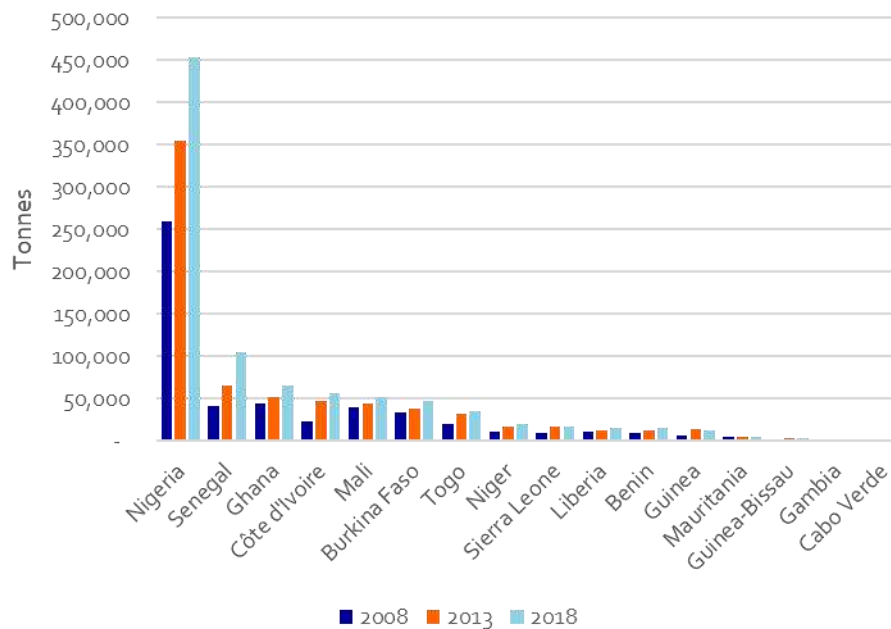


Source: Rabobank analysis based on FAO, USDA and local statistics, 2020

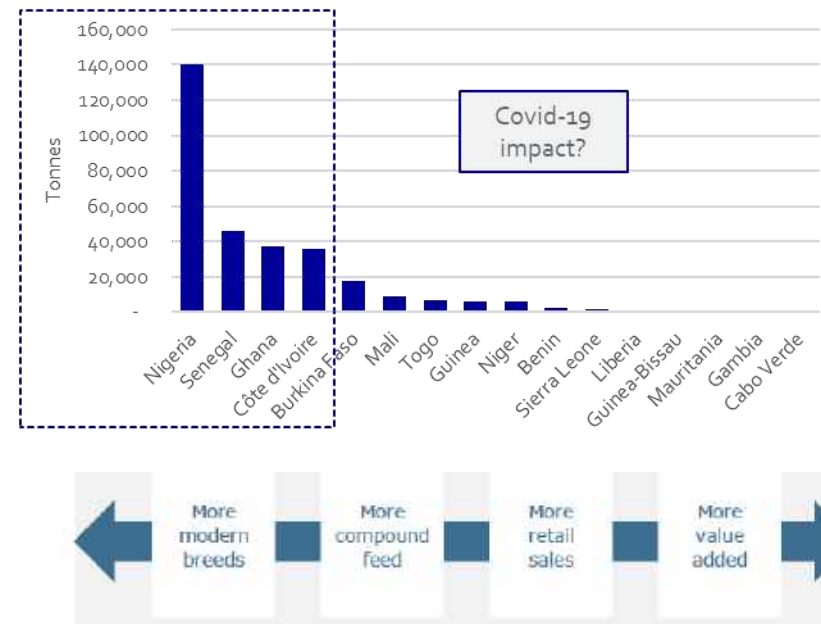
West Africa: 85% of growth in in big 4 producing countries



West Africa poultry production: fast growth



Investment potential until 2025 based on market change

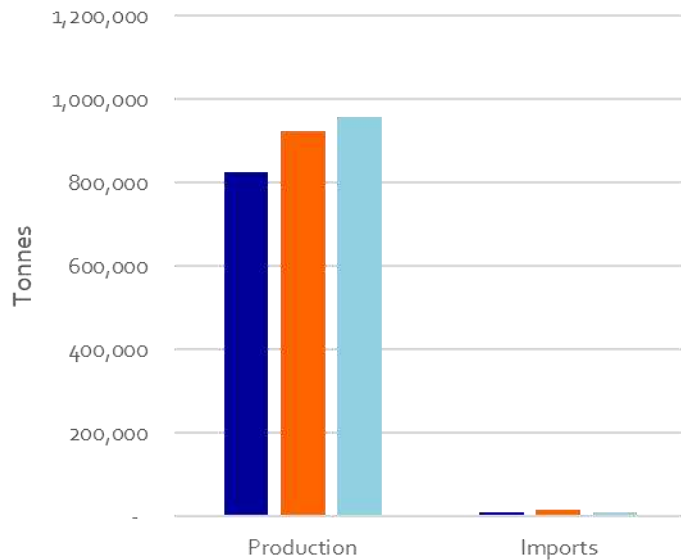


Source: Rabobank analysis based on FAO, USDA and local statistics, 2020

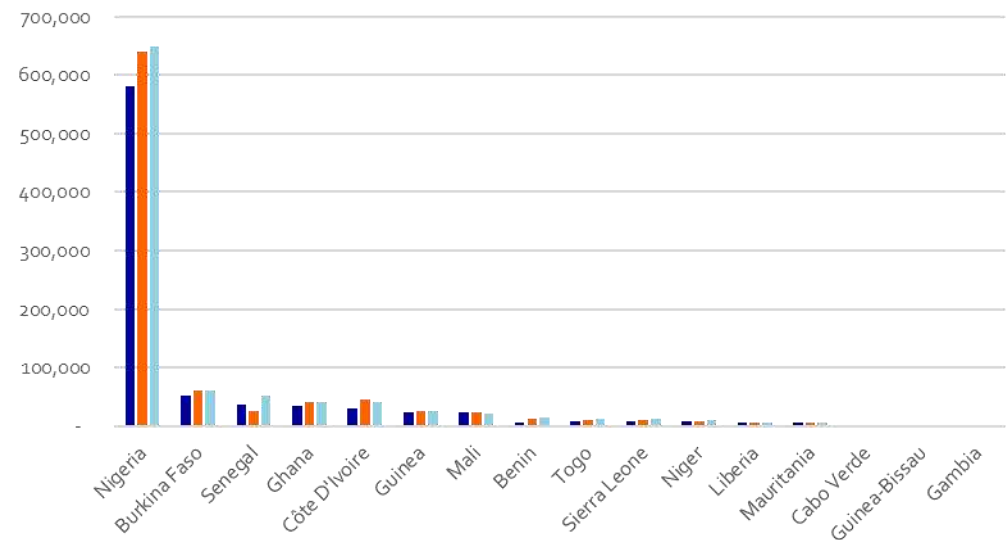
West Africa egg market: highly regional with Nigeria as key supplier



Africa eggs: a pre-dominantly local business



West Africa egg production: Nigeria as key producer

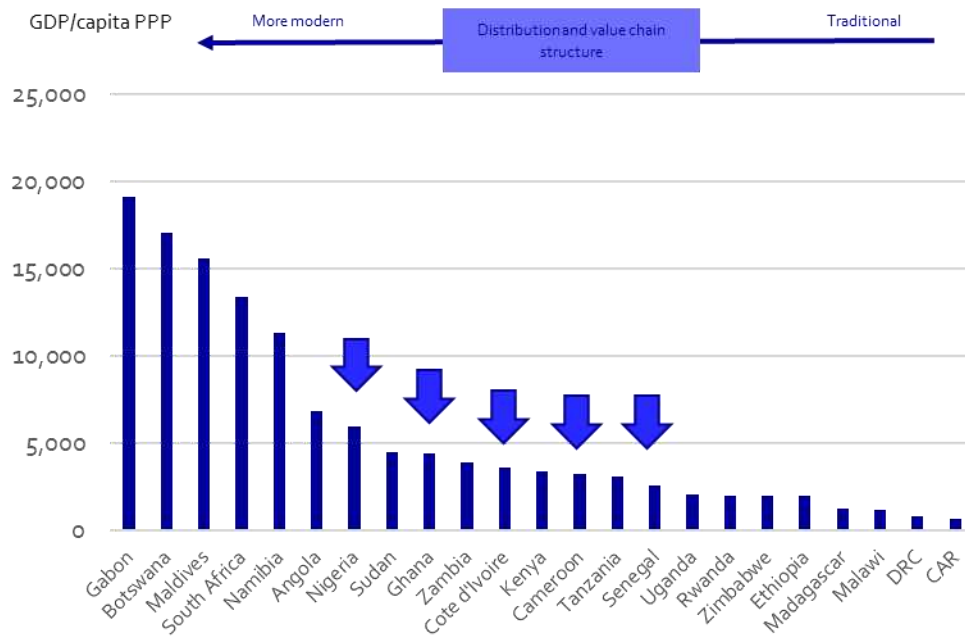


Source: Rabobank analysis based on FAO, USDA and local statistics, 2020

Big differences in GDP levels – indicator of level of modernisation

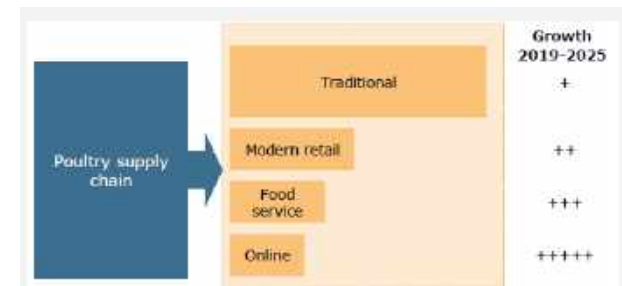
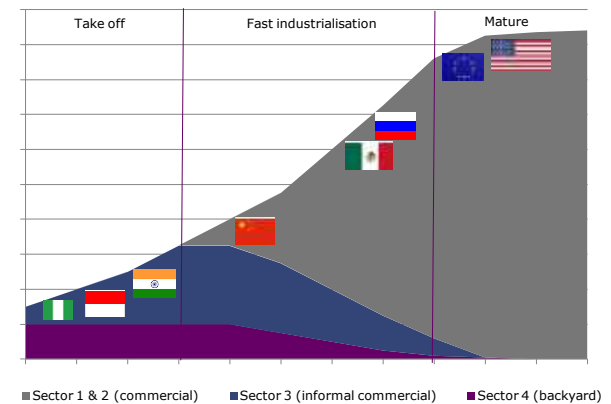


GDP per capita in Sub Saharan Africa by country



Source: Rabobank analysis based on IMF, 2020

GDP growth as driver for industry change





Rabobank

Africa's fast changing food distribution

Modern distribution expansion



Quick service restaurants expansion

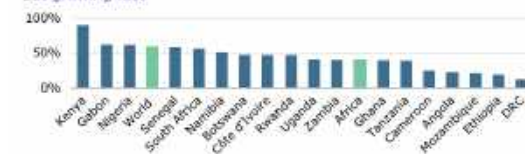


The growth of online food distribution

Food and drink online retailing in the Middle East and Africa

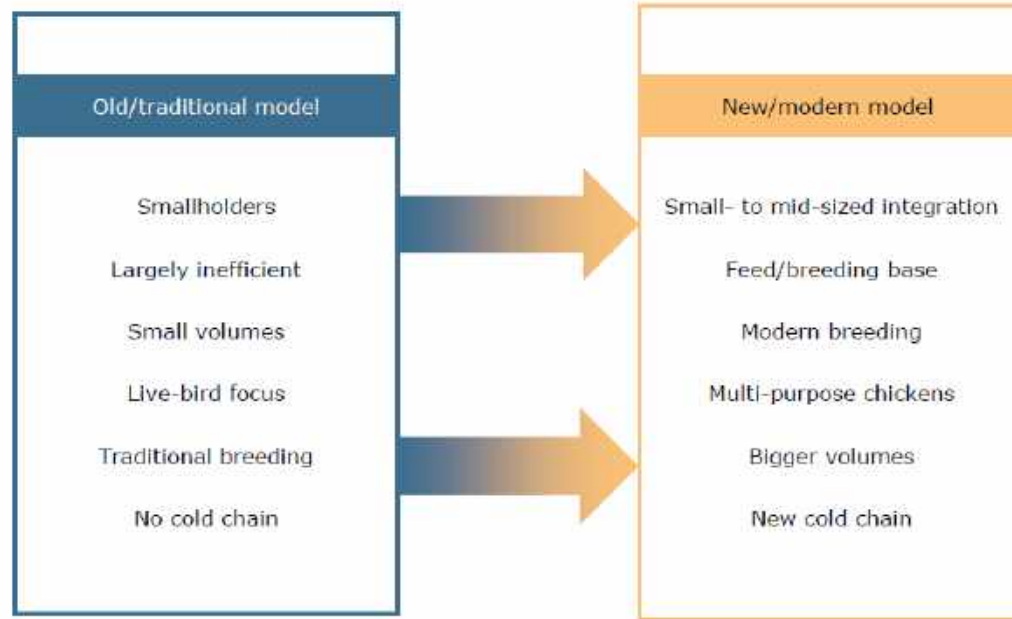


The internet penetration rate in Africa is below the global average but growing fast



Source: Rabobank analysis, 2020

Industries will gradually modernize



Conclusions

West Africa is a relative bullish industry with fast growing local production and rising imports with big differences in regional food security strategies

The bigger markets in the region Senegal and Côte d'Ivoire are almost fully self sufficient while Nigeria and Ghana would like to increase self sufficiency which provides investment opportunities

A long term rising middle class leads to big changes in value chains in the region. This move will be slowed by Covid-19 economic slow down but will return in the post-Covid-19 situation



Thanks for your attention

Questions?

Nan-dirk.mulder@rabobank.com

Senior Global Specialist Animal Protein

This document is meant exclusively for you and does not carry any right of publication or disclosure other than to Coöperatieve Rabobank U.A. ("Rabobank"), registered in Amsterdam. Neither this document nor any of its contents may be distributed, reproduced, or used for any other purpose without the prior written consent of Rabobank. The information in this document reflects prevailing market conditions and our judgement as of this date, all of which may be subject to change. This document is based on public information. The information and opinions contained in this document have been compiled or derived from sources believed to be reliable; however, Rabobank does not guarantee the correctness or completeness of this document, and does not accept any liability in this respect. The information and opinions contained in this document are indicative and for discussion purposes only. No rights may be derived from any potential offers, transactions, commercial ideas, et cetera contained in this document. This document does not constitute an offer, invitation, or recommendation. This document shall not form the basis of, or cannot be relied upon in connection with, any contract or commitment whatsoever. The information in this document is not intended, and may not be understood, as an advice (including, without limitation, an advice within the meaning of article 1:1 and article 4:23 of the Dutch Financial Supervision Act). This document is governed by Dutch law. The competent court in Amsterdam, the Netherlands has exclusive jurisdiction to settle any dispute which may arise out of, or in connection with, this document and/or any discussions or negotiations based on it. This report has been published in line with Rabobank's long-term commitment to international food and agribusiness. It is one of a series of publications undertaken by the global department of RaboResearch Food & Agribusiness. ©2018 - All Rights Reserved.

**Banking
for Food**




Rabobank



Jan Hulzebosch-*Dutch* *Poultry Centre*



The background of the slide is a close-up photograph of a young yellow chick. The chick is looking towards the left, and its head and beak are in sharp focus. The rest of the chick and the background are blurred. A solid yellow horizontal bar is located at the top of the image, just below the logo.

Presentation Webinar Poultry sector West Africa Dutch Poultry Centre



Dutch Poultry Centre

- A network organization of Dutch companies active in the poultry business
- Founded at 2003 in Barneveld, The Netherlands with 10 members
- 100 members (Preferred Partners) in 2019





Preferred partners are active in one or more links of the poultry production chain



Breeding & hatchery



Housing and equipment



Feed and Feed additives



Health



Processing equipment



Poultry meat & eggs



Services



Preferred partners of Dutch Poultry Centre together are able to supply all what is needed to expand and improve poultry production in West Africa .



Preferred partners

DPC leden





- Dutch Poultry Centre is able and willing to coordinate and facilitate activities in cooperation with others like NABC, DAPP , RVO, agricultural counsellors etc. to improve the possibilities for business for Dutch companies in West African Countries.



**Thank you
for your attention!**

Jan Hulzebosch

info@poultrycentre.nl





Q&A Session



Rijksdienst voor Ondernemend
Nederland

Thank you for your attention!

>> *Duurzaam, Agrarisch, Innovatief
en Internationaal ondernemen*