



USAID Hub Livestock Trade Facilitation

Background

Livestock trade in the East Africa region is plagued by various challenges including, but not limited to, inadequate producer/trader and terminal market linkages, ambiguous policies and administrative actions, occasional border closures, restrictive trade practices, and a range of informal taxes that amount to a major percentage of marketing transaction costs. It is also dominated by a long chain of middlemen, each of whom takes a share of the producers' potential earnings.

The USAID East Africa Trade and Investment Hub (the USAID Hub) partnered with the International Livestock Research Institute (ILRI) and Partnership for Resilience and Economic Growth (PREG) partners to hold livestock trade facilitation (business-to-business) forums in four Kenyan counties that promote more efficient trade between livestock buyers and sellers. The forums provide an accessible platform for producers as well as traders who source livestock from various counties and regional countries such as Ethiopia, Somalia and Uganda.

Objectives

- To promote the efficient trading of livestock in the Eastern Africa region focusing on the livestock trade routes.
- To create a platform for knowledge sharing and networking among livestock actors to increase trade in livestock and livestock products.

- To understand and improve the policy, investment and market conditions for livestock production and trading by creating a platform to discuss the major issues affecting the sector.

Expected Outcomes

- Livestock producers and traders secure viable markets through B2B linkages/signed livestock trade deals.
- Deeper understanding of the prevailing livestock trade constraints, initiatives, and actions to be taken/being taken by governments and other stakeholders.

Outcomes for B2B Forums



27,957

number of livestock traded during the **B2B** forums.

\$7,182,023

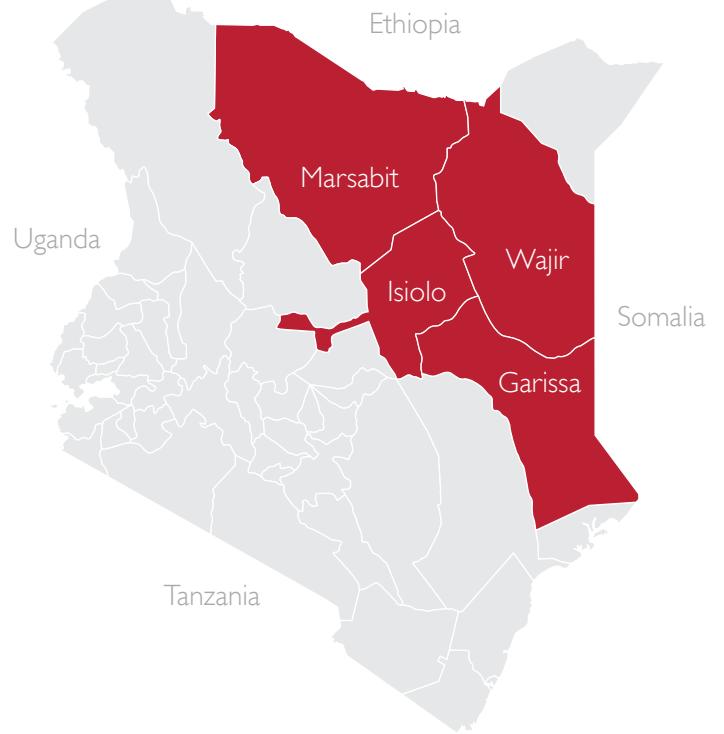
value of commitments in livestock trade.



LIVESTOCK B2B

LOCATION	NO. OF ANIMALS	VALUE (\$)
MARSABIT	5,373	406,773
WAJIR	3,948	783,368
ISIOLO	3,821	891,058
GARISSA	14,815	5,100,824
		27,957 Animals
		\$7,182,023 value of commitments

South Sudan



Livestock Sector's Economic Importance

Over 50 percent of Africa's livestock is located in the East Africa region. The region is home to approximately 107.2 million herd of cattle, 178.8 million herd of small ruminants, 11.3 million herd of camels and 4.4 million herd of pigs. The livestock sector is one of the key agricultural sub-sectors accounting for approximately 40 percent of the agricultural gross domestic product (GDP) in Ethiopia and Kenya and nearly 20 percent in Uganda. Rural households are dependent on this sector with about 60 to 80 percent keeping livestock to supplement their food needs as well as their household income.

In Kenya over 70 percent of the national livestock herd, including camels and donkeys, is kept in the Arid and Semi-Arid Lands (ASALs). This sector employs about 90 percent of the 7 million people in the ASALs and contributes to 95 percent of family income. With such a great impact on the economy, the livestock sector has a high potential to contribute to economic growth if ASAL traders continue to improve their practices and reach more traders within Kenya and neighboring countries.

40%



of agricultural GDP in Ethiopia and Kenya and nearly 20% in Uganda.

60% - 80%



rural households dependant on livestock for supplementary food and income.

B2B SNAPSHOTS

Marsabit County

Enthusiastic traders from several counties in northern Kenya and from across the border in Ethiopia joined a livestock trade facilitation forum in Marsabit, Kenya on May 9. The USAID Hub and ILRI organized the livestock trading platform as a means to efficiently draw traders together from the ASAL regions and make market linkages. "I am so happy that for the first time Ethiopian traders are able to sit down with Kenyan traders to speak the same language: trade," said an Ethiopian trader. By close of business, participating livestock buyers and sellers signed contracts for a total of 5,373 livestock at a value of \$406,774.



"Traceability is my number one gain from the forum. I am now able to identify the origin of my products. I have also gained direct trade linkages to suppliers enabling me to cut my business costs significantly. I'm now able to buy 50 goats per day seamlessly to run my business!" said **Peter Mbugua**, a businessman from Thika, Kenya.

Wajir County

Livestock traders from northern Kenya, Ethiopia and Somalia were excited to join a livestock trade facilitation forum in Wajir, Kenya, on September 20, the second in a series of forums. Approximately 3,948 livestock at a value of \$783,368 were signed in commitments by participating buyers and sellers. Held in partnership with ILRI and in collaboration with PREG partners, the event facilitated market information dissemination and business linkage creation for increased livestock trade and resiliency of communities living in the ASAL regions. "I have been a livestock trader for over eleven years. I buy livestock from Garissa and sell in Kisumayo, Somalia. I am happy to be in Wajir today because this has created a new market for me. I now have connections in Moyale and even Marsabit," said an excited Ebrahim Nuno, livestock trader from Somalia.



"I buy livestock from Wajir and Garissa regions and sell in Nazaret market in Ethiopia and I later export some of the meat outside the country. This forum has helped a lot. Sitting down with these traders has enabled me to learn from the experiences of my fellow traders. I have learned a lot and made several beneficial trading agreements," said **Abduba Halake**, livestock trader from Ethiopia.

B2B SNAPSHOTS

Isiolo County

Nearly eighty participants attended the Isiolo Livestock Facilitation Forum on October 31. From the trading session, 80 deals worth \$891,058 were committed for 3,821 animals comprised of cattle (53 percent), shoats (43 percent) and camels (4 percent). Various service providers also participated in the forum, including Equity Bank, National Bank, Takaful Insurance and the Greenmeal Feed Company, with the aim to create linkages between traders and business service providers in the livestock sub-sector. The Isiolo forum was the third in a series of trade facilitation forums organized by the USAID Hub, ILRI and PREG members. They were designed to build on the existing interventions by various partners by creating business liquidity through increased trade. The forums are geared towards providing a formalized trading platform and networking opportunity so as to build trust that can contribute to greater market linkages and livestock trade.



"Due to the interactions accorded by the B2Bs, I have been able to build trust with their traders with some even accepting payments on later dates after purchase. In fact, as we speak I am waiting for some livestock from Wajir as a result of the recently concluded B2B forum," said **Mohammed "Kalicha" Wario**, Isiolo Livestock Market Association Secretary.

Garissa County

Livestock traders made over \$5 million in trade commitments in Garissa, Kenya – the largest total yet for a livestock trade facilitation forum organized by the USAID Hub in partnership with ILRI and PREG members. The Garissa livestock market extends over 5.38 acres, making it one of the largest markets in East and Central Africa. Hundreds of livestock traders from Kenya, Ethiopia and Somalia stream into the market each morning with their cattle to trade over 5,000 animals daily. The animals flow to feeder markets like Bambala, Modogashe and Ijara and other terminal markets including Nairobi, Thika, Mombasa, Kirinyaga and Mwea. "I have just bought sixty-six bulls from an Ethiopian seller and I plan to transport them back to my farm by the end of the day," said an excited livestock trader from Kirinyaga County, Kenya. More than eighty participants attended the Garissa Livestock Trade Facilitation Forum on November 29, where buyers and sellers made 88 trade deals worth \$5,100,824 for 14,815 animals comprised of cattle (72 percent), shoats (27 percent) and camels (1 percent). This forum brings the total value of commitments facilitated by the USAID Hub livestock B2Bs to over \$7 million.



I doubled my business income as a result of the connections made during the Marsabit and Isiolo B2B forum," said **Zeinab Abraham**, a woman trader from Isiolo County.

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