



MINISTERIAL POLICY BRIEF SERIES: FACT SHEET Number 1 – May 2009

Targeting Markets for African Livestock Commodities

- ❖ *Livestock play a critical role in the livelihoods of the estimated 200 million people who keep livestock in Africa. Many urban and peri-urban poor also benefit from livestock. The potential of the livestock sector to ensure food security and reduce poverty is enormous, but improvements in the productivity of livestock and greater access to markets for livestock and livestock commodities are essential for exploiting this potential.*
- ❖ *There are abundant resources and technologies available for increasing the productivity of livestock in Africa. There are also enormous opportunities in domestic and international markets for selling livestock and livestock commodities, provided certain technical requirements are met and the appropriate markets are properly targeted.*
- ❖ *If smallholder livestock producers are to be food secure and less poor, governments must provide an appropriate policy environment for removing production and market constraints and facilitating access to lucrative, high-price, high-value markets for livestock and livestock commodities.*
- ❖ *African trade in livestock and livestock commodities is currently far below what is required to support the level of economic development needed on the continent.*
- ❖ *Based on annual averages for the period 2000 to 2006, Africa:*
 - ✓ *Produces 11.9 million mt of meat and 31.0 million mt of dairy products.*
 - ✓ *Accounts for only 4.7% of global meat production and 5.0% of global dairy production.*
 - ✓ *Consumes 12.8 million mt of meat and 36.4 million mt of dairy products every year.*
 - ✓ *Imports 970,000 mt of meat and 5.7 million mt of dairy products every year.*
 - ✓ *Imports 7% of the total meat consumed and 15% of the total dairy products consumed.*
 - ✓ *Exports 95,400 mt of meat and 325,600 mt of dairy products.*

- ✓ *Exports only 0.8% of the meat produced and 1.0% of the dairy products produced in Africa.*
- ✓ *Accounts for only 2.0% and 3.8% of global trade in meat and dairy products respectively.*
- ❖ *Imports of meat into Africa have almost doubled and imports of dairy products have risen by one third since 2000.*
- ❖ *Exports of meat and dairy products have declined since 2000.*
- ❖ *Africa earns less than US\$1.0 billion from exports of meat, dairy products and live animals annually. Live animal exports account for more than half of the revenues.*
- ❖ *Africa spends US\$4.5 billion to import meat, dairy products and live animals every year.*
- ❖ *Africa incurs a deficit of US\$3.6 billion in foreign exchange on these products, and this deficit is increasing.*
- ❖ *The deficit is equivalent to 0.5% of sub-Saharan Africa's GDP.*
- ❖ *There is a big and largely untapped market in Africa for livestock and livestock commodities.*
- ❖ *To target and sustainably participate in high-value international markets for livestock and livestock commodities, African policymakers must adopt policy options and strategies that remove supply-side constraints and improve competitiveness of smallholder livestock producers.*
- ❖ *Policies that improve the productivity of livestock, enhance livestock commodity value chains and directly link livestock producers to markets in Africa are critical for food security and poverty reduction in Africa.*

For further information contact:

Dr. Monty P. Jones, PhD, DSc; 2004 World Food Prize Laureate
Executive Director
Forum for Agricultural Research in Africa (FARA)
PMB CT 173 / 2 Gowa Close, Roman Ridge
Accra, Ghana
Tel: +233 21 772823 Fax: +233 21 773676
e-mail: mjones@fara-africa.org; website: www.fara-africa.org

Dr. Emmanuel N. Tambi
Director, Regional Policies and Markets,
Forum for Agricultural Research in Africa (FARA)
PMB CT 173 / 2 Gowa Close, Roman Ridge
Accra, Ghana
Tel: +233 21 772823 / 779421 Fax: +233 21 773676
e-mail: etambi@fara-africa.org; website: www.fara-africa.org