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The U.S. Government's Global Hunger & Food Security Initiative

TANZANIA AND GHANA POULTRY SECTOR POLICY REVIEW

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Key messages

- The policy environment for the poultry sector differs in Ghana and Tanzania.
- In Ghana, there is a paradoxical scenario of achieving food security and developing the infant domestic poultry sector objective.
- The policy environment affects the domestic broiler sector more because of the relatively high competition from cheap poultry imports in Ghana.
- The layers sector in Ghana is thriving because of minor competition for eggs in the market compared to poultry meat.
- In Tanzania, the government is trying to protect the infant domestic poultry industry through the enhancement of local production and banning of importation of poultry and poultry products.
- Tanzania has several policies for the poultry sector that regulates the input and veterinary sector. However, implementation remains inadequate.
- There is potential for growth of the indigenous and dual-purpose breeds because they are highly preferred by consumers especially in urban areas in Tanzania compared to broilers.
- In Ghana, production of guinea fowl and local poultry breeds is dominant in the Northern part of the country due to the availability of land for free-range extensive production systems, they fetch higher prices than broiler chicken.

I Background

Growth of the middle-income class, rapid urbanization, and an increase in disposable income has increased the demand for animal-based protein including poultry and its products. Previous studies such as Kusi *et al.* (2015), Mottet and Tempio (2017) report a fast-growing trend in production, demand, and trade of poultry and poultry products in the last decade. However, although demand for poultry meat has been growing in Ghana and Tanzania, domestic supply is still low largely due to institutional constraints (Amanor-Boadu *et al.*, 2016; Ringo and Mwenda, 2018). Moreover, the demand, supply, and production scenarios as well as the policy environment for the poultry sector are different in the two countries. In Ghana, the government has increased the level of imported cheap broiler chicken parts to meet the growing demand for poultry meat (Schneider *et al.*, 2010). Since 2008, imported chicken meat has increased by almost 209 % at an annual growth rate of 12 % (Statistics Division of the United Nations Food and Agriculture Organization (FAOSTAT, 2020). This has had negative consequences on the local industry by suffocating domestic broiler production, making it uncompetitive. Whereas Tanzania has embraced an approach of enhancing and protecting the domestic poultry industry by limiting poultry meat and eggs imports from infiltrating the economy (BFAP and SUA, 2018).

Ghana has the objective of improving food security and developing the infant domestic poultry industry. However, there exists a paradoxical scenario in achieving these two objectives because there is a lack of clear domestic policy regulation regarding domestic poultry production and imports. Additionally, policies are difficult to implement because of vested interest by various power players (Kusi, Asabre, Kosi, and Nyarku, 2015). Cheap broiler imports on one end are fulfilling the food security objective since several urban based Ghanaians have access to cheap poultry meat. However, this has negative effects on the growth of the infant domestic poultry sector. Moreover, the Government of Ghana sustains imports through a tariff of 35 % on all imported poultry products (Ashitey, 2017). This is because of their obligation to adhere to the trade liberalization agreement of the World Trade Organization (WTO) on open market access, and quotas replaced with less restrictive tariffs for agricultural products (Aning, 2006). Imported poultry meat is usually in the form of frozen chicken or turkey legs, wings, and other cut-portion by-products from the U.S.A., South America, and Europe (Schneider *et al.*, 2010).

Despite the negative effects of the imports on local broiler production, the layer sector in Ghana is thriving even though they use the same feed ration base as broilers. This is possibly because eggs are cheap and easily accessible. Boiled eggs are carried and sold on the street, in lorry parks etc. so there is a bigger market for it. This success in the

local egg sector has enabled Ghana to start exporting eggs to other West African countries such as Benin, Burkina Faso, and Niger. (Sumberg *et al.*, 2013).

On the other hand, Tanzania's import ban on poultry and poultry products including eggs has had a positive effect on supporting the growth of the domestic poultry sector (Ringo and Mwenda, 2018).

In this brief, we present a review of the policy environment of the poultry sector in Tanzania and Ghana and examine the trends in poultry production, consumption, and demand for inputs. This will inform poultry research and development initiatives in the two countries.

1.1 Methodology

A desk review was conducted through a literature search from Google Scholar and Google search engines using various keywords in the title or abstract of publications for example "poultry or chicken production" in Ghana or Tanzania, "policy environment of the poultry sector" in Ghana or Tanzania, among others. Both peer-reviewed publications and grey literature including policy documents, and reports which have the following information were targeted; trends in poultry production, volume of trade (imports and exports), and the poultry policy environment. Data from FAOSTAT was also used to assess the trends. The review in most cases covered a 15-year trend from 2000-2015.

2 Policy and regulatory environment

2.1 Policies and regulations in the post-independence time frame (After 1961 - 1989) in Ghana and Tanzania

- The Government of Ghana recognized the great potential of poultry production in addressing the severe shortfall in the supply of animal protein and job creation in the 1960s. Thus, it established an integrated poultry project in Accra. However, the growth of the industry was initially slow as supplies of day-old chicks and other inputs were irregular. Therefore, the government overcame this constraint by removing customs duty on poultry inputs including feed additives, drugs, and vaccines in 1970.
- The Diseases of Animals Act 83 of 1961 was instituted to cover all types of animals including poultry. The regulation requires the notification of the veterinary authority by all livestock holders of all cases of suspected animal disease.
- Since 1984, the Government of Ghana instituted National Farmers Day Awards which takes place on the first Friday of December each year. This day is a statutory national holiday in the country in honor of farmers. Each year poultry farmers at the district, regional and national levels are awarded poultry prizes.
- There was an establishment of associations of stakeholders such as the Ghana National Association of Poultry Farmers in 1984 and the Ghana Feed Millers Association in 1985.
- In April 1986, the Veterinary Services Directorate started a program of cost recovery by eliminating subsidy on most drugs and charging for several veterinary services.
- In May 1987, a revolving fund in Ghana was created for drugs and vaccines, but since then the revolving fund has been stopped.
- Tanzania made some market-led policy reforms in 1986, which increased the type of food commodities imported including poultry and poultry products. These reforms include; exchange rate regime, liberalization of trade, and price deregulation (Sharma *et al.*, 2005).

2.2 Policies and regulations in the trade liberalization era (1990-2010)

- The mechanism for imports was liberalized in Ghana and a customs duty of 20 % on chicken meat was imposed in 1999. It was dropped to 10 % soon after and removed entirely in 2002. This liberalization caused an influx of cheap poultry meat in Ghana.
- The Government of Ghana instituted the removal of preferential lending rates for poultry farmers to enable them access credit to finance poultry production.
- In 2000, privatization in the sale of poultry vaccines was instituted in the urban areas of Ghana. This enabled the supply of veterinary drugs directly to poultry farmers in the urban areas by private drug shops but has also led to the mushrooming of unlicensed traders retailing veterinary drugs in towns and rural communities with little or no quality control.
- To encourage domestic markets for live birds, the Ministry of Food and Agriculture established in 2002 the Christmas Bazaar held in the premises of the Great Accra Regional Office, where poultry farmers can sell their live birds and eggs during the Christmas and Easter seasons each year.
- In 2003, the Government of Ghana raised the tariff on imported poultry to 40 percent from its previous level of 20 percent. The interventions of the International Monetary Fund and the World Bank through the WTO trade liberalization agreement reversed the decision of the Ministry of Finance of Ghana in two months. Therefore, Act 641 passed by the Parliament in April 2003 to impose a 40 percent tariff on poultry imports was suspended.
- Since 2003, in addition to the import duty of 20 percent, poultry imports also attract Value Added Tax (VAT) of 12.5 percent, Economic Community of West African States (ECOWAS) levy of 0.5 percent, Export Development and Investment Fund Levy (EDIF) of 0.5 percent, Inspection fee of 1.0 percent, and Ghana Customs Network (GCNET) of 0.4 percent of CIF value. As from 1st August 2004, National Health Insurance Levy (NHIL) of 2.5 percent to be collected by the VAT Secretariat by the Government of Ghana (FAO, 2014).
- After February 2006 when Highly Pathogenic Avian Influenza (HPAI) was first reported in Nigeria, the fear of spread to poultry and humans in Ghana was heightened. The importation of all poultry products from affected countries was banned. The ban was enforced through the official regulations guiding the importation of meat and meat products in the country.
- In 2007, when the actual outbreak of avian influenza occurred in Ghana, the use of veterinary movement permits for poultry and poultry products in the country was implemented and there was a ban on the importation of poultry and poultry products from Asia and Southern Asia.
- In 2008, an Economic Partnership Agreement (EPA) was signed between Ghana and the European Union (EU). The agreement required that Ghana open its market for EU imports while the EU gives them access to European markets as well. However, this agreement was not favorable to the local poultry industry because it encourages dumping and the local poultry producers cannot compete with the cheap poultry meat imported from the EU.

Tanzania on the other hand has been implementing a gradual process of trade policy reforms since the mid-1980s leading to a more open trade regime of agricultural products including poultry. The outbreak of Avian Influenza in 2006 attracted government interventions into the sector leading to the banning of importation of poultry and its products into Tanzania to prevent bird flu from entering the country (Msami, 2008). Tanzania has put in place several policies to regulate the input and veterinary services sector, though the implementation is still poor in some cases for example;

- The Tanzania Veterinary Act of 2003 mandates the Veterinary Council of Tanzania to regulate the veterinary profession in the country including procedures to address disciplinary cases related to mismanagement of drugs and vaccines.

- Tanzania Food, Drugs, and Cosmetics (TFDC) Act, No. 1 of 2003 which establishes the Tanzania Food and Drugs Authority (TFDA) and gives it an exclusive mandate to regulate all matters related to the quality and safety of veterinary drugs, biologicals, and medical devices.
- The Industrial and Consumer Chemicals (Management and Control) Act, 2003 mandates the Chief Government Chemist Laboratory Authority (CGCLA) to inspect and certify imported veterinary drugs at the point of entry before they are allowed on the market.
- The Animal Diseases Act of 2003 gives the Director of Veterinary Services (DVS) the overall mandate of regulating livestock activities to control animal diseases in the country. The Act has set requirements and procedures for inspecting, registering, testing, identifying, licensing and regulating movements of animals and animal products. This is one of the acts that regulate poultry breeding farms and hatcheries in Tanzania.
- The Tanzania Meat Industry Act of 2006 mandates the Tanzania Meat Board to regulate all stakeholders involved in the business of producing and trading poultry birds and their products including breeding farms and hatcheries. There is an inadequate regulatory framework in hatcheries and breeding farms.
- The National Livestock Policy (NLP) of 2006 was designed to stimulate the development of the livestock industry to exploit available resources whilst showing due concern for the conservation of the environment. With regards to poultry, the policy objective was to increase the quantity and improve the quality of poultry and its products to satisfy domestic demand, increase export, and promote sustainable poultry production.
- The Animal Diseases (Hatcheries and Breeding Flocks) Regulations of 2010. These Regulations were launched following the global outbreak of the H5N1 avian influenza virus to ensure the quality of chicks sold in the market. The regulations require hatcheries to be inspected and registered formally and hatchery owners to have formally written Standard Operating Procedures (SOPs). They also regulate the production and sale of eggs and chicks through registration and inspection of hatcheries and agents that distribute eggs and chicks.
- The Grazing Land and Animal Feed Resources Act of 2010 provides for the management and control of grazing lands, animal feed resources and trade, and other matters related to animal feeding. It regulates feed manufacturers, importers, and distributors. It also sets standards for different feed resources and ensures no substandard feeds are sold in the market. While the law was passed in 2010, its implementation is still poor as the government is still formulating regulations and training inspectors.

2.3 Current policies and regulations (2011 – to date)

- In Ghana, permits are still required for poultry imports, but the permitting process is not clear, and the use of discretionary permit approval is often non-transparent. Importers of frozen chicken are required to at least purchase 30 % of their orders locally before they can be permitted to import.
- Trade barriers on the importation of poultry meat are still lowered by the Government of Ghana as a result of regional integration and economic liberalization. The ECOWAS Common External Tariff of 35% on imported poultry products was adopted in 2016. Competition from imported poultry meat has depressed broiler bird production in Ghana because the imported poultry tends to be cheaper by 40%. The parts exported are not choice cuts and are considered basically for 'additional' income thus can be disposed of at any price.
- Currently, there is limited regulation on local hatcheries. The Government of Ghana is yet to pass into law a hatchery bill, which will ensure that quality day-old chicks are produced from domestic hatcheries. This law is to ensure that biosecurity and hygiene standards exist in the hatcheries and that the Veterinary Services Directorate has the mandate to regularly inspect these hatcheries.
- Ghana allows the importation of day-old chicks (DOC), hatching eggs, and turkey poultry which is monitored and enforced by The Veterinary Public Health and Food Safety Unit of the Veterinary Services Directorate

(VSD). Imported DOC and hatching eggs must be accompanied by a health certificate (Certificate for Poultry and hatching eggs for Export) issued by a veterinarian authorized by the Government Veterinary Services from the country of origin.

- The poultry feed standards are regulated by the Ghana Standards Authority (GSA) which periodically updates its “Animal Feeding Stuff- Specification for Poultry Feed” with regards to the requirements for poultry feed in respect to layer starter, layer grower, layer, broiler starter, and broiler finisher feeds. The feed mills formulate poultry feed according to these specifications.
- The Budget Statement of 2012 and Budget Statement of 2013 involved the Livestock Development Program which is part of the Government’s effort to boost local production of poultry in Ghana. Around 1,500 farmers in 10 regions would be supported with 30,000 brooded cockerels to enhance their capacity to produce more meat to reduce the nation’s meat deficit and also to increase the income of farmers. To enhance and increase guinea fowl production, 40 enterprises of guinea fowl farmers in 40 districts across the three northern regions were to be supported with 40 incubators.
- Institution of the Medium Term Agriculture Sector Investment Plan (METASIP) 2011-2015 in Ghana whose main strategies for the poultry sector are: develop commercial poultry as a priority for improving meat supply in the short-term while measures are implemented to transform smallholder production into profitable enterprises; Interventions designed to address processing and marketing of livestock and to increase the awareness of food safety and public health; Increase poultry production (including guinea fowl) by 20 % and small ruminants and pigs by 25 % by 2015 through the adoption of improved technologies.

Since 2006, Tanzania has maintained a hardline position on its ban on imports of frozen or fresh chilled chicken and poultry products from all countries. There has also been a ban of poultry meat from neighboring countries including Kenya, Uganda, Rwanda, Burundi, Congo, Zambia, Malawi, and Mozambique since 2016. Additionally, the importation of chicks was banned in 2016 to protect farmers, but because of their acute shortage, fertilized eggs and DOCs (both broiler and layers) have continued to be imported. Due to the differences in the agricultural trade policies in Tanzania mainland and Zanzibar, there is the importation of poultry meat and poultry products in Zanzibar which illegally infiltrates into the mainland. Tanzania has used the ban to protect its poultry farmers from what it sees as unfair competition posed by cheap imports of chicken and to decrease the risk of avian influenza coming into the country through importation.

Tanzania Livestock Modernization Initiative (TLMI) formulated in 2015 had an objective to transform the traditional livestock subsector into a modern, responsive, sustainable and environmentally friendly engine for rural development and improved national health and nutritional standards. The TLMI priority areas for supporting the development of the poultry value chain were: (i) identify key dual-purpose breeds suitable for Tanzania free-range conditions; (ii) rapidly disseminate improved breeds to meet agreed targets of household and commercial operators; (iii) strengthen stock management capacity; (iv) support concentrated delivery of veterinary and extension services; (v) ensure availability of high-quality improved feeds; (vi) facilitate the availability of credit and insurance, and (vii) revise the regulatory framework to facilitate investments in the poultry sector.

The Value Added Tax (VAT) Act, 2014, and Finance Act, 2018 were instituted in Tanzania to exempt imported animal and poultry feeds additives from VAT from July 2018 aiming at reducing the costs incurred by livestock keepers and increase the contribution of the sector to the economy.

The government of Tanzania, through the Ministry of Livestock and Fisheries is mandated to regulate all feed manufacturers to ensure there is correct formulation of all the ingredients required in poultry feed. Other taxes such as a charge on the movement of animal feeds and livestock resources still exist. Feed manufacturers and traders are charged \$2.3 per tonne when crossing districts in the country. Exportation to nearby countries including transfer to Zanzibar is charged at \$22.3 per tonne (BFAP & SUA, 2018).

The Government of Tanzania formulated the import policy in the poultry subsector which relates to the importation of veterinary products, DOCs, poultry meat, eggs, parent stock, equipment, and machinery. The import policy aims at

ensuring that the products that are imported are of high quality and free from diseases and health risks. The importation of veterinary drugs and vaccines has been left to the private sector which has increased access and availability of veterinary services to farmers within the poultry value chain.

The Tanzania Livestock Master Plan was launched in 2019 sets out livestock sector investment interventions which will help Tanzania meet its development targets by improving productivity and total production in the key value chains of poultry, pork, red meat and dairy. The key policy interventions to develop the poultry sector were; 1) Prioritizing poultry investments in genetic improvement by focusing on crossbred and fully exotic chicken, and pure breeds for both family and commercial enterprises, 2) Undertaking investments in promotional activities to change tastes and preferences from beef to white meat, especially chicken and 3) Improving access to land appropriate for grazing, and land for feed production.

3 Poultry population trends in Ghana and Tanzania

Figure 1 posits that there has been a steady increase in the chicken population in Ghana since 2006 with a fall in the population in 2018. Much of this decrease is experienced in the production of broilers and this has increasingly caused chicken farmers to focus more on the production of layers than broilers because of uncertainties and instability in profitability (Ouma *et al.*, 2019). (Data is not available for other kinds of poultry).

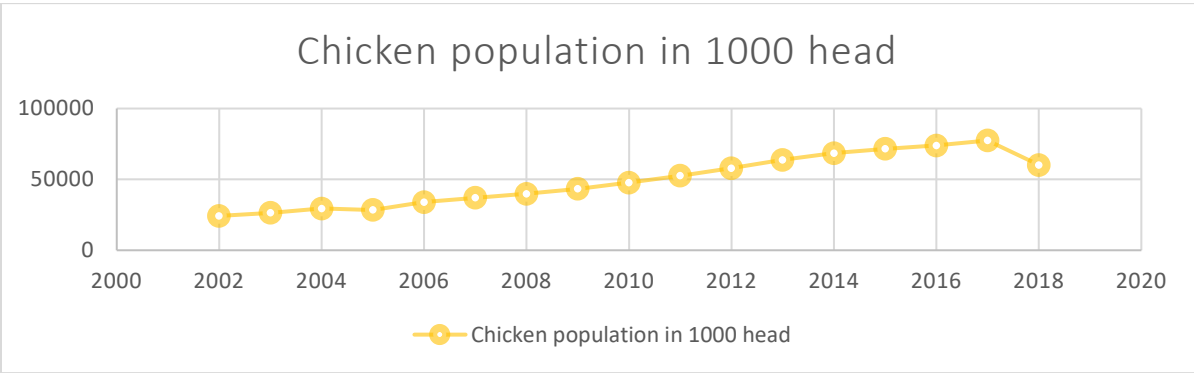


Figure 1. Chicken population in Ghana '000'
Source: FAOSTATS, 2020

Despite increasing chicken poultry trends, poultry production is largely dominated by the commercial layer sector, accounting for 60% of the total poultry population (see Figure 2).

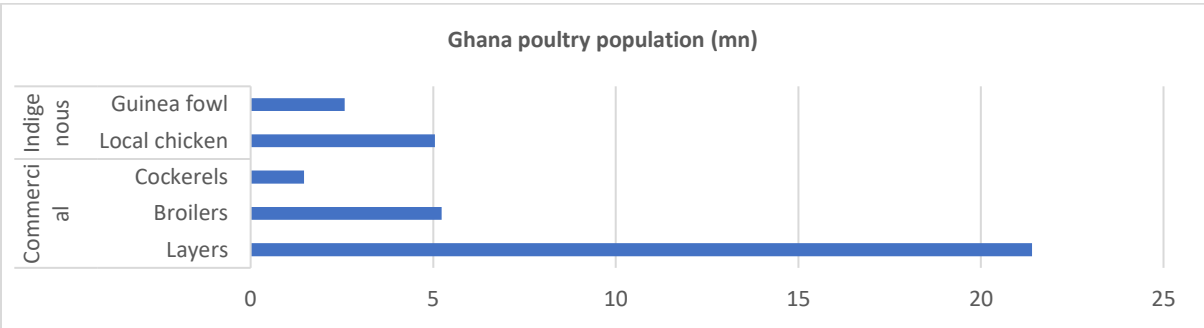


Figure 2. Ghana poultry production by type (2009)
Source: (FAO, 2014) as cited by (Ouma *et al.*, 2019)

Brong Ahafo and Ashanti regions are the highest producing areas for commercial layers and broilers (Figure 3). This is due to their largely transitional and rainforest agro-climate as well as being a high maize production zone thus, providing plentiful and cheap poultry feeds for layers and broilers (Andam *et al.*, 2017). Guinea fowls and indigenous chickens are also significant in the poultry structure of Ghana especially in the Northern and Upper East regions (Figure 3). This is

attributed to the savannah agro-climate and availability of abundant land that favors the free-range production of poultry in these regions (Ouma *et al.*2019). The Northern region is also far away from the coastline where broiler imports land, thus there is low penetration of imported chicken products in this region (Ibid).

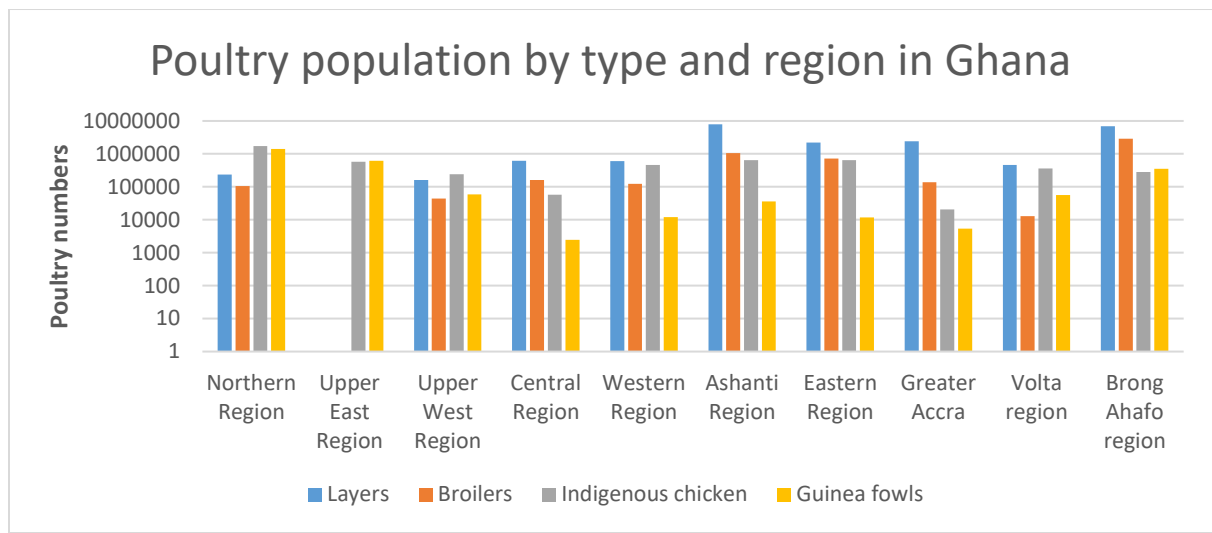


Figure 3. Chicken numbers in Ghana (2009), disaggregated by region
Source: Veterinary Services Directorate, 2010 as cited by FAO (2014)

In Tanzania, the current population of chicken is estimated at 69 million, out of which 54% are indigenous (backyard chicken) and 46% are commercial poultry; comprising 35% broilers and 11% layers (see Figure 4). The indigenous chicken population has been growing at a rate of 2-3 percent over the past years and there is a high preference and demand of this breed by consumers (Ringo and Mwenda, 2018).

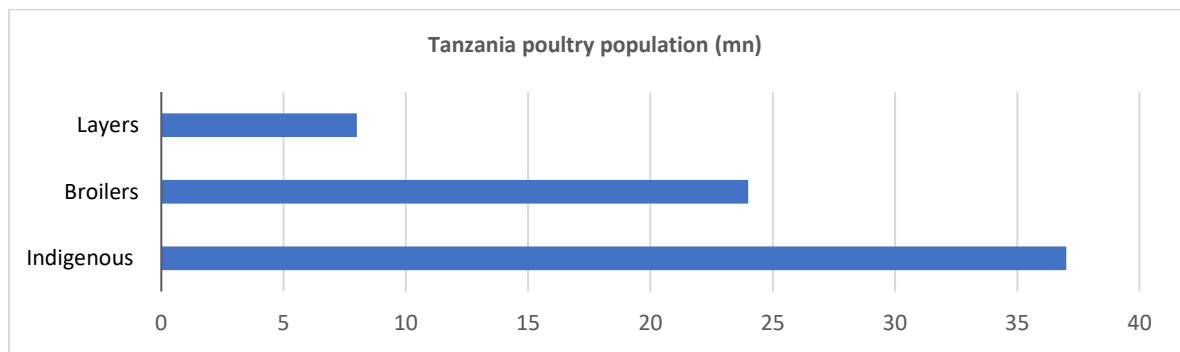


Figure 4. Tanzania poultry population, 2013
Source: As cited by (Ouma *et al.*, 2019)

Tabora and Mbeya regions have the highest number of indigenous chickens of about 2.5 million birds, followed by Shinyanga with about 2.1 million birds; Mwanza and Geita with 2.0 and 1.97 million birds, respectively (Figure 5).

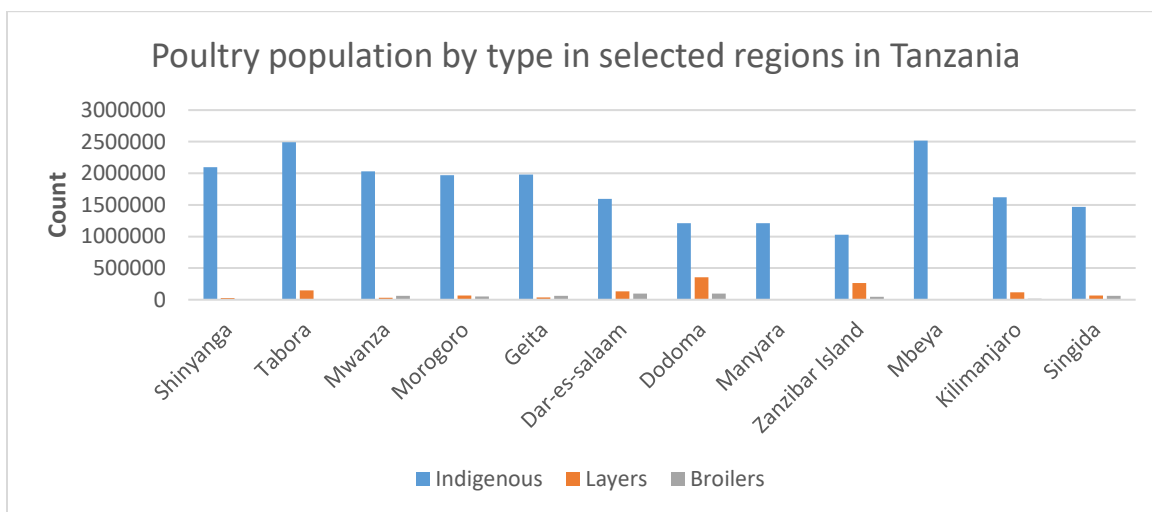


Figure 5. Chicken numbers in Tanzania (2015), Disaggregated by selected regions
Source: Tanzanian National Bureau of Statistics, 2015 cited in BFAP and SUA (2018)

Overall, the chicken population has been increasing steadily over the years as shown in Figure 6. This is attributed to the favourable policy environment that protects domestic production in Tanzania.

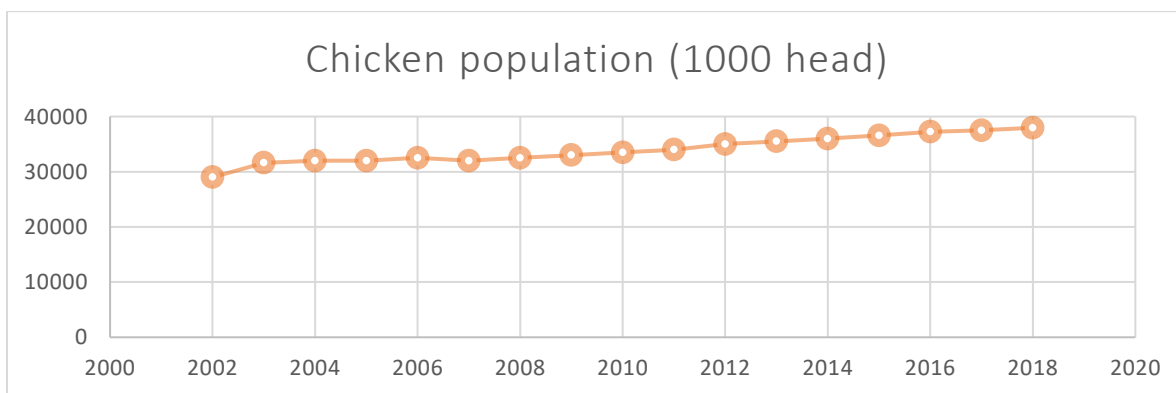


Figure 6. Tanzania Chicken population '000'
Source: FAOSTAT 2020

4 Poultry production trends in Ghana and Tanzania

4.1 Poultry meat and egg production trend in Ghana and Tanzania

Poultry meat production in Ghana increased by 12 % in 2018 from about 5 % in 2014 (Figure 7). However, domestic chicken meat production only supplies less than 20 % of the broiler market demand as the highest percentage is met through imports. There is seasonal demand for local chicken breeds and guinea fowls and this demand is strong during festive seasons. The egg production trend in Ghana has been increasing but there was a decrease in the number of eggs produced in 2018 (Figure 7). Ghana imports large quantities of hatching eggs and day-old chicks from the EU, USA, and Brazil (Ouma et al., 2019).

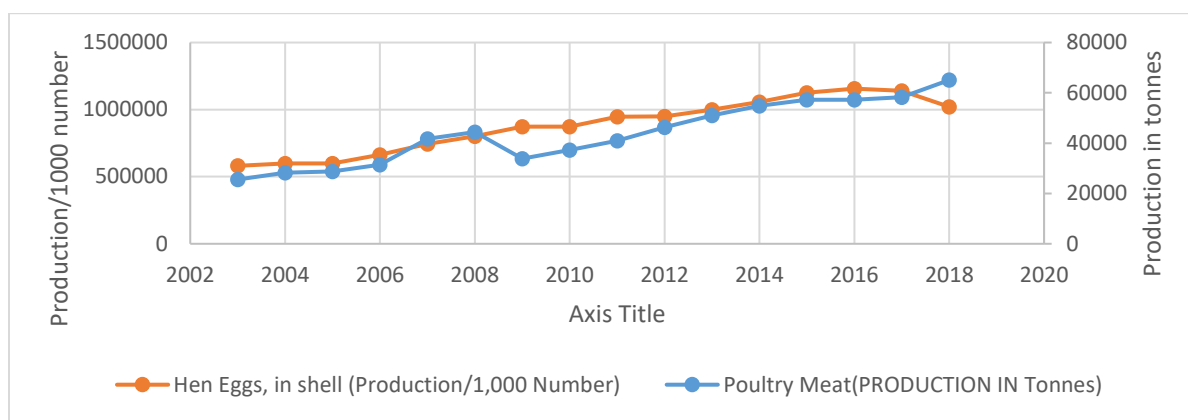


Figure 7. Ghana poultry meat and egg production trend
Source: FAOSTAT 2020

In Tanzania, egg production has been steadily increasing from 2014 to 2018 at a rate of 1.1 % (Figure 8). There is a niche market for fertilized local poultry breed eggs as it is perceived to be particularly nutritious and promotes strength in children (Ouma et al., 2019). Nevertheless, poultry meat production is on an upward trajectory (Figure 8) as a result of increasing incomes and urban populations. This is attributed to the stemming number of large-scale producers who keep dual-purpose chicken for both egg and chicken meat as well as increasing demand for local and dual-purpose chicken breeds.

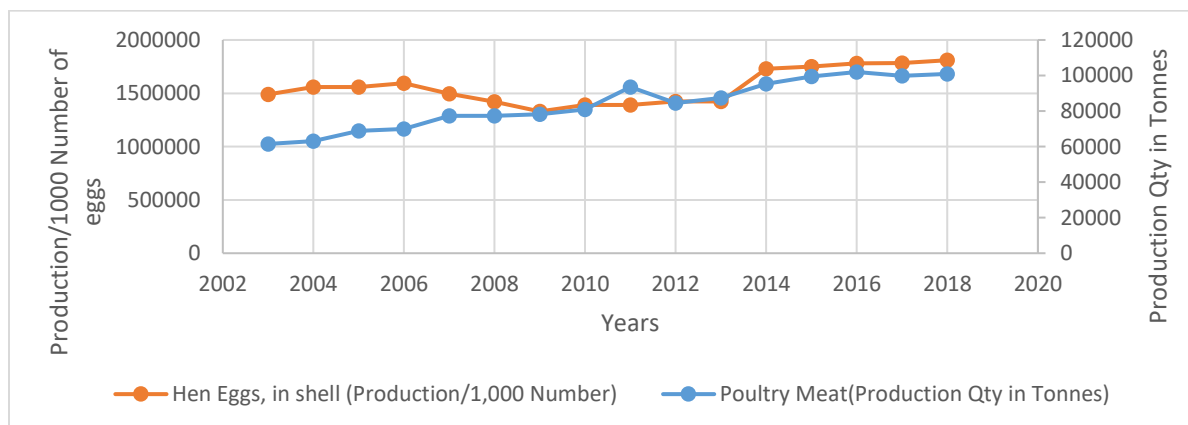


Figure 8. Tanzania poultry meat and egg production trend
Source: FAOSTAT 2020

5 Imports and exports trends in Ghana and Tanzania

5.1 Imports and exports trends for poultry meat and eggs in Ghana

The highest percentage of chicken meat consumed in Ghana is imported from middle to high-income countries like the USA, Brazil, and some European countries. There has been an increase in chicken meat imports since 2016 from 93,108 MT to about 222,000 MT in 2018 (Figure 9). There is a high demand for these imported chicken parts in large cities such as Accra and Kumasi because of their convenience and cheap prices (Ouma et al., 2019). These cities are also close to the coastline making it easier for the imports to penetrate the market.

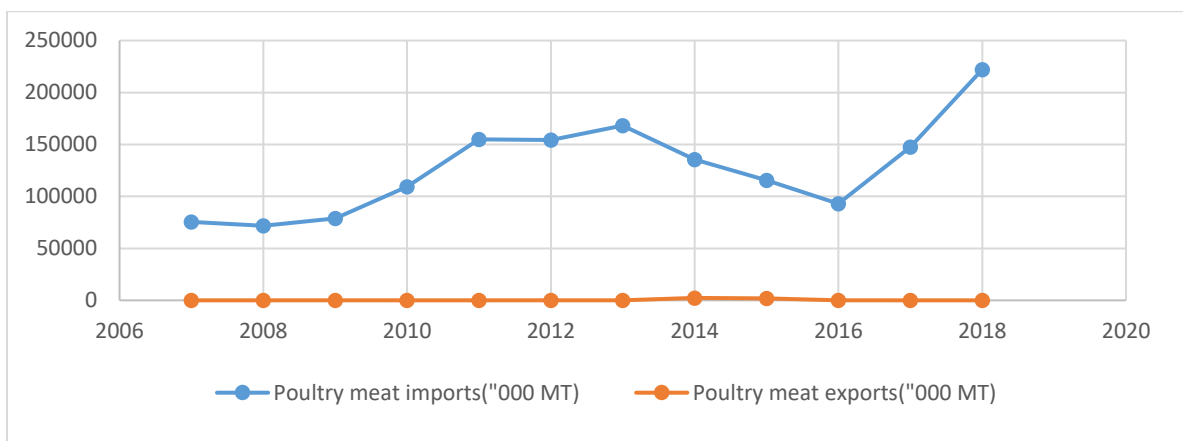


Figure 9. Ghana imports and exports trend for poultry meat
Source: FAOSTAT 2020

In contrast to the poultry meat sub-sector, Ghana mainly exports eggs to Benin, Burkina Faso, and Niger. However, since 2016, there has been no exportation of eggs (Figure 10). This could be attributed to growing demand for eggs domestically due to an increase in income levels and dietary preference by Ghanaians. On occasions when there is low supply of eggs locally, Ghana imports from Côte d'Ivoire, and they are sold through the Dormaa-Ahenkro district in Brong Ahafo region, typically in April–May (Andam et al., 2017).

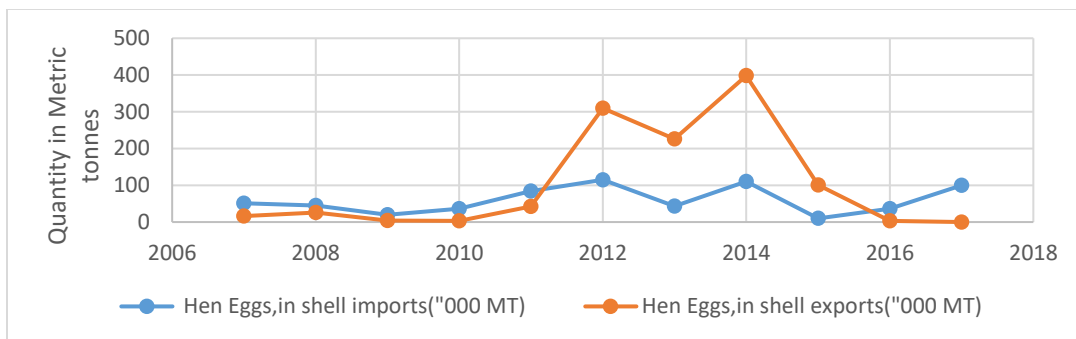


Figure 10. Ghana imports and exports trend for hen eggs in the shell
Source: FAOSTAT 2020

5.2 Imports and exports trends for poultry meat and eggs in Tanzania

Poultry meat imports rose from 72 tonnes in 2010 to about 1519 tonnes in 2016 (Figure 11). Tanzania hardly exports eggs nor poultry meat (see, Figure 11 and 12). Although the import share of the total market is small probably due to the import ban in Tanzania mainland, most of the imports to Zanzibar penetrate the mainland through informal channels which have translated to an increase of about 50% of the total import volume in the last 15 years. By type, the largest share of poultry imports is whole chickens, followed by chicken and turkey cuts.

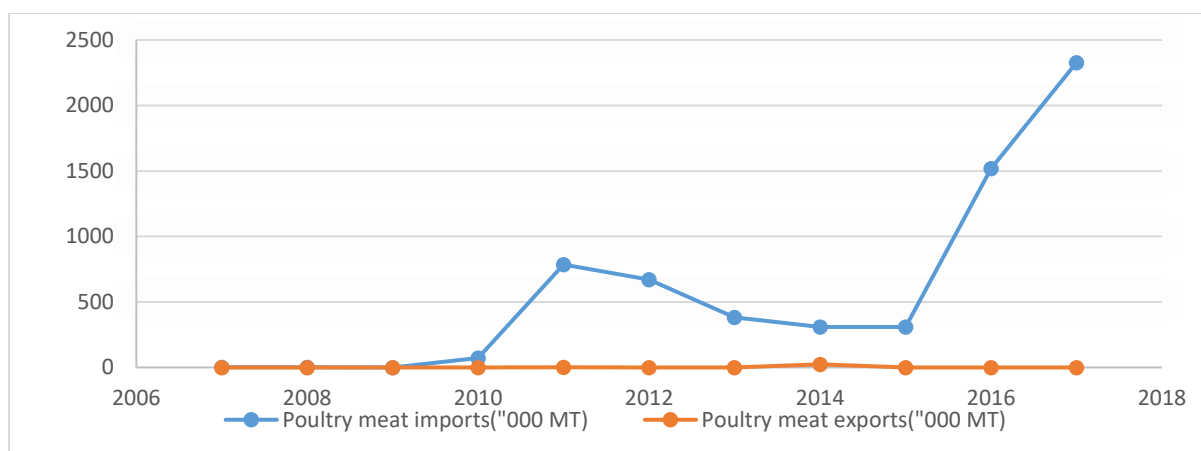


Figure 11. Tanzania poultry meat imports and exports trend

Source: FAOSTAT 2020

The importation of eggs was high between 2010 and 2012, then a gradual reduction to the current zero importation of eggs due to the ban on imported poultry meat and products in Tanzania in 2016 (Figure 12).

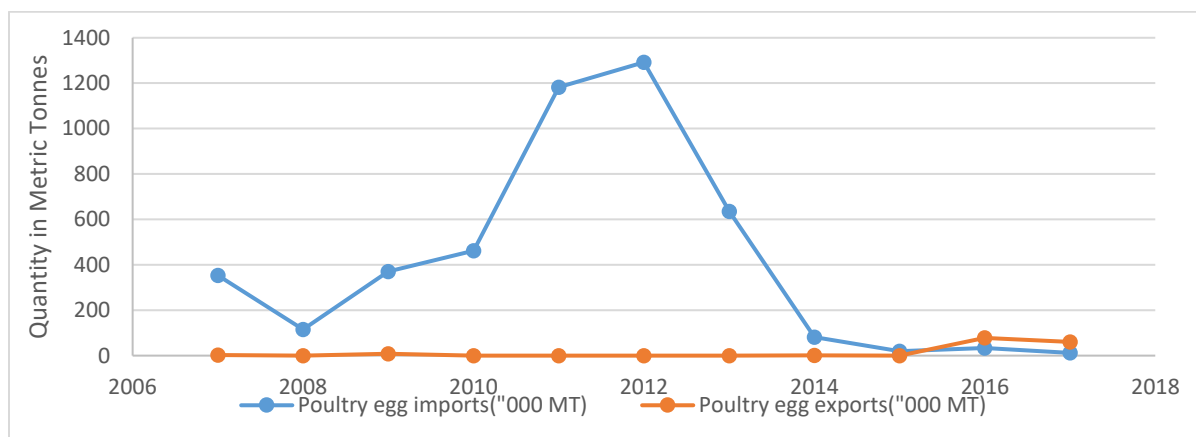


Figure 12. Tanzania hen eggs in shell import and export trend

Source: FAOSTAT 2020

5.3 Feed Imports in Ghana and Tanzania

In Ghana, maize and soya are the main ingredients for poultry feed and are either locally produced or imported. White maize is locally produced while yellow corn, soybean meal, fish meal, and vitamin-mineral premixes used in feed production are imported (See Table I). Figure 13 shows the trend of importing yellow corn in Ghana.

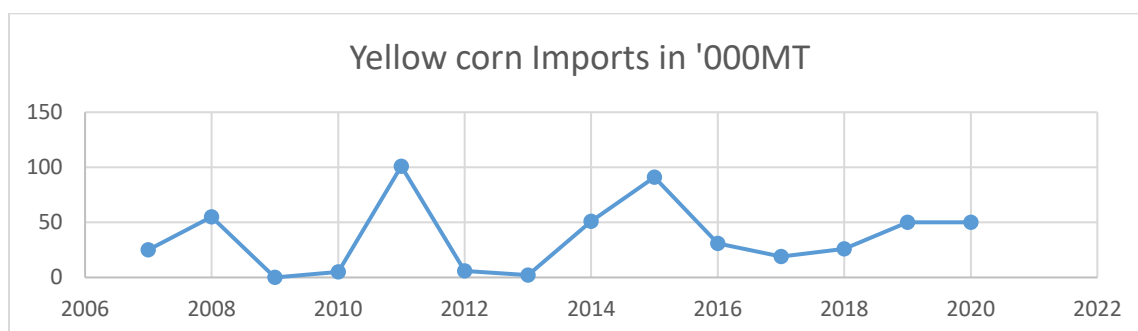


Figure 13. Ghana yellow corn imports

Source: Index Mundi 2020

Table 1. Imported feed ingredients in '000' MT in Ghana

Feed ingredient	2010	2011	2012
Soybean	316	16,924	51,817
Concentrate	9,058	5,515	41,954
Fishmeal	10,639	12,624	38,880
Pre-mix	672	1,030	6,136

Source: FAO 2014

In Tanzania, the main source of energy in poultry feeds is maize which is locally produced. Other feed ingredients like soybean meal are mostly imported from India, Zambia, and Uganda (BFAP, 2018). There are no or a limited number of premix manufacturers in Tanzania thus these concentrates are imported mainly from Kenya and South Africa. The trend of soybean meal, weight imported, and the import value in Tanzania are shown in Figures 14 and 15.

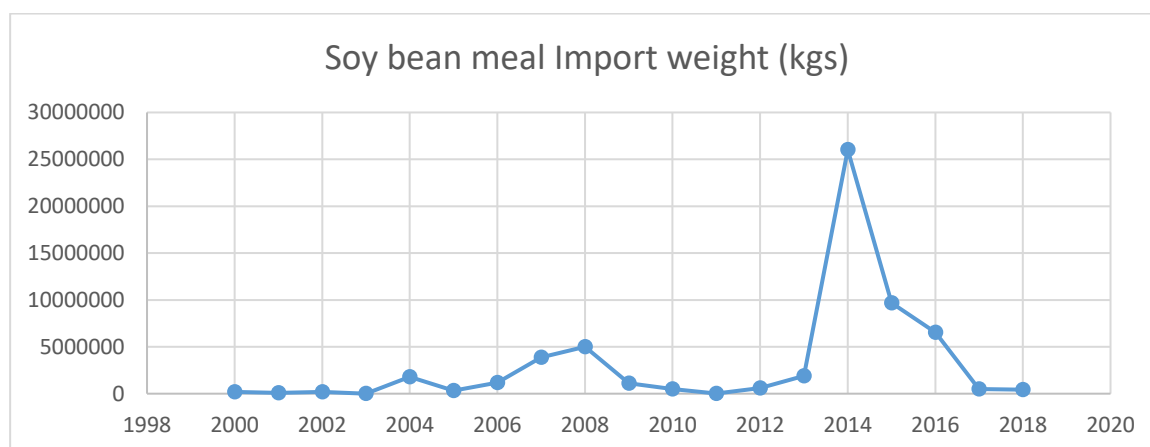


Figure 14. Soybean meal import weight (Kgs) in Tanzania

Source: Tilasto (commodity trade statistics database) 2020

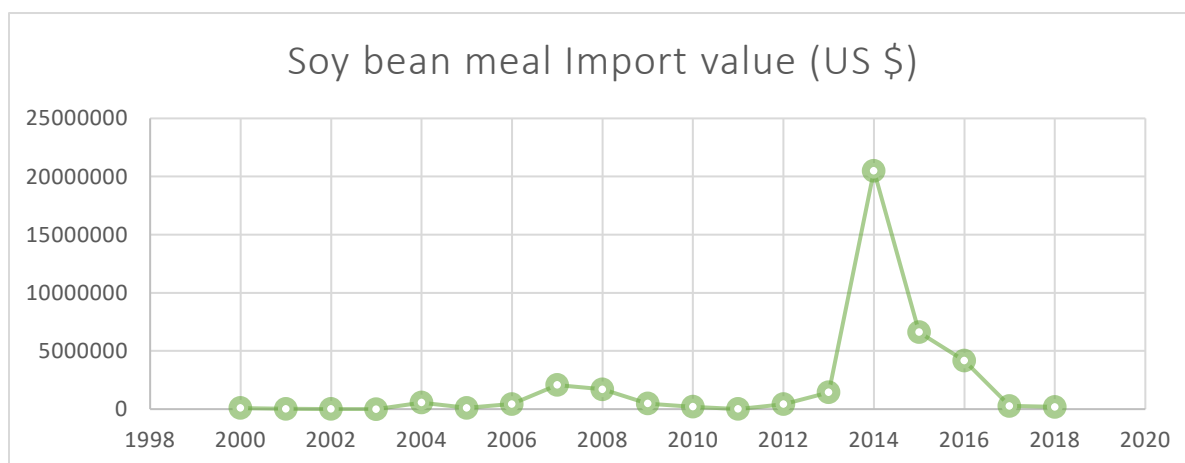


Figure 15. Soybean meal import value (US\$) in Tanzania

Source: Tilasto (commodity trade statistics database) 2020

6 Discussion

Domestic production of chicken meat in Ghana is low with a bulk of the chicken meat supply being imported compared to Tanzania. This is because the Government of Ghana maintains that it is necessary to sustain poultry imports not only to conform to international trade regulations but also to give Ghanaians access to affordable sources of animal protein (Schneider *et al.*, 2010). Poultry importation in Ghana has also increased due to the dropping of trade barriers as a result of regional integration and economic liberalization. Additionally, domestic producers are unable to meet the increasing consumer demand because of structural constraints such as difficulties securing low feed costs, equipment, and financing to efficient production. The government of Ghana has also embarked on a national eggs campaign dubbed “Egg-cite your day” to encourage Ghanaians to eat an egg a day (Njiru *et al.*, 2020). Competition from imported chicken meat has depressed broiler bird production in Ghana because the imported chicken parts tend to be 30-40% cheaper than locally produced chicken (Ashitey, 2017). Most chicken imports are in the form of parts such as thighs and the back and come from the USA, EU, and other countries where such parts are considered low value once the choice parts, particularly chicken breasts and wings are sold off and production costs recovered. The alternative market is making pet food from these chicken parts, but the African importers offer higher prices for them. Moreover, poultry production in developed countries is highly subsidized by the government thereby making the final products cheap. The average gross margin/bird is GHC 9.2 (\$1.6) and the price of a broiler is GHC 45 (\$7.8) vis-à-vis the price of a Kg of import broiler of GHC 12 (\$2) (Ibid). This as well as the production inefficiencies faced by Ghanaian broiler enterprises renders locally produced broilers uncompetitive.

The Government of Tanzania banned the importation of chicken meat and poultry products to protect its poultry farmers from what it sees as unfair competition posed by cheap imports of chicken. The import ban was imposed as an intervention due to an outbreak of avian influenza in 2006 (Msami, 2008). However, the import share is increasing marginally due to the illegal importation of chicken meat into Zanzibar which infiltrates to the mainland through informal channels (BFAP and SUA, 2018). This is as a result of the differences in agricultural trade policies between Zanzibar and Tanzania mainland. Unlike Ghana, Tanzania does not import dumped poultry pre-cut parts but only imports whole chicken (BFAP and SUA, 2018).

To boost domestic production, the current Ghanaian government removed customs duties on poultry inputs (feed, additives, drugs, and vaccines). However, feeds are still expensive most especially maize which is the major ingredient in the poultry feed. About 30 percent of the total maize produced is used in poultry feed production. There is, therefore, competition between human consumption and poultry feed production. In Tanzania, the feed industry is protected through the removal of VAT on domestically manufactured feeds. However, the feed industry still faces significant challenges such as the high cost of feed and low production of other feed ingredients like soybean meal.

7 Conclusion

In Ghana, there has been an increase in the importation of frozen chicken meat over the years because of fewer trade barriers imposed by the government. Consumers in Ghana particularly in large cities like Accra prefer pre-cut chicken parts because they are cheap. This demand is met through the frozen chicken part imports. These cheap poultry imports have stripped domestic broiler producers' ability to survive in the broiler industry. Increasing the trade barriers would reduce imports and thereby increasing the local retail prices for imported chicken and thus encouraging local broiler production. The layer sector is seen to be thriving because of less competition in the market compared to the broiler sector in Ghana. Interventions that reduce production costs, particularly in feeds would further improve the margins and enable Ghana to have a greater comparative advantage in egg production.

There are no existing policies that regulate hatcheries in Ghana as most are in drafts yet to be passed into law. This has led to the production of poor-quality day-old chicks leading to increased importation of better-quality DOCs. Therefore, passing laws to regulate local hatcheries would improve the quality of locally produced DOCs reducing reliance on importation.

Further, the increase in the supply of indigenous breeds in Ghana offers an opportunity for domestic supply as they are preferred for food and religious purposes mostly in the festive seasons. This can be enhanced through government support to farmers in accessing finance, inputs, training on proper poultry husbandry and disease control, and veterinary services. Additionally, there is increased production of guinea fowls in the former Northern, Upper East, and Upper West region of Ghana (before they were split up in 2019). This can translate to improved livelihoods and nutrition through sale and consumption of the birds. Given the climatic conditions that favors their production, more interventions can focus on increasing access to day-old chicks. Guinea fowls are known to be poor brooders, therefore, technical support in training and strengthening farmers' capacity in brooding chicks and proper husbandry management techniques tailored to suite their natural behavior can lead to further expansion of the sub-sector.

In Tanzania, the government has put in place measures aimed at enhancing and protecting the domestic poultry industry by imposing an import ban on poultry and poultry products from countries whose sectors are heavily subsidized and thus, have lower production costs. However, despite having policies and strategies that support the poultry sector, implementation and enforcement is still lacking. For example, the land acquisition policies for chicken feed production have not been implemented considering the significant potential for growth.

There is potential for growth in the production of indigenous and dual-purpose chicken breeds in Tanzania. This has been fuelled by the increased demand and preference for these breeds. This is a result of a growth in the middle-income class and an increase in disposable incomes. In order to tap this potential, there is need for technical support to farmers in accessing quality veterinary services and increase farmers capacity in production and marketing of the birds. Increasing access to extension through innovative platforms such as mobile phone extension messaging can improve farmers' knowledge and practices.

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