

# Investment Opportunities in Livestock sector in Burkina Faso

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# Overview

- About ILRI
- Features of agro-silvo-pastoral systems
- Investment Opportunities
- Potential contribution of ILRI and Partners

# About ILRI

- ILRI's mission is... to improve food and nutritional security and to reduce poverty in developing countries through research for efficient, safe and sustainable use of livestock—ensuring better lives through livestock.
- ILRI's three strategic objectives are:
  1. with partners, **to develop, test, adapt and promote science-based practices** to achieve better lives through livestock.
  2. with partners, to **provide compelling scientific evidence in ways that persuade decision-makers** that smarter policies and bigger livestock investments can deliver significant socio-economic, health and environmental dividends to both poor nations and households.
  3. with partners, **to increase capacity among ILRI's key stakeholders.**
- **ILRI is a member of the CGIAR Consortium which works for a food-secure future.**

# About ILRI

## ILRI Offices



Main campuses: Nairobi,  
Kenya and Addis Ababa,  
Ethiopia

Offices in 14 other countries

# Features of agro-silvo-pastoral systems

- Multiple production objectives
- Dominated by smallholder farmers
- Mostly extensive with low use of external inputs
- High mobility of the ruminant livestock
- High vulnerability to climatic risks
- Livestock as the main driver of intensification of the systems
- Varied degree of integration of crop and livestock production systems



# Livestock production systems

Livestock production systems follow agro-ecological gradients

- Arid zone: Mainly pastoral system with pockets of agro-silvo-pastoral system
- Semi-arid zone: Mainly agro-silvo-pastoral, mixed crop-livestock systems, and peri-urban livestock system
- Sub-humid/humid zone: Mixed crop-livestock systems and peri-urban system

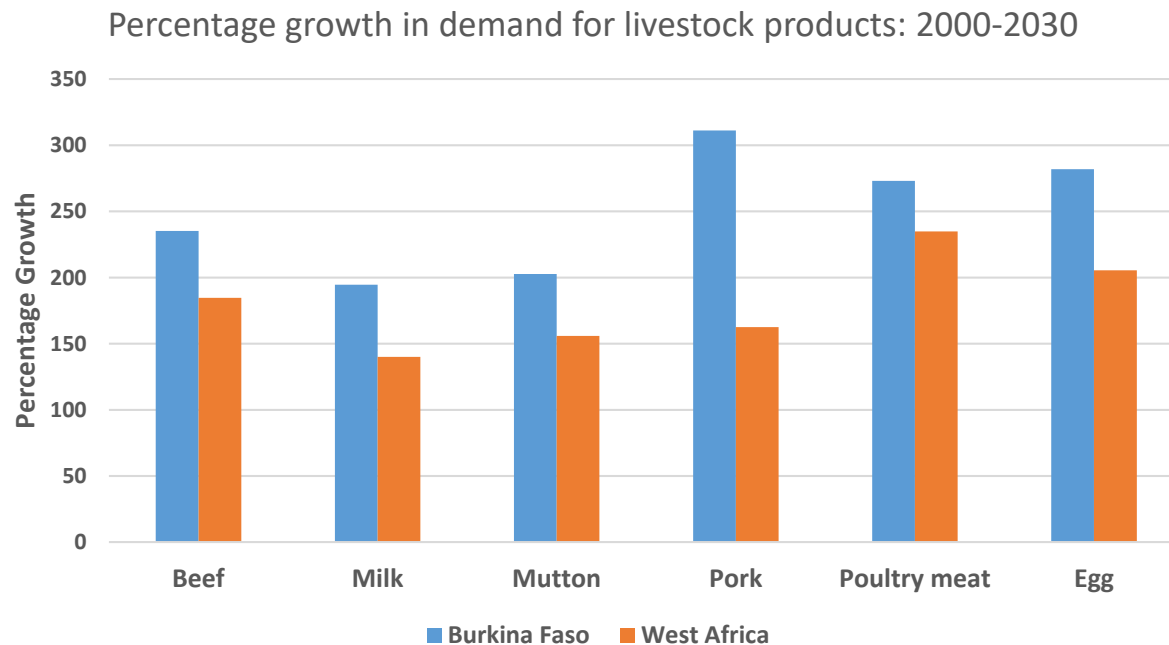
# Investment Opportunities

## Why does livestock sector need investment?

- To bridge productivity gaps – to produce more to feed rapidly growing population
- To sustainably intensify smallholder production systems
- To create employment opportunities, particularly for women and youth
- To improve revenue generation from livestock sector e.g. through livestock export
- To strengthen the capacity of key actors in the livestock value chains

# Investment opportunities

There is growing demand for animal-source food (meat, milk and egg) in developing countries driven by rapid population growth, urbanization and increased income



Source: FAO 2011. Mapping Supply and Demand for animal Source Food to 2030



# Investment opportunities

## Areas for Investment

1. Production
2. Value addition
3. Exportation
4. Capacity building

Areas of investment opportunities were based on previous studies by ILRI and partners in Burkina Faso and in the Sahel in general (Williams et al., 2006; Tamini et al., 2014; Blein et al, 2015 etc.)

# Investment opportunities - Production

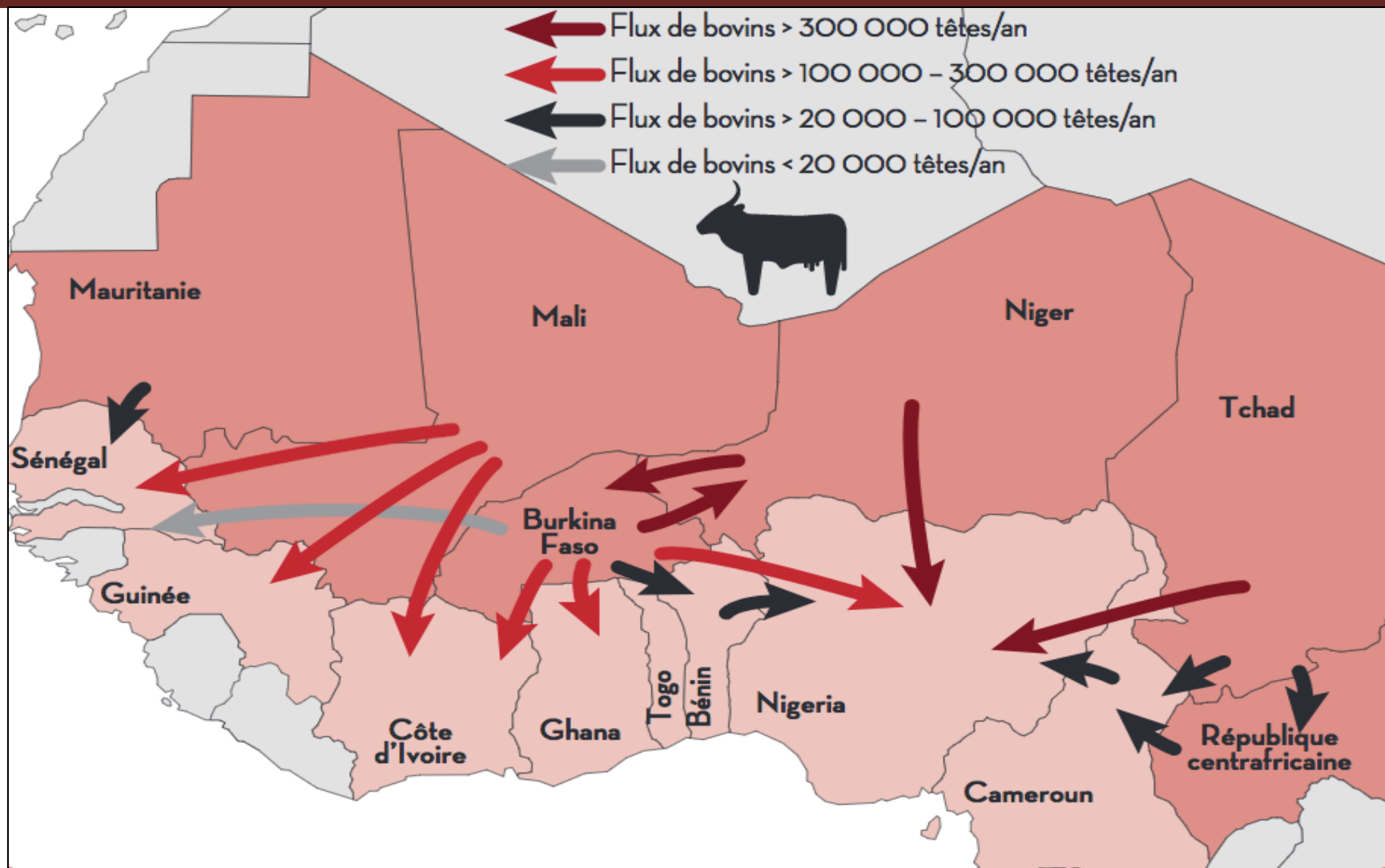
Area	Investment opportunity	Type of investment
Animal health service	-Mass vaccination campaign against major diseases -Veterinary products boutique in rural areas	-Public  -Private
Feed	-Forage production -Rangeland management	-Private -Public
Breed improvement	-Community-based breeding scheme -Artificial insemination for dairy breeds	-Public  -Public, private
Animal fattening	-Fattening enterprises for high value market	-Private
Market & marketing	-Market information systems for smallholder producers -Support mechanisms linking producers and financial institutions	-Public, private  -Public, private

# Investment opportunities – Value addition

Area	Investment opportunity	Type of investment
Livestock products	<ul style="list-style-type: none"><li>-Meat processing: slaughter house/abattoir</li><li>-Milk conservation &amp; processing</li><li>-Poultry meat – packaging/labeling for supermarkets/local markets</li></ul>	<ul style="list-style-type: none"><li>-Private</li><li>-Private, public</li><li>-Private</li></ul>
Feed	<ul style="list-style-type: none"><li>-Small/medium scale feed mill</li></ul>	<ul style="list-style-type: none"><li>-Private</li></ul>



# Investment opportunities - Exportation



*There is a dynamic livestock trade between Burkina Faso and the coastal countries but mostly informal; Source: Blein et al, 2015 ; Blein & Soulé, 2017*

# Investment opportunities - Exportation

Area	Investment opportunity	Type of investment
Transport	-Transport of live animals (reduces weight loss by trekking, reduces risk of theft and attack)	-Public  -Private
Processed meat	- Refrigerated truck for processed meat - Packaging, grading and labeling	-Private  -Private, public
Access to export market by smallholder producers	-Support mechanisms/platforms for better access export market (e.g. Trade Hub)	-Public, private
Credit	-Support mechanisms linking producers and financial institutions	-Public, private

***Export traders profit margin is at least 3 times that of domestic traders for animal of the same weight and body condition (Williams et al., 2006)***

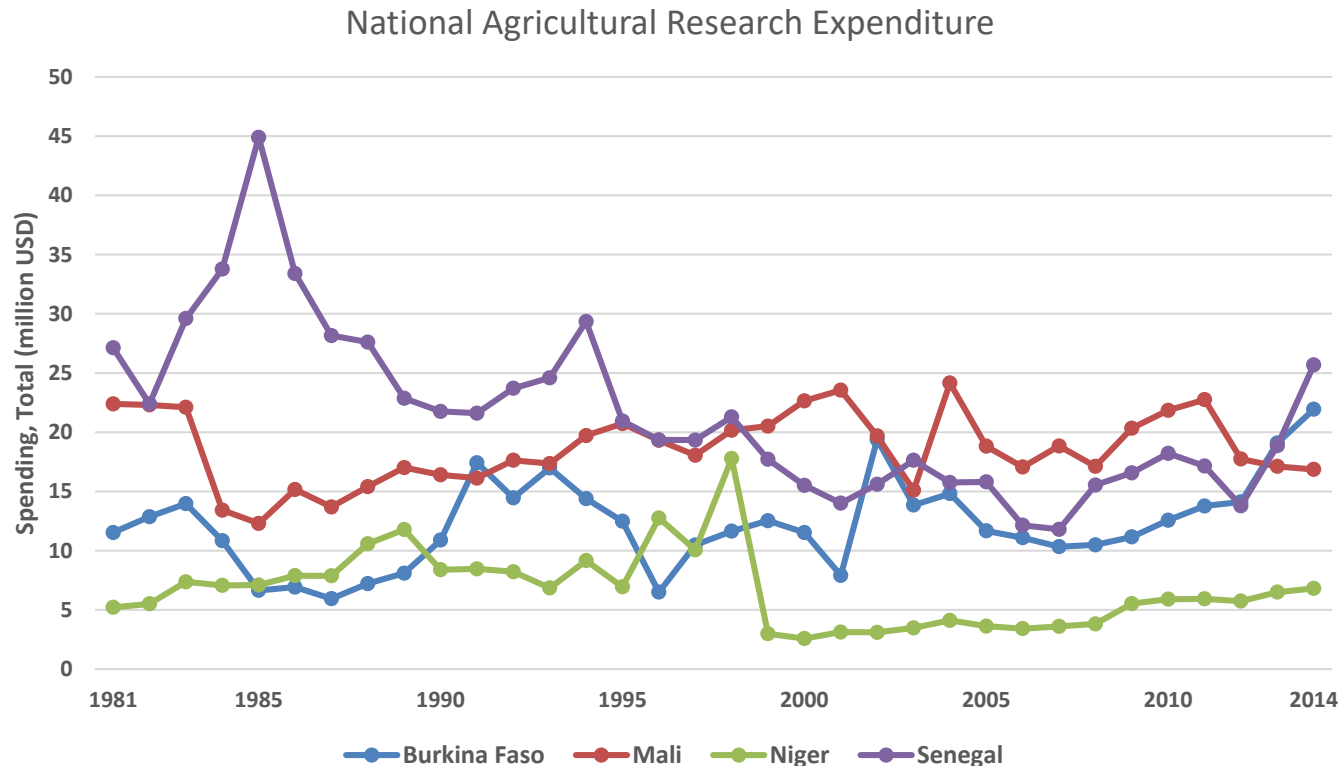
# Investment opportunities – Capacity building

Area	Investment opportunity	Type of investment
Animal health service delivery	-Developing capacities of public animal health delivery systems (manpower, infrastructures, research and extension)	-Public
Animal fattening	- Development of animal fattening business models for smallholder producers	-Private, public
Breed improvement	-Developing capacities in artificial insemination technique	-Public
Research	-Short and long-term training for researchers	-Public



# Investment opportunities – Capacity building

***Investment in agricultural research requires significant improvement***



The graph is based on data from Agricultural Science and Technology Indicators (<http://www.asti.cgiar.org/>), IFPRI.

# Potential Contribution of ILRI and partners – Livestock Master Plan

## Purpose of Livestock Master Plan

The Livestock Master Plans seek to inform and motivate national Government policymakers, private investors, and development partners (DPs or donors) to **invest more in livestock modernization**, by quantitative assessment of:

- the current status of the livestock sector
- long-run potential of the livestock sector to contribute to national development objectives and UN Sustainable Development Goals
- priority livestock value chains and investment interventions (combined technologies and policies) identified to further modernize the sector
- **ROI (returns on investment)** tested for alternative investments (technologies and policies) to help modernize the sector and contribute to national development objectives



# Potential Contribution of ILRI and partners – Livestock Master Plan

ILRI and partners have carried out the following LMP projects so far:

- **Ethiopia LMP Project** – completed a Livestock Sector Analysis (LSA), and Livestock Master Plan (LMP) with BMGF funding; World Bank now developing US\$170 million sector investment
- **Tanzania LMP Project** – herd and sector model, LSA and LMP funded by BMGF; now integrating LMP into 5-year national development plan
- **Rwanda LMP Project** – LSA and LMP funded by FAO for Gov't. of Rwanda 5-year national development plan
- **Uzbekistan LMP Project** – first phase LMP has informed a World Bank US\$150 million sector investment
- **Bihar, India** – informing an Indian US\$ 1 billion 5-year sector development investment

Discussing with Governments and DPs in Africa: **Uganda, Kenya, Republic of Congo, Guinea and The Gambia**; in South Asia: **other states in India and Nepal**

# Key messages

1. Unprecedented demand for animal-source food, will continue to soar in developing countries
2. The growing demand for livestock products provides great investment opportunities in livestock sector to increase productivity, income and generate employment opportunities
3. Livestock Master Plan can provide clear roadmaps for investment in livestock sector

*better lives through livestock*

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ILRI thanks all donors and organizations who globally supported its work through their contributions to the **CGIAR system**

*Patron: Professor Peter C Doherty AC, FAA, FRS*

*Animal scientist, Nobel Prize Laureate for Physiology or Medicine–1996*

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