

# The Contribution of Poultry to Development & Poverty Reduction

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Pro-Poor Livestock Policy Initiative



# Outline

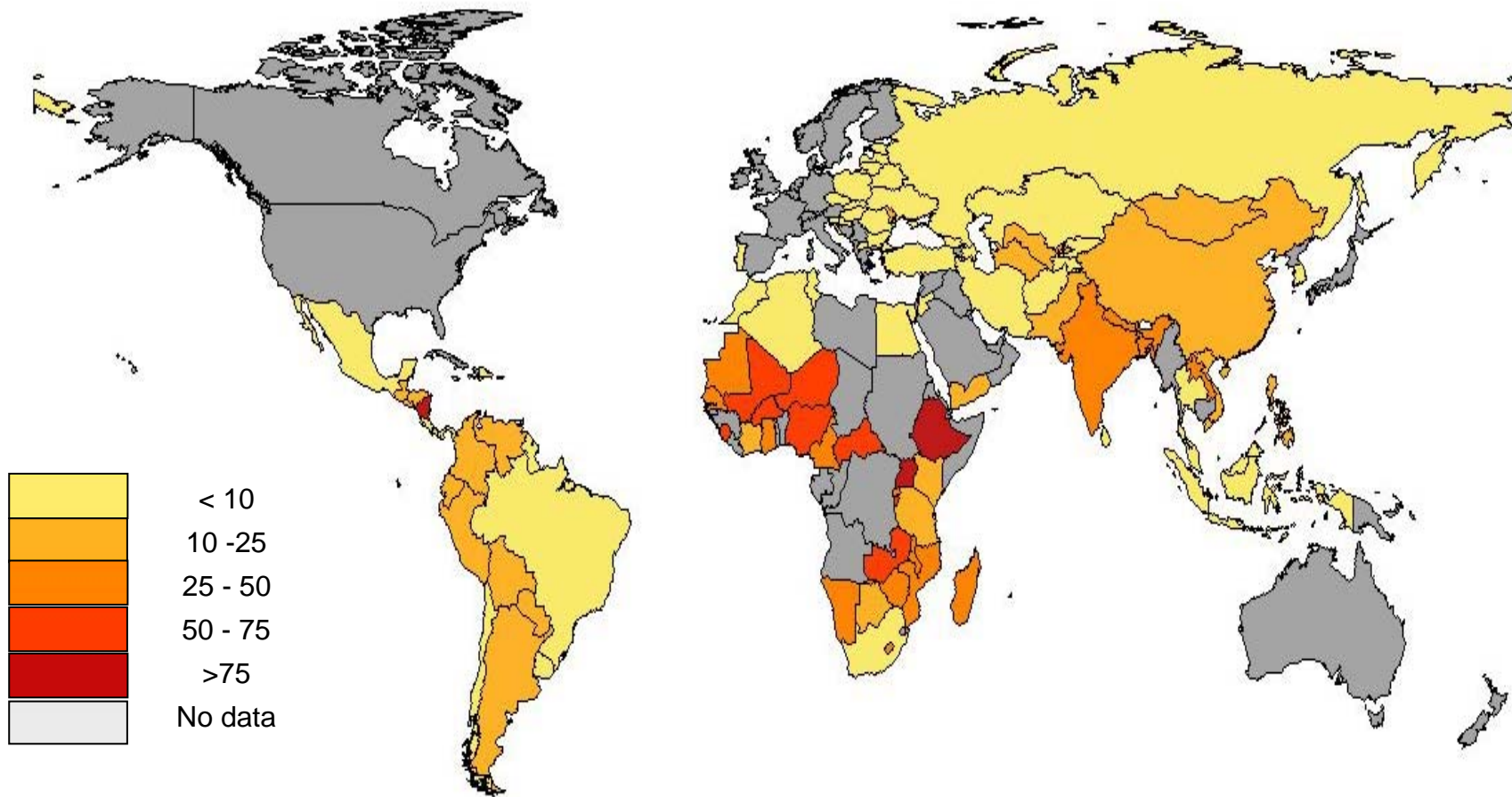
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- Distribution and extent of poverty
- Rural livelihoods and the role of poultry
- Global trends in poultry sector growth
- Constraints to backyard poultry development and international initiatives
- Possible role of the commercial sector in support of backyard poultry



# Poverty Should Concern Us All

Proportion of people living in absolute poverty (<1\$/day)



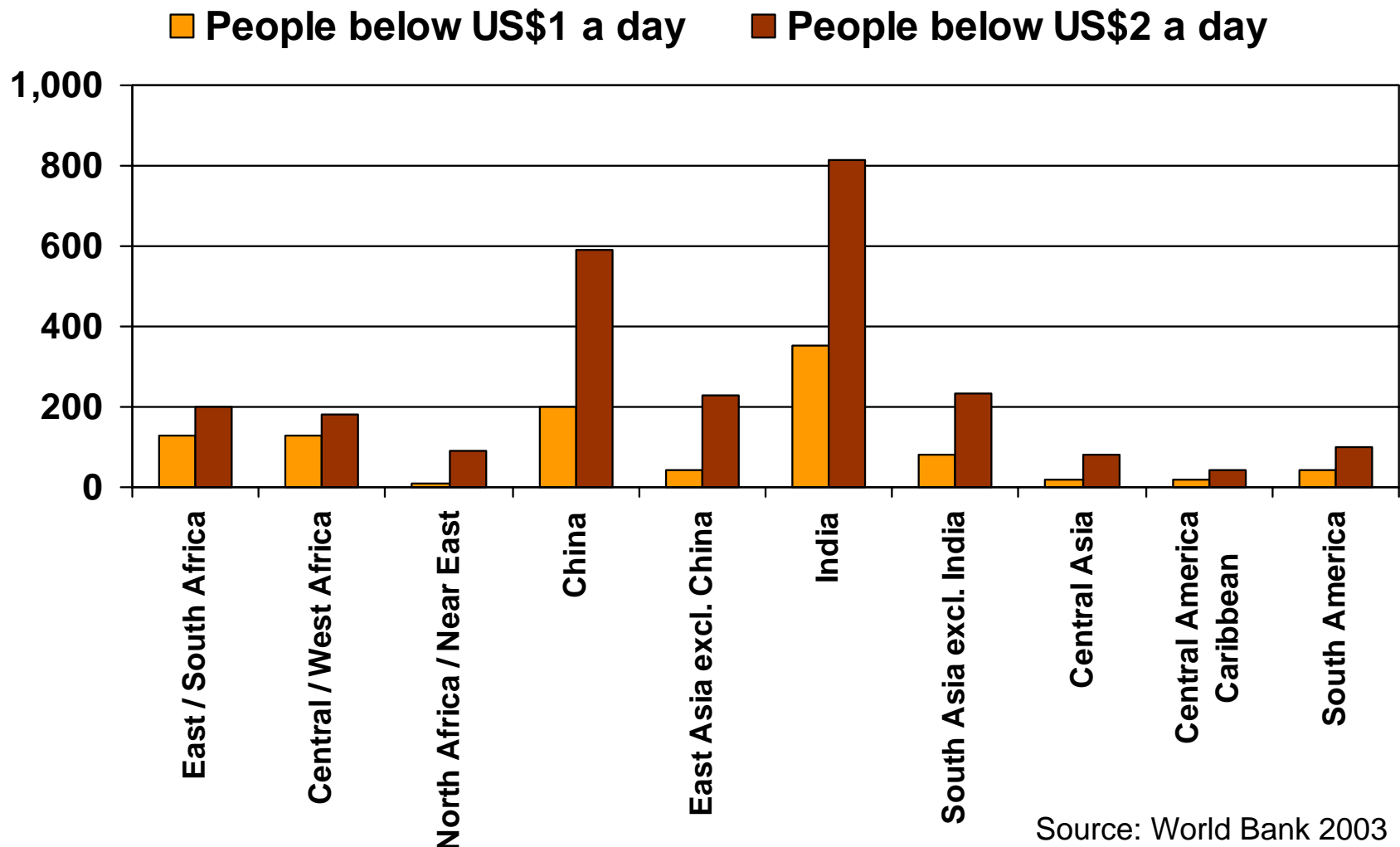
Source: World Bank 2003



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# Number of Poor (millions) by Region



# Sources of Income for the Rural Poor

**Non-Agri  
-culture**

wages

self-employment

other

**Agriculture**

crops

large ruminants

sheep & goats

pigs

poultry

other

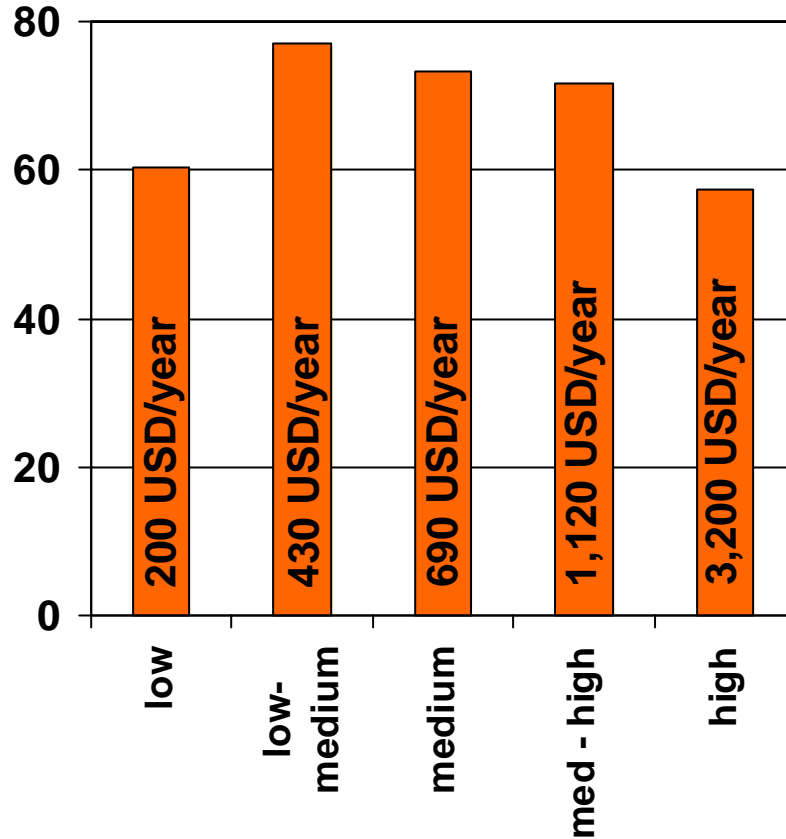


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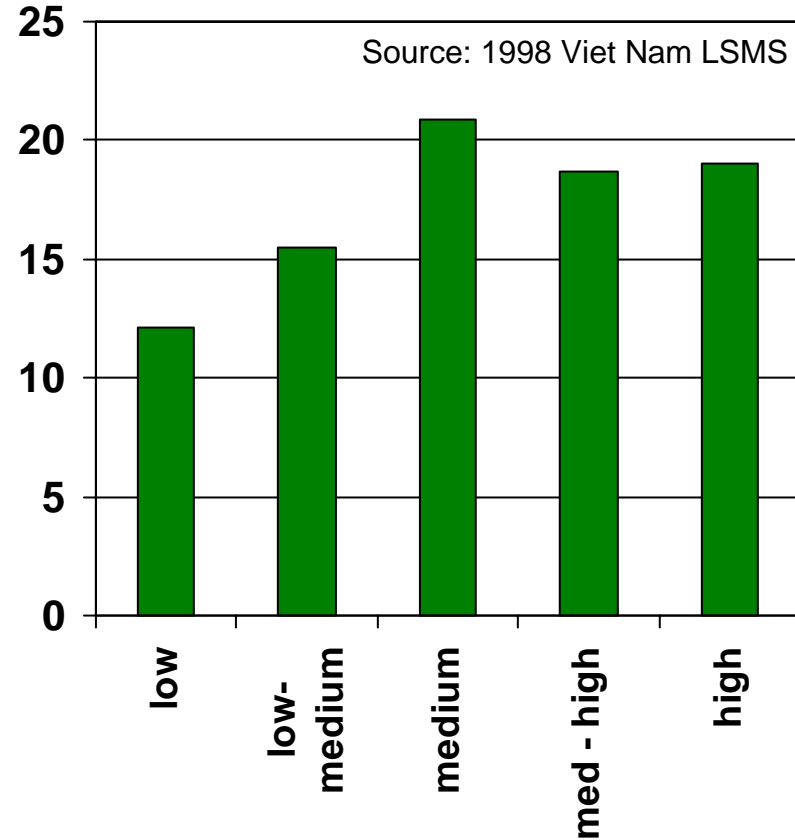
# Chicken Ownership – Rural Viet Nam

Proportion (%) of households owning chicken



Income quintile

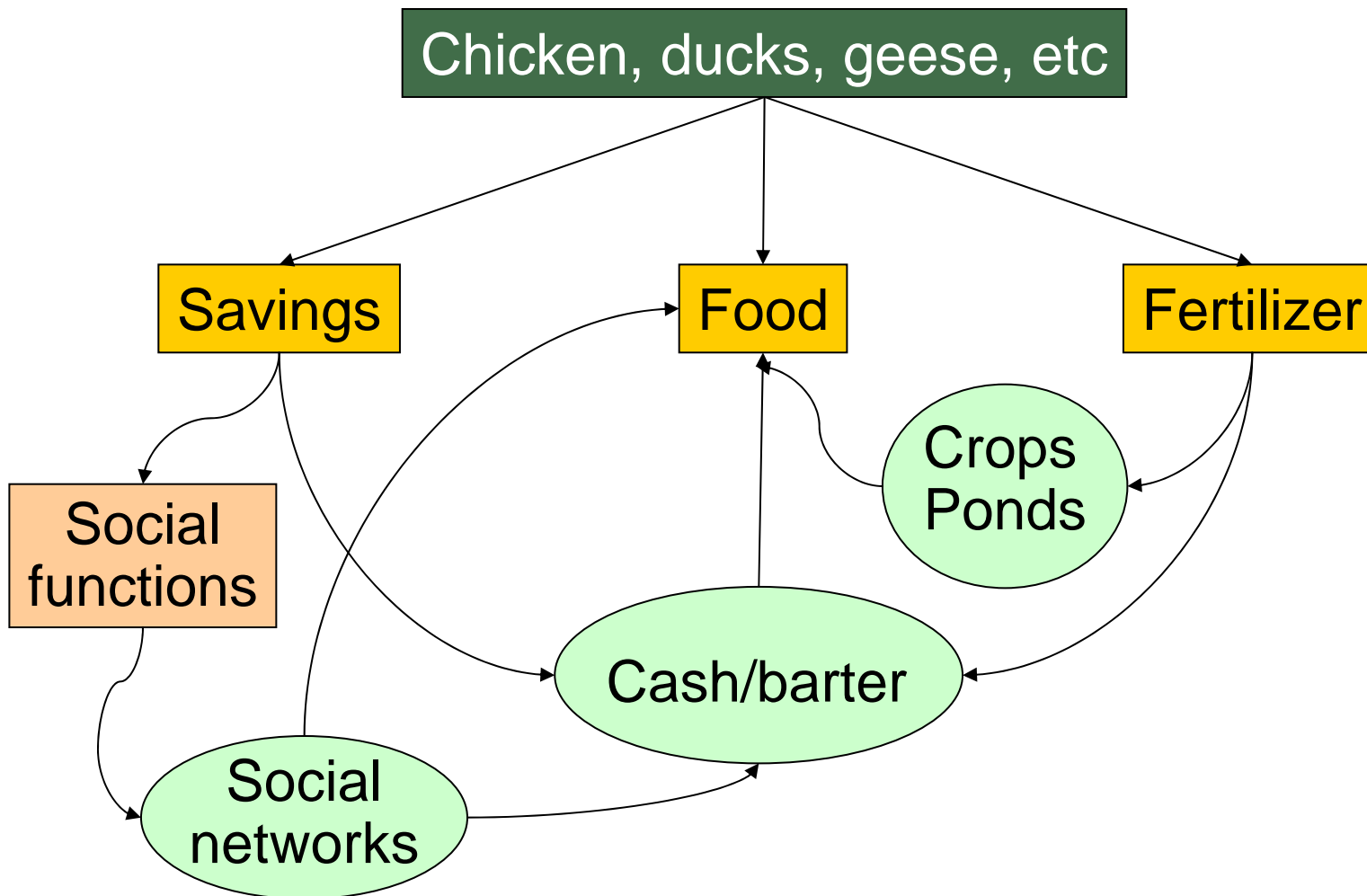
Average chicken flock size



Income quintile



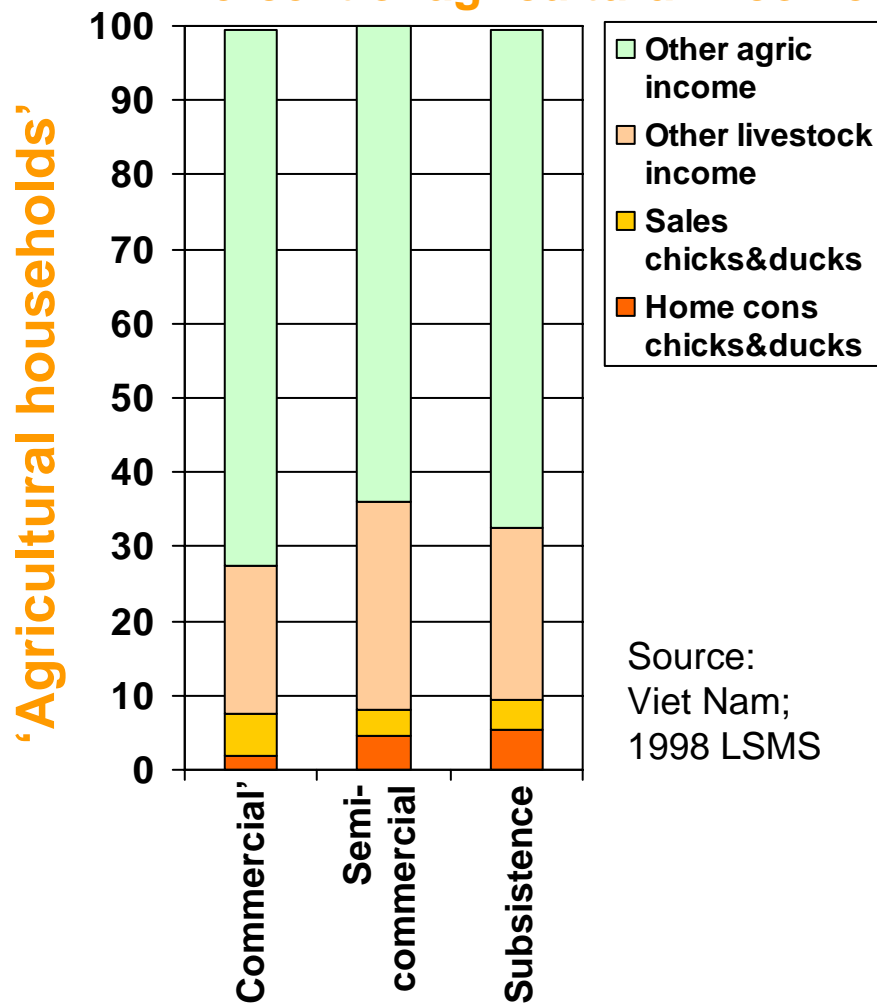
# The Roles of Poultry in Poor Households





# Cash/income Benefits – Rural Viet Nam

Percent of agricultural income





# Profitability of Backyard Chicken – Viet Nam



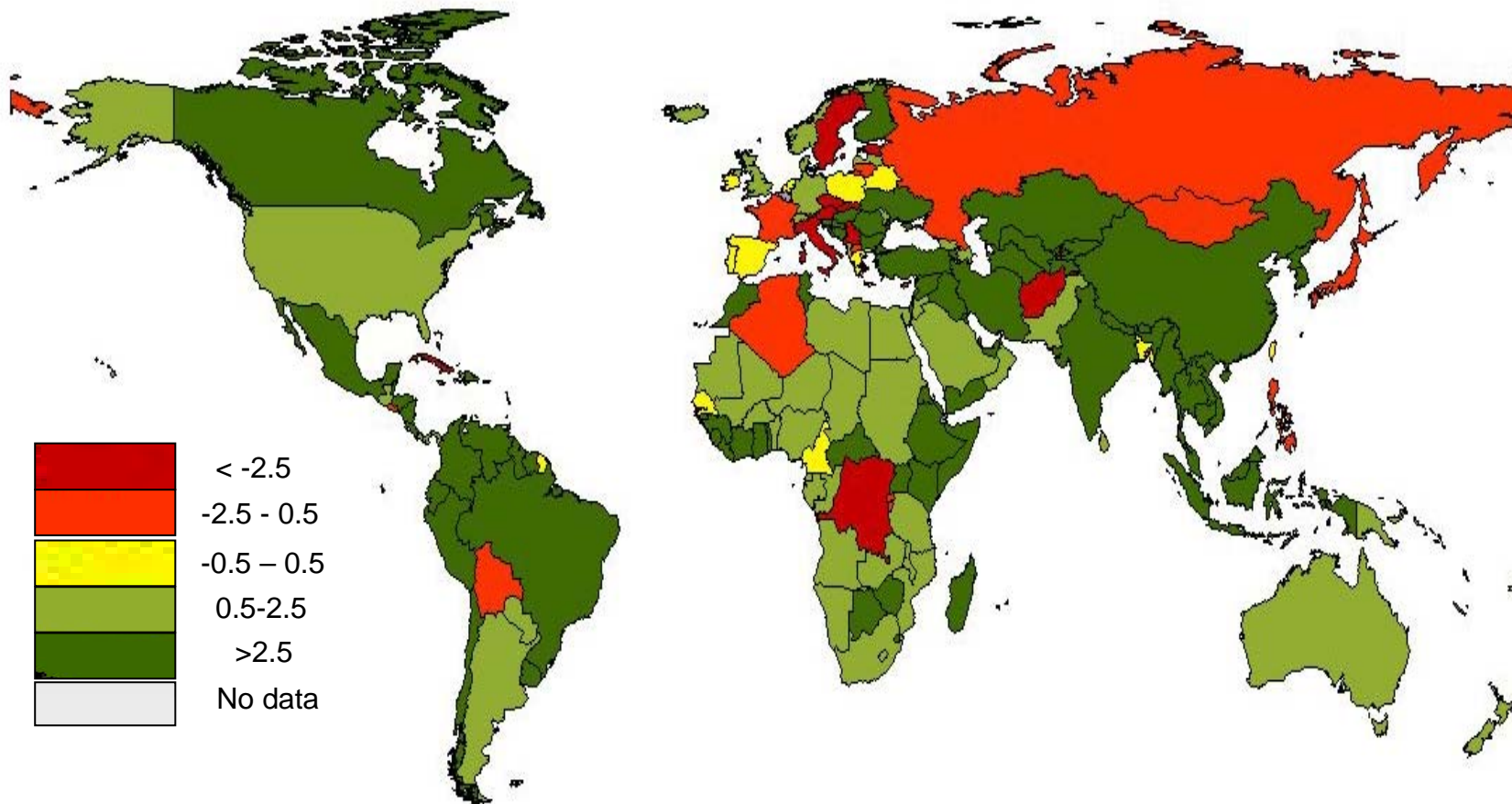
## Average return per hen and year (values in USD)

Item	
Eggs consumed/sold (nr)	20.0
Birds consumed/sold (nr)	4.25
Value of eggs consumed/sold	1.00
Value of birds consumed/sold	7.65
Depreciation of hen	0.20
Gross revenue/hen	8.45
Investment/hen	2.16
<b>Return on investment (%)</b>	<b>390</b>



# Overall Sector Growth

Annual growth (%) in poultry numbers 1998 - 2003



Source: FAO, GLiPHA 2004

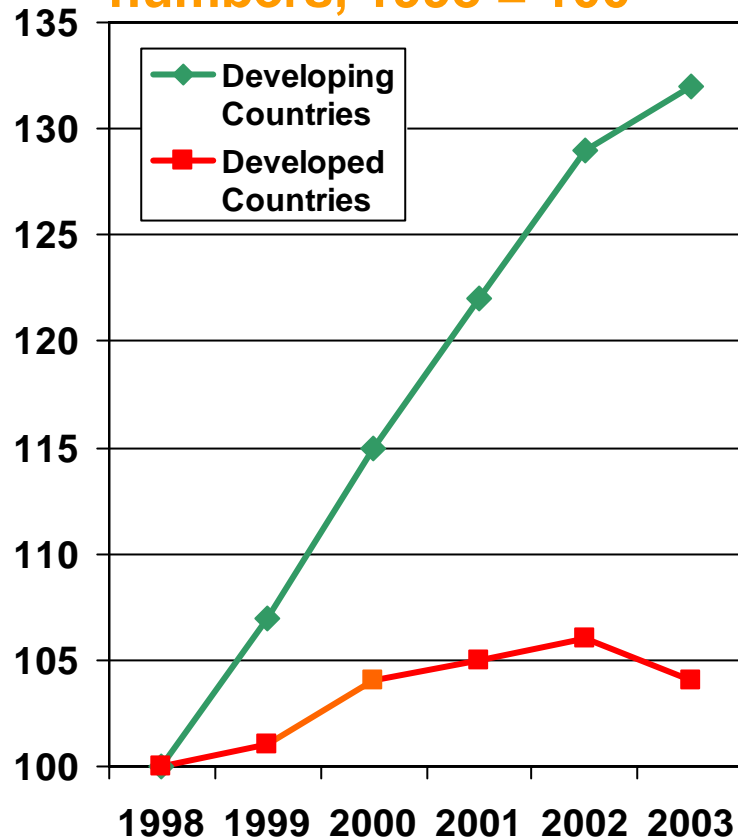


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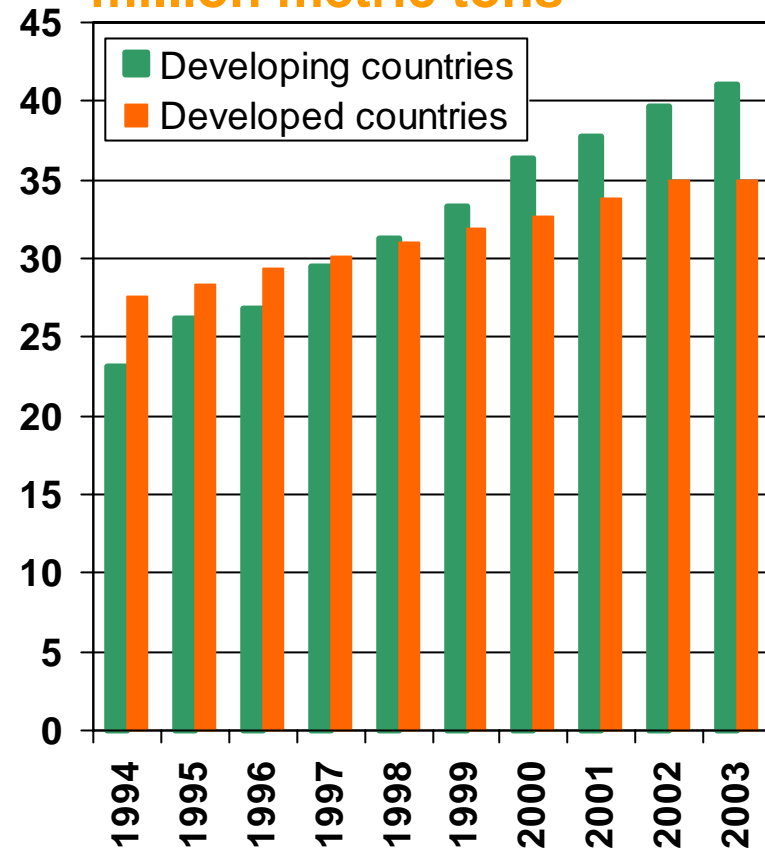


# Growth of the Poultry Sector

Development of poultry numbers, 1998 = 100



Poultry meat production, million metric tons



Source: FAOSTAT 2004

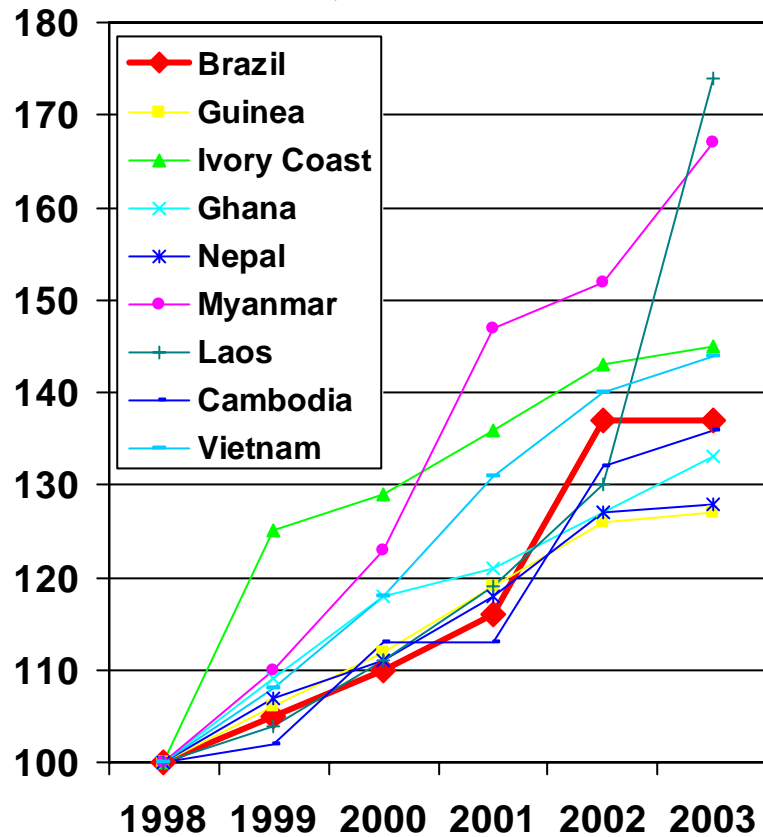


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# Backyard Poultry Growth

## Development of poultry numbers, 1998 = 100



Source: FAOSTAT 2004



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# Main Constraints to the Backyard Sector

- High loss of young stock
  - Predation
  - Disease
  - Theft
- Poor yields of survivors
  - Parasites & diseases
  - Low-yield genotypes
  - Poor nutrition
- Poor institutional support
  - Extension services
  - Health services
  - Input supply

## Outbreaks of Avian Flu 2004





# Major International Poultry Initiatives

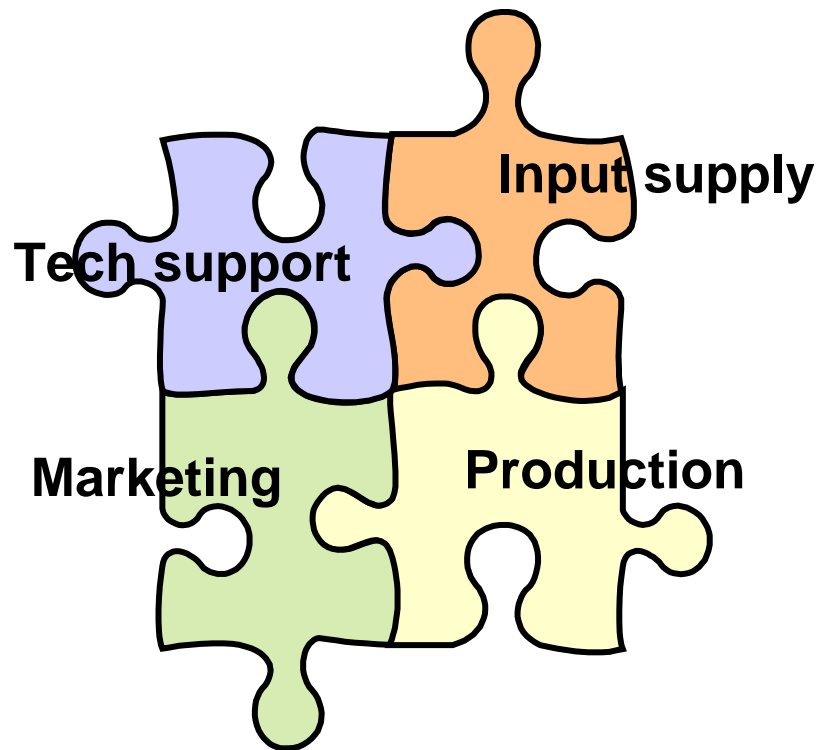
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- Network for Poultry Production and Health in Developing Countries
  - Institution building for poultry development
- ACIAR Effort on Newcastle Disease Control
  - Research and delivery of ND vaccines
- International Network for Family Poultry Development (INFPD)
  - Information exchange
- IFAD and other donors - projects
  - Implementation: credit, health & extension services, some research
- FAO – Pro-poor livestock policy initiative
  - Awareness raising, policy and institutional framework



# The Dichotomy of the Poultry Sector

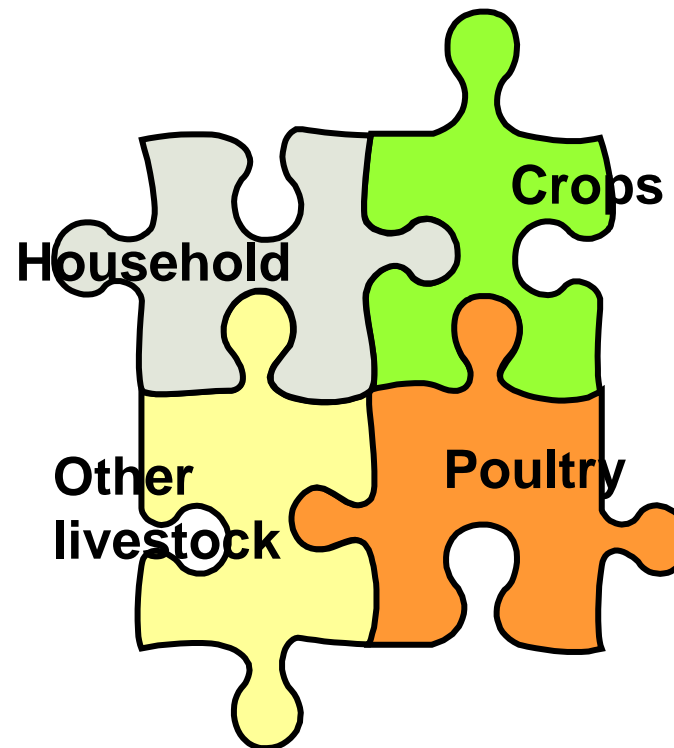
## Industrial Sector



**Broilers**  
**Meat**

**Layers**  
**Eggs**

## Backyard Sector



**Backyard**  
**chickens & eggs**





# Potential Contributions of Industrial Sector

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## Technical / Research

- Genetics:
  - Birds that combine adaptive with productive traits
- Health management:
  - Novel vaccines & drugs
  - Adapted delivery mechanisms
- Nutrition
  - Feeding strategies for optimal resource use

## Institutional / Services

- Producer organization
  - Contract farming
  - Specialization & co-ordination
- Knowledge transfer
- Input supply
  - DOCs
  - Feed
  - Medication



# Conclusions

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- Poverty is still at unacceptably high levels, particularly in sub-Saharan Africa and Asia
- Poultry, both backyard and industrial, is the fastest growing livestock sub-sector
- Backyard poultry contributes to poverty alleviation/mitigation through integration into complex livelihoods strategies
- Industrial poultry is the most efficient response to the growing demand for affordable protein and offers (some) employment opportunities
- Little competition between the sectors but potential for support from industrial to backyard



# References & Further Reading

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## Links to PPLPI Working Papers

#21 The Contribution of Livestock to Household Income in Vietnam: A Household Typology Based Analysis

#6 A Review of Household Poultry Production as a Tool in Poverty Reduction with Focus on Bangladesh and India

## Links to AGA Livestock Sector Reports

Cambodia, Lao PDR, Thailand, Vietnam: Review of the livestock sector in the Mekong countries

Vietnam: Identifying barriers to entry to livestock input and output markets in South-East Asia



**All documents can be downloaded from the PPLPI Website:**

<http://www.fao.org/ag/pplpi.html>

<http://www.fao.org/ag/againfo/projects/en/pplpi/publications.html>



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