

Is there Hope for Broiler Farms in West Africa to be Competitive with those in Europe?

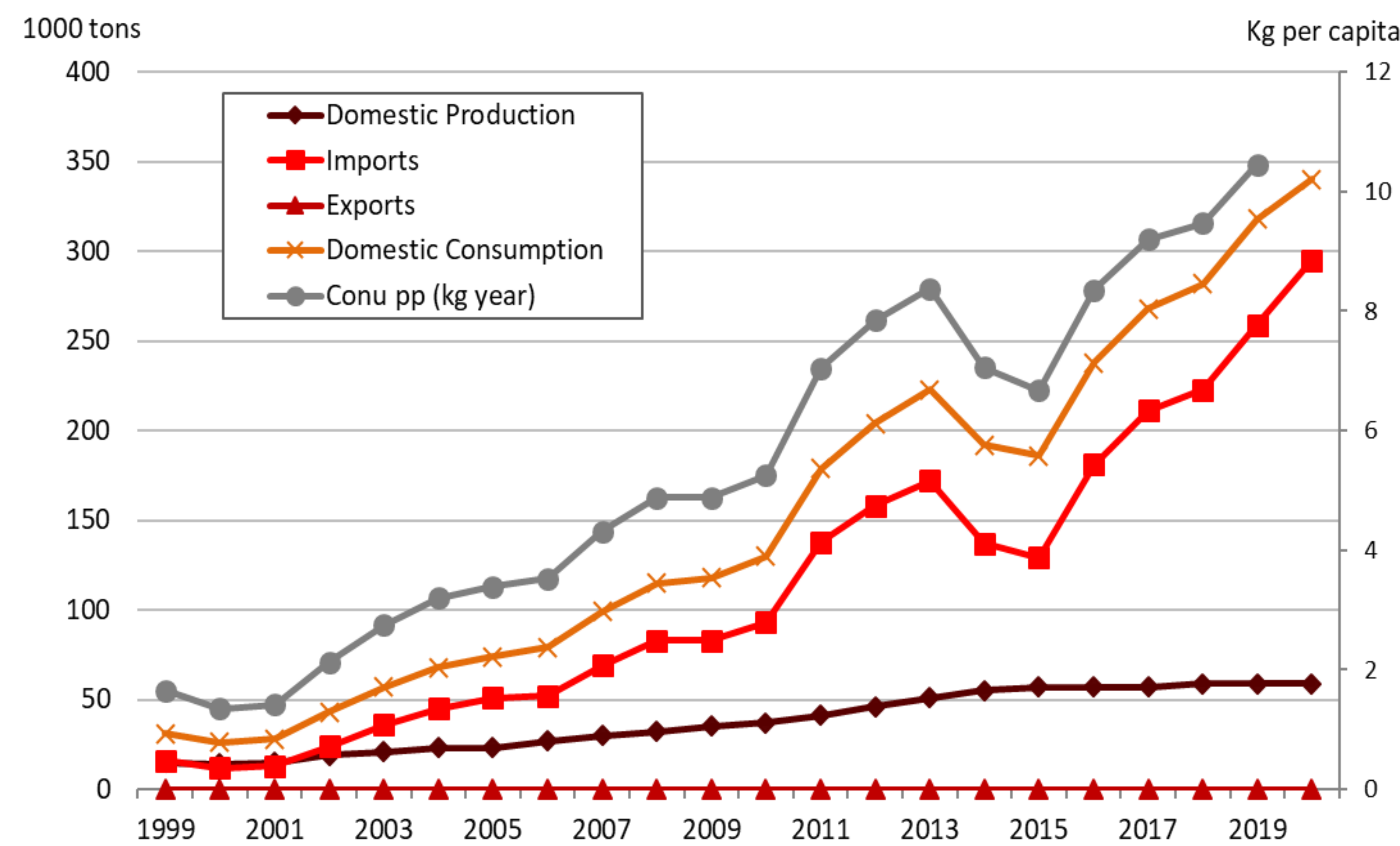
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Introduction

- Chicken meat exports from the European Union (EU) to Africa are heavily criticized and there is a debate about how the EU is able to export chicken meat to African countries at low prices.
- The most common explanation is that EU consumers prefer chicken breasts, so other parts are exported cheaper.
- Although accurate, this explanation does not explain why frozen whole chickens are also exported to West Africa at low prices.

Fig 1: Development of the Poultry Sector in Ghana

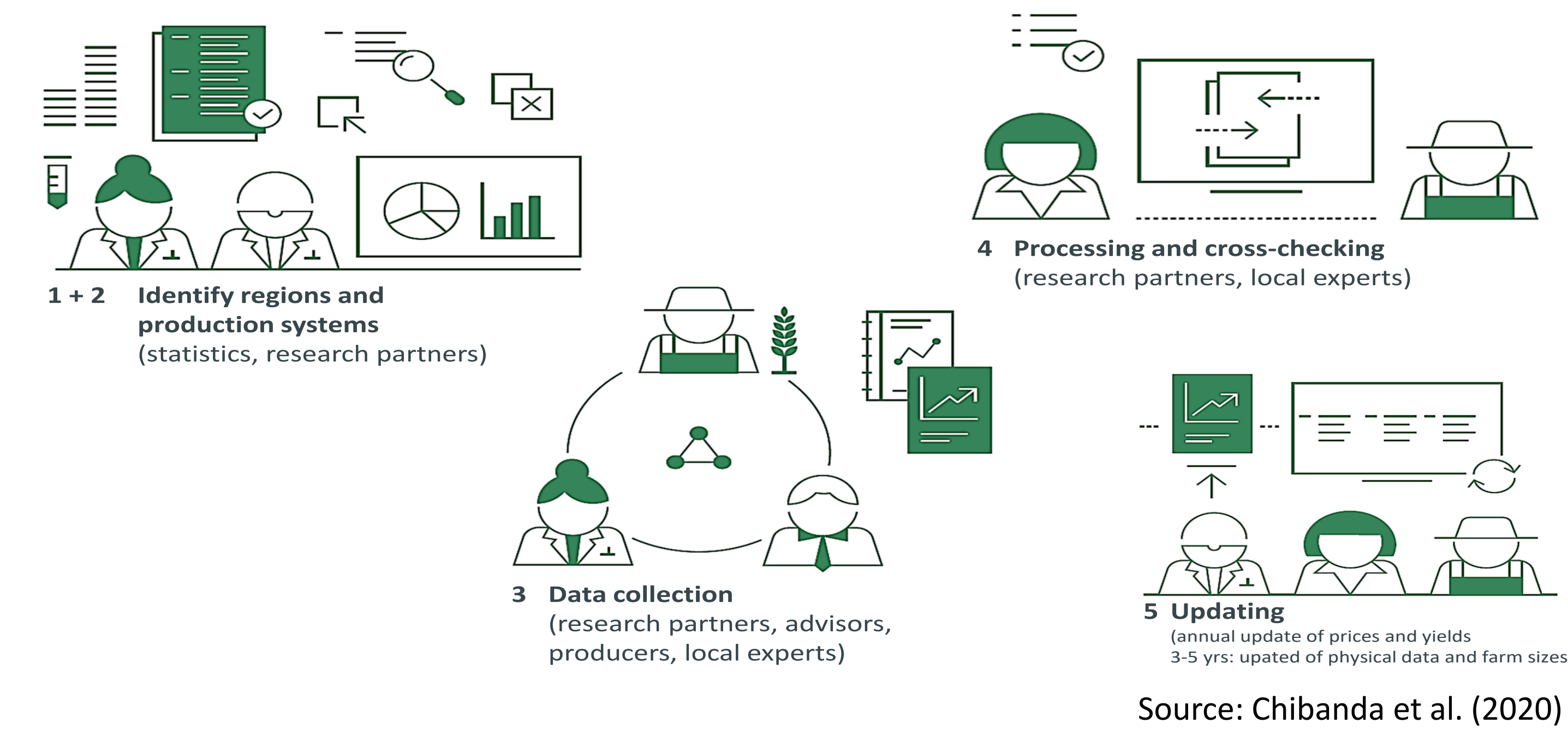


Source: Zamani, Pelikan, Schott (2021)

Methodology

- The Typical Farm Approach (TFA) was used to investigate the international competitiveness.
- The approach entailed the construction of empirically grounded farm data sets called 'typical farms' through the *agri-benchmark* Standard Operating Procedure (SOP), which is composed of five steps (see Figure 2).

Fig 2: Overview of the typical farm approach (agri benchmark SOP)



Source: Chibanda et al. (2020)

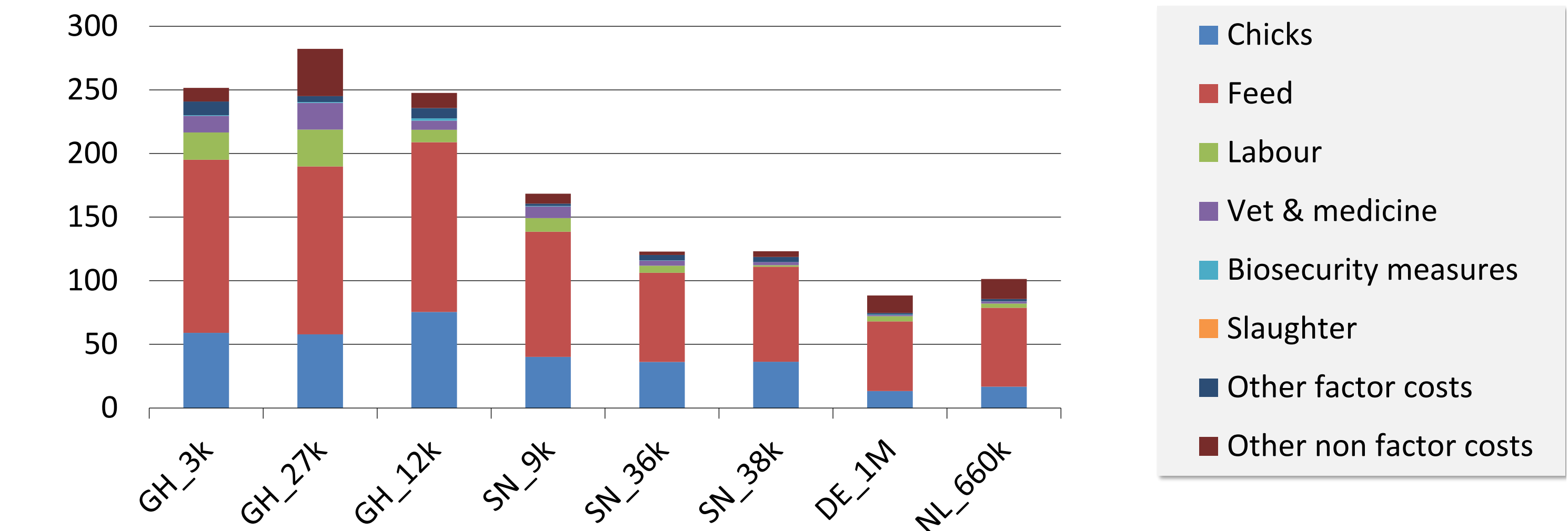
Results: Comparison of farm performance

Table 1: Farm performance indicators

	Ghana			Senegal			Germany	Netherlands
	GH_3k	GH_12k	GH_27k	SN_9k	SN_36k	SN_38k	DE_1M	NL_660k
Feed Conversion Ratio (FCR)	2.43	2.08	2.33	2.06	1.78	1.61	1,52	1,57
Final live weight (kg)	3.00	2.00	2.20	2.00	2.00	2.00	2.69	2.50
Broiler Farm Economy Index (BFEI)	1.90	2.01	2.03	2.43	2.67	3.42	4.56	3.74
Mortality (%)	2.88	4.08	10.00	5.00	5.00	3.50	2,35	3,40
Feeding period (days)	63	45,5	42	38	40	35	37,8	41
Number of cycles per year	3.72	3.00	3.00	6.00	6.20	6.10	7,80	7,60

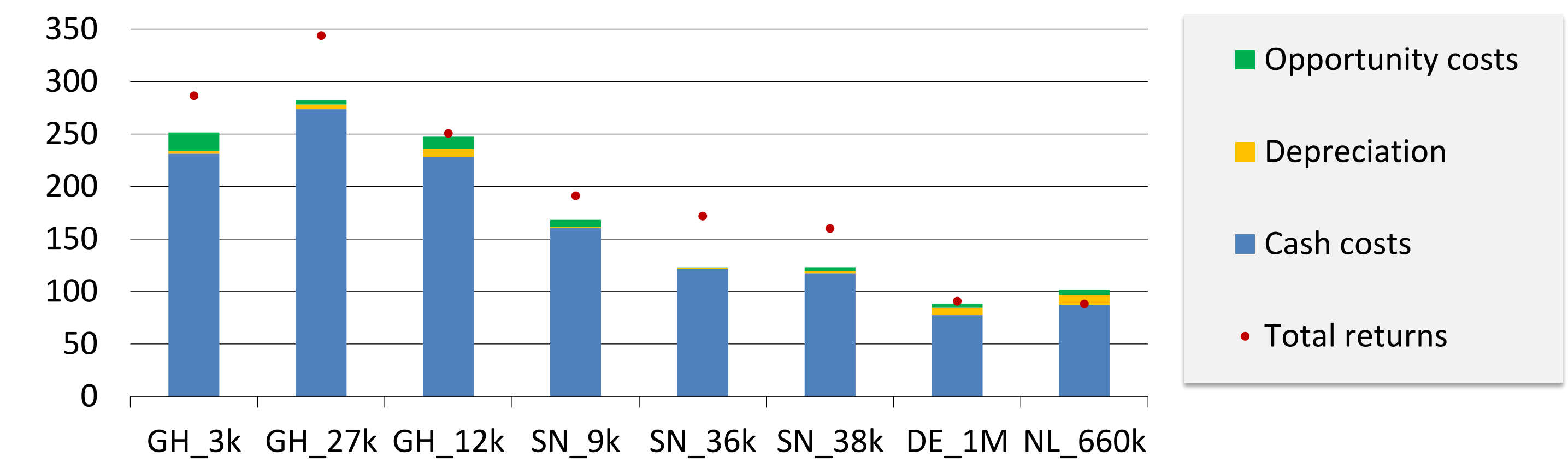
Results: Production costs and profitability

Fig 3: Comparison of production costs (EUR /100 kg live weight)



Source: Own calculations

Fig 4: Comparison of cash and non-cash costs, total returns and profitability (EUR/100 kg LW)



Source: Own calculations

Conclusions

- Ghana and Senegal are not competitive with farms in Germany and the Netherlands in terms of farm performance and costs of production.
- Improving husbandry practices and the quality of inputs (feed and DOC) is fundamental for enhancing farm performance in Ghana and Senegal.

Research objectives

This study aims to:

- investigate the international competitiveness. of conventional broiler farms in Ghana, Senegal, Germany, and the Netherlands,
- understand how the EU is able to export whole chickens at low prices to Africa due to differences in farm competitiveness,
- identify the interventions required to improve broiler production competitiveness in Ghana and Senegal.



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