

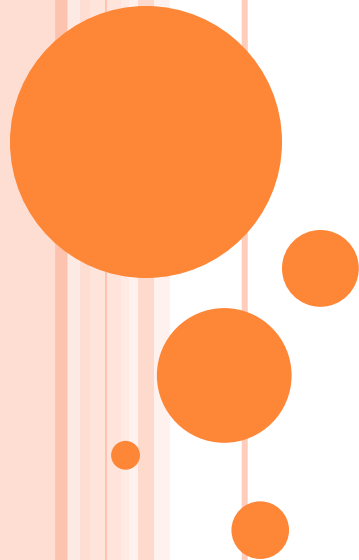
POULTRY ASSOCIATION OF ZAMBIA

PRESENTATION

**DOING BUSINESS IN THE POULTRY
INDUSTRY**

SOUTHERN SUN

26TH APRIL 2017



PRESENTATION OUTLINE

- PAZ and its role
- Industry Overview
- Policy Environment
- Reasons for Investing in Zambia
- Potential for Investment



PAZ AND ITS ROLE

- Established in 2000 , currently with 7,000 registered members out of the 30,000 potential
- Foot print in about 32 districts out of 110 districts
- Mouth piece for the poultry industry the poultry allied industry
- Lobby and advocates for conducive policies for poultry farmers.
- The Association gathers critical poultry information significant for investment decision in the sector
- PAZ also provides technical information to farmers and other members allied to it.

INDUSTRY OVERVIEW

- Contributes about 47% of the livestock GDP
- About 5% of the national GDP
- Created over and above 80,000 jobs
- Fastest growing sub-sector- about 20% in the past decade (about 8% reduction during 2016)
- The industry growth is driven mainly by the broiler and layers subsectors
- Secondary production is still dominated by the smallholder farmers- accounting for 65% while 35% is by medium, larger , commercial and corporate
- Poultry development has also driven the growth of the poultry feed subsector, soyabeans and grain

POLICY ENVIRONMENT

- Agriculture and Livestock recognised as a centre stage for Zambia's economic growth
- The sector enjoys a 10% corporate tax, lowest amongst all the sectors
- Governments support, - now setting farming blocks for both Livestock and Agriculture
- Zero rating agricultural products and supplies when exported
- Duties on key inputs are low e.g Customs Duty of 5% on pre-mixes and vitamin additives for animal feed , most inputs are under standard rated
- Working on the Livestock Development Act and its regulations

REASONS TO INVESTMENT IN ZAMBIA

1. **Economic Growth:** Anticipated to grow at 3.5% this year, Middle income country- with an estimated population of 15.2 Mn people with a strong growing middle income citizens
2. **Market Size:** Surrounded by 9 countries- two big markets DRC and Angola- current a member of SADC and COMESA
3. **Land and Water Resource:** 40% of African fresh water to support the growth of soyabeans and maize- key ingredients in livestock feed
4. **Stable:** Politically stable economy



POTENTIAL AREAS FOR INVESTMENT



1. **Feed Additives** and premixes which are currently being imported – import substitution
2. **Poultry Meat Processing Equipment** (both new and second hand)- population growth and market expansion is facilitating changing the feeding habits as people are getting busier and would prefer processed as opposed to unprocessed chicken
3. **Feed Mills** – focus on providing feed mill technology and equipment- with growing demand for stockfeed both domestically and regional market, there is need for efficient stockfeed production systems that use minimum input and maximum output

4. Vaccines and Poultry Medicines:

Prevalence's of poultry diseases and also development of new strain- commercial and free range vaccines, long shelf life. Innovation are required especially in the identification of the variants in the strains which causes diseases especially Newcastle, Gumboro and Infectious Bronchitis

5. Improved Poultry Genetics: Zambia is dominated by a few genetics in the broiler especially Cob 500, Ross 308, Indian River whilst the layers- Rohman and Issa Brown – Investment in new genetics, resistance to disease, high performance and meat quality birds-



6. **Investment Diagnostic Facilities** and equipment, commercial extension services- a few private labs are available, this area presents another opportunity for investment.
7. **Commercial Extension Service-** government is slowly moving away from providing services to create an incentive for commercial extension services
8. **Egg Processing** for upstream confectionery industry- both for local and exports - Zambia.
9. **Poultry Housing Innovation** : investments in automated and environmentally controlled poultry houses that caters for all the players in the poultry value chain- innovation may also include developing software that will help control temperature and humidity in poultry houses

- **10: Poultry Waste Management** – there is huge potential of turning poultry droppings into manure and this remains an area with few investment.
- Converting chicken droppings into organic fertilizer will help reduce the import bill for organic fertilizer.



END OF PRESENTATION

