

Voluntary Report – Voluntary - Public Distribution

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Report Name: Poultry Voluntary Report

Country: Cote d'Ivoire

Post: Accra

Report Category: Poultry and Products

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Report Highlights:

The poultry sector in Cote d'Ivoire is well established and contributes a substantial amount to the country's agricultural GDP. Despite many challenges, such as Avian Influenza outbreaks and rising costs of feed and transport, the Ivoirian poultry industry has been able to overcome these challenges with great success.

Table 1**Chicken Meat Production, Supply and Distribution**

Meat, Chicken	CY2020	CY2021	CY2022
Market Year Begins	Oct 2020	Oct 2021	Oct 2022
Cote d'Ivoire			
Beginning Stocks (1000 MT)	0	0	0
Production (1000 MT)	59	52	47
Total Imports (1000 MT)	1	1	1
Total Supply (1000 MT)	60	53	48
Total Exports (1000 MT)	0	0	0
Human Consumption (1000 MT)	60	53	48
Other Use, Losses (1000 MT)	0	0	0
Total Dom. Consumption (1000 MT)	60	53	48
Total Use (1000 MT)	60	53	48
Ending Stocks (1000 MT)	0	0	0
Total Distribution (1000 MT)	60	53	48
(1000 MT)			

Broiler Production

Post estimates Côte d'Ivoire broiler production at 42,065 metric ton (MT) in calendar year (CY) 2022, a 10 percent decrease from CY 2021. This decrease is primarily due to the rise in feed costs, specifically corn. Broiler production has been growing since CY 2009, with an average annual growth of 13.8 percent. However, over the last three years production has declined due to the prevalence of Highly Pathogenic Avian Influenza (HPAI) outbreaks in the areas surrounding Grand Bassam. COVID-19 and the war in Ukraine have also dramatically impacted poultry production due to increased freight costs for production inputs.

Post estimates domestic broiler production in CY 2021 at 46,795 MT, an 11 percent decrease from CY 2020. Over the last three years, local farmers have experienced lower corn harvests due to increasing input costs (mostly fertilizer) which have dramatically impacted corn production. Industry sources estimate that corn production decreased by 30 percent over the last three years, which in turn has reduced the amount available for poultry feed. The price of imported corn has also increased.

Layer Chickens and Egg Production

Layer chicken production is estimated at 5,190 MT in CY 2022, a 10 percent decrease from 5,882 MT in CY 2021. The lower production rate for layers compared to broilers is due to the focus on broiler farms. The country has about 2,200 poultry farms, of which 1,500 are for broilers and only 700 for layers. One reason for the layers/broiler ratio is the lower initial investment and operation costs for broiler farms compared to layer farms. Due to their highly preferred taste for local dishes, layers are more expensive.

Egg production is estimated at 1.133 billion units, a 15 percent decrease from 1.333 billion units produced in CY 2020. Post estimates the reduction in egg production is due to the reduced number of layers over the last three years. Since 2016, yearly egg production has been increasing at a rate of 3.7 percent. Although production increased by 16 percent in CY 2020, Post estimates that the rise in input and poultry feed costs over the last two years may still have considerable impact on the development of layers' farms in the upcoming years.

There are approximately 22 chick hatcheries in the country, with only a third operating at a commercial level. The hatcheries produced 61-million-day old chicks (DOC) in CY 2020. Post estimates DOC production in CY 2022 to be 54.9 million, down 10 percent from CY 2021. A large number of smaller hatcheries purchase hatching eggs from large-scale commercial companies that possess their own hatcheries and feed supplies. Post estimates that hatchery production will increase in CY 2023 to reach a production capacity of 70 million DOC annually.

Consumption

In CY 2022, poultry meat consumption is expected to remain stable at 2.65 kg/person, unchanged from CY 2021. From CY 2010 to CY 2020, chicken meat consumption trended upward in Côte d'Ivoire. Total consumption of chicken meat was 23,000 MT in CY 2010, for a consumption rate of 1.1 kg/person. Over the last ten years, the consumption rate increased by 140 percent while the consumer price of broiler meat declined over the same period until CY 2020. Post estimates that this could be explained by the increase of the supply of chicken meat as compared to relatively stable demand. By the end of 2021, broiler meat prices increased 28 percent, while the layer price rose by 25 percent, mostly due to the rise in feed prices.

Nevertheless, despite the rise in chicken prices, Post is expecting an overall increase in demand for chicken meat in the next couple of years. While competing with beef, fish, and pork as the primary source for animal protein, poultry meat is still one of the most competitive in terms of price. Furthermore, Ivoirian middle class is rising at a pacing trend therefore who predominantly drives demand for chicken meat in the future.

Post estimates that egg consumption will also grow soon for the same reason stated above. Consumption of eggs at the national level increased by 67 percent over the last twelve years, reaching 52 eggs/person/year in CY 2020. Post estimates in the next five years, demand for both eggs and chickens will outstrip the current supply with an expected egg consumption rate of 86 egg/person in 2025. Reason for that is due to the rise of the country middle class and the more competitive price of poultry compared to other sources of protein

Table 2: Meat prices in Abidjan of Q3 in 2022

Type of meat	Price per kg (FCFA)	Price per kg (USD, 1 USD=621 FCFA)
Broiler meat	2000	3.22
Layer meat	2500	4.02
Beef (without bone)	3000	4.83
Sheep meat	4300	6.92
Beef (with bone)	2800	4.51
Pork	2000	3.22

Source: Conseil National de Lutte contre la Vie Chère (CNLVC)

Poultry Feed

Poultry feed in Côte d'Ivoire is made of nutrient rich raw materials. It consists of a mix of corn, soybean, cotton seed cake, palm oil cake, wheat bran, fish, and other small components. Soybean and wheat are currently imported, mainly from South American countries such as Argentina and Brazil. The country does not produce wheat, and the local soybean value chain is not well developed and cannot satisfy the domestic poultry sector's needs. Soybean's import in Côte d'Ivoire is insignificant, estimated at 17 MT in MY2021.

Corn is the most critical ingredient in the feed mix composition. It represents more than 50 percent of the total quantity of raw materials needed. Corn is grown locally with an average production of 600,000 MT each year. According to industry sources, it is the second most-produced cereal in the country after rice. While it is an essential energy source for animal feed, corn is also grown for human consumption. The prices of corn vary locally, depending on origin. Corn prices are the lowest in the north and northwest regions since it is the primary production area. Prices are higher in the southeast and central regions and the capital where demand is highest. Local corn production is mainly affected by weather patterns and their impact on yield performance. Currently, the average yield for local corn is 1 T/HA, which is lower than many other producing countries. Lack of mechanization, fertilizer, and training gaps among farmers contribute to low productivity.

The increase in demand for local corn and its shortage has led major commercial feed producers to increase their cereal imports. Corn is mostly imported from South American countries. Since the pandemic, imported corn prices rose by 30 percent, primarily due to high freight costs while domestic corn prices increased by 150 percent over the last two years.

While feed costs represent 80 percent of the total production costs on a poultry farm, the price increases for feed inputs (mostly corn) negatively impact poultry production. The 20 percent decrease in chicken meat production over the last two years is expected to continue if feed costs remain high.

Industry sources project that prices for inputs will continue to increase by an additional 30 percent on the international market.

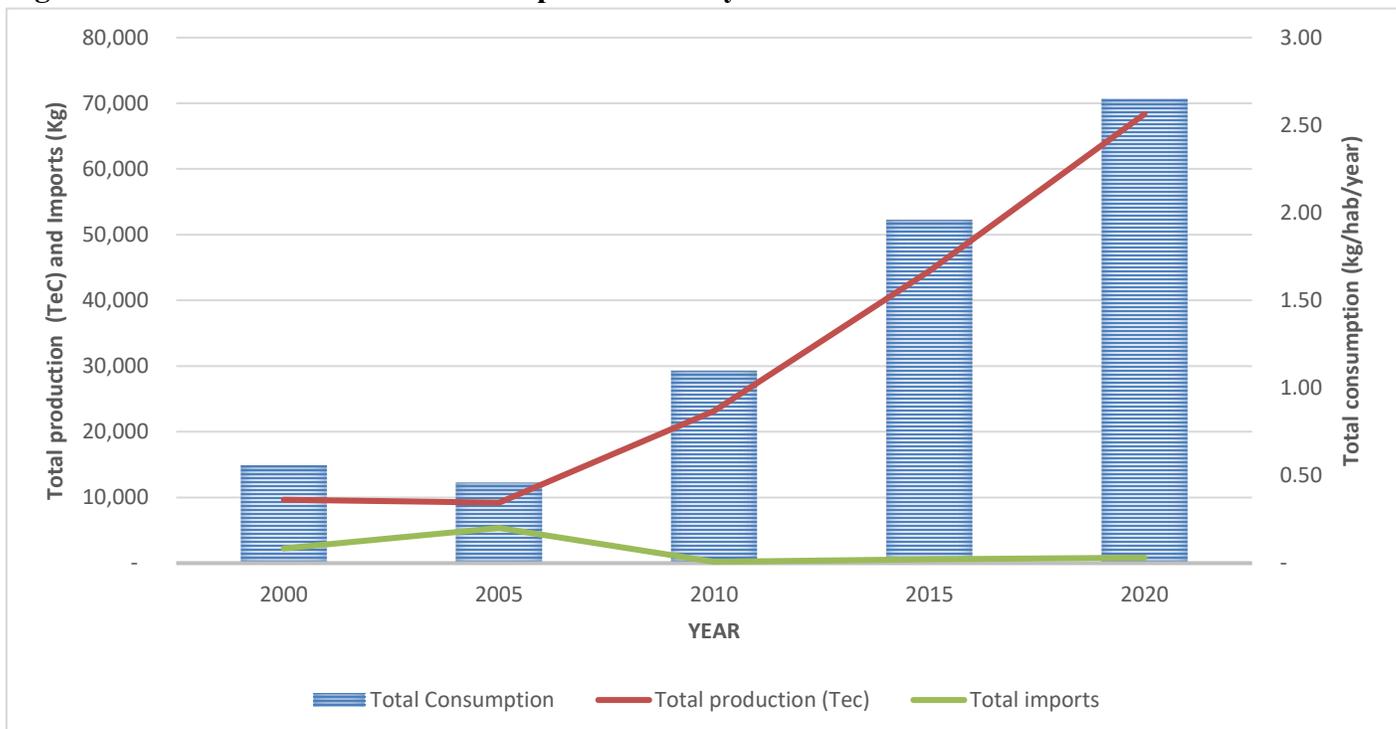
Trade

Post estimates Côte d'Ivoire's MY 2022 chicken meat imports at 985 MT, nearly a 21 percent decrease over the MY 2021 volume of imports (1,211 MT). The country does not import much chicken meat, since local supply provides almost all of national demand. Over the last five years, Côte d'Ivoire has imported a total of 4,609 MT of chicken meat products. Côte d'Ivoire gets poultry from Poland, France, Netherlands, Spain, and Germany. The country exported a small amount, 215 MT of poultry products in CY2021 to neighboring countries, mostly Burkina Faso.

In early 2000, the Ivorian government implemented a 20% value-added tax on agricultural inputs. This marked a shift in a type of poultry the country used to import. Poultry imports from neighboring countries were halted, leaving room for modern poultry imports from industrialized nations.

The socio-political strife of September 2002 had serious consequences for animal husbandry, especially poultry. In response to the decline in production caused by the conflict, customs and tax measures were put in place to support massive importation of frozen poultry meat from industrialized countries. This resulted in a reduction of domestic poultry production, which became less competitive. This caused a shift in favor of poultry imports, with 15,392 tons of modern poultry offal being imported compared to 7,534 tons of domestically produced poultry meat in 2003. In May 2005, the government increased the compensatory levy on all poultry products from 500 CFA (\$0.80) to 1,000 CFA francs (\$1.6) per kilogram at the urging of poultry farmer organizations. This compensatory levy measure was done to stimulate national production and establish sufficient customs protections to safeguard local production from imports of low-priced sub-pieces chickens from countries with excess production.

Figure 1. Historical Production and Import of Poultry Meat in Côte d'Ivoire

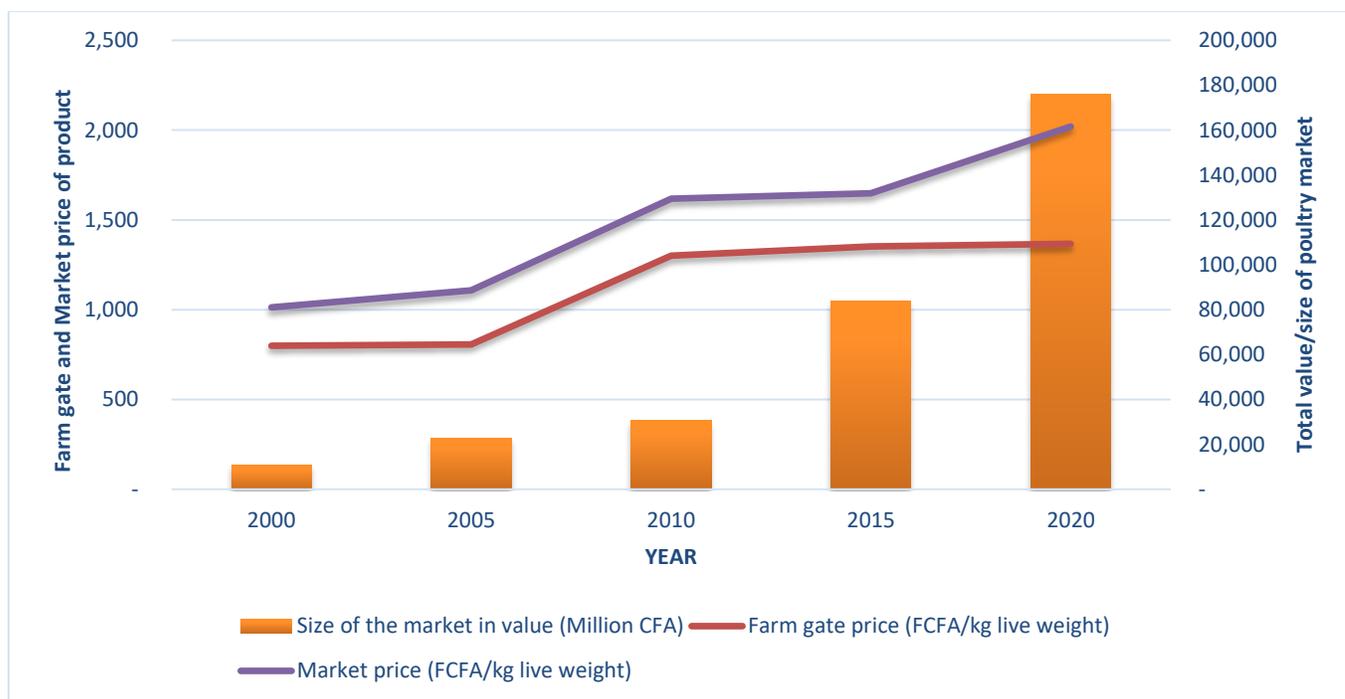


Source: Interprofession Avicole Ivoirienne (IPRAVI)

Marketing

Backyard and commercial production systems comprise the local poultry sector with up to 60 percent attributed to backyard productions. Despite the presence of commercial producers and some large-scale commercial farmers, most production units are either small (total capacity of 50 to 1,000 birds) or medium-sized farms (1,000 to 10,000 birds). However, commercial production is growing with the increasing demand for poultry products. Most of these are located around urban areas, particularly in the Lagunes and Moyen Comoé regions. The growing demand for chicken meat has spurred the development of a thriving commercial poultry production industry in Côte d'Ivoire. These commercial operations are leading the industry as they integrate every step of the production process, from breeding and housing to feeding, slaughtering, and selling. FOANI Services and Société Ivoirienne de Productions Animales (SIPRA) are the two biggest commercial companies in the sector and both have their own slaughterhouse facilities. A third facility has been established by the authorities (Abattoir de Port Bouet).

Figure 2: Total size of the poultry market in Côte d'Ivoire



Source: IPRAVI

Small and medium scale farmers usually sell their birds to wet market sellers, often live or after being slaughtered and prepared by service providers at the market. Broilers are sold at an average price of \$2.07/kg and layers at \$2.57/kg from farmers to market sellers. Market sellers then add their margin to get a retail price. During periods of high demand, such as Easter and Christmas, the price can nearly double.

Large-scale farmers usually sell their products to wholesalers, hotels, and supermarkets and possess their own distribution channels across the country. COQUIVOIRE, a company owned by SIPRA, is

responsible for selling its poultry products to consumers. They possess more than 70 independent locations across the country. FOANI, the principal competitor, also has an established network with more than 60 independent locations.

The retail price for chicken is \$2.51/kg and \$3.22/kg, for broiler and layers, respectively. Layers are more expensive due to their highly preferred taste for local dishes.

Eggs are usually sold in a tray of 24 and have an average price of \$3.05 when bought from the farm and \$4.02 when purchased at a grocery store. Like broiler and layers, they see the price increase during festivals and holidays when demand jumps.

Ivorian people commonly use chickens into their meal habits and make local dishes such as chicken stew, grilled chicken, and chicken soups. Chickens stew is usually made in a traditional Ivorian dishes style called kedjenou, which is a slow-cooked chicken stew made vegetables, and spices. Kedjenou is usually served with attieke, a dish made from grated cassava, or rice. However, one of the favourite Ivorian meals featuring chickens is shoukouya. This dish is made by grilling chicken in a flavorful tomato and onion sauce. The demand for shoukouya is particularly high during the weekends and holidays and can be found at many restaurants and street food stalls throughout the country. Overall, chickens play a significant role in the Ivorian cuisine and are an integral part of their meal habits.

Policy

The Ministry of Animal and Fisheries Resources (MIRAH) oversees the poultry sector. The Poultry Professional Association (IPRAVI) organizes and regroups all actors of the poultry value chain using three divisions that are responsible for producers, poultry agro-industrialists, and poultry resellers.

In 2009, government and private sector partners gathered to discuss critical challenges, under-exploited potential, and opportunities in the sector. As a result, the MIRAH drew up a Strategic Plan (PSRA) with the aim of reviving/establishing modern poultry farming throughout the country. The Programme d'Appui a la production Avicole (PAPAN) was implemented from 2012 to 2021 as the first phase of the government's poultry sector revitalization plan. During the plans implementation, the sector earned over \$400 million when in 2010 the sector was only earning \$130 million. In 2022, MIRAH introduced a new development plan for the poultry sector. The vision of the poultry industry in its second strategic development plan for the period 2021-2030 is to increase by 2030, the local supply of poultry meat and eggs for consumption, respectively to 200,000 tons and 3.2 billion units, or 6.2 kg for meat and 100 units for eggs, per capita per year in 2030.

End of Report

Attachments:

No Attachments.