

## Agribusiness in ruminant value chains in Africa RISING Ethiopia districts

Results of rapid assessment surveys conducted in 2014 indicate that the production and sale of large and small ruminants is a common practice in the 4 Africa RISING sites, even though magnitudes differ, since the number of animals also differ by district. This brief reports the results of the Africa RISING rapid agribusiness assessment study conducted under the leadership of CIAT and ILRI in 2014.

Large ruminants for slaughter are sold to hotel restaurants with or without butchery facilities, butchery restaurants and consumer groups, who jointly purchase animal(s) during religious and cultural festivals. Some of the butchery restaurants sell part of the (beef) meat to outside customers. Private traders also act as intermediaries for these institutional consumers. Slaughtering services for large ruminants are provided in all district by abattoirs, who charge between Ethiopian Birr 50 to 182/animal. Sampled traders in 3 districts also reported sales of animals outside the district.

Trade for small ruminants follows similar patterns but producers and traders also sell directly to individual consumers. Hotel-restaurant with butchery services and

Table 1. Population of oxen/bulls and small ruminants in Africa RISING Districts

	Endamehoni	Basona Worena	Lemo	Sinana
Total oxen/bulls	61,557	48,360	32,829	96,598
Sheep	59,333	133,521	26,609	47,621
Goats	48,441	49,414	21,823	11,006

Source: Woreda statistics 2013

butchery-restaurants tend to slaughter sheep and goats themselves. The Basona abattoir also provides slaughtering services for small ruminants. As for large ruminants, sampled traders in 3 districts also reportedly sell small ruminants outside the district.

Average purchase prices paid by traders in 2014 for small ruminants were around ETB 823, while sales prices were around ETB 929. Large ruminants purchase prices averaged ETB 7,674 and sales prices averaged ETB 8,669. Sale prices ranges averaged ETB 514 for small ruminants and ETB 4,481 for large ruminants. Likely causes for such wide margins are a reflection of the variation in the type of animal sold (age, condition) and season. On average the sales margin (%) for small ruminants was higher than for large ruminants.

Table 2 Sales prices, margins and price ranges for traded animals in Africa RISING districts

District	Small ruminants			Large ruminants		
	Sales	Price range	Margin %	Sales	Price range	Margin (%)
Endamehoni	992	517 (52%)	21	6217	3233 (52%)	11.3
Basona	840	608 (72%)	7	10196	8525 (84%)	3.8
Lemo	995	530 (53%)	16	7783	2833 (36%)	6.7
Sinana	890	400 (43%)	8	10480	3333 (32%)	8.3
Average	929	514 (56%)	13	8669	4481 (52%)	8

Source: Africa RISING rapid value chain study reports 2014.

Considerable variation was also observed in the weekly number of animals traded during peak and low demand seasons. On average only 39% of the small ruminants are traded each week during the low demand periods (fasting periods) as compared to peak demand periods (cultural and religious festivals). The difference is slightly less for large ruminants, i.e. 47%

Seasonal differences in prices were also observed with lowest prices being 65% of highest prices for small ruminants and 73% for large ruminants. These price differences are in part explained by the differences in demand, but also as a result of supply.

## Recommendations

To upgrade/improve the performance of the ruminant value chains, particular attention needs to be paid to emerging markets/demands.

While traditionally emphasis was on the sale of older animals, data from Sinana suggest that there is also a market for younger animals – the average age of small ruminants for slaughter was between 0.5 – 1 year (other sites mostly > 1yr) and large ruminants for slaughter was 3 – 4 years (other sites mostly > 6 years).

These potential local and international market (demand) opportunities should be explored further, and when identified, be linked through contracts between traders or institutional consumers and village marketing groups which

produce animals for such “niche” markets. To meet such demands, advanced methods of year round production with advanced feeding should be introduced, taking into consideration the availability of natural resources.

The study suggests that individual consumers mostly consume their beef in butchery restaurants, rather than at home. Demand for beef for home consumption should be explored to stimulate the development of the beef value chain further.

Finally involvement of the private sector in operating abattoirs for slaughtering services – as demonstrated in Basona Worena – could boost food safety/meat quality.



Fattened Arsi oxen. Photo credit: ILRI\Dirk Hoekstra

The Africa Research In Sustainable Intensification for the Next Generation (Africa RISING) program comprises three research-for-development projects supported by the United States Agency for International Development as part of the U.S. government’s Feed the Future initiative.

Through action research and development partnerships, Africa RISING will create opportunities for smallholder farm households to move out of hunger and poverty through sustainably intensified farming systems that improve food, nutrition, and income security, particularly for women and children, and conserve or enhance the natural resource base.

The three projects are led by the International Institute of Tropical Agriculture (in West Africa and East and Southern Africa) and the International Livestock Research Institute (in the Ethiopian Highlands). The International Food Policy Research Institute leads an associated project on monitoring, evaluation and impact assessment.

Prepared by: Dirk Hoekstra, Mohammed Ebrahim, Temesgen Alene, Addisu Asfaw, Workneh Dubale

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