



Navigating Between Feasts and Fasting

Informal Actors Dealing with Fluctuations in Demand for Poultry Products in and Around Addis Ababa, Ethiopia



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With relatively few large-scale commercial enterprises, the village- or backyard production system is by far the largest in Ethiopia's Poultry Sector. The small-scale commercial production system is on the rise. While the influence of formal regulations is still very limited in the sector, cultural and religious habits – such as fasting – have a much greater influence and shape the marketing of poultry, which mainly depends on informal relations between input dealers, producers, collectors, brokers, retailers and consumers. How these informal economy actors deal with the significant fluctuations in the demand caused by fasting seasons, religious feasts or special occasions is largely overlooked by development practitioners and policymakers. To not miss opportunities for the development of the Poultry Sector, informal economy actors, as well as cultural- and religious factors, need to be recognised.

The context

The Poultry sub-sector in Ethiopia plays a vital role in the country's economy, contributing significant revenue and providing (self-) employment to millions of Ethiopians. Poultry (chicken) eggs are crucial sources of protein for the population all over the country. Given Ethiopia's sizable and expanding population and the persistent demand for poultry products, the sector has potential to stimulate local economic development as well as economic growth. This is recognised in Ethiopia's first ever Poultry Development Strategy (2022-2031) to: *"enhance the poultry sub-sector's production, productivity and competitiveness to ensure food/nutrition security, income generation, poverty reduction, import-substitution and export promotion"* (Fekadu, T. et al., 2022). The Poultry Sector can be classified into three main production systems:

- Village or backyard poultry production;
- Small-scale commercial production;
- Large-scale commercial production.

Did you know?

- The backyard scavenging system is by far the largest poultry production system in Ethiopia.
- About 96% of chicken products in Ethiopia is produced from indigenous chicken*.
- The fasting regime of the Ethiopian Church is the strictest of any Church with 180 mandatory fasting days per year.
- Fasting is done in different degrees; it involves abstaining from any animal products.

* Solomeno, 2008

The **backyard scavenging system** continues to be by far the largest production system in Ethiopia. Indigenous chickens play a major role. The regulations that are in place for the Poultry Sector hardly have any influence in this informal system. The majority of the poultry population comprises of indigenous birds and traditional small-scale household-level practices in backyards, with minimal investment in feed, veterinary services, and housing. Primary sources of feed through scavenging activities include insects, worms, seeds, and plant materials. Supplementary feed from grain crops and household leftovers is provided in small quantities. The system primarily relies on natural incubation and brooding, with chicks being hatched and raised within rural communities. High off-take rates, particularly during national holidays and feasts, and instances of elevated mortality rates are common. Women play a significant role as the primary owners and managers of chickens in this system, mainly to generate income for purchasing essential commodities (such as salt, cooking oil, and sugar) or to deal with emergencies such as hospital bills.

Apart from some large-scale commercial enterprises, the **small-scale commercial poultry production system** is a relatively new and emerging practice observed in urban- and peri-urban areas. This system is expected to contribute mainly to food/nutrition security, income generation and poverty reduction mentioned in the wider goals of the national poultry strategy. In this system exotic breeds of chickens are raised in numbers ranging from 50 to 1,000. Although these enterprises follow commercial practices and modern management techniques, a lot depends on the informal sector.

The Ethiopia National Poultry Development Strategy provides an umbrella for enhancing the productivity, safety and competitiveness of the sector. The informal trading that the sector currently depends on is not very visible in the strategy. It is merely referred to as 'illegal'. This case study highlights another side of informality: How actors in the informal economy deal with the fluctuations in demand and prices mainly due to fasting seasons and feasts. It draws on experience of the author with entrepreneurs around Debre Zeit and the outskirts of Addis Ababa.

The actor network

Small-scale commercial poultry farms in close proximity to major cities and towns, such as Debre Zeit, mainly generate income by supplying table eggs and broilers. Specific economic data regarding the value of these products sold in a given year is not readily available. However, it is generally understood that they cater to the meat and eggs demand of the urban and peri-urban population, particularly supplying supermarkets, kiosks, hotels and market places. The subsector encounters various challenges, including elevated input costs, outbreaks of diseases, competition from imported products, and limited credit accessibility. The actors involved in the small-scale commercial poultry value chain include (see also Figure 4):

- **Small-scale commercial farmers** who mainly produce live chicken (broilers), and sometimes, ducks, and eggs. Typically they manage between 50 and 1,000 animals, and they purchase feed from informal private input dealers or larger commercial poultry farms. Breeding stock is mainly procured as one-day or 45 days old chicklets from registered commercial farms. The biosecurity measures are generally minimal.



Figure 1: Small-scale poultry farming, in Ethiopia.



Figure 2: Small-scale commercial poultry farmer, Debre Zeit, Ethiopia.

- Farmers may directly sell their live birds and eggs to **informal village collectors** who visit the farms and go door to door. Farmers also bring their products directly to **village markets** where collectors gather. Then the aggregated birds are taken to Woreda towns, such as Debre Zeit, and sold in whole to other traders or brokers, who transport to zone-, regional- or Addis markets. These village collectors and traders play a crucial role in connecting farmers with retailers and consumers. They have established networks and contacts with small-scale farmers and households, enabling them to source products regularly.
- The name '**broker**' is mainly used for traders operating between large and small-scale enterprises and larger buyers – not for those buying from households.
- Some farmers organise themselves into **cooperatives** for collectively sourcing feeds and group-managed credit. They can delegate group members to market the products in rented selling points, reducing the costs for the individual members.
- **Retailers** include street vendors. Sometimes, these are the same people who buy directly from farmers. They are also found in local markets. Marketplaces such as Merkato, the largest open-air market in Africa, are important trading hubs for poultry and eggs in Addis Ababa. Both farmers and collectors bring live chicken and eggs to these markets, where they sell them to other retailers, street vendors and directly to individual consumers.



Figure 3: Bargaining for broilers at an open market in Addis.

- Most **consumers** prefer to buy live birds, to slaughter them at home or at the market place by the retailers themselves. Especially Orthodox Christians want to be sure that specific rules have been followed in slaughtering and, therefore, prefer to buy live birds. This is why butchers are not a major separate actor group in the value chain. Transactions in these markets are often conducted through direct interactions and negotiations on the spot. Mostly hotels, kiosks and supermarkets and retailers are reached by collectors and in rare cases directly by farmers.

Some of the small-scale commercial poultry producers, in collaboration with the Bureau of Agriculture, Cooperatives, and Debre Zeit Agricultural Research Center, participate in the distribution of breeding stocks and promote improved poultry and feeding technologies.

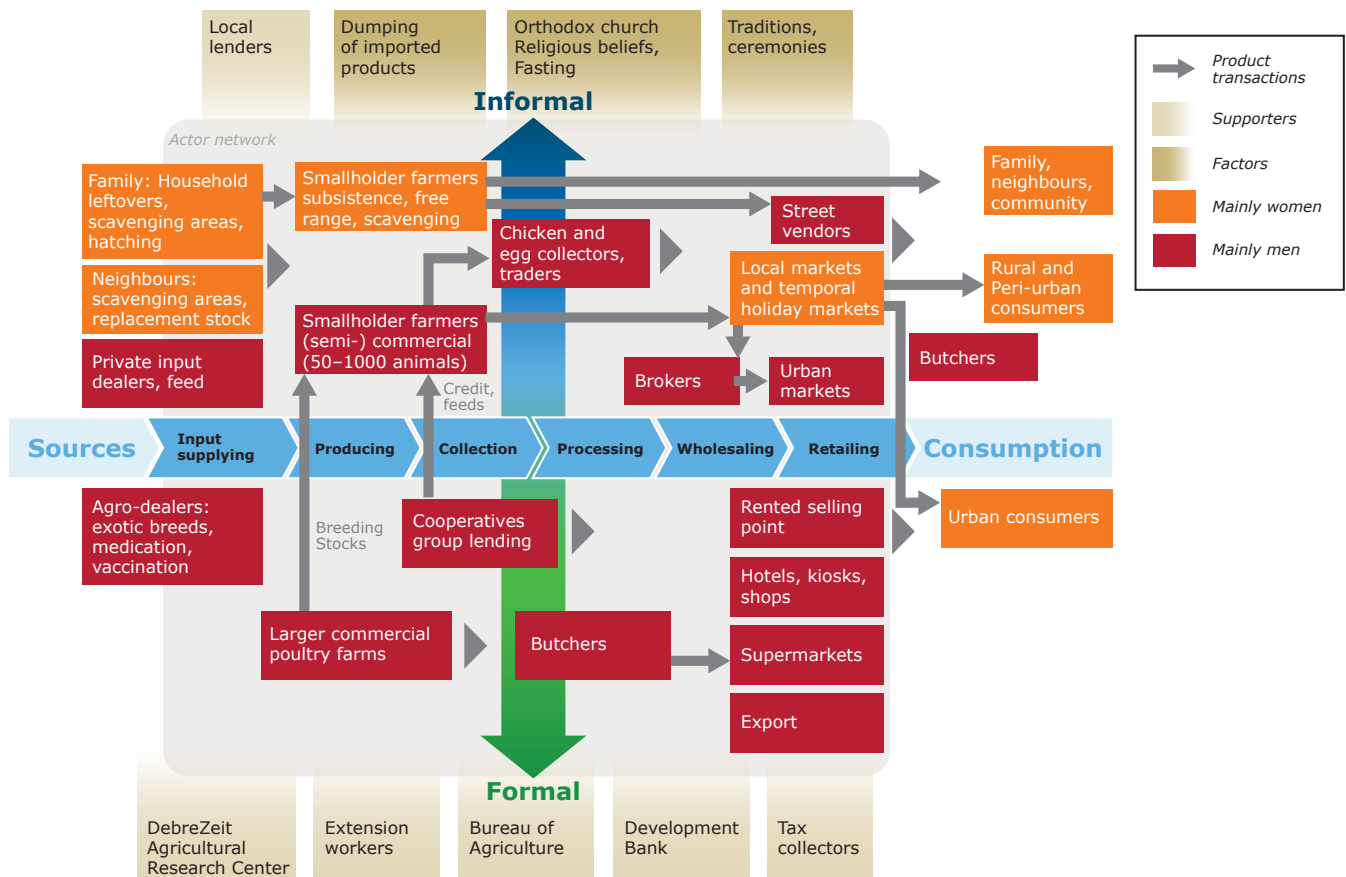


Figure 4: Actor map for live chicken and table eggs produced in Debre Zeit for markets in and around Addis Ababa.

Overlooked issues in marketing

The marketing aspects are often overlooked by policymakers and development workers. Poorer households often struggle to access better and more distant markets. **Informal chicken and egg collectors and traders** play a crucial role in facilitating the marketing of smallholder poultry products by collecting eggs and birds from villages and making these available for a relatively low cost for many consumers. However, these informal economy actors are often disregarded, such as the many village collectors, or referred to as 'illegal' in the case of traders who buy slightly larger quantities from enterprises or are criticized for their perceived lack of sustainability and the need for improvement. The national Poultry Development Strategy provides little guidance regarding marketing and does not include informality in its situation analysis.

Understanding these actors, as well as the cultural and religious influence is essential for comprehending the Ethiopian poultry marketing system. Gender norms are also at play like in many other countries where processing and cooking of poultry are often perceived as women's tasks. The demand for poultry products is highly influenced by cultural and religious beliefs. **Feasting days**, social ceremonies, holidays and cultural practices often lead to peaks in the demand for traditional dishes. This leads to phenomena, such as pop-up market places, because poultry is such a popular choice. During these peaks many students, boys, girls, women and men become village collectors, and bring birds and eggs to local markets to sell to aggregators. After the holiday all go back to their normal work and only those who make their living from bird collection remain.

Religious beliefs based on the Ethiopian Orthodox Church and other religious groups play a significant role in shaping the dietary habits and customs of the population. Religious doctrines provide specific guidelines ('clean', 'appropriate') regarding the types of animals that can be consumed as meat and these may restrict or prohibit the consumption of certain animals, including poultry. **Fasting** causes dramatic and far-reaching drops in demand.

The regimes of the Ethiopian Orthodox Church are the strictest. Fasting involves, among other factors, abstaining from meat and animal products for specific periods that range from days to several weeks. In total, it accounts for around 180 mandatory days per year. Obviously, the demand drops drastically with about half the population fasting.



Figure 5: Customers bargaining to buy roosters for the Easter Holidays in Addis.

Marketing still continues at a lower scale, and retailers try to sustain with limited income, adjusting their prices and level of effort. Farmers also adjust their production levels. Typically, prices drop when producers try to sell their products before the fasting period begins, and prices increase after the fasting season ends when demand picks up again. Traders and retailers compete for consumer groups who are not fasting during these periods. This can lead to 'messy' situations with huge differences in prices.

Other factors, such as feed costs, the availability of poultry inputs, transport costs and market conditions, also influence pricing. Negotiation and bargaining skills play a huge role in the transactions between households and collectors, farmers and traders, and between different types of traders.

Due to difficulties to manage **biosecurity measures** in smallholder poultry production, it is beyond the mandates of surveillance by inspection and control agencies¹ and, thus, non-certified. Exporting poultry products during fasting seasons is, therefore, not really an option.

With very little regulation, high informality and huge peaks and drops in demand, **trust** is important in the poultry marketing system. Especially between farmers and collectors/traders, who maintain long-term relationships to ensure fair transactions and meet quality standards. With very limited possibilities for laboratory testing to back up quality claims or certification, **quality assessment** is often based on visual inspection (appearance, colour, size, and smell/freshness) and personal judgment during on-the-spot trading.

Enterprises that want to grow are legally forced to get a certificate before starting a business. They have the obligation to report disease symptoms to the Ministry of Agriculture regulatory department for testing and taking biosafety measures. In an informal set up, however, these are almost impossible to pursue. Infectious diseases, such as Newcastle disease, salmonellosis, coccidiosis, and fowl pox, in the backyard scavenging system also affects the small-scale commercial producers.

Credit plays a significant role in the poultry marketing system in Debre Zeit and Addis Ababa. Farmers often rely on credit to purchase inputs like feed, chicks, and medication. Sources of credit are formal and local informal lenders, cooperatives, Government programs or NGOs. The advantages of informal lenders are the easy access and short procedures. Probably within a 30-minute discussion the credit could be in the hands of the borrower. An agreement is needed on the interest rate and repayment date, based upon which the agreement is signed, and money imbursement on the spot. Interest rate could reach up to 100% with short repayment period of three- to six-months. On the other hand, formal credit (banks, microfinance institutions) is known for its long process, delayed decision and approval, low amount of budget approved with fair (14–20%) interest rate and long repayment period.



Figure 6: A man carefully inspects fresh farm eggs available for sale at a local market during Easter eve in Addis Ababa, Ethiopia.

¹ Although in case of disease outbreak, controlling agencies do have the power to take forceful measures with smallholders and households with backyard poultry raising, to reduce the spread of the disease.

Way forward

Apply an informality lens: Analysis and interventions in the poultry sector can greatly benefit from an informality lens to enhance progress towards the food/nutrition security, income generation and poverty reduction goals of the national poultry strategy. For example by:

- Recognising the existing informal marketing structures to address the weaknesses and build on the strengths.
- Analysing the roles and gender identities of informal economy actors involved and supporting them to contribute more positively towards the goals.
- Mapping cultural and religious factors in marketing strategies, such as the fasting seasons and feasts that cause the fluctuations in demand, and learning how these are dealt with in the informal economy and support the actors to bridge the periods of low-demand.

These issues need to be included in research and advocacy for supportive policies and regulations that promote the growth of the poultry sector.

Strengthen poultry marketing channels: once the formal and informal marketing structures and actors are recognized and engaged, collaboration among farmers, collectors, traders, middlemen, retailers, and consumers needs to be fostered. This requires working around the bias towards formal actors that is common in value chain platforms, and find creative ways to consult or involve informal collectors and traders. If students for example play a major role in collection of eggs and live chicken during periods of feasts, they could be supported to channel the produce to the right wholesalers and/or markets for fair prices. The formation of cooperatives, associations or informal groups for collective negotiation of better prices, accessing markets, and sharing resources and knowledge can also be pursued to enable farmers to deal with the fluctuations.

Improve access to credit: So, that poultry farmers can bridge the fasting seasons and invest in inputs, such as feed, chicks, and medication. The establishment of cooperatives or other types of partnerships including local lenders, formal financial service providers and Government programmes can help to make credit options for poultry farmers more accessible and affordable. This will enable them to expand their operations, improve the quality of their products, and increase their productivity.

Product diversification: Apart from efforts to promote better poultry management techniques (feeding, housing, disease management, value addition through processing into sausages, nuggets, ready to cook meals, packaging etc.), interventions are required to help actors to deal with the impact of fasting seasons. Poultry stakeholders may explore diversifying their product offerings. This can involve developing and promoting alternative protein sources, such as plant-based protein products, to cater to consumers who follow fasting practices or have dietary restrictions.

Enhance Biosecurity Measures: To support small scale commercial poultry farming in a context where the backyard and village scavenging system prevail, it is important to implement biosecurity measures to prevent the outbreak and spread of diseases. This includes measures such as proper housing, hygiene practices, vaccination programs, and controlled access to the poultry farm. Farmers need education about the importance of biosecurity and provide them with training and resources to implement these measures effectively. For this purpose, the adoption and implementation of the National Biosecurity Guidelines for the poultry sector, as well as the Biosecurity Directive are important.

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