

Improving the lives of poor and excluded groups in the Nigerian meat and leather industry



Roger Blench
Kay Williamson Educational Foundation
8, Guest Road
Cambridge CB1 2AL
United Kingdom
Voice/ Ans (00-44)-(0)7847-495590
Mobile worldwide (00-44)-(0)7967-696804
E-mail rogerblench@yahoo.co.uk
<http://www.rogerblench.info/RBOP.htm>

This printout: August 20, 2013

TABLE OF CONTENTS

1. THE POOR AND THE LIVESTOCK INDUSTRIES.....	2
1.1 The poor as consumers	2
1.2 Poor as producers.....	2
1.2.1 Stock production	2
1.2.2 Animal products	3
1.3 Poor as processors/service providers.....	3
2. WHERE ARE THINGS GOING?.....	6
3. WHAT IS TO DONE?	6
3.1 The history of interventions in the livestock sector.....	6
3.2 Going sideways	7
3.3 How do we communicate information?.....	7
ANNEXES.....	9
1. MARKETS.....	9
2. ETHICAL ISSUES.....	10
3. SOCIAL AND POLITICAL RISK.....	11
4. IMPACT ON THE ENVIRONMENT	11
5. ASSOCIATIONS.....	11
6. BUILDING RELATIONSHIPS.....	11
7. THE VEXED ISSUE OF CREDIT	12
8. HOW SHOULD WE COLLECT INFORMATION?	12
BIBLIOGRAPHY	14

PHOTOS

Photo 1. Cowlegs for sale at Kaduna abattoir	4
Photo 2. <i>Kilishi</i> preparation in Kaduna	4
Photo 3. Cow struggling in knee-deep mud at Oḳo -Oba market	9
Photo 4. Exhausted or sick animals next to the market.....	10
Photo 5. Closed microfinance bank, Lagos abattoir.....	12

Preamble

The most recent comprehensive poverty analysis for Nigeria (2007 but based on surveys conducted in 2004) indicates that;

1. Despite Nigeria's relatively high GDP for Africa, the absolute incidence of poverty remains one of the highest in the world
2. As far as figures are comparable, there has been no decrease in the incidence of poverty over recent decades, despite extensive donor investment
3. Agriculture has the highest poverty incidence rate (62.7%) among all occupational groups and ca. 50% of the Nigerian active population is involved in agriculture.

Clearly, reducing poverty through increased value of products and employment creation will be a major challenge. Despite this, Nigeria has an extremely vibrant informal market sector, especially in livestock and agricultural products. It should be possible to find market incentives to reduce poverty through the use of M4P strategies. The following analysis sets out the different groups of the poor as they relate to the livestock industry.

Due to pressure from donors, there has been a plethora of government rhetoric on poverty alleviation. However, the reality, especially in rural areas is somewhat different. People have seen roads, clinics and schools collapse over the past fifteen years and have become highly cynical about government and donors. The reason maybe that as a second generation of urban dwellers has matured that have lost all connection with the rural areas, and do not question the source of their food. Essentially, their income derives indirectly from oil exports, rather than any productive enterprise. Moreover, government has shown itself perfectly willing to allow imports at almost any level to make up food shortfalls, as witness the free availability of bread wheat anywhere in the country. A combination of disinterest in the activities of rural populations and unpredictable policies on imports and input supply is highly discouraging to any would-be rural entrepreneur.

1. The poor and the livestock industries

1.1 The poor as consumers

Nigeria is notorious even within West Africa for the low nutritional status of many households. Protein is primarily fish, typically smoked and secondarily meat, almost entirely from domestic animals, since environmental degradation has reduced wild resources to insignificant levels. Most rural households keep small numbers of domestic animals, most characteristically goats and chickens, on an extensive basis. These are only slaughtered for feast days, guests etc. and cannot be said to represent a regular supply of protein, nor to create a rational basis for household enterprise. Furthermore, the low-management regime has proven hard to transform, as increasing school attendance has meant that fewer children are available to look after these animals. Poor urban households are less likely to keep animals, although this is more common in the north. If they do, they are likely to be low management species that can be fed on household scraps (poultry, rabbits and more exotic species such as snails, giant rats and guinea-pigs).

Poor households therefore typically buy meat opportunistically during festivals and for guests and therefore often pay a price premium because they buy in very small quantities, and when there is increased demand and thus high prices. The price of red meat has risen sharply in Nigeria in the last few years, due to falling internal production and an increasingly urbanised population. As a consequence, many households have turned to the 'fifth quarter' i.e. the parts of ruminants other than red meat, such as internal organs, blood and cartilage in order to meet their protein needs. These are preferentially purchased by the poor and are thus of great significance in protein supply. The consumption of cattle-skins, *pomo*, especially in the south, is typical of a low-cost fifth-quarter purchase strategy. Another important product is *ishi-ewu* (sheep head) a popular dish in the Igbo areas. However, as demand for these has risen, so has their price.

1.2 Poor as producers

1.2.1 Stock production

The very poorest households produce almost no livestock or products, especially in the more humid regions. Households one step up from this produce and sell backyard stock. A wide variety of small species are raised, often by women, for sale at local markets. These species include; goats, chickens, ducks, guinea-fowl, turkeys, pigeons, geese, rabbits, guinea-pigs and giant rats. Feeding regimes and veterinary inputs are often low to non-existent. Moreover, there is often no selling strategy matched to prices; animals are sold when the household needs money, for ceremonies, school fees etc. In Islamic areas wives may frequently not be allowed to sell without permission from their husbands.

Fattening rams for Sallah (Eid el Fitri) is an established practice in Muslim towns in the north, but this is principally to avoid paying high prices close to the festival. Producers do not draw the conclusion that this practice could be more generally profitable. Stock-fattening at household level has had a highly variable history. The purchase of calves or steers from pastoralists to be fattened for market by farmers theoretically appears to be a profitable enterprise and was long promoted in the 1980s and 1990s by donor projects such as the National Livestock Projects Department (NLPD). However, without subsidised intervention it is hard to sustain, because veterinary support is poor, fattened animals are highly attractive to thieves and producers cannot depend on reliably priced purchased feed. This practice is probably at low levels today.

Households also raise work animals, in Northern Nigeria typically cattle, camels, donkeys and horses. The principal use of these is for traction, pulling ploughs and carts. Cattle and donkeys predominate, but environmental degradation has expanded the southward movement of camels since the 1990s. The species other than cattle reproduce poorly in Nigeria and the stock must be regularly renewed from animals brought from Niger. Poor households do not usually have the capital to buy full-grown animals, so they typically buy youngstock from producers and dealers, with all the attendant health risks. In addition, work animals and related technologies get almost no support from government and parastatals, which have tended to focus on tractors and other aspects of farm mechanisation. Changing government policies have been extremely unhelpful

1.2.2 Animal products

There are three main categories of animal product aside from meat that poor households may be involved with as producers. These are eggs, dairy products and hides and skins.

Eggs. Nigeria has had fitful episodes of sub-industrial poultry production driven by government subsidies, but these have all had only a limited lifetime, since it proved almost impossible to provide the regular reliable veterinary services to prevent large-scale losses from Newcastle disease etc. However, village and small farm egg production has increased markedly in recent decades, partly due to a free flow of agro-veterinary products and feed. Demand for eggs is very high and this has been a good opportunity to increase incomes at this level.

Dairy products. These have been traditionally produced by pastoralists, particularly the Fulbe, Shuwa and Koyam. Typical products are fresh milk, sour milk, ghee and cheese, almost entirely derived from cattle. These are produced with no health and sanitary considerations and are typically sold and marketed by women as major source of personal and household income. However, in recent years, this historic strategy has been transformed by various societal and ecological changes. These are;

- a. Increasing hardline Islam among herders leading to disapproval of women engaging in marketing
- b. Decreasing demand for dairy products due to competition from industrial bottled drinks
- c. Relocation of the national herd to subhumid regions and residence of herders among dairy-intolerant populations
- d. Rising meat prices encouraging herd-owners to invest for meat production and thus to discourage milk offtake for sale
- e. Poor nutrition and smaller herds in many areas makes commercial milk offtake impractical

Most milk products consumed by Nigerians are imported, either powdered milk or small cans of evaporated milk. There is no price incentive to purchase local dairy products except in very remote areas.

Hides and skins. Very poor households produce only the very occasional leather product, typically the skin of a small ruminant slaughtered for a festival, which is usually kept in the household.

1.3 Poor as processors/service providers

The meat and livestock industry, despite its importance and large scale, is considered low status and has historically attracted low-wage employees with little or no educational qualifications. Typical employment niches within the industry are;

- a. **Butchery.** Butchery is a traditional profession in the Islamic areas and butchers have a traditional place in the social hierarchy. Generally speaking, butchers have a low status, but the profession is hereditary. Recent years have seen the gradual replacement of traditional butchers' trade groups with formal associations often with registration. However, as the killing of domestic stock for commercial sale has spread southwards in recent years, more individuals have entered the butchery trade outside this system.
- b. **Carcass processing.** This is highly complex and many types of specific employment exist, including processing 'fifth quarter' products such as blood, head-boiling, bone-burning and skin preparation. The division between Islamic and non-Islamic areas also leads to a spatial division; pig and dog processing are usually in different areas and employ different ethnic groups from ruminants. This is relevant in states such as Lagos and Kaduna, where the populations are very mixed in terms of religious affiliation.

Livestock slaughtered in Nigeria are dismembered into a large number of sub-products, including;

1. Hides and skins. Cattle and camel skins all go for *pomo*, i.e. to be eaten. *Pomo* is made in three quite different ways, each of which has its own market and value chain. Most small ruminant hides are sold for leather, the market for which is concentrated in Kano. However, small ruminants slaughtered in the south often go for *pomo*.

Roger Blench: Nigerian meat and leather industries. Report for GEMS

2. Cowleg. The legs are sold to traders especially for the southern market, as they are an ingredient in a popular soup for new mothers. Cowtail is often sold down the same chain.
3. Cartilage. Used in a particular soup which accompanies *masa* cakes.
4. Heads. Cow heads are stripped and sold by specialised traders. Heads of sheep and goats are sold whole and used to make *ishi ewu* soup.
5. Bones. Bones are burnt and used in porcelain production
6. Hooves. Used to make buttons.
7. Horns. Used to make musical instruments

The processing of these is highly efficient and it is hard to imagine a market-based intervention which would lead to more employment and income. This will only result from an increase in production. Processing of fifth quarter products is problematic morally for any donor, since it involves child labour. None of those involved in carcase processing has any ethical problem with child labour.

Photo 1. Cowlegs for sale at Kaduna abattoir



c. **Processing meat for sale.** One of the most economically significant trades in processed meat is that for roasted or dried meat, sold for snack consumption by the roadside. There are four important products, *suya* (freshly-grilled meat on sticks i.e. kebabs), *balangu* (roasted meat from small ruminants), *dambu* (fried, shredded meat) and *kilishi* (dried meat). These are typical northern products that have spread south in recent years. Both *dambu* and *kilishi* would seem to have potential for more added-value sales through better processing, packaging and marketing. Another product not listed in usual inventories is *tinko*, dried preserved camel meat. Apparently the trade is both established and old, as it is reported in Lagos as it was known to informants' grandparents.

Photo 2. Kilishi preparation in Kaduna



d. **Leather processing.** Skins of small ruminants, especially goats, are all absorbed by the handicraft market. There are indirect reports of goatskins going for *pomo*, but this must be in southern slaughterhouses, such as those in Igboland, where there would be no demand for leather for artisanal work. The functional tanneries are now all concentrated in Kano as all the regional tanneries have collapsed; this probably reflects a nucleus of Lebanese entrepreneurs remaining in Northern Nigeria.

Skins are bought from the large-scale tanneries by wholesalers, who buy in lots of at least two hundred. There are specialised dyers who dye the skins a variety of colours, originally using vegetable dyes, but increasingly chemical dyes. Leatherworkers buy the skins in packs of ten from the wholesalers. To judge by the smell, tanneries are not operating to the highest quality standards and many of the skins would be quite unsuitable for an export market.

The most characteristic products of the leatherworkers are pouffes, mats, sandals and leather bags, though there is some production of more modern products such as purses. Most production is based on orders from customers, and products are now often customised with lettering. Most orders are individual, but occasionally there are requests for several hundred of some product, for example, when a government ministry wants to present gifts to a visiting delegation.

Leatherworkers design the complete product in their shops, but individual elements are produced by pieceworkers, often women confined at home. Squares are made with metal strip designs and bought by the leatherworkers at a rate of ₦500 for a dozen. Quality is quite variable, with poor stitching and irregularly cut

pieces common. There is no direct competition with the imported leather goods widespread in every market, and thus no incentive to improve the quality of the product.

Kano goatskins were exported across the Sahara desert to North Africa for centuries and were re-exported all over Europe for bookbinding. The Kano Red goat was preferred and the product was known as 'morocco leather' as it was presumed to come from Morocco. The rise of the internet has brought demand for bookbinding to a sudden halt and it remains to be seen what impact this will have on the international trade.

It is extremely hard to get an idea of the scale of processing skins for handicrafts. However, the interviewees were clear that demand fell during the last two decades but is slowly recovering. They attributed this to a failure of demand from foreign buyers, which may be reasonable, as it is certainly true that there are many fewer expatriates in Northern Nigeria. There is clearly room for improvements in quality, though whether a stratified market really exists can be doubted.

e. **Livestock broking.** Given the large volume of livestock passing through the market, and the high value of the trade, it might seem that livestock dealers are among the wealthier strata of society. Some undoubtedly are, but many operate with extremely low margins based on credit and the vagaries of the trade, including illegal taxation and unreliable veterinary services, mean that they can easily lose their operating capital. Their major requirement is credit, which is unsurprising but problematic, since the Nigerian banking system has proven itself quite unable to deliver agricultural credit in a timely manner.

In Nigeria, as in much of West Africa, a division between traders and brokers exist. The traders bring in livestock from the source areas, usually other Sahelian countries at present. They are often quite unfamiliar with Nigerian markets and may speak only French, Arabic or Fulfulde and not Hausa, the common language in the markets. The brokers act to bring them together with buyers, sometimes supply accommodation, short-term credit and interpretation services. This arrangement is often criticised as adding yet another level to the market chain, but given the informal nature of the market system, it is hard to see how it could function without such brokers.

An interesting consideration is how the cash from large-scale livestock sales is repatriated. Despite the large volumes of cash transacted daily, traders obviously feel safe within the market environs which must be the result of a clandestine agreement with local thieves. However, this cannot apply outside its boundaries, and moreover, a trader would undergo considerable risks changing money at borders, for example. While cfa is readily available, more exotic currencies such as the Sudanese dinar are not. It seems fairly certain, therefore, that Islamic trust arrangements, such as are used by terrorists to transfer funds, are operating here. A trader in Lagos has an agreement with an informal banker in Mali or Sudan, the Naira are handed over in Lagos and refunded to the trader when he reaches home terrain.

f. **Transport.** Livestock is typically transported either in Mercedes 911 or larger trucks which hold up to 30 head of cattle, or 200 small ruminants. They are owned by fairly wealthy individuals who hire them out for specific journeys. These vehicles have no special facilities for livestock and there are no health and safety considerations. They have no effective insurance in case of accidents. On the other hand, vehicles on the road are subject to unrelenting predation by quasi-governmental bodies. Livestock and perishable goods are particularly vulnerable, as the trucker cannot afford to wait and argue with officials. Although the trade associations have made many attempts, including strikes and formal approaches to the Federal Government, to put an end to this, there has so far been no effect. By all reports, Lagos State, included in the GEMS programme, is one of the worst culprits.

g. **Agro-veterinary product dealers.** Government formerly controlled the sale and distribution of agro-veterinary products and in particular vaccines to protect herds against epizootics. This was not based on any policy to assist herders but rather to protect the monopoly of the vets, who made money in this way. Even so, vaccination was only sporadically effective, as the major rinderpest epidemic of 1984-5 showed (Wosu 1989). State governments still undertake to vaccinate herds every year in principle, but pastoralists report that even this has collapsed in reality. The coming years are likely to see major epizootics and a consequent massive economic loss to rural populations.

Vets have lost interest in even coming to rural areas and thus their interest in controlling the supply of drugs. Restrictions on the import and sale of agro-veterinary products are thus non-functional. In many ways, livestock producers view this as a positive step, even though its origins lie in government apathy. The consequence has been a major expansion of small-scale dealers in livestock drugs and feeds. These dealers are often individuals who previously worked in livestock, sometimes as administrators. They are unlicensed and definitely unqualified to dispense medicines, which they are in the business of selling. But the absence of the veterinary services has meant that livestock producers are compelled to rely on them. A straw poll held at meetings with livestock producers, suggests that only about one in three were aware of the significance of expiry dates. Few could read them directly, but some do ask their children to inspect the package before buying.

2. Where are things going?

Nigeria is vast economy and no survey, however intensive, can capture more than aspects of social and economic change. Nonetheless, it is apparent that the situation of livestock producers has been transformed radically since the last major survey in 1990-91 (RIM 1992). Developing interventions with any chance of success depends on an understanding of the actual conditions that obtain today. This section is intended to summarise the relevant changes in bullet point form.

- a) The Nigerian human population has continued to rise. Most analysts put the human population at greater than 120 million today.
- b) While rural-urban migration absorbs some of this growth, the majority remain in the rural areas where they bring new land under cultivation
- c) However, farming is by and large not intensive with very limited innovation in techniques, especially following the collapse of all extension services
- d) As a consequence, the pastureland available to pastoralists and livestock producers has decreased year on year, leading some to migrate away from Nigeria and others to leave the profession. It has also had the secondary effect of sharply increasing land conflicts
- e) An alternative response of herders has been to decrease herd size and depend much more heavily on purchased feeds and crop residues, the prices of which have risen sharply
- f) This has created a massive shortfall in the percentage of meat and other foodstuffs which can be supplied from resources internal to Nigeria
- g) The response of government has been to allow the shortfall to be made up by formal and informal imports from all sources
- h) The scale of this trade can only increase, as will predation on the trade by quasi-governmental bodies
- i) Government has shown no evidence of any commitment to action to remedy the situation and thus poverty in rural areas can only increase

The next section considers whether donors can intervene and what might be effective.

3. What is to done?

3.1 The history of interventions in the livestock sector

Nigeria is not without a history of livestock interventions, going back to the Colville and Shaw mission in 1950. Credit, ranches, fattening schemes, dairying, grazing reserves have all been tried, but as the precarious situation of herders today suggests, they have not been very successful. Perhaps one conclusion can drawn, that government is not the most effective institution when dealing with an institution as changeable as livestock production. In addition, the cushion represented by oil money has meant that there is less pressure to make institutions work. Nigeria is also unusual in that it has a very poorly developed NGO sector in contrast to most West African countries. Many international NGOs are not represented and local NGOs are often either religious associations or trade groups. The consequence may be that change can come about principally through information dissemination and making connections between individuals and groups not normally in touch.

3.2 Going sideways

The collapse of local supply in the livestock trade paradoxically represents a significant opportunity. Producers have realised that the former methods of production, based on extensive and essentially free grazing, will disappear in the future and are already gone in any areas. But they do not have any prior basis for developing new more intensive methods. With information about technologies, market conditions, branding and health, the opportunity is there to supply the cities. Donors have the resources to make this happen. The following are suggestions for 'easy wins' in increasing incomes in the livestock sector;

- a. Assist village poultry and rabbit producers both to increase the value of their product through better feeding, health-care and housing and to diversify (producing species other than chickens, such as turkeys, ducks and guinea-fowl and products, for example guinea-fowl eggs)
- b. Help livestock producers better understand the advantages and disadvantages of depending on agro-veterinary product dealers and disseminate information about reading expiry dates
- c. Produce an analysis of trends in livestock production and the consequent likely future situation. Develop suggestions for new strategies to be competitive in a changing world
- d. Analyse the livestock feeds market and produce a comparative analysis of the feeds on offer. Work with economists to develop a simple method to assist producers to compare prices and feed values by season
- e. Make small grants to improve infrastructure in major livestock markets; the health gains would easily outweigh the costs
- f. Make a database of markets, traders, dealers, associations, and others concerned with livestock and meat industries and circulate this freely among stakeholders
- g. Map the livestock and meat market system in Nigeria and make this available to stakeholders in a practical format
- h. Work with government to reduce predation on the perishable goods trade by its own officials

These recommendations are about communicating fresh information to stakeholders in the livestock and meat industries. The following section considers some methods for achieving this.

3.3 How do we communicate information?

The extension services in Nigeria have not had a glorious history; they have traditionally worked through English-medium printed materials, which are effectively useless, even if extension workers were to visit villages. It is important to recognise that the great majority of potential beneficiaries do not speak English and outside the core Hausa area, may not even speak Hausa. Herders generally speak Fulfulde, although some groups are now switching to Hausa. Even more importantly, most of the advice such leaflets dispense is effectively useless, recommending management and feeding techniques that are either incomprehensible or impractical in the village situation. Not one interviewee ever admitted receiving any useful advice through this system. Unless extension materials are in languages the beneficiaries understand and seem to them to be based on a realistic understanding of their situation, they will be rejected.

This suggests that a new approach is called for, and as it happens, this is possible through a confluence of circumstances. Since 2000, there has been a technological revolution in villages, in that most people now have access to mobile phones, DVD players, satellite television and the like. Even older people who cannot read know their phone numbers and get their children to dial and text for them in order to communicate. DVDs are hardly exploited for extension, but shown in groups for small sums of money for fiction films and to disseminate religious propaganda. Lack of electricity is no problem; charged car batteries and generators are everywhere to hand. This represents a remarkable opportunity; the suggestion is that pilot DVDs are produced in Hausa and Fulfulde (to begin with) and trade associations used to test them and comment on their value to the target audience. If the content was designed in a fresh, attractive way, with real individuals talking and appropriate background music there is no reason to think the message would not get across.

Nigeria is Africa's premier producer of DVD fiction films and indeed support to that industry is another strand of GEMS. In cities such as Kaduna there are a plethora of small film producers producing all types of DVD, from Hausa and English fiction to music videos and also materials in minority languages. Such

Roger Blench: Nigerian meat and leather industries. Report for GEMS

producers clearly have commercial savvy and GEMS can surely build on this to get extension ideas out in to the community.

ANNEXES

1. Markets

The scale of the livestock trade in Nigeria is such that it requires a highly complex market system to deliver animals to customers. Moreover, because of the cultural value of recently slaughtered meat, and the difficulties of finding trustworthy refrigerated vehicles¹, almost all market stock travels live, even from remote destinations. Lagos represents the largest single receiver market, but the large conurbations of the 'East' (Onitsha, Enugu, Owerri etc.) must represent a demand nearly as great.

Lagos has three significant wholesale markets for livestock, which feed a number of subsidiary markets. These are;

Ọkọ Oba	mainly cattle with some small ruminants
Alaba	mainly small ruminants with some cattle
Ijagamu	poultry, rabbits

Remarkably, these are extremely remote from one another and it can take hours to travel between them. Despite the mobile phone, market leaders are not often in touch and do not necessarily agree on positions on matter of common interest.

There is a pig production unit behind Ọkọ Oba and Lagos evidently consumes a substantial amount of pork, but supply seems to be dispersed across many markets. Pigs are produced in peri-urban units and sales are often directly between producer and slaughtering market, so the broking structure which applies in other species is absent. Lagos and neighbouring states apparently produce a surplus of pigs, as they are also shipped to the markets in the East.

Estimating the scale of wholesale livestock trade is difficult, since all transactions are in cash. Some of the market leaders at Ọkọ Oba put the value at half a billion Naira a day, which is not unreasonable in the light of the number of trucks of cattle arriving. Adding the other smaller cattle markets, the small ruminants and poultry, the total value of transactions could be as much as ₦1.5 billion daily.

Most remarkable is that this high-volume trade is managed by a very small number of market leaders who are all northerners and most of whom do not speak Yoruba. There are small, cramped offices with no facilities except benches, and, in the case of the poultry market, nothing at all except recycled aeroplane seats. Conditions are insanitary, and in the rainy season the markets turn to mud which the animals must struggle through (Photo 3). Sick or exhausted animals are allowed to lay on the ground next to the trading grounds (Photo 4), and buyers must hope the animals they buy escape contamination.

Photo 3. Cow struggling in knee-deep mud at Ọkọ -Oba market



¹ Since every major town in Nigeria has a variety of 'cold stores' selling seafood products, it might seem there was a functioning cold chain. However, all too frequently upon defrosting frozen fish it is evident that they have been partly defrosted before, presumably due to the unreliable electricity supply. Consumers might rightly be uneasy about eating meat in this state.

The last major survey of Nigerian livestock markets was conducted in 1990-91 (RIM 1992). At that time, a substantial proportion of cattle reaching southern markets actually came from Nigeria. The situation has now been transformed radically, as in the Lagos markets at least almost none of the livestock except poultry are produced within the country. Small ruminants come from Niger, but cattle can be brought from almost anywhere in Sahelian Africa. This is very visible in the markets where almost all animals are exotic breeds.

Photo 4. Exhausted or sick animals next to the market



Westward the trading network stretches to Mali and eastward, it is claimed, as far as Somaliland. Although this sounds improbable at first, there are certainly cattle in the market representing breeds from the Horn of Africa. Nonetheless, bringing trailers of cattle across war-torn territory and hostile border-posts in Chad and Sudan indicates the massive price incentive that has developed.

The force behind the evolution of this remarkable network is undoubtedly the high price of meat. Red meat in Lagos is very roughly twice the world price, and Nigeria clearly only imports a very insignificant amount of frozen meat. Human population increase and consequent squeeze on land has reduced absolute livestock numbers in Nigeria as well as affecting health and bodyweight. At the same time, urban populations are growing and at least a certain segment of society is becoming richer. There are at least twenty million consumers in Lagos, apart from the other large markets competing for livestock.

Reliance on imports is thus at a level of almost 100 per cent, which makes Nigerian consumers highly vulnerable to price shocks. A major drought in the Sahel, conflict in supply zones such as Chad or Sudan, a resurgence of epizootics could all result in another major price jump with all the attendant consequences for protein consumption. At the same time, this creates an opportunity for producers within Nigeria. Any livestock producer who can bring animals to market at a competitive price should have a major advantage over traders who travel vast distances. The question remains as to why local producers have not seized this opportunity.

2. Ethical issues

An aspect of the meat and leather trade which is highly visible to the outside observer and apparently passes unnoticed from inside is the ethical vacuum within which it exists. The situation of slaughterhouses is lamentable, with insanitary conditions, unacceptable labour practices, ill-trained and ill-informed staff. Many attempts have been made by donors to upgrade slaughterhouses, but with no lasting effect. The reason is that no group involved finds these practices objectionable, only outsiders. Lagos is an interesting case in point. Slaughtering is divided between the 'traditional' practice and the much smaller modern abattoir, which is leased to a commercial company. Modern slaughtering is at a premium price but this is still a small percentage of the overall price of a cow. Nonetheless, demand is low, with the line operating around one-tenth capacity. It would clearly be desirable to improve practice at the slaughterhouses on moral and health grounds, but for most users there is no economic or financial argument.

Animal welfare is another grey area in moral terms. The transport of animals from their source areas to the large markets is carried out with the very minimum of precautions, no more than preventing deaths en route. Even so, it is not uncommon for several animals to die on the road, or to die subsequently from heat exhaustion once in the final market. Veterinary inspections of transported animals have no content; only at Lagos abattoir did inspection for disease in the carcass seem to be carried out with any thoroughness.

The livestock trade is also subject to rent-seeking or predation by the supposedly properly constituted authorities. The fresh produce association (livestock dealers plus perishable foods) currently expect to pay up to ₦200,000 per large trailer coming from the north. This consists of spurious veterinary fees, police and local government 'taxes'. The association went on strike for a week in February 2010 and carried their case to the Federal Inland Revenue, which issued a statement saying these taxes were illegal and the states should

desist. Since then, the predators have stopped issuing receipts, as these were used as evidence, and have now effectively turned to armed robbery, putting nailed bars under the wheels of livestock trucks until they pay up. Certain states have actually told the FG they refuse to obey. The Association is currently planning more direct action. GEMS is thus in the doubtful moral position of giving support to states which are actively working against its goals and supporting extortion.

3. Social and political risk

The social and political hierarchy in Nigeria is such that influential stakeholders in the meat and leather industries do not have the interests of poor and excluded high on their agenda. As a consequence, the project must be designed to generate win-win strategies, which improve the incomes of the poor while not being perceived as seriously threatening to such entrenched power blocs. However, the rural poor are typically invisible to the urban elites, and changes in village prosperity will pass largely unnoticed. Unfortunately, the unofficial tax regimes which operate along Nigerian roads and which add to the costs of both producers and consumers are sanctioned by urban elites, which is why attempts to suppress them have come to nothing. It is reasonable to hope that education and information, which will improve the access of the poor to resources and raise productivity at the household level will be largely 'under the radar'.

4. Impact on the environment

Nigeria has one of the worst environmental records in the African continent with no enforcement of existing legislation and widespread land degradation due to pollution and deforestation. Expansion of non-intensive farming throughout the north and Middle Belt has allowed both incursions into the remaining forest reserves and intensive pressure on woodland resources. Any incentive GEMS can provide to more effective land management (and intensifying ruminant production would be that) as well as encouraging farmers to make the best possible use of crop residues and enhanced agroforestry can only be positive for the environment.

5. Associations

The scale of the livestock trade in Nigeria, and indeed foodstuffs in general, has also created a series of relatively strong trade associations. The strongest and most important associations are the butchers, fresh produce traders and herders. Even in the south, the great majority of these associations have northern members. These associations are usually strongest in the states, though some have national offices. Their function is both to educate their members and lobby government, although they find that lobbying is increasingly a waste of time. Government is quite unresponsive, presumably because importation always takes up the slack and because it is dominated by those from an urban background.

Nigerian trade associations are quite dissimilar in structure to typical professional associations in developed economies. For example, many have no regular subscription, apart from an initial joining fee. Some collect a small transaction tax in order to generate income. Many seem to keep no books, and financial records for the most part are in the officials' heads. More remarkably, it is seen as appropriate that richer members contribute more than the poor. This only works because contributions are made at public meetings.

Apart from representing members' interests, trade associations also act as insurers and family benefit providers. Nigerian commercial insurers take no interest in this sort of business, but individual traders and brokers can easily lose their capital if an animal dies unexpectedly or a trailer is involved in an accident. The normal agreement is that if a member suffers a loss through no fault of his own, the association will make good 50% of the losses. This is quite an effective mechanism, but does depend on a high degree of informal trust between members. The other function of associations is not dissimilar to the co-operative societies in early modern England. In the event of the sudden death or a debilitating accident to a member, the association takes care of funeral expenses, hospital fees and immediate financial support to the family.

6. Building relationships

Nigeria has been the subject of a very large number of missions from all sorts of bodies, donors, NGOs and other international bodies. They visit trade associations, entrepreneurs, government bodies, call meetings in

Roger Blench: Nigerian meat and leather industries. Report for GEMS

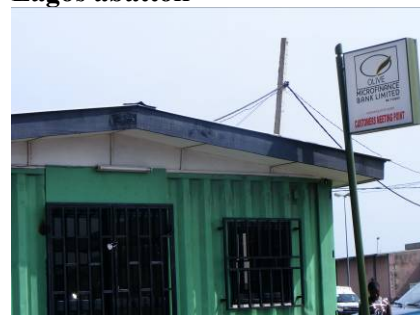
towns and villages and hold workshops. Most are never heard of again, and the consequence is that far from being enthusiastic about the next initiative, most officials and leaders in the livestock industries are extremely cynical. While polite, they gave a series of concrete examples of international visitors who wasted their time.

GEMS is intended to develop ‘clusters’ and build relationships; but already it has a slightly embarrassing reputation among pastoral organisations as visitors who come once and don’t come again. Any action that can be taken to retrieve this situation will be crucial to its success. Of course, not everyone spoken to will benefit directly, but Nigerians place great emphasis on contact and personal relations. GEMS should make it the task of someone to be a listening post, both to receive enquiries and to phone those interviewed every now and then to brief them and keep them up to date. This will go a long way towards repairing something already damaged.

7. The vexed issue of credit

Since the 1970s, the World Bank and other development bodies have bemoaned the absence of credit in rural areas and identified this lack as a major block on economic growth. Traditional moneylenders charge such high rates of interest that they are only useful for short-term loans. However, getting out credit to rural communities has faced insuperable obstacles. The Nigerian Government institution of choice, the Nigerian Agricultural Credit Bank (NACB), has complex bureaucratic procedures which usually result in loans only being granted long after they are required. Such bodies demand collateral, when the only resource a farmer may have is land, for which he only has traditional title. Livestock dealers, who would like to escape from debt traps, have no collateral at all, only their working capital, which they cannot tie up as a deposit. Even larger-scale entrepreneurs who wish to open medium-scale farms have found these procedures effectively useless as a source of funds.

Photo 5. Closed microfinance bank, Lagos abattoir



If ‘official’ channels to rural credit do not function, then micro-finance is the proffered solution. Certainly Nigeria has seen the growth of (donor-driven?) store-front micro-finance banks during the 2000s. But their functioning is a mystery, since many of those seen were manifestly closed (Photo 5). None of those interviewed had ever been able to extract a loan from these bodies.

8. How should we collect information?

Development projects are intended to improve the incomes and life-quality of beneficiaries and it is clearly desirable that there should be an evidence-based demonstration of their impact. During the period of the Agricultural Development Projects (ADPs) in the 1980s and 1990s, the World Bank established a large statistical unit in Kaduna to collect and measure information about income in rural areas. This unit, the Agricultural Projects Monitoring and Evaluation Unit (APMEU), still exists but has long since ceased data collection.

As numerous studies have shown, official Nigerian statistical data is highly unreliable at best, and much time can be wasted analysing figures with zero evidential value. It is thus very important to establish a methodology for measuring project impact in a credible fashion in the earliest phase of the project, so that change over time can be demonstrated and thus impact and outcomes assessed. Sample sites need to be chosen and social/economic categories of beneficiary developed for long-term monitoring. Such sample stakeholders need to be geographically dispersed and the analyses should be carefully designed to produce statistically robust outputs. Similarly, the economic value of the meat trade needs to be established; this can be done through enumerators in markets, but such a system needs to be done in collaboration with market leaders whose trust must be earned.

Opportunities for expanded and improved poultry production at village level in Nigeria



Preamble

The GEMS 'Meat and leather' project does not clearly include or exclude poultry and it is accepted that poultry might be a valuable addition to the portfolio of activities. However, the poultry value chain is clearly somewhat different from red meat and perhaps would require additional funding. This Annex is intended to make the argument for such an expansion of activities.

Background

Traditional poultry species kept in villages are chickens, ducks, guinea-fowl and pigeons. There is a small-scale trade in ostriches and geese. Rabbits are sold in the same value chain as poultry. Turkeys have been introduced in the last two or three decades and are now a profitable, if small-scale, enterprise. Geese and quail breeding stock are being sold in small quantities by private entrepreneurs; their success in the market will be worth monitoring.

Poultry were traditionally kept under zero management systems, with no supplementary feeds, and slaughtered rather than given veterinary treatment. Eggs were often not collected or eaten. Since the 1980s, this is gradually changing. Poultry now is often housed, quite often fed and producers are seeking improved breeds, all of which creates a need for extension advice, which the government services are signally failing to fulfil.

It has proven almost impossible to provide the regular reliable veterinary services that prevent large-scale losses from Newcastle disease etc². However, village egg production has increased markedly in recent decades and there has been improved access to veterinary products and feed. Demand for eggs is very high and this is a good opportunity to increase incomes at this level. There is also an incipient market for eggs of other species such as guinea-fowl and ducks, as witnessed by their packaging and sale at roadside stalls. Another aspect of demand is roadside sales of roast chicken. This has increased markedly since the 1980s to the extent that the roasters often go direct to villages seeking fowls from house to house.

Why invest in poultry?

Poultry is overwhelmingly kept in poor rural villages and very often by women and children. Developing a small poultry business is low-capital and can increase income rapidly with even small management inputs. Nigerian urban demand for both poultry and eggs is increasing extremely rapidly; although there is now some semi-intensive production, it nowhere near meets the need for poultry and its products. All such semi-intensive production has focused on chickens, but there is a clear demand for other species. Guinea-fowl in particular, with their hardiness and ability to convert low-grade feed, seem under-exploited. In addition, ideas about the profitability of improved management practices are now gradually spreading and there is a hunger for information, especially as new producers enter the market. Improved transport networks provide

² The potential for major losses from epizootics and the poor veterinary service that has allowed Nigeria to remain a reservoir for avian influenza explain why larger-scale poultry businesses have not developed

Roger Blench: Nigerian meat and leather industries. Report for GEMS

an opportunity to add value to village poultry through dressing and mobile phones mean that village producers can be better informed about market conditions.

Arguments to donors

The advantages of investing in expanded poultry production are several;

- a) it is an expanding trend, regardless of the project. Interventions will simply speed the process and perhaps nudge it in desirable directions. It is also thus a near-ideal example of M4P.
- b) poultry can be managed in the household by women, the elderly and the disabled. Restrictions on the movement of women will not affect the business, in contrast to some other livestock enterprises.
- c) the potential for large scale, demonstrable impact is significant

What would we do?

The main requirements are information, not capital. The same techniques proposed for other elements of GEMS, i.e. DVDs, mobile phones, radio et. can be adapted for poultry production.

There is now a clear demand for better breeding stock. The programme should investigate appropriate genetic material and what market mechanisms can be used to disseminate it. The programme could even consider giving such material away for free, since the multiplier benefits of this compared with the transaction costs of using more complex mechanisms suggests it would be more effective.

Bibliography

- Adebowale, E.A. and Ademosun, A.A. (1981) Studies on the utilization of dried brewers grains by sheep and goats. I. Growth studies. *Bulletin of Animal Health and Production in Africa* 29: 365-370.
- Adegeye, A.J., Ikpi, A.E., Akinyosoye, V.O., Dittoh, J.S., Oluyemi, J.A. and Amakiri, S.F. (1988) *Second National Poultry Survey*. Report to Federal Livestock Department.
- Adu, I.F. and Ngere, L.O. (1979) The indigenous sheep of Nigeria. *World Review of Animal Production* 15,3: 51-62.
- Adu, I.F., Buvanendran, V. and Lakpini, C.A.M. (1979) The reproductive performance of Red Sokoto goats in Nigeria. *Journal of Agricultural Science, Cambridge* 93: 563-566.
- Adu, I.F., Taiwo, B.B.A., Osinowo, O.A. and Alhassan, W.S. (eds) (1985) Small ruminant production in Nigeria. *Proceedings of the National Conference on Small Ruminant Production*. NAPRI, Zaria.
- Adu, I.F., Taiwo, B.B.A. and Buvanendran, V. (1985) Reproductive and lamb growth performance of Balami and Desert Sudanese sheep in the Sahelo-Sudan Savanna Zone of Nigeria. *JAPR* 5,1: 67-76.
- Alaku, O. and Igene, J.O. (1983) Seasonal variation in volume of trade-cattle moved from the Sahelian to the equatorial zone of West Africa - with particular reference to Nigeria. *World Review of Animal Production* 19: 69-74.
- Alaku, O. and Igene, J.O. (1986) Factors influencing trade movement of sheep and goats from Borno State to other parts of Nigeria. *Annals of Borno* III: 127-137.
- Alhassan, W.S. (1985) The potential of agro-industrial by-products and crop residues for sheep and goat production in Nigeria. pp 165-183 in: *Small ruminant production in Nigeria. Proceedings of the National Conference on Small Ruminant Production*. Eds. I.F. Adu et al.. NAPRI, Zaria.
- Ayeni, J.S.O. (1983) Studies of the Grey-Breasted Helmeted Guineafowl (*Numida meleagris galeata*, Pallas) in Nigeria. *Worlds Poultry Science Journal* 39,2: 143-151.
- Ayeni, J.S.O. and Ajayi, S.S. (1983) Wildlife Protein: Guineafowl (*Numida meleagris galeata*, Pallas) as animal protein supplement. *Nigerian Field* 47,4: 156-166.
- Ayorinde, K.L. and Ayeni, J.S.O. (1986) The reproductive performance of indigenous and exotic varieties of the guinea-fowl (*Numida meleagris*) during different seasons in Nigeria. *JAPR* 6,2: 127-140.
- Bayer, W. (1986) Traditional small ruminant production in the Subhumid Zone of Nigeria. pp 141-166 in: *Livestock systems research in Nigeria's Subhumid Zone*. Eds. R. von Kaufmann, S. Chater and R.M. Blench.
- Birkett, J.D. (1952) The trade cattle of Northern Nigeria. *West African Review* 23: 295 and 326 ff.

Roger Blench: Nigerian meat and leather industries. Report for GEMS

- Blench, R.M. 1985. Pastoral labour and stock alienation in the subhumid and arid zones of Nigeria. *ODI Pastoral Development Network Paper*, 19e.
- Blench, R.M. 1991. Ful'e movement into Southwestern Adamawa from 1835 to the present. In: *Du Politique à L'Économique: Études Historiques dans la bassin du Lac Tchad*. J. Boutrais. ed. 15-64. ORSTOM, Paris.
- Blench, R.M. 1994. The Expansion and Adaptation of Ful'e Pastoralism to Subhumid and Humid Conditions in Nigeria. *Cahiers d'études Africaines*, 133-135: 197-212.
- Blench, R.M. 1996. Pastoralists and National Borders in Nigeria. In: Nugent, P., and A. I. Asiwaju (eds) *African Boundaries: Barriers, conduits and opportunities*. 111–128. Edinburgh: Francis Pinter for Centre of African Studies.
- Blench, R.M. 1997. *Animal traction in Nigeria: categories, distribution and constraints on its adoption and further spread: a Nigerian case study*. ODI Working Paper 106. London: Overseas Development Institute.
- Blench, R.M. 1999a. *Traditional livestock breeds: geographical distribution and dynamics in relation to the ecology of Nigeria*. ODI Working Paper 122. London: Overseas Development Institute. Available in Acrobat format at: <http://www.oneworld.org/odi/publications/wp122.pdf>
- Blench, R.M. 1999b. The Nigerian National Livestock Resource Survey: a personal account. In: *L'Homme et l'animale dans le Bassin du Lac Tchad*. C. Baroin & J. Boutrais eds. 627-648. Paris: IRD.
- Buvanendran, V., Ikhatua, U.J., Abubakar, B.Y. and Olayiwole, M.B. (1983) Carcass characteristics of indigenous breeds of cattle in Nigeria. *Journal of Agricultural Science, Cambridge* 10: 407-411.
- Buvanendran, V., Umoh, J.E. and Abubakar, B.Y. (1980) An evaluation of body size as related to weight of three West African breeds of cattle in Nigeria. *Journal of Agricultural Science, Cambridge* 95: 219-224.
- Cohen, A. (1965) The social organization of credit in a West African cattle market. *Africa* 35: 8-1.
- Colville, G. and Shaw, T. 1950. *Report of Nigerian livestock mission*. Report to the Colonial Office, HMSO, London.
- Dettmers, A. and Williams, T.A. (1978) Some genetic parameters in White Fulani (Bunaji) cows. *Nigerian Journal of Genetics* 2: 45-52.
- Dettmers, A., Igoche, C.A. and Akinkuoli, K. (1976) The West African Dwarf sheep. Reproductive performance and growth. *Nigerian Journal of Animal Production* 3,1: 139-147.
- Dunbar, G.S. 1970. African Ranches Ltd, 1914-1931: an ill-fated stock-raising enterprise in Northern Nigeria. *Annals of the Association of American Geographers* 60: 102-123.
- Dupire, M. (1962) Trade and markets in the economy of the nomadic fulani of Niger (Bororo). pp 335-362 in: *Markets in Africa*. Eds. P. Bohannon and G. Dalton. Northwestern University Press.
- Famure, O.D. (1986) The system of cattle marketing at the Maiduguri stockyard. *Annals of Borno III*: 153-163.
- Ferguson, D.S. (1967) *The Nigerian beef industry*. Cornell International Agricultural Development Bulletin. Ithaca, New York.
- Fricke, W. (1979) *Cattle husbandry in Nigeria: a study of its ecological conditions and social-geographical differentiations*. Heidelberger Geographischen Arbeiten, Heft 52, Geographisches Institut der Universitaet Heidelberg, West Germany.
- Hopen, C.E. 1958. *The pastoral Fulbe Family in Gwandu*. OUP for IAI, London.
- Ikhatua, V.J. and Olayiwole, M.B. (1983) Problems of intensive beef cattle production in Nigeria. *World Review of Animal Production* 19: 65-70.
- ILCA (1979) *Livestock production in the subhumid zone of West Africa*. ILCA Systems Study 2. ILCA, Addis Ababa.
- Kilgour, V. and Godfrey, D.G. (1978) The influence of lorry transport on the *Trypanosoma vivax* infection rate in Nigerian cattle trade. *Tropical Animal Health and Production* 10: 145-148.
- Nuru, S., Buvanendran, V. and Abed, S.M. (1981) Growth rates of Wadara and Shorthorn-Wadara crossbred cattle in the north-eastern states of Nigeria. *Journal of Animal Production Research* 1: 123-134.
- Okaeme, A.N. 1982. Guineafowl production in Nigeria. *World's Poultry Science Journal* 38,1: 36-39.
- Okali, C. and Upton, M. (1985) The market potential for increased small ruminant production in southwest Nigeria. pp 68-74 in: *Sheep and goats in Humid West Africa*. Eds. J. Sumberg and K. Cassaday.
- Olayiwole, M.B., Buvanendran, V., Fulani, I.J. and Ikhatua, U.J. (1981) Intensive fattening of indigenous breeds of cattle in Nigeria. *World Review of Animal Production* 17,2: 71-77.

Roger Blench: Nigerian meat and leather industries. Report for GEMS

- Otchere, E.O., Ahmed, H.U., Adenowo, T.K., Kallah, M.S., Bawa, E.L.K., Olorunji, S.A. and Voh Jr., A.A. (1987) Northern Nigeria: sheep and goat production in the traditional Fulani agropastoralist sector. *World Animal Review* 64: 50-55.
- RIM (1984) Livestock and land use in southern Gongola State (3 vols). Report by Resource Inventory and Management Limited (RIM) to LPU, Kaduna.
- RIM (1986) Integrated air-ground surveys in the Nigerian Sub Humid Zone. Report by Resource Inventory and Management Limited (RIM) to ILCA, Kaduna.
- RIM, 1992. *Nigerian National Livestock Resource Survey*. (6 vols). Report by Resource Inventory and Management Limited (RIM) to FDLPCS, Abuja, Nigeria.
- Sempeho, G. (1985) *Sheep and goats in humid Nigeria*. Herodot, Gottingen.
- St. Croix, 1944. *The Fulani of Northern Nigeria*. Government Printer, Lagos.
- Stenning, D. 1959. *Savannah nomads*. Oxford University Press for International Africa Institute, London.
- Waters-Bayer, A. (1988) *Dairying by Fulani agropastoralists in Central Nigeria: farming systems and resource economics in the tropics*. Vol. 4. Wissenschaftsverlag Vauk, Kiel, Germany.
- Wosu, L. 1989. *Rinderpest in Nigeria*. ABU, Zaria.