

How can Africa benefit from the livestock revolution?

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I am delighted to be able to present some opening comments at this important workshop. The topic under consideration is one which the African Union regards as of central importance for the future development of Africa.

The contexts for livestock production, transboundary diseases and trade are fast changing. We have to be responsive to these highly dynamic conditions and meet the up-coming challenges, with innovative and proactive responses. The status quo is simply not an option. Thus new thinking and perspectives, as offered by the studies prepared for this workshop, are of utmost importance.

So, what are the challenges ahead? Can Africa benefit from the livestock revolution?

The global demand for meat and milk is growing, as populations increase and incomes rise. Meat consumption per capita is relatively stable in the developed world, but between 1980 and 2002, annual per capita meat consumption doubled in developing countries, and this trend is likely to continue. The FAO estimates that global meat and milk production will double by 2050. This is a huge opportunity for developing country suppliers – and notably those in livestock producing nations across Africa.

However, the estimated 987 million poor people who rely on livestock will not necessarily benefit: The increasing global production in livestock products is dominated by a few countries, notably Brazil and China (for meat) and India (for milk). Today, African countries contribute just two percent of global trade. Much of this increase has been industrialised production, which often excludes and undermines small producers.

Inefficient supply and production systems limit access to export markets in most developing countries. This barrier has been overcome in other agricultural sectors, however. For example, horticultural exports contribute significantly to smallholder incomes in a number of countries in Africa.

What is holding back the livestock sector? I want to highlight four issues which we will need to consider in our deliberations at this workshop.

First, changing international standards. International standards governing the global livestock trade currently focus on the geographical origin of a product, and the disease status of that region. This favours developed countries that have removed significant livestock diseases. Countries or regions with a particular livestock disease have little chance of fully eradicating them in the near future, meaning few options for accessing lucrative international markets.

Second, enhancing trade networks and market intelligence. Across Africa our ability to tap into new market opportunities is often ad hoc and inadequate. This is the consequence of lack of coordination, particularly at regional levels, and often poor market intelligence. We remain too reliant on old trading networks, without exploiting new markets. As a result we lose out to our bigger competitors, particularly from Latin America. We need a more joined-up approach, linking regional and governmental support to private sector initiatives.

Third, improving negotiating power and capacity. Africa has to date been poor at negotiating in relation to both particular markets and in international settings around trade standards for example – whether at the OIE, the WTO or with the EU. We should demand a proper place at the table. But this will not be automatic. We must improve our negotiating capacities, and form alliances for improving trade and changing standards at a sub-regional and Africa-wide level. The African Union can play an important role here, working closely with the Regional Economic Commissions and others.

Fourth, improving livestock support services. Through years of neglect and underfunding, the capacity of Africa's livestock support services – whether dealing with production, marketing or veterinary issues – is, by-and-large, woefully poor. This has to be reversed. As part of the AU-NEPAD CAADP programme, and in alliance with the FAO, OIE and a range of development partners, we are working towards improving national capacities. However, this is not easy and is certainly costly. We must ask what are the most appropriate investments? Clearly the old-style support services are inappropriate, but what makes sense today and who should pay, given the new challenges and requirements? I very much hope that this workshop will give some indications of ways forward.

Given these challenges, what, then, are the challenges for the future, as I see them?

How can Africa – and particularly poorer producers excluded from the large-scale commercial systems established in the colonial era – benefit from the livestock revolution?

Working with partners across Africa – at national level and within the Regional Economic Commissions – the African Union has been exploring some ways forward. This workshop provides a highly opportune moment to assess these for the southern African region.

In our view one important alternative is for international standards to adopt a '**commodity-based approach**'. This is one of the scenarios looked at in the studies to be discussed at this workshop. But what does this mean? Commodity-based trade means a focus on the quality of each product and how it was produced, rather than where it originated. Such an approach would not undermine disease control and eradication measures, as countries would actually have greater incentives to strengthen veterinary services and improve disease control.

Currently, such commodity standards are almost non-existent. However, the World Organisation for Animal Health (OIE) has recently recognised this, and the Terrestrial Animal Health Standards Commission plans to ensure that requirements in the OIE Code relevant to commodities trade get more attention.

At the African Union we welcome this move, as we believe this offers great opportunities for enhancing export trade from Africa, sharing the benefits of globalisation more widely. In the coming years, developing countries must prioritise developing further commodity standards that meet market

demands. I hope some of this discussion will occur at this workshop, allowing us a route forward for southern Africa which we can share more widely on the continent.

Approaches which are not reliant on area-based disease freedom open up the potential for greater **market participation by poorer producers**. With the disease control systems established in the colonial period, particularly in regions such as southern Africa, poorer producers were often left out of the picture, with most of veterinary control and market development efforts focused on the large-scale commercial farming zones. Today, such exclusions are neither politically acceptable, nor do they make economic sense. Bringing a wider group of producers into the market has multiple benefits – increasing rural growth, as well as reducing poverty.

There will of course be challenges while new product-based standards are formed and tested. For example, the European Union, an influential importer, inspects the veterinary authorities of a country to determine their ability to meet EU standards through the ‘pre-listing’ process. Across Africa, and particularly as part of regional development and trade groupings – such as SADC and Comesa, we must establish new approaches to **product certification** which are accepted and trusted by trading partners if we are to gain access to high value markets. This must go hand-in-hand with increased - but refocused - support to veterinary and wider livestock support services.

But export to Europe is not the only route for Africa to benefit from the livestock revolution. We must be proactive in seeking out **new global and regional markets**, establishing new trade networks, evaluating market information, and working with importing countries. Relying on trade networks set up in the colonial era is insufficient. The growing markets of Asia, and indeed urban Africa, will be just as, if not more, important in the future. Here, different requirements will come into play, needing more attuned responses and better negotiating capacities than we have geared up to in the past.

To conclude:

If the global policy commitments to support Africa’s development are to become real, the international community must understand the potential of new product standards to increase market access for developing countries without increasing risks. This requires renewed commitments from governments and a review of international standard-setting policies.

If this is done, then huge potentials could open up for Africa, particularly in regions like southern Africa, with potentials for attracting new markets and trading partners, the in-flow of private investment for new production technologies and the provision of ethically produced and sourced foods to niche markets.

At the African Union, we will continue to support efforts across Africa to realise the ambitions of broad-based growth and poverty reduction. We see a rethink of policies towards livestock production, disease management and control and trade as central to such efforts.

We therefore look forward to learning from and sharing widely the findings of this important workshop.

Thank you for your attention.