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Understanding recent prices increases of animal-source foods in Myanmar

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Key Findings

- Rapid modernization of the livestock sector, driven by substantial foreign direct investment in the animal feed industry during the 2010s, enabled the rapid expansion of low-cost chicken and pig production in Myanmar. This, in turn, contributed to a significant rise in the consumption of animal-source foods (ASF) across the country.
- This growth has been interrupted in recent years. It is estimated that over the past five years, commercial feed and chicken/pork production have declined by an estimated 20–25 percent, partly due to reduced consumer purchasing power.
- The livestock sector now faces mounting new challenges. Stringent import restrictions have disrupted inputs essential for modern production systems. This is especially problematic for the animal feed sector. While domestic alternative ingredients are being tested, they are less efficient and more costly.
- Additional disruptions from earthquakes, conflict, and animal diseases have further constrained livestock production.
- These supply constraints have led to rapidly rising ASF prices in the country, with significant implications for consumption.

Recommended Actions

- Modern livestock systems depend heavily on international trade to maintain the availability of affordable animal-source foods (ASF) in domestic markets. Easing current import restrictions is crucial to support this vital sector and ensure consumers have access to diverse and low-cost diets.
- In the medium term, greater investment and research and development (R&D) are needed to scale up the production of high-quality domestic feed supplies, thereby reducing the livestock sector's dependence on imports.

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Introduction

The livestock sector in Myanmar represents a significant component of the national economy, contributing approximately 6 percent to the country's GDP. Beyond its economic role, the sector provides critical livelihood opportunities for rural households and underpins the supply of animal-source foods (ASF), which are essential for enhancing dietary diversity and nutritional outcomes. A resilient and efficiently functioning livestock sector also generates important multiplier effects, contributing to poverty reduction, employment creation, and overall economic growth (Diao et al. 2024). This note summarizes recent structural and market developments in Myanmar's livestock industry and examines their implications for ASF price dynamics.

Data

This note draws on multiple data sources. First, we use data from the Myanmar Household Welfare Survey (MHWS), a survey representative at the national, state/region, and urban/rural levels. The analysis covers eight rounds of data collected between 2022 and 2024. Second, we incorporate price information compiled from various secondary sources. Third, we draw on qualitative insights obtained through interviews with key stakeholders engaged in the livestock sector.

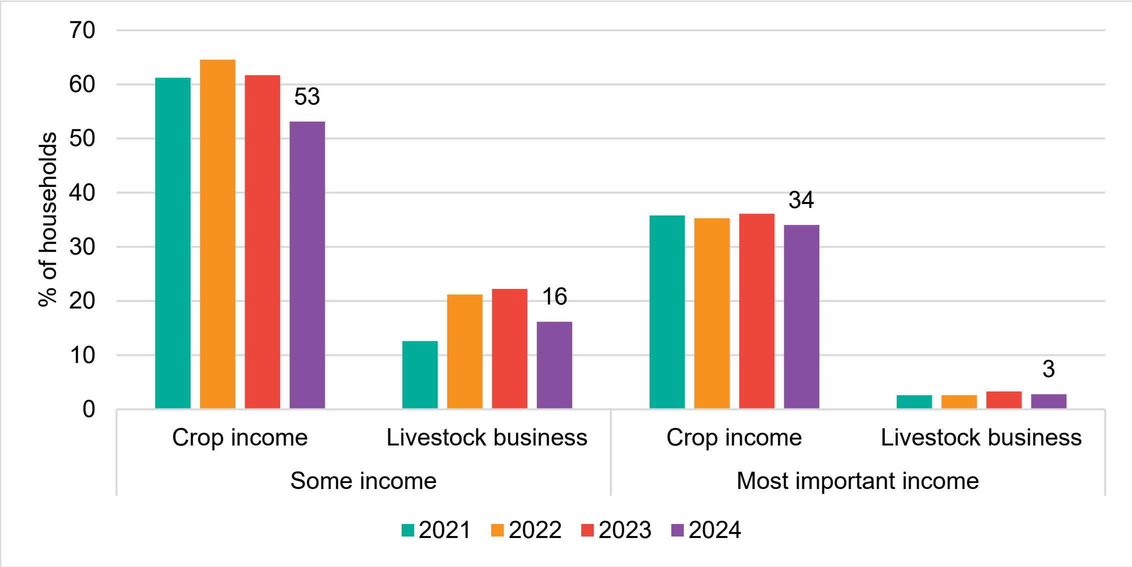
Background: Livestock Sector

Substantial foreign investment in Myanmar's animal feed sector during the 2010s played a pivotal role in modernizing and expanding the country's commercial livestock industry, thereby stimulating overall sectoral growth. Following the liberalization of agricultural markets in the 2010s, several international companies—including CP (Thailand), De Heus (Netherlands), New Hope (China), CJ Feed (South Korea), and Sun Jin (South Korea)—made significant investments in Myanmar's feed industry (Belton et al. 2020). Although the sector has contracted over the past five years, most of these firms remain active. Only one investor, CJ Feed (Korea), has recently suspended its operations in the country.[1] Alongside these foreign investments, domestic firms have also expanded their presence, collectively driving substantial structural transformation and scaling up production capacity. As a result, real chicken meat prices declined by 29 percent and egg prices by 36 percent between 2008 and 2017 (Belton et al., 2020), contributing to a marked increase in ASF consumption nationwide (Mahrt et al., 2024).

While livestock production serves as an important source of household income in Myanmar, its economic significance remains considerably lower than that of crop agriculture. Based on data from the MHWS, it is estimated that between 33 and 44 percent of households in Myanmar owned some form of livestock during the 2022–2024 period. To assess the relative importance of different income sources, households were asked in different MHWS rounds whether they had earned any income from specific sectors in the three months preceding each survey round, as well as which sector constituted their primary source of income. The results, presented in Figure 1, indicate that 16 percent of households reported earning some income from livestock activities in the three months prior to the MHWS interviews. When asked to identify their main income source, 3 percent of households cited livestock production. Thus, while livestock remains an important source of household income in Myanmar, its contribution is substantially smaller than that of crop agriculture. This pattern is consistent with findings from more detailed income surveys conducted in 2017, which showed that livestock accounted for 8 percent of total income of producing households, compared to 86 percent from crop production (Belton and Fang, 2024).

[1] https://www.rfa.org/english/news/myanmar/economy-foreign-investment-08212024203659.html

Figure 1. Households earning income from crops and livestock in Myanmar, 2021 - 2024 (3-months before survey)



Source: Author's calculations based on MHWS data.

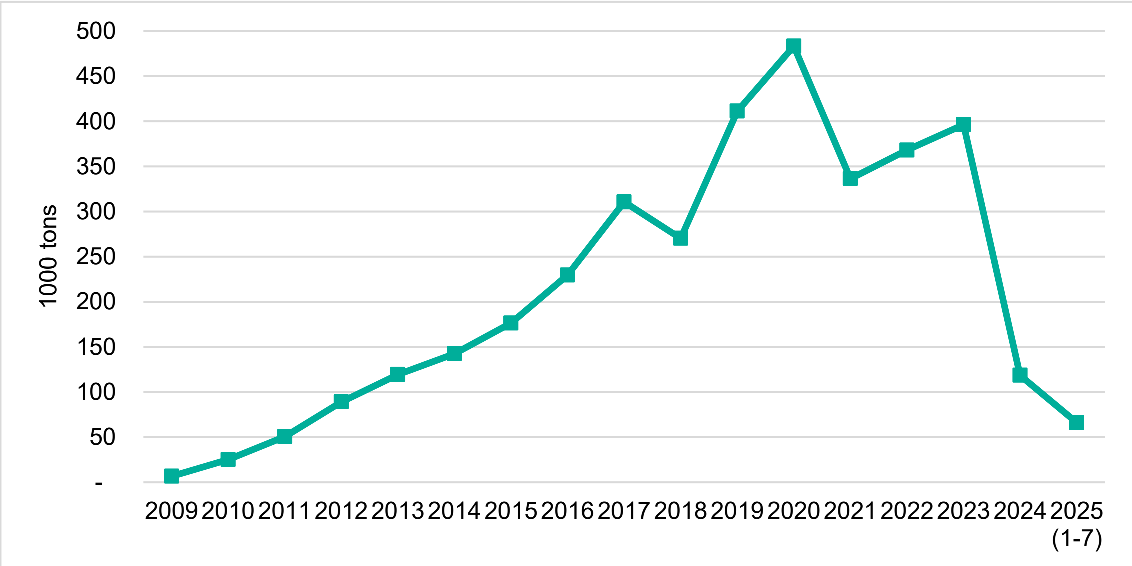
Recent developments

Since 2020, the commercial animal feed sector is estimated to have contracted by 20–25 percent. Stakeholders report significant declines in recent years, driven by both demand- and supply-side factors. On the demand side, real household incomes have fallen sharply over the past three years (Tauseef et al., 2025; World Bank, 2025). Given the high-income elasticities of animal-source foods (ASF) (Mahrt et al., 2024)—implying that even modest income declines lead to substantial reductions in demand—ASF products have been among the most affected food groups during this period of economic adversity.

On the supply side, the animal feed sector remains heavily dependent on imported inputs. Recent tightening of import controls has significantly constrained access to these imports, posing challenges for the livestock industry. Currently, an estimated 70 percent of animal feed—primarily corn—is sourced domestically, while the remaining 30 percent is imported (MoALI 2025). However, acquiring import licenses for these products has become increasingly difficult (MoALI 2025). Several key issues have therefore emerged. Firstly, access to parent stock for poultry has been restricted, resulting in limited availability and high prices of Day-Old-Chicks, particularly affecting small-scale farms. Secondly, there are shortages of veterinary products, which are critical for maintaining animal health. Thirdly and most notably, imports of protein-rich animal feed ingredients have been severely restricted. The sector previously relied heavily on imported soybean meal as the primary protein source. Due to licensing constraints, these imports have declined sharply, leading to a substantial drop in formal soybean meal imports. Figure 2 illustrates the sector's growing reliance on soybean meal imports over recent years. In 2020, imports peaked at approximately 0.5 million tons, primarily sourced from the United States and Brazil. However, these imports declined sharply since 2024.

Due to import restrictions, the sector has increasingly turned to domestic sources of protein-rich feed materials. This shift has resulted in less efficient and more costly production processes. Potential domestic alternatives to soybean meal—such as peanut, groundnut, and sesame meals, which are byproducts of the domestic vegetable oil milling industry—are generally considered less effective as protein sources. In addition to lower nutritional efficiency, these alternatives face challenges related to supply consistency, quality control, and food safety. These limitations contribute to rising feed prices. Furthermore, ongoing issues with electricity reliability and elevated energy costs in the country have added further financial pressure on feed mills. This has important implications on ASF pricing. Stakeholders estimate that feed constitutes a critical input in commercial livestock production, accounting for an estimated 70 percent of total production costs.

Figure 2. Soybean meal imports

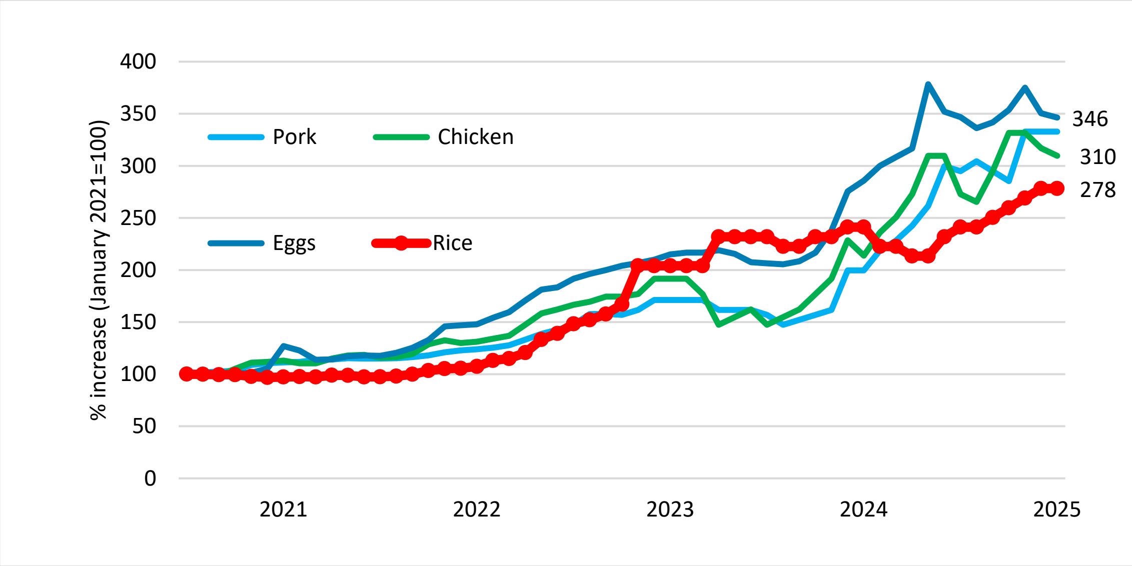


Source: Comtrade

In addition to economic constraints, natural hazards and insecurity are increasingly affecting the performance of the livestock sector. Natural disasters have caused significant localized disruptions, with the recent earthquake in March 2025 resulting in substantial infrastructure damage to livestock firms in the most severely affected areas. Moreover, ongoing conflicts have led to the exit of some farms and firms from the sector. For instance, production has declined notably in previously high-performing areas such as Northern Shan and Madaya in Mandalay. In some cases, firms have relocated to safer regions, including to safer areas within the Mandalay region as well as to Bago and Yangon, in an effort to continue operations under more stable conditions.

These supply-side challenges have contributed to sharp increases in ASF prices, with most ASF products tripling in price over the past 3.5 years—outpacing the price increases observed for staple foods like rice. Figure 3 illustrates the price trends of major ASF products since early 2021, using an index where January 2021 prices are set to 100. By July 2025, egg prices had risen by 246 percent, pork by 233 percent, and chicken by 210 percent. While these price increases partly reflect broader inflationary pressures in the country, animal-source food (ASF) products have experienced significantly higher growth compared to other agricultural commodities, highlighting recent supply constraints. For example, rice—the country's primary staple—saw a comparatively modest price increase of 178 percent over the same period.

Figure 3. Price index of ASF foods compared to rice (January 2021=1)



Source: Department of Consumer Affairs

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