



# LIVESTOCK MARKET ASSESSMENT AND VALUE CHAIN ANALYSIS REPORT

This livestock market assessment and value chain analysis has been financially supported by the Spanish Agency for International Development Cooperation (AECID), in the framework of the project 17-PR1-805, and conducted in the Guchi and Moyale Districts, Borena Zone, Oromia Region

Performed by: PATH Development Consulting and Research (PDCR)

Financed by:



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# ACKNOWLEDGEMENTS

This market study report was written by a team of consultants from PATH Development Consulting and Research (PDCR), namely Eshetu Demissie and Martha Nemera, Addis Ababa, Ethiopia. Information and input were collected from and generously provided by CIFA staff, the project targeted district's community (men and women), government sector office experts, market actors, service providers, and insurance companies. The study team wishes to thank all for their input, support, and advice.

The study team would also like to thank CIFA staff, particularly Mr. Goyo Denge and Mr. Abdulreshid from Borena Office, and Mr. Tura Liben and Zewid Seyum from the Moyale field office for their technical support, guidance, field work arrangements and logistic support.

PATH Development Consulting and Research  
December 2019

## LIST OF ACRONYMS AND ABBREVIATIONS

<b>AeA</b>	Ayuda en Acción
<b>AECID</b>	Agency for International Cooperation for Development
<b>AFD</b>	Action for Development
<b>CAHWs</b>	Community Animal Health Workers
<b>CIFA</b>	Community Initiative Facilitation Assistance
<b>CSOs</b>	Community Service Organizations
<b>ETB</b>	Ethiopian Birr
<b>FGD</b>	Focused Group Discussion
<b>II</b>	Individual Interviews
<b>ILRI</b>	International Livestock Research Institution
<b>KII</b>	Key Informant Interview
<b>M4P</b>	Making Markets Work for the Poor
<b>NGO</b>	Non-Governmental Organization
<b>OIC</b>	Oromia Insurance Company
<b>PDCR</b>	PATH Development Consulting and Research

# EXECUTIVE SUMMARY

## Purpose and expected use of the study

The purpose of this market study is to carry out a Value Chain Analysis and Market Assessment of livestock (cattle, goat, sheep and camel, and others as appropriate) based on participatory value selection criteria to map out the key actors' and support providers' constraints and opportunities and develop an intervention plan.

## Scope and focus of the study

This study was conducted in the Guchi and Moyale districts of the Borena Zone. The market analysis was carried out on three selected types of livestock (Cattle, Camel and Shoats). The market analysis covered the primary market in the targeted districts as well as end market destinations of the livestock selected for the market study.

## Market study approach and method

The market study used a participatory approach in which all market actors, the target community (women and men, boys and girls), government stakeholders, insurance companies and project staff participated and shared their views. The market study applied the M4P approach, by which the study team conducted three phases and used M4P tools developed for each phase. These were:



**Phase 1** Market prioritization i.e. selection of the market systems – desk review and discussion with target community and stakeholders to validate the pre-identified market selection. Accordingly, cattle, camels, and shoats (goat and sheep) are found relevant to the poor, viable for intervention and potential for marketing.



**Phase 2** Market analysis and diagnosis, which were carried out after field data were collected and analyzed according to M4P criteria and tools; and



**Phase 3** Intervention planning, which was carried out after completion of the analysis to determine which interventions would be most impactful and sustainable.

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# Key Findings

## Overview of the livestock system in Borena

- ▶ The Borena Zone is the most important livestock supply area. Cattle, camels and shoats have great potential for market growth and relevance for the poor.
- ▶ Despite the high livestock population, a potential for market growth and high end-market preference and demand, there are only 13 livestock markets in the Borena Zone. Some districts do not even have primary markets.
- ▶ Index-based livestock insurance has been introduced in 13 districts of the Borena Zone. Oromia Insurance Company (OIC) and different CSOs have been engaged in raising pastoralists' awareness of index-based livestock insurance and supporting them with premium subsidies.

## Market infrastructures in the Moyale and Guchi districts

- ▶ There is no primary market in the Guchi district, despite it showing great potential for a livestock market, bordering Somalia. There is a strong demand among pastoralists in Guchi for the establishment of a primary market.
- ▶ The market centers in Moyale, Dubuluq and Yablelo are in good condition, meeting market center infrastructure standards. They are well fenced, have compartments and nearby water supply. Particularly, the market in Dubuluq has a cattle water trough, water tanker, compartments for different types of livestock and a steeper (a loading and unloading structure for livestock). Moreover, it has a shaded area where market participants can rest and have a meal and coffee. There are no animal holding grounds near the major market centers in which the animals can rest for a while before they are loaded.
- ▶ Unlike Dubuluq and Haro-Beke market, the market center for shoats is not well organized in Arbele market, Moyale. The market center is on the side of the main road and does not fulfil any of the standards for market centers.

## Market participants /actors core function and constraints

- ▶ The market actors for cattle and shoats are many and include producers, brokers, small and large-scale traders, trading cooperatives, local abattoirs, individual consumers, feedlot operators, live animal exporters, and meat exporters. On the other hand, market actors for camels include producers, brokers, traders, local users and live animal exporters. Each of these market actors have different functions and constraints, such as the lack of feed and vet supplies, the lack of market information and credit, recurrent droughts and clan conflicts, inconsistency in the quality and quantity of supply, certification process and regulatory issues, etc. These are all critical constraints for market actors.
- ▶ Producers sell cattle, camels and shoats mainly in primary markets, while a few also sell in secondary markets. There are no cooperatives nor producers directly linked to end markets.

## Cattle, Camel and Shoat trade routes

- ▶ Cattle, camels and shoats flow to Arbele market from different villages and the Tuka primary market, a journey of about 40 km. Once they enter Arbele market, they flow to Dubuluq market and Haro-Beke market with traders and pastoralists, while some are sent by traders directly to

the Adma and Mojo feedlots and livestock export markets. Cattle and camels are also flowed from Arbele market, in Moyale, to Kenya, both by traders and pastoralists.

## Market channels and operation

- ▶ Cattle and camel marketing is totally dominated by men. Women do not market big livestock in any of the markets. However, women have higher participation in shoat markets as producers, sellers and small scale traders.
- ▶ The market operation in the studied district involves primary and secondary markets. There is a primary market in Tuka town two days a week (Monday and Friday), which is about 40 km from Arbele market in Moyale, and sellers are mainly producers. Arbele market is also characterized as a primary market –the sellers are mainly the producers, with few traders.
- ▶ The Haro- Beke and Dubuluq markets are labelled as secondary markets in terms of the number of heads of livestock on each market day and in terms of the nature of the market participants.
- ▶ Cattle, camel and shoat trading in the three markets mentioned is characterized by seasonality in production and prices.
- ▶ The market channels for cattle, camels and shoats are both domestic (domestic consumers and domestic restocking) and export (live animal and meat export).

## Market rules, support functions and critical constraints

- ▶ There is a great shortage of feed supply in the districts studied. The pastoralists' main livestock-feeding practices in the studied districts for cattle, camels and shoats involve open grazing in communal grazing areas, while agro-pastoralists practice a combination of open grazing and crop residuals.
- ▶ The feed supply system is seasonal, and government and humanitarian civil society organizations provide feed to save livestock during drought/dry seasons.
- ▶ There are good practices recognized by zone government offices in community-based fodder production and preservation by other CSOs in some districts of the Borena Zone, which have a strong interest in replicating the practice in others of its districts.
- ▶ Veterinary services are available from the government, Community Animal Health Workers (CAHWs), private veterinary service providers, NGOs, and in the form of illegal supplies from Kenya and Somalia.
- ▶ There are 9 government animal health posts in Moyale and 3 in Guchi. As for private vet pharmacies, two are found in Moyale and none in Guchi. Pastoralists and private vet service providers in Moyale stressed that limited supply appeared to be the dominant problem, which cannot meet the demand. Most pastoralists also travel to Kenya for vet medicines.
- ▶ Pastoralists, cooperatives and traders strongly believe that the lack of capital is their main constraint.
- ▶ Pastoralists and cooperatives strongly demand to engage in animal fattening, but have limited access to credit and technical support. With regard to loans from formal institutions, banks showed willingness to grant loans to individuals in the livestock industry, but only if they could meet the collateral terms. One of these terms involves using livestock as collateral, only if they are insured.
- ▶ The extension and advisory system are not well informed about the export market. Therefore, extension workers do not have any information about who bought the animals, what quality parameters do buyers consider, the times when they bought them, and their purchasing system to advice pastoralists accordingly.

- ▶ Efforts by the government and other organizations on market information dissemination in the studied districts are very limited. Those who have power, particularly those in the higher end of the chain, dictate the terms in the market.
- ▶ The index-based livestock insurance was introduced and some pastoralists are under the schemes due to subsidized premiums by AeA and CIFA. Interviewed pastoralists under these insurance schemes have a strong feeling that the schemes have benefited them at times of loss of their livestock.
- ▶ The coordination mechanisms among market actors and supporting service providers are very poor. There is no forum that brings all market actors together to discuss market linkage and build trust among actors.
- ▶ The forum is particularly a missed opportunity for producers (pastoralists and cooperatives) to establish a strategic partnership with end markets.
- ▶ Unions are found too weak to establish a market linkage between producers and end markets, and their engagement in the market is seasonal and limited to times when requests come from the government for PSNP programs or other end users.

### **Potential for growth in other value chains:**

- ▶ Donkey trading has come up as of great potential for value chain development. There is a strong demand for donkeys in Kenyan markets: donkeys are flowed from highland areas to Moyale through illegal live animal market channels.
- ▶ Donkey traders generally believe that Borena breed donkeys are highly preferred by end markets. They also believe that supplying from Borena would minimize the long chain.

## Major Recommendations

### **Improve market infrastructure**

- ▶ Support the establishment of a primary market in the Guchi district and a shoat market standardization in Moyale with the necessary market infrastructures. Support the establishment of animal holding grounds near major market centers where livestock can rest for a while before loaded.

### **Strengthening market actors**

- ▶ Support cooperatives to establish pilot fattening stations in the studied districts.
- ▶ Support producers so that they can organize and build their market bargaining capacity by offering information and training.
- ▶ Women are already engaged in shoat trading (buying and selling in the same market) and have a strong interest in engaging in large-scale shoat trading. Support them to be organized, access credit and engage in large-scale shoat trading.
- ▶ Support established but not functional livestock cooperatives by strengthening their business management and modern herd management through short-term technical assistance.

### **Support market information, linkage and coordination**

- ▶ Organize market linkage trips between cooperative leaders and live animal exporters, fattening feedlot operators and export abattoirs.

- ▶ Map out potential buyers of cattle and shoat in the zone (new universities opened, hotels, etc.) and conduct discussions to link pastoralists and cooperatives in order to supply livestock to them.
- ▶ Facilitate a stakeholder workshop with representatives from all categories of actors within the value chain and major supporting service providers with an emphasis on market benefit for producers.
- ▶ Work with the financial sector to encourage the creation of appropriate loan products and lending schemes for the livestock industry participants.
- ▶ Use local media for a radio-based market information dissemination broadcast in local or regional languages.

### **Improve access to input supply**

- ▶ Support pastoralists to engage in fodder plantation and preservation through the provision of drought-tolerant fodder seed, preservation and hay-making training and storage facilities.
- ▶ Support cooperatives to engage in the animal feed supply business and foster private investment in the animal feed and vet sectors.

### **Improve access to finance and insurance coverage**

- ▶ Strengthen support of index-based livestock insurance through awareness raising and influence the government through the regional task forces established for that purpose.
- ▶ Promote index-based livestock insurance and encourage other insurance companies to engage in similar insurance products in order to create competition and reduced premiums for pastoralists

### **Support market based extensions and advisory support**

- ▶ Support and promote market-focused livestock extension services through creating a linkage between the extension system and livestock supply chains, and support a market-based training for extension workers to provide well-informed advice to producers.

### **Improve an enabling environment**

- ▶ Support pastoralists on rangeland management and applicable short-term technical assistance to ensure their resilience capacity and minimize the loss of livestock.
- ▶ Support efforts on conflict resolution.

### **Influence policies**

- ▶ Proactively participate in regional-level task forces to influence policies on inclusion of pastoralist insurance coverage and market-based extension systems.

### **Conduct further study on potential value chains**

- ▶ Conduct further study on donkey productivity, cultural sensitivity and strategies to raise community awareness of donkey trading.

# INTRODUCTION

Accordingly, the project planned a market assessment and an analysis of selected livestock value chains to identify opportunities and address the constraints to ensure pastoralists and agro pastoralists benefit from the value chain of the livestock market.

This market assessment and value chain analysis on selected livestock was therefore conducted in the Guchi and Moyale districts of the Borena Zone, Oromia Region, from November 1 to December 2019.

## Objectives of the market study

The overall objective of this assignment was to carry out a value chain analysis and market assessment of livestock (cattle, camels and shoats) and beyond, as appropriate, based on participatory value selection criteria to map out key actors and providers of support, constraints and opportunities, and develop an intervention plan.



### The specific objectives are

1. To map out all value chain actors and their functions, including the service providers for the identified value chains;
2. To qualitatively and quantitatively identify opportunities and constraints of the selected value chains;
3. To analyze local market structures and enabling environments affecting the value chain development and to provide recommendations to improve said value chain environment;
4. address value chain constraints. request (for restocking and PSNP livelihood provision) or responding to non-regular requests from an end market.

## Scope of the market study

The market study was conducted in two districts (Moyale and Guchi) in the Oromia Region's Borena Zone. The market study was focused on collecting and analyzing information related to selected livestock market systems in the studied area and surroundings, i.e. destinations of the major livestock in the area and actors involved in the market system, i.e. producers, brokers, traders, processors, exporters and major support providers.

# Organization and structure of the report

This market study report is a synthesis of the four sections below:



## Section 1

Presents the introduction. This section discussed the context and rationale for the market study, market study



## Section 2

Discusses the technical approach and the methodology. It elaborates on the market study process and techniques.



## Section 3

Discusses findings that emerged from the market study's data collections.



## Section 4

Presents the conclusion and appendices, including data collection tools.



# METHODOLOGY USED FOR THE MARKET STUDY

## Overall technical approach

This market study applied blended quantitative and qualitative technical approaches to conduct in-depth research. The overall technical approach of the study was based on a holistic market systems/making markets work for the poor (M4P) approach, which was developed by the Springfield Centre<sup>1</sup> and DFID's Business Innovation Facility, to identify specific constraints and opportunities in the agriculture and livestock value chains. The M4P approach takes into consideration external factors around the supply and demand, including the full range of actors, rules, supporting functions, and services that affect the profitability of the value chain from conception to sale at the end market – whether local, national, regional or global.

Gender dimensions have been also considered to identify and analyze the gender difference at each stage of the value chain. Particular focus has been placed on the power differences in access to and control of key production, inputs, services and markets in the value chain.

## Methodology

The study was conducted in three phases: Phase 1: Market Prioritization, Phase 2: Analysis and Diagnosis, and Phase 3: Intervention Planning.

### Phase 1 Market Prioritization

Prior to the study, CIFA selected priority market systems and identified Cattle, Camels, Goats and Sheep for the market analysis. Based on the previously identified livestock for the value chain analysis, the team has engaged in discussions with the target community, both men and women and sector offices, for end market prioritization. The market prioritization discussion was therefore held based on the following four criteria:

- ▶ Relevance to the Poor (poverty reduction potential)
- ▶ Constraints and opportunities for market growth (pro-poor growth/access potential)
- ▶ Feasibility of intervention
- ▶ Existing development efforts (potential synergies).

Through the discussion with target communities and sector offices, it was quickly determined that the market priorities in place were deemed relevant to the poor, have high market potentials and feasible for intervention for both districts under study. The discussion also mentioned donkeys as having high potential and being feasible for CIFA's and other actors' intervention work in the market system and in

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<sup>1</sup> The operational guide for the making markets work for the poor (M4P) approach, second edition (2015). <http://www.enterprise-development.org/wp-content/uploads/m4pguide2015.pdf>

raising awareness of donkey marketing in the community. The study team therefore decided to make an in-depth analysis of the market and value chain for cattle, camels and shoats and a more superficial analysis of the donkey market.

## Phase 2 Market Analysis and Diagnosis

During this phase, the consultant traveled to the Guchi and Moyale districts for field data collection. Based on the data collected, the consultant analyzed and diagnosed the market systems using the M4P approach.

The team developed an overall “Assessment Matrix” that outlines the specific study interests, along with proposed data sources/key respondents, collection methodologies, and types of data collection tools. The main source of the data includes: i) Desk Review; ii) Key Informant Interviews (KII); iii) Individual Interviews (II); and iv) Focus Group Discussions (FGD).

In total, 16 KII and 4 FGD were conducted with the targeted community (women and men pastoralists and agro-pastoralists), market actors/participants (brokers, traders/collectors, cooperatives and unions, local abattoirs, consumers, feedlots, exporters, etc.) and market supporters (agro-dealers, feed suppliers, extension workers, etc.), insurance companies, and government stakeholders.

The following tools were developed and utilized for each market system:

- ▶ **Tool 1:** Mapping market structure – actors in core functions;
- ▶ **Tool 2:** Mapping market structure – actors in supporting functions;
- ▶ **Tool 3:** Mapping market structure – understanding structure and interactions;
- ▶ **Tool 4:** Mapping market structure – understanding dynamics; Number of resource-poor smallholder farmers
- ▶ **Tool 5:** Assessing performance of functions and rules.

For each market selected, an in-depth analysis was conducted to identify and understand the root causes of the poor’s disadvantages and how CIFA and other actors might help stimulate sustainable changes that address those root causes that impact market function for the poor. The study team analyzed this through three key steps outlined in the M4P methodology. These are:

- ▶ **Market mapping:** mapping the structure, dynamics and key stakeholders/actors in the market;
- ▶ **Understanding systemic constraints:** identifying constraints to the poor and exploring their root causes;
- ▶ **Market structure and support system:** identifying market supporting functions and their constraints.
- ▶ **Market center observations:** the consultants organized opportunities to observe market centers in the studied districts and analyzed the market centers against market infrastructure standards.
- ▶ **Identifying recommended areas for intervention:** pinpointing where CIFA and others could be an effective catalyst for pro poor/inclusive systemic change.

## Phase 3 Intervention Planning

This phase was devoted to developing recommendations for potential CIFA and other concerned stakeholder interventions based on the study findings. Recommendations are provided within each market system.

# FINDINGS OF THE MARKET STUDY

This chapter discusses and presents the main findings that emerged from the market study tools and document review. The findings are categorized and presented in different sections based on market systems for the selected livestock. Presentation of the findings for selected livestock started after presenting the overview of the livestock population and market systems of the Borena Zone.

## Overview of livestock production and markets in the Borena Zone

The total human population in the Borena Zone is estimated in 918,858 (2017), out of which over 90% are pastoralists. The Borena Zone is known for its high population of cattle, goats, sheep and camels, in order of availability. As of 2011 CE, a total of 1,444,504 heads of cattle, 1,288,308 goats, 792,406 sheep and 241,949 camels are reared in the Borena Zone by pastoralists and agro-pastoralists (Table 1). The Zone is therefore the most important livestock supply area.

*Table 1: Types and number of livestock in Borena Zone as of year 2011*

No	Districts	Unit	Types of livestock			
			Cattle	Goat	Sheep	Camel
1	Yabello	No	117,912	102,183	44,463	19,895
2	Elwaye	No	119,974	116,138	91,192	19,895
3	Gomole	No	127,174	91,768	61,133	29,253
4	Arero	No	97,528	82,373	59,636	35,868
5	Teltel	No	174,559	177,057	101,094	689
6	Dire	No	115,845	95,287	66,321	5,706
7	Miyo	No	103,150	137,787	57,403	11,441
8	Dubuluq	No	87,042	82,396	51,086	5,258
9	Dhas	No	165,224	109,837	43,720	28,789
10	Dillo	No	126,250	129,451	129,676	8,871
11	Wachile	No	75,478	42,600	29,566	15,084
12	Moyalle	No	73,984	76,830	25,500	26,520
13	Guchi	No	60,384	44,331	31,616	34,680
<b>Total</b>			<b>1,444,504</b>	<b>1,288,038</b>	<b>792,406</b>	<b>241,949</b>



There are 13 districts in the Borena Zone and 13 livestock markets of different sizes. Five markets are found in Yabelo district, four markets in Dire district and the remaining four markets belong to the remaining districts. The distribution of these markets across each district does not represent the size of livestock available in it. Teltele and Dhas have the largest livestock population but have limited markets compared to other districts. Some of the districts, as in the case of Guchi, are newly established and have no local market at. All the options for this district are either to use the Moyale market, which is at about 40 km, or Dubuluq market, the largest market in the Borena Zone, which is about 100 km from Guchi. The market at Moyale takes place every day except Sunday, while the rest of the markets take place 1 to 2 days per week. This is a good opportunity for all market participants,

particularly traders, to take advantage of all the markets the whole week and fulfill their requirements. The market places in Moyale, Dubuluq and Yabelo are well fenced, have compartments and nearby water supply. Particularly, the market in Dubuluq has a well-constructed cattle water trough, a water tanker, compartments for different livestock and a constructed steeper for loading livestock. Moreover, it has a shaded area where market participants can rest and have a meal and coffee. However, none of the markets have a feed trough in the market. All the markets use ETB for exchange of livestock, except the market in Moyale, which uses both ETB and Kenyan Shilling. The livestock market channels in the Borena Zone are both domestic and export. Domestic consumption, live animal export and meat production export are the major market channels for livestock, mainly cattle, goats, sheep and camels.

Despite the large livestock population in the Borena Zone, most of the districts are underserved of animal health services. The availability of animal health clinics by type in the zone indicated that there are only type C-10 and type D-110 available and supplying services. There are only 2 meat inspections in the zone. Private vet pharmacies total only 46 in the Zone and the active CAHWs total is 283. The government and different organizations have supported with a total of ETB 3,197,500 as a revolving fund for animal health services provisions (table 2).



*Partial view of Dubuluq market cattle water trough*  
*Source: Market assessment and value chain analysis study November 30/2019*

Table 2: Veterinary Clinics/Health post &amp; Livestock Population and Human Power in 2016/17

No	Districts	No. of Kebeles	Household no.	No. of Livestock Population				Total Revolving Fund ( in Birr)	Total Clinic	Total Health Post	Vet. Clinics by Type (if any)			Private Vet Pharmacist	Meat Inspector	Active CAHWs
				Cattle	Goat	Sheep	Camel				B	C	D			
1	Yabello	13	10,967	117,912	102,183	44,463	19,895	600,000	1	9		1	9	10	1	22
2	Elwaye	9	13,236	119,974	116,138	91,192	19,895	100,000	0	6		1	6	4		27
3	Gomole	14	12,757	127,174	91,768	61,133	29,253	26,000	0	7		1	7	5		7
4	Arero	18	7,136	97,528	82,373	59,636	35,868	475,000	1	17		2	17	6		53
5	Teltele	21	21,633	174,559	177,057	101,094	689	300,000	1	9		1	9	2		38
6	Dire	11	17,056	115,845	95,287	66,321	5,706	300,000	1	10		1	10	3		26
7	Miyo	18	13,612	103,150	137,787	57,403	11,441	600,000	1	16		1	16	3		20
8	Dubluq	13	8,275	87,042	82,396	51,086	5,258	16,500	0	8		1	8	5		19
9	Dhas	7	7,035	165,224	109,837	43,720	28,789	300,000	1	4			4	2		20
10	Dillo	11	9,488	126,250	129,451	129,676	8,871	200,000	1	8		1	8	1		21
11	Wacille	13	12,226	75,478	42,600	29,566	15,084	0	1	4			4	3		20
12	Moyale	17	10,273	73,984	76,830	25,500	26,520	270,000	2	9			9	2	1	12
13	Guchi	15	9,449	60,384	44,331	31,616	34,680	10,000	0	3			3	0		8
<b>Total</b>		<b>180</b>	<b>153,143</b>	<b>1,444,504</b>	<b>1,288,038</b>	<b>792,406</b>	<b>241,949</b>	<b>3,197,500</b>	<b>10</b>	<b>110</b>		<b>10</b>	<b>110</b>	<b>46</b>	<b>2</b>	<b>293</b>

Animal feed systems are very weak in the Borena Zone and the supply is seasonal, only during emergencies and droughts. Under normal weather, the pastoralists use open grazing, while agro-pastoralists use a combined feeding system of open grazing and crop residuals. Recurrent droughts and clan conflicts have negatively impacted the livestock supply to the markets.

Index-based livestock insurance was introduced in the Borena Zone by Oromia Insurance Company (OIC). The company has been working on the technical aspect with different Civil Society Organizations (CSO) and research organizations such as ILRI, AeA, CIFA and Mercycorps.

ILRI is taking the lead role in designing the index and monitoring, while other CSOs support pastoralists by subsidizing premiums and raising awareness on the importance of index-based livestock insurance. From discussions with the insurance company, we know that index-based livestock insurance was introduced in the year 2012 and that OIC is currently working in 13 districts of the Borena Zone and two districts of the Guji Zone. In the year 2018/2019, a total of 2,968 pastoralists subsidized and purchased premiums for their livestock, and 2,905 pastoralists have received compensation payments due to the loss of livestock. Moreover, the discussion with the insurance company has indicated that, to ensure its sustainability, Oromia Insurance Company has established tax forces at a regional level to influence a government policy to subsidize index-based livestock insurance premiums and increase the pastoralists' awareness of this promotion in the government's extension systems, in order to ensure that a large number of pastoralists benefit from the scheme.

The introduction of index-based livestock insurance is a very good start, but it requires strong strategies to promote and encourage other insurance companies to engage in similar activities in order to create competition among companies and reduce premiums, which may benefit pastoralists.

# Cattle, Camel and Shoat market systems in the Moyale and Guchi districts

## Live animal (Cattle, Camel and Shoat) population and management system

Livestock rearing is the major source of livelihood of the pastoralists and agro-pastoralists in the studied districts. Livestock, particularly cattle and camels, are considered as prestigious and as much an indicator of social status and wealth in this community. In terms of the livestock population, cattle, goats, sheep and camels are reared by pastoralists in the market-assessed districts.

Cattle are mainly reared for milk, meat production and draft power for farming in a few agro-pastoralist areas; camels are predominantly reared for milk, meat and labor to transport goods, and shoats for milk and meat. The management of cattle and camels is heavily reliant on both women and men, but there are gender differences: women mostly invest their labor in cleaning their barn, feeding, etc., while men search for feed and market the livestock. In contrast, as explained by both male and female pastoralists, the management of shoats is a role left to women and children entirely.

Despite the Borena cattle breed being in high market demand and preference, there are no pastoralists or agro-pastoralists in the studied districts engaged in cattle, camel or shoat fattening practices for meat production, and neither are they linked to end markets due to poor extension systems, recurrent droughts, poor market linkage, and shortages of feed and water supply. Moreover, the input and output financing system for the livestock market is very weak, which constrains the agro- pastoralists' and pastoralists' engagement in cattle, camel and shoat fattening.

Despite all these challenges, the livestock population (cattle, camels and shoats) in the studied districts are potential opportunities for long-term development interventions in order to achieve a significant improvement of the targets' livelihoods, due to these breeds being preferred for export markets. The cattle, camel and shoat population is high in the studied districts, but the trends show a slight decrease due to recurrent droughts and clan conflicts that have occurred in the area at different times. The total population of camels, cattle and shoats in the assessed districts are presented in Table 3.

District	Cattle	Camels	Goats	Sheep
Moyale	73980	26,520	76,830	31,616
Guchi	60,380	34,680	44,331	25,200

Table 3: Cattle and Camel population in the studied area

## Market infrastructures and support systems

There is only one livestock market in the studied districts: Arbele market, found in the Moyale district. There is no market in the Guchi district, and Guchi pastoralists need to travel a long distance for livestock trading either in Arbele market, in Moyale town; Dubuluq market, located in Dubuluq town, which is the big livestock market; or Haro-Beke market, in Yabelo town. Otherwise they are forced to sell their livestock in the bush to brokers or traders who come to their villages with depressed prices, due to the pastoralists' limited opportunities and a low capacity to negotiate. Pastoralists in Guchi strongly emphasized that they have been facing challenges traveling long distances, selling their

livestock for low prices to individuals who come to their villages due to the absence of a primary market in their district.

Particularly female pastoralists indicated that the absence of a primary market in their village forced them to hold their shoats or rely on men who frequently travel to Moyale.

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*“...a few strong women might travel to Moyale to sell their shoats. However, the rest just ask the men who travel there to sell for us at whatever prices they decide, depending on the market...”*

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They are also of the opinion that pastoralists in their district can contribute to the construction of a market in their district if the government or other organizations supported them. The discussion with the Guchi pastoral development, women and children, and marketing promotion offices, indicated that the government has allocated land for the establishment of the market center, but the office has limited capacity to construct the center infrastructures and are strongly requesting support from other organizations working in the area.

The Guchi district has big market potential for camels, cattle and shoats bordering the Somalia region. The interviewed pastoralists explained that despite the fact that the primary market does not exist, pastoralists from Somalia usually come and buy in the Guchi district. Hence this district has potential for cross-regional border livestock marketing. However, due to the recent conflict between the Oromo and Somalia ethnic groups, the markets have been disrupted.

All types of livestock are traded in the mentioned markets, except Arbele, in Moyale, which is only for cattle and camels, while the market center for shoats are in a different location in Moyale. The three markets pointed out are the most important for exportable livestock.



Cattle and camel marketing is totally dominated by men. Women do not market big livestock such as cattle and camels in either of the markets. The discussion with women and men groups indicated that female-headed households rely on male relatives to market their big livestock and men widely believe that women have no capacity to trade in big livestock. However, women have better participation in shoat marketing in all of the markets visited.

Market infrastructures in the three markets mentioned are in good condition. They are well fenced, they have compartments for livestock and tax collection centers. Except for Arbele market in Moyale, the rest have a cattle water trough and nearby water supply. None of them, however, have a cattle feed trough.

Unlike Dubuluq and Haro-Beke markets, the market center for shoats is not well organized in Arbele. The market center for shoats is separated from the cattle and camel market and located on the main road side of Moyale town. The center does not fulfil any of the market center standards. It has no fencing, no compartments, no water and feed troughs, no adequate spaces convenient for shoats and market participants.



In all markets the tax fare is only on sold livestock, and for cattle and camels it ranges from ETB 50 to 100, and from ETB 10 to 30 for shoats.

### **Market Participants/Actors core function and constraints**

Actors in the market for cattle and shoats are many and include producers, brokers, small and large-scale traders, trading cooperatives, local abattoirs, individual consumers, feedlot operators, live animal exporters, and meat exporters. Market actors for camels include producers, brokers, traders, local users and live animal exporters. Each market actor has different functions and constraints.

#### **Producer**

Producers are pastoralists and agro-pastoralists engaged in the production of cattle, camels and shoats. Producers are located in remote pastoralist areas and have poor market information; very few use mobile phones to call brokers and friends and receive market information. Some receive information from their neighbors who attended the previous week's market, and therefore rely on information that is one week old. Interviewed producers indicated that they sell their cattle, camels and shoats only when they face financial shortage. In such cases they sell big cattle and/or camels, and at the same time buy small female/male cattle or camels for restocking of their livestock, and use the leftover money for their cash needs. Most of the interviewed producers rely on brokers and believe that selling through brokers speeds up the transaction process. That way they can easily sell their livestock avoiding long waits in the market.

There are no producers who engage in the fattening and selling of cattle, camels or shoats in the studied districts. Poor credit access, lack of input supply and shortage of feed are mentioned as critical challenges for farmers to engage in the fattening of cattle, camels and shoats. Recurrent drought and clan conflicts are major constraints reported affecting the production and selling of cattle, camels and shoats.

The value addition and profit margin along the long chain impact the price of livestock at primary markets, so the producers sell at lower prices and do not obtain a fair benefit from their products. Women invest heavy labor on the production of cattle, camels and shoats, but are underrepresented in the value chain process. Their participation is only limited to labor contributions to the management of livestock. They are not culturally allowed to sell big livestock and have no capacity to influence decisions on income from sales. The government extension system also failed to separately analyze and address women's needs and interests, and as a result female-headed women face challenges with accessing services. However, women have better participation in shoat markets, both as producers/sellers and as traders.

## **Broker**

Brokers are the actors who connect producers and buyers with a profit margin in each market. The majority of transactions are completed by brokers and traders in all the markets with value being added in the process. Brokers therefore facilitate the sale of cattle and camels, taking a commission that ranges from 200 to 300 ETB per head of cattle or camel, and ETB 50 to 100 per head of shoats. The commission system follows two patterns: one is when the seller or buyer, either of them, first approaches the broker to buy or to sell, paying the broker fees. The other method is when the brokers and sellers agree on a cut off price, and the brokers sell at prices above the cut off price. However, the latter is not a common practice in any of the markets mentioned. Some of the farmers believe that they have a weak negotiating capacity and bargaining power, and prefer to rely on brokers. The number of brokers for camels and cattle in each market are an estimated minimum of 50 to a maximum of 300 in big markets, such as Dubuluq and Haro-Beke. There are no female brokers in any of the markets for big and small livestock.

## **Traders and collectors**

Traders mainly collect the cattle to sell in the next marketplace with certain profit margins. Some collect at Adama for feedlots and live animal and meat exporters. Sometimes collectors also perform brokers' functions during periods of cash shortage for livestock collection. Interviewed traders often mentioned that they face a shortage of supply and cannot meet the demand of end markets due to the seasonality of supply and the end marketers' preference for credit sales, with payment being made after the products are exported. This creates cash shortages and limits the purchase capacity of traders. There are traders who buy and sell shoats in the same market and day with some profit margin. Observation in the three markets confirmed that women concentrated in such trading. Interviewed women indicated that on one market day they buy and sell on average 5 shoats in the same market and make a 50 to 150 ETB profit margin per head.

Interviewed women, quoted below, strongly emphasized that had they got support and credit they would be interested in engaging in large-scale collection and trading of shoats.

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*“... we come here in the morning with little cash at hand. We buy 3 to 5 shoats here and resell here and make on average ETB 500 profit per market day. Had we adequate cash we could collect more and sell to hotels or at Dubuluq market ...”*

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Collectors are important market agents, collecting animals from their locations and remote markets; and usually supplying them to big and small-scale traders or sometimes to livestock trading cooperatives. Collectors for camels and cattle are very rare in the assessed markets, and as highlighted by brokers and other market actors, collectors are more active in shoats than in big livestock due to the logistic problems. As explained by interviewed collectors, when holding shoats or transporting them to the next point of sale, most traders/collectors do not provide feed or water beyond those available through free grazing during the wet seasons. Traders make a profit margin of ETB 2000 to ETB 3000 on average per head of cattle selling to secondary markets, and ETB 3000 to ETB 5000 selling to the end market at Adama. The prices at the end market for cattle are 3 to 4 times the price at the primary market.

The discussion with traders indicated that Luna and Elfora were the major buyers of livestock from traders, but they are not currently buying, and they just sell in the end market at some Adama feedlots.



## Cooperatives

There are multipurpose cooperatives established in the assessed districts. However, efforts to establish livestock marketing cooperatives and linking them to central markets and export abattoirs have yet to be tried across the market assessment districts.

The Union in the Moyale district seasonally engages in livestock collection at the government's request (for restocking and PSNP livelihood provision) or responding to non-regular requests from an end market.

Cooperatives and Unions are not engaged in the fattening of animals or in livestock market linkages, despite their potential capacity to collect livestock from cooperative members. One livestock cooperative was established in the Guchi district with the support of Action for Development (AFD) but is not currently functioning due to management problems, as explained by pastoralists in the Guchi district. Cooperatives in the assessed district have several problems, such as a shortage of operating capital, lack of training on entrepreneurship skills and a transparent management system, lack of market information and linkages, and a weak management system.

## Feedlots

Most of the feedlot operators are available in the Adama and Dera areas, their main role being fattening cattle for different markets. According to the rules and regulations of animal quarantine, fattening is operated after providing the cattle with the necessary vaccines and medication. They use cattle of different age groups and breed types according to the demands and type of their customers. The feedlot operators explained that young bulls (three to four years old) and usually of lowland origin are kept for export. They mentioned Borena markets as their main source because of the relatively lower cattle prices and their preference for cattle sourced from these areas due to their fast growth, large body size, efficiency in feed conversion and adaptation to harsh environments. According to the discussion, the Borena breed is generally preferred for fattening and has a superior quality than those coming from other areas, such as the Bale lowlands. Interviewed feedlots have highlighted that despite a strong demand and a preference particularly for the Borena breed, the supply is inconsistent in quality and quantity. Moreover, they have mentioned that feed supply and increased labor costs are critical challenges.



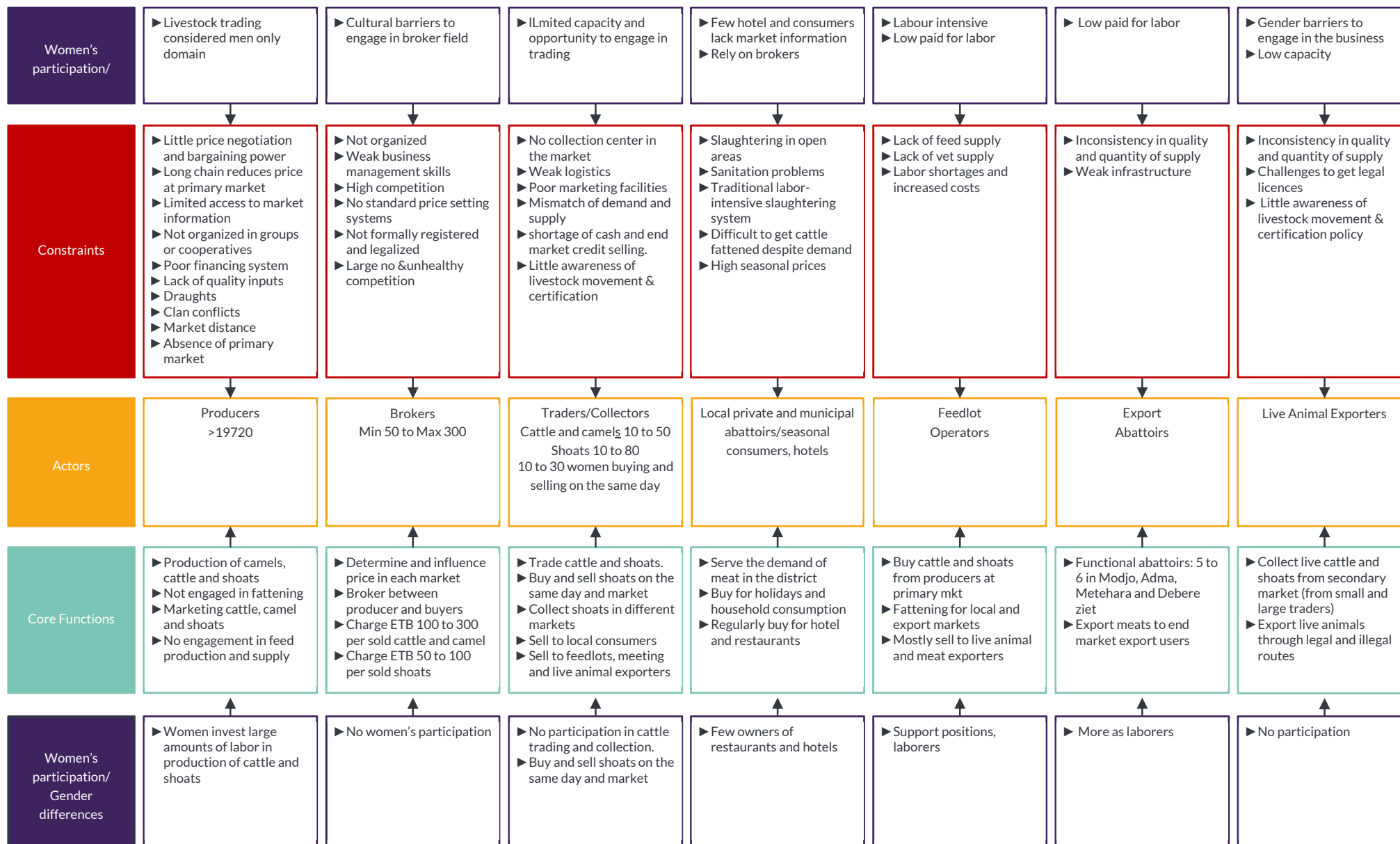


Figure 1: Core Actors, Functions and Constraints Map -Cattle and Shoats



Figure 2: Core Actors, Functions and Constraints Map -Camel

## Cattle, Camel and Shoat trade route

The Cattle Camel and Shoat trade route shows the flow of cattle, camels and shoats in the market-assessed districts. Cattle, camels and shoats in the assessed districts flow from pastoralists and agro-pastoralists directly to small primary markets and secondary markets. Traders also transport camels, cattle and shoats from primary markets to secondary markets and finally to end markets.

Pastoralists and agro-pastoralists in the Moyale and Guchi areas use the three main livestock markets in Moyale, Dubuluq and Yabelo. After consideration by different market actors, on average, 150 to 200 heads of cattle and 50 to 100 camels enter Arbele market in Moyale every market day from different villages located 10 to 50 km away.

There is a primary livestock market on Monday and Friday in Tuka village, at about 30 km from Moyale market. Cattle and shoats flow to Moyale market. Cattle, camels and shoats flowed into Arbele market are then flowed to Dubuluq and Haro-Beke markets in Yabelo by traders and pastoralists, while livestock traders directly flow to Adama and Mojo feedlots and export markets. Cattle and camels are also flowed to Kenya from Arbele market in Moyale by traders and pastoralists.

Cattle and camels for restocking occasionally flow from Dubuluq to Arbele Moyale market. As explained by farmers, cattle and camels that flow from Dubuluq to Arbele market are female and small male camels, which are not the demanded preference of livestock and meat exporters.

A trade route map summary of cattle and camels is presented in figure 3.

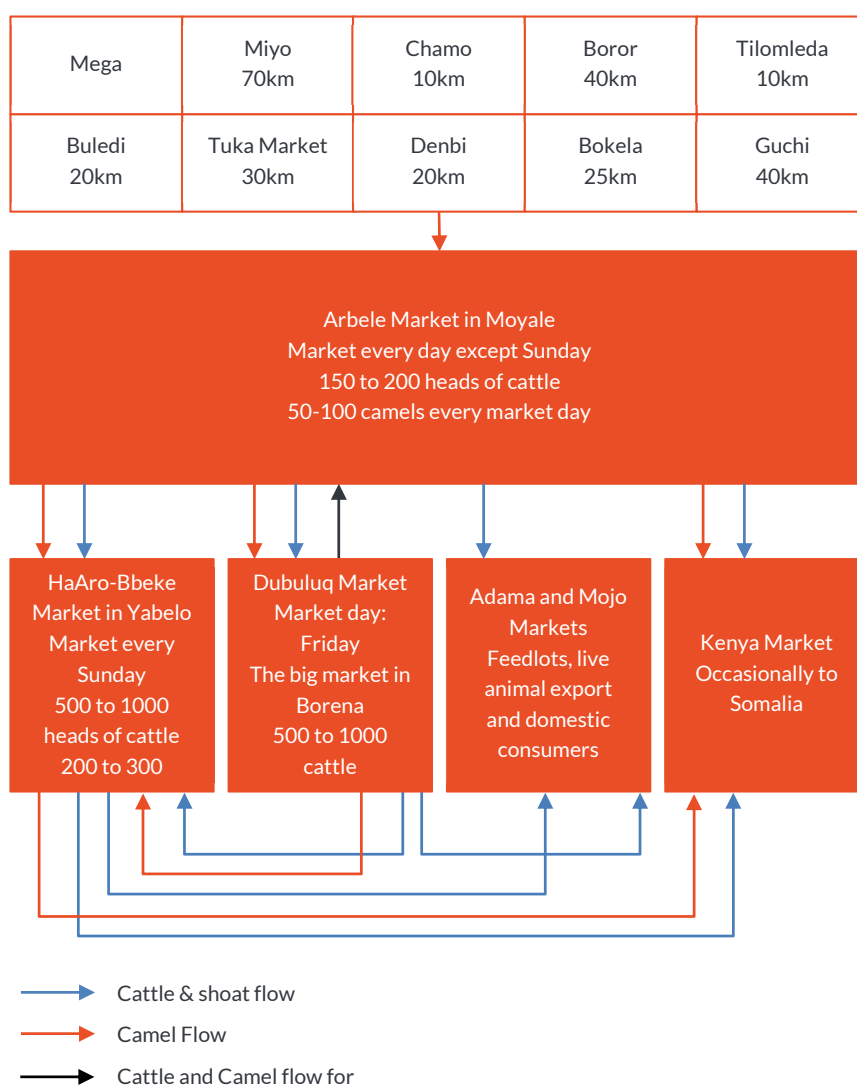


Figure- 3: Trade Route Map- Camels, Cattle and Shoats

## Cattle, camel and shoat market channels

### Market Operation

The livestock markets are conventionally categorized into primary, secondary, and end markets. The basis of this classification is mainly the number of animals that attend per market day and the number and types of market participants. Accordingly, a primary market is a market that has less than 500 heads of animals, the main sellers are the producers themselves, and the main buyers are local assemblers. A secondary market gathers 500-1000 heads of animals, and in terms of market participants, the main sellers are local assemblers, while the main buyers are big traders. An end market holds more than 1000 heads of animals, and in terms of market participants, traders are the main sellers, while butcheries, restaurants and export abattoirs are the main buyers.

There is a primary market in Tuka town two days a week (Monday and Friday), which is about 30 km from Arbele market in Moyale, and where sellers are mainly producers. Arbele market is also categorized as a primary market, since the sellers are mainly producers, while a few traders also sell. The Haro-Beke and Dubuluq markets are characterized secondary markets, fulfilling the number of head of animals and the nature of the market participants required for a secondary market.

There is market day in Dubuluq and Haro-Beke once a week, while Arbele market in Moyale is every day except Sunday. The different market days enable the producers and traders to move cattle from one market to the others. For example, the market in Moyale is every day, Dubuluq on Fridays and Haro-Beke on Sundays. Therefore, many producers and traders engage in moving cattle, camels and shoats from one market place to another for three to four consecutive days.

The cattle, camel and shoat markets in the three markets mentioned are characterized by seasonality in production and prices. The supply of cattle, camels and shoats in the market does not follow a uniform pattern and highly fluctuates from time to time. As the information from government offices and brokers in the market indicated, during the peak period, sales of animals were at least twice as high as in the off-peak period. The incidence of more than one of the following: seasonality of consumption, droughts, disease outbreaks, lack of information, availability of food aid, clan conflicts, and others, are reported as the major factors affecting the producers' decision to hold on or to sell livestock.

The cattle, camel and shoat prices have also shown a seasonal pattern, where prices peak during the rainy season and drop in the other months (dry seasons). This is basically due to the low supply of cattle and camels to the market during the rainy season. A low availability of good grazing pastures is the main factor in the studied district contributing to a low supply of animals during the rainy seasons. Information from market actors, particularly brokers, indicated that traders and exporters show a high demand during the dry season due to the adequate supply and reduced prices.

## Market Channels

There are two market channels for cattle, camels and shoats in the studied district. These market channels are domestic and export.

### Domestic market channels

The domestic market channels follow two sub channels. These are:

#### Domestic consumers

Individual citizens, butchers, restaurant owners, municipal abattoirs, groups for holidays and different community festivals are key domestic consumers of cattle, camel and shoat. The discussion with domestic consumers indicated that in most cases they buy old and female cattle and camels as their prices are a bit lower compared to male and young cattle, which are highly demanded by exporters. In contrast, domestic consumers prefer big and fattened shoats, while export agents prefer small shoats and buy them by the kilogram.

Domestic users, particularly butchers, hotel owners and government livestock offices, have the view that there are no fattened cattle in the market, although the Borena cattle breed is preferred. The Moyale Municipal Abattoir indicated that they are currently slaughtering approximately 10 to 12 heads of cattle per day. Data on the volume of cattle, camels and shoats consumed by domestic consumers is not available in the studied district and zone.

#### Domestic restocking

In the studied districts, pastoralists and agro-pastoralists confirmed that they also purchase cattle, camels and shoats for restocking purposes. In the cases when cash is needed, they sell big cattle and repurchase small ones or females for restocking at a lower price, and use the leftover cash for their immediate needs. The same principle was also mentioned by camel-rearing pastoralists. At times when cash is urgently needed, they sell their large adult male camels to live camel exporters, who export them unofficially through Kenya, and purchase young and female camels for restocking. The government and other development and humanitarian organizations also purchase shoats for restocking and to support the livelihood of pastoralists under the PSNP program and other projects implemented by different organizations.

## Export market Channel

The export market channels include live animal and meat marketing channels.

### Live animal export market

This market channel follows official/ legal and unofficial / illegal routes to export the live camels, cattle and shoats. The government offices and target groups that participated in the study indicated that the illegal live animal export is practiced through Kenya and Somalia, while the legal route goes through Djibouti markets. The major market channel for the legal live animal trade goes through the Nazareth, Modjo, Meta Hara, Debre-Ziet and Addis Ababa markets.

Interviews conducted with various value chain actors indicated that the live animal transport to Kenya is decreasing, particularly for cattle and small ruminants due to the reported Rift Valley Fever in Kenya, while the market for camels still exists. Large adult male camels are transported primarily from the Haro-Beke and Dubuluq markets into Moyale by pastoralists and traders. Both Ethiopian Birr (ETB) and Kenyan Shillings (KES) are used as currency in Moyale. According to a discussion with brokers and traders, animals are also moved through Kenya into the Somalia region.

### Meat production export market

The largest amount of animals for end-market meat exports flows from the Borena area through traders and export abattoir purchasing agents to the major export abattoirs and livestock and meat exporters in Modjo, Adma and Debre-Ziet. Based on reported information, the export abattoirs are operating far below capacity, and the majority of them reported that the supply is seasonal and very low. They strongly highlighted that they have not been able to provide for the received orders, let alone search for new export markets.

## Market map summary

The market map below, figure 4, showcases both the domestic and export market channels and the actors in the cattle, camel and shoat value chain. Firstly, rules, support functions and the enabling environment are identified; secondly, the market disruption occurring at different levels, and finally the actors that have major market disruption, partial disruption and critical constraints issues.

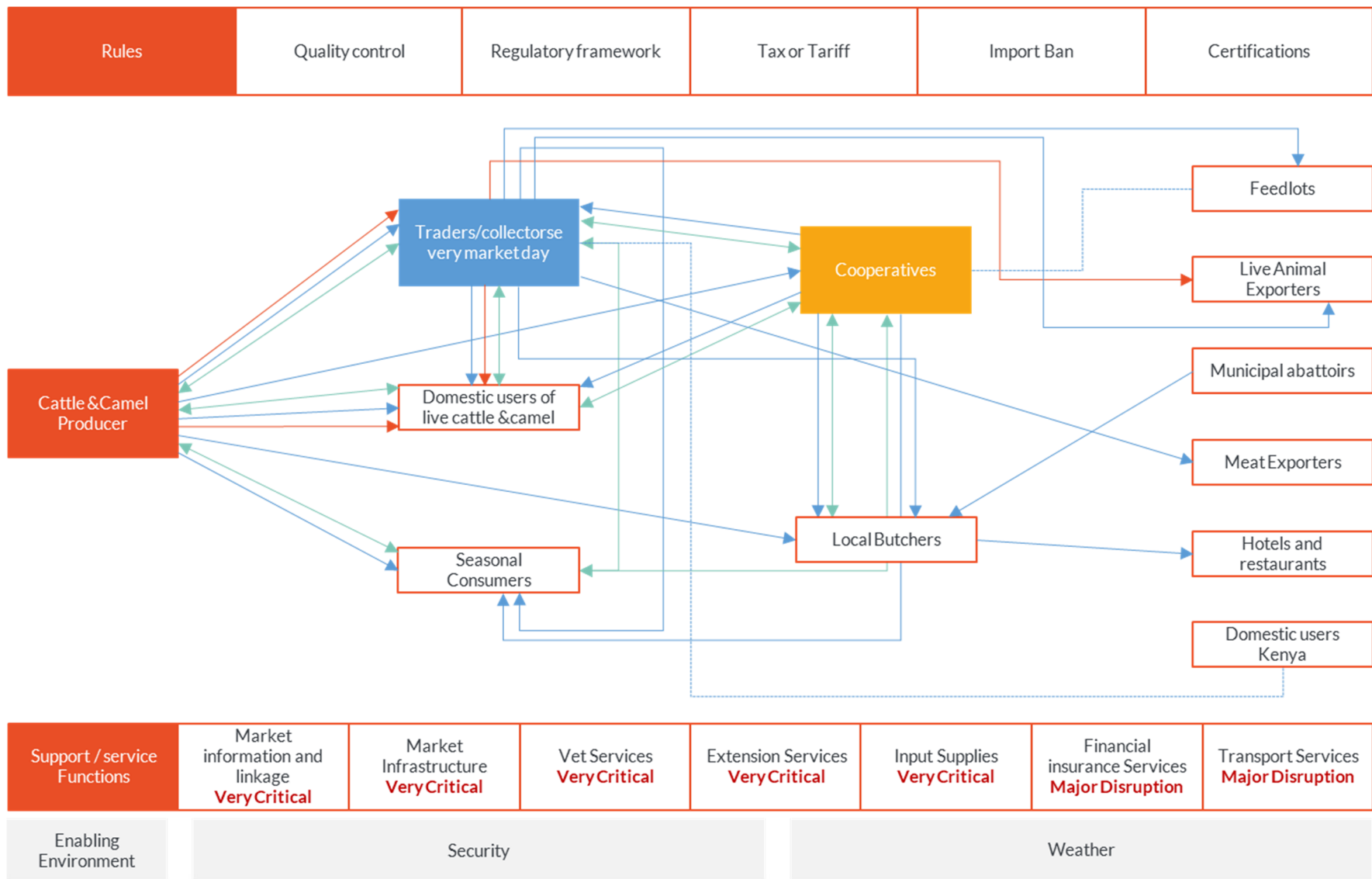


Figure 4: Market Map- Cattle, Shoat and Camel Market System

## Market rules, support functions and critical constraints

### Rules

There are no rules set for livestock production and marketing in the assessed districts that benefit the pastoralists and agro-pastoralists. The cooperatives' regulatory framework is attractive and encouraging for smallholder farmers to set up cooperatives for livestock marketing. However, farmers do not have adequate capacities or incentives to establish them. A poor financial system and the gap in technical knowledge on animal fattening are two of the constraints.

### Feed Supply

The main livestock feeding practice of pastoralists for cattle, camels and shoats in the Borena zone in general, and in the studied districts in particular, is open grazing in communal grazing areas, while agro-pastoralists practice a combination of open grazing and crop residuals. The feed supply system is seasonal, and government and humanitarian civil society organizations provide feed to save the lives of livestock only during drought/dry seasons. Interviewed pastoralists stated that they simply moved their herds to areas with available grazing land and water supplies, as opposed to paying for additional feed products. A few private feed suppliers also supply animal feed only during drought/dry seasons. Interviewed cooperatives and private sector suppliers expressed that the animal feed supply system is not consistent and pastoralists do not buy improved animal feeds during rain seasons because they prefer open grazing. They further highlighted that an absence of pastoralist engagement in animal fattening decreased the pastoralists' demand for improved animal feed. Cooperatives, particularly in the Moyale district, supply feed only during the dry season, and they raised the potential of cooperatives' participation in fodder production and hay-making if they received some technical and financial support.

The discussion with the livestock development office in the zone indicated that there are good practices introduced by other Non-Governmental Organizations (NGOs), such as CARE Ethiopia, on fodder production, hay-making and preservation in some districts of the Borena Zone. Pastoralists were supported in planting, producing and preserving drought-tolerant fodder through training on fodder seedling care, hay preparation and fodder storage for their own consumption and as a source of income. The office strongly emphasized the expansion of similar practices as a remedy for shortages of feed supply during dry seasons and as an income opportunity for unemployed youths, women and cooperatives.

### Animal Health Services

Veterinary services are available from the following sources: the Government, Community Animal Health Workers (CAHWs), private veterinary service providers, NGOs and illegal supplies from Kenya and Somalia. There are 9 government animal health posts in Moyale and 3 in Guchi. Two private vet pharmacies are found in Moyale and none in Guchi. Pastoralists and private vet service providers in Moyale stressed that the limited supplies appear to be the dominant problem, which cannot meet the demand. Most pastoralists also travel to Kenya for vet medicines. Pastoralists have a dominant preference for Kenyan products of some vet medicines due to their lower prices compared to the products from central Ethiopia.

There is also a reported shortage of senior technical staff in animal health. Pastoralists stated that they receive annual livestock vaccinations free of charge, while all other services are provided in exchange for certain fees, which are set by the regional government.

## Financial and Insurance Services

Pastoralists, cooperatives and traders firmly believe that the lack of capital is their main constraint. They cited family and friends as the major providers of informal credit when necessary. The discussions with different producers and cooperatives indicated that, in general, there are no appropriate, reliable financial services for producers. Moreover, those who are able to engage in cattle and camel trading reported that traders prefer not to sell on credit to abattoirs and their agents, as credit-based payments can be delayed or, in some cases, never arrive.

With regard to loans from formal institutions, banks showed willingness to grant loans to individuals in the livestock industry, but only if they could meet the collateral terms, one of which was having livestock as collateral, only if they are insured. Further analysis of livestock insurance indicated that Oromia Insurance Company (OIC) has developed an index-based livestock insurance policy and introduced new insurance products in all the districts of the Borena Zone since the year 2012.

Index-based livestock insurance coverage has brought positive impact to the pastoralists, and even those who are not under the insurance scheme have a strong interest in being covered under the schemes. Interviewed pastoralists in the studied district, quoted below, demonstrated a strong interest in index-based livestock insurance:

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*“... my livestock is not insured. Last year we lost a lot of livestock but I heard some pastoralists got compensation payment for their lost livestock. Had my livestock been insured I would have benefited like them...”*

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Despite the fact that the interviewed pastoralists demonstrated an interest in livestock insurance, only a few pastoralists are covered under these schemes, and in their opinion the premium is so high that it is not affordable for pastoralists. Subsidized premiums by different CSO organizations such as CIFA, AeA, Mercycrops, etc. have benefited the pastoralists. It is critical to design strategies that reduce the premium costs to affordable prices for pastoralists. The discussion with OIC indicated that a regional tax force has been established to influence government policies for the inclusion of livestock insurance premium subsidies in the government system. This is a good opportunity for the project/CIFA and its development partners to influence government policies at regional level for insurance coverage inclusion, as well as for market-based extension advice and support.

There is a view shared by government stakeholders and pastoralists that the information on index-based livestock insurance does not reach all pastoralists. Media-based information on livestock insurance is crucial to raise awareness among pastoralists, as some of them might be able to pay the premiums but do not have the correct information.

The insurance companies and banks have no linkage to facilitate livestock-granted loans for pastoralists under the insurance schemes. Consultative discussions with banks, insurance companies, producers, and the government are critical to achieve insurance policies and models that benefit pastoralists and utilize the existing opportunities of livestock insurance and credit facilities.

## **Extension service and advisory support**

Farm extension and advisory support in the studied district are very poor in terms of providing the necessary support for pastoralists and agro-pastoralists. The extension and advisory systems, particularly, are not well informed about the export market. A discussion with government sector offices indicated that extension workers do not have any information about who bought the animals, what quality parameters do buyers consider, the time when they bought the animals, or their purchasing system, and they do not advise pastoralists accordingly. This is therefore a clear indication of the need for market-focused livestock extension services in order to assist the production of better quality livestock, which is required in the market and will benefit pastoralists. Creating a linkage between the extension system and the livestock supply chains for the export market, and building the capacity of this system, is crucial for pastoralists and producers to have sustainable market information on the required quantity and quality and the time it is required. Therefore, it is mandatory to provide market-based training for extension workers to provide well-informed advice to producers.

## **Market Information and Infrastructure**

A market information system is critical to disseminate up-to-date market information and to keep producers updated on market information (price, time-specific demands, quality information, etc.). This enables all market participants to make well-informed decisions during transactions. However, in the market study's district, pastoralists indicated that the market information system in their area is very weak. There are no governmental nor other organizations working on the dissemination of market information in the area. Those who have power, particularly those in the higher end of the chain, dictate the terms in the market. Moreover, due to poor market information and linkage, the quality and quantity required or demanded by the end-user does not properly reach down to the lower ends of the chain, and this further indicates that pastoralists are not considered as strategic partners of the value chain. Therefore, they are unable to meet the demands and ensure a sustainable supply system. Channels for market information that reach those in the lower end of the value chain should be critically analyzed.

Market centers and associated infrastructures are important factors for the supply of cattle and camels to the domestic and export markets. Pastoralists are located far from the center market and in most cases there is no primary market in their localities, as is the case of the Guchi district. This defiantly influences the marketing behavior of pastoralists, who either have to keep their animals unsold, or they have to go to nearby informal markets or resort to brokers coming to their village. In order to attract such resources to the central markets, there is a need to thoroughly review potential districts and open up primary markets with at least constructing dry weather roads connecting them to secondary markets.

With regard to market infrastructures, the three central markets in Yabelo, Dubuluq and Moyale are in relatively good condition, fulfilling the basic requirements of market center standards.

## **Livestock market coordination**

The livestock market involves various actors and each have important and distinct roles. A coordinated and smooth functioning of these actors enhances the volume of trade and the benefit that different participants and the economy can obtain from the market. However, discussions with government stakeholders and market actors in the studied area indicated that the coordination mechanisms among market actors are very poor. There is no forum that brings all market actors together and discusses market linkage or builds trust among actors.




The forum is particularly a missed opportunity for producers (pastoralists and cooperatives) to establish a strategic partnership with end markets.

## Critical Constraints

Critical constraints are identified in the extension services, market information, vet service supplies, input supply sectors, and enabling environment (recurrent draught, clan conflict, etc.) and financial and insurance sectors. Weak extension services and a lack of market information reduce producers' bargaining power to negotiate for prices for their animals. Furthermore, the lack of information and access to quality feed reduces the physical condition and weight of the animals, therefore also reducing the price that producers receive. The lack of an enabling environment and weak financial and insurance circumstances reduce the supply of livestock to the market.

## Strength of the Actors

The various functions, rules, and supporting functions, along with the various actors and where each actor is currently present, as well as how strong the presence is, and where the ideal role for each actor is, is presented in figure 5.

Figure 5: Key actors' roles and strengths - Cattle, Shoat and Camel Market System Key:  Strong Presence  Little or no presence.  Weak Presence



























	CORE FUNCTION				RULES				SUPPORTING FUNCTIONS							
	Production	Trade	Processing	Usage	Regulatory framework	Quality control	Tax or Tariff	Import and Export Ban	Certification and licenses.	Transportation	Infrastructures	Market Information	Input Supply	Extension Services	Quarantine Services	Financial/Credit services
<b>Producers</b>																
<b>Brokers</b>																
<b>Collectors /Traders</b>																
<b>Feedlots</b>																
<b>Export Abattoirs</b>																
<b>Government</b>																
<b>Butchers</b>																
<b>Restaurants</b>																
<b>Consumers</b>																
<b>Meat exporters</b>																
<b>Live animal exporters</b>																

Table 4: Systemic Level Constraints of – Cattle, Shoat and Camel Market System

Questions Addressed	Core Functions	Rules and Regulations	Supporting Functions
<p>What are the critical constraints in the market system? (Underperformance of key functions and rules):</p> <ul style="list-style-type: none"> <li>Shortfalls in utilization of input and service provisions available in the studied districts</li> <li>Levels of self-organization amongst producers,</li> <li>Obstacles and opportunities of private sector services and goods providers when they setup and carry out their business</li> <li>Overview of the position of the GoE, how the GoE sees their role and the private sector's role in the supply of goods and services.</li> </ul>	<ul style="list-style-type: none"> <li>Producers have poor access to vet services</li> <li>Very poor feed supply system.</li> <li>Producers have no skill or capacity for drought-tolerant fodder production and preservation for their own livestock or for the dry season.</li> <li>Only very few have livestock insurance for livestock. The rest are not insured despite recurrent droughts and clan conflicts forced the sudden loss of their livestock.</li> <li>Poor access to market-based extension services. Producers' technical knowledge gap on livestock management leads to poor cattle quality.</li> <li>Producers lack credit to engage in cattle, camel and shoat fattening.</li> <li>Poor market information</li> <li>Women's needs and interests are not analyzed and addressed in the extension system.</li> <li>Input and output financing system is weak</li> <li>Producers have poor price negotiation/ weak bargaining power</li> <li>Producers organized in groups/unions/cooperatives of livestock production and marketing is very limited and not properly linked with market.</li> <li>Women engaged in shoat trading lack credit to engage in large-scale shoat trading.</li> <li>Cooperatives have poor business management skills,</li> <li>The market information system is poor, the supply of animals is inconsistent.</li> <li>Pastoralists in the Guchi district have no access to a primary market in their district.</li> </ul>	<ul style="list-style-type: none"> <li>There are no coordination mechanisms to clearly define procedures and strategies for action for different actors in the value chain</li> <li>Though the cooperative rules encourage the organization of livestock producers, the farmers have poor supporting mechanisms from the government to establish their cooperatives</li> <li>Local governments have poor capacity (financial and technical experts) to implement market-based extension services.</li> <li>Despite the fact that gender mainstreaming and the integration of women's issues in each development program is a requirement, the implementation is insufficient and women are unable to go beyond contributing with their labor in the value chain and therefore benefit from the process.</li> </ul>	<ul style="list-style-type: none"> <li>Very weak input supply system, such as quality feed, vet drugs. etc.</li> <li>Weak market-based extension and advice services</li> <li>Recurrent droughts, poor early warning systems increase loss of cattle.</li> <li>Limited coverage of livestock insurance.</li> <li>Limited financial /credit services. Collateral for credit.</li> <li>No gender-responsive extension service systems.</li> <li>Lack of an enabling environment, clan conflicts.</li> </ul>
<p>Why have more inclusive, pro-poor solutions or alternatives not emerged autonomously within the system?</p>	<ul style="list-style-type: none"> <li>Producers have no vibrant organization that stands for pro-poor market benefits.</li> <li>Farmers have low financial and technical capacity</li> <li>Producers have no sustainable sources of market information.</li> <li>Low resilience capacity of pastoralists.</li> <li>Lack of insurance for their livestock against high vulnerability of livestock loss.</li> <li>There is no coordination forum that brings all market actors to discuss challenges and solutions for the market to function well</li> </ul>	<ul style="list-style-type: none"> <li>The local government has no marketing information system for transactions to benefit poor producers.</li> <li>The extension and advisory systems are not market-based.</li> <li>The government has no livestock insurance coverage.</li> </ul>	<ul style="list-style-type: none"> <li>The government has insufficient extension workers and a low capacity to provide market advisory services.</li> <li>Limited private whole sellers in input supply services (Vet and feed)</li> </ul>
<p>What is the opportunity for change?</p>	<ul style="list-style-type: none"> <li>The strong demand of pastoralists and agro – pastoralists to be organized in groups and engage in cattle and camel fattening is an opportunity to establish vibrant livestock cooperatives.</li> <li>Strong demand for feedlots and export abattoirs for Borena breeds.</li> <li>Introduction of a business model for index-based livestock insurance by insurance companies.</li> </ul>	<ul style="list-style-type: none"> <li>A regional level tax force for livestock insurance is a good entry point for opportunities to influence a government extension system inclusive of market-based advisory services.</li> <li>The existence of an agricultural and pastoral development gender mainstreaming guide.</li> </ul>	<ul style="list-style-type: none"> <li>Rehabilitation of the asphalt road from Yabelo to Hawassa</li> <li>Cooperatives have demands to engage in feed supply</li> <li>There are already good practices in place for drought tolerant fodder plantation and preservation that can be scaled up.</li> <li>There is a possibility to link index-based livestock insurance with banks for loan guarantee.</li> </ul>

Which constraints can be addressed by a development organization?	<ul style="list-style-type: none"> <li>▪ Pilot animal fattening centers through cooperatives in the targeted districts.</li> <li>▪ Support the government and the community to establish a primary market in Guchi.</li> <li>▪ Organize farmers in the livestock fattening trade.</li> <li>▪ Support women shoat traders to engage in large-scale trading of shoats</li> <li>▪ Linkage of producers with financial institutions.</li> <li>▪ Linkage of producers with livestock insurance companies that offer subsidized premiums.</li> <li>▪ Market information through local radio and extension advisory support.</li> <li>▪ Producers' engagement in the production and preservation of fodders, etc.</li> <li>▪ Business management skills of farmers and cooperatives.</li> <li>▪ Integrate women in the value chain process and ensure they benefit from it</li> <li>▪ Enable women's capacity to influence decisions on income from value chain</li> </ul>	<ul style="list-style-type: none"> <li>▪ Gender mainstreaming support in the livestock sector.</li> <li>▪ Initiate a zonal and district-level forum for the value chain actors' coordination.</li> <li>▪ Support regional tax force on livestock insurance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improve the government's capacity to provide market-based extension services</li> <li>▪ Improve market infrastructure to required standards.</li> <li>▪ Improve vet services through capacity building of private agro-dealers.</li> <li>▪ Support cooperatives to engage in drought-tolerant fodder plantation and preservation business.</li> </ul>
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Table 5: Recommended Intervention- Cattle, Camel and Shoat market System

Systemic Level Investment		
Systemic Level Constraints	Systemic Level Recommended Intervention	Expected Change
Poor extension systems leading to poor knowledge and practices of producers	<ul style="list-style-type: none"> <li>▪ Support the government's capacity building efforts to provide market based extension services. Provide different training for extension workers in the livestock market.</li> <li>▪ Gender-responsive extension system to facilitate the participation of women.</li> <li>▪ Collaborate with livestock research institutions towards increasing the productivity of farmers</li> </ul>	<ul style="list-style-type: none"> <li>▪ Producers may gain knowledge of cattle management and fattening, feed management, practices and marketing.</li> <li>▪ Producers aware of demand time, quality, quantity requirements of end marketers.</li> </ul>
Market information and linkage	<ul style="list-style-type: none"> <li>▪ Support concerned government offices to organize a forum that brings all actors in the market, including end markets, to discuss the value chain.</li> <li>▪ Support unions to establish market linkage and directly link cooperatives with the end market.</li> <li>▪ Support media-based livestock market information</li> </ul>	<ul style="list-style-type: none"> <li>▪ Producers and cooperatives directly linked to end markets for better profit margins.</li> <li>▪ End market requirements on quality, quantity and time of demand reach producers sustainably.</li> </ul>
Shortage of inputs (feed and vet)	<ul style="list-style-type: none"> <li>▪ Support smallholder farmers organized in cooperatives to supply inputs based on their needs.</li> <li>▪ Provide technical and financial support to farmers and cooperatives for them to engage in fodder plantation, production, and preservation through hay-making and storage.</li> <li>▪ Improve financing for input supply</li> <li>▪ Support private vendors of input supply</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quality and timely input provision increased.</li> <li>▪ Improved cooperatives' capacity to provide needs-based services and input supply.</li> <li>▪ Drought-resistant fodder planted and preserved for drought seasons.</li> <li>▪ Drought-resistant fodder plantation and preservation become a new area of business for cooperatives.</li> <li>▪ Farmers' resilience capacity improved</li> </ul>
Market centers and infrastructure	<ul style="list-style-type: none"> <li>▪ Support efforts to improve and maintain the livestock market infrastructures.</li> <li>▪ Assess the availability of markets and support the community to establish primary markets in their districts.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Livestock market places standardized.</li> <li>▪ Primary markets established and producers benefit from better prices and reduced distances.</li> </ul>
Lack of capacities (financial, physical, technical) at all levels of the core functions (traders and producers)	<ul style="list-style-type: none"> <li>▪ Support producers to organize groups and increase bargaining power.</li> <li>▪ Improve the financial systems for producers to easily access inputs and feed and engage in fattening of cattle.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increased bargaining power of producers.</li> <li>▪ Improved and adequate supply system of livestock to the market that meets the end market's demand.</li> </ul>
Recurrent droughts, vulnerability and lack of livestock insurance coverage	<ul style="list-style-type: none"> <li>▪ Promote livestock insurance through subsidized insurance premiums.</li> <li>▪ Link cooperatives, traders and pastoralists with banks for livestock insured loan grants</li> <li>▪ Establish partnership and work closely with insurance companies to raise awareness among producers on the importance of livestock insurance.</li> <li>▪ Improve pastoralists' range land management capacity for resilience.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increase in producers' loans granted.</li> <li>▪ Pastoralists insured from loss of livestock and their resiliency capacity improved.</li> </ul>

Weak implementation of gender mainstreaming (analyzing and addressing women's needs and interests in the livestock business)	<ul style="list-style-type: none"> <li>▪ Support sector offices and the offices of women's and children's affairs to enforce gender mainstreaming in the livestock sector.</li> <li>▪ Set gender integration accountability mechanisms</li> <li>▪ Improve women's capacity to influence decisions on income from the value chain.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Women's participation and benefits from the value chain process increased.</li> </ul>
Enabling environmental-drought and clan conflicts to disrupt market supplies.	<ul style="list-style-type: none"> <li>▪ Support farmers to produce drought-tolerant fodder seeds,</li> <li>▪ Provide education on range land management</li> <li>▪ Support the efforts of conflict resolutions by the government and other actors.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Producers' drought resilience capacity improved.</li> <li>▪ Fodder remains available during drought times</li> <li>▪ Frequency of clan conflicts decreased.</li> </ul>

## Light-touch market system for potential and value chain

During the market prioritization stage, the discussions with government stakeholders and market actors indicated that donkey trading has great potential for value chain and market development.

There is a strong demand from Kenya markets, and donkeys flow from highland areas to Haro- Beke, Dubuluq, and Moyale markets. They enter Moyale market only to be taxed and directly flow to Kenya through Moyale.

Pastoralists in the Borena zone are not engaged in donkey trading; instead, they sell and buy donkeys occasionally for local use and restocking purposes. The discussions with donkey traders indicated that the end market has a high demand and a preference for Borena breed donkeys. However, the supply is almost nonexistent, and therefore they are forced to buy from nearby highland areas.

Pastoralists were interviewed to share their views on donkey trading, and they highlighted that the Borena-reared donkey is only for labor consumption, not for trading. They further expressed that they see large numbers of donkeys flow to Moyale every day, but have never thought of the potential for them to engage in the trade. Though a deeper study is necessary, no cultural sensitivity issues have been mentioned that could restrict the pastoralists' engagement in donkey trading.

Information from donkey traders indicated that there are many actors in the donkey market, and the chain is long, as the donkeys flow from distant highland areas. They strongly believe that if the chain began in Borena, the actors would be minimized, since the end market is in Kenya. This is a potential opportunity for pastoralists in the Moyale district. However, further study on donkey productivity, cultural sensitivity and strategies to raise awareness is recommended.

# CONCLUSION

- 1 The Borena Zone is the most important livestock supply area. The Zone is known for its large population of cattle, goats, camels and sheep, in order of availability, and the livelihood of pastoralists and agro-pastoralists in the Borena Zone mainly depend on livestock production.
- 2 Despite the Borena livestock brand being preferred by end markets, export abattoirs are complaining about shortages of livestock supply for the export market. Some of them were even unable to meet the quantity already requested by their customers, and as result they search for new markets for shoat meat.
- 3 There is a wide information and connection gap among market actors, particularly between end-market agents and producers. Producers have no information regarding the quantity, quality and time of demand for livestock by export markets, particularly shoats. This is a clear indication for concerned stakeholders to work on the coordination of value chain actors, on market-based extension and on providing advisory support to pastoralists.
- 4 To improve the competitiveness of live animal and meat exports, tremendous interventions in the coordination of livestock marketing activities are needed, as well as in the provision of market support services.
- 5 Actors in the cattle and shoat trades are many and include producers, brokers, small-scale traders, local abattoirs, seasonal consumers, feedlots, live animal exporters and meat exporters. Producers, brokers, traders, local consumers and live animal exporters are found among the camel market actors.
- 6 Critical constraints are identified in the extension services, market information, and vet service supply sectors, as well as in the input supply, enabling environment (recurrent draughts, clan conflicts, etc.) and financial and insurance sectors. Weak extension services and a lack of market information reduce the producers' bargaining power to negotiate better prices for their animals. Furthermore, the lack of information and access to quality feed reduces the physical condition and weight of the animals, therefore also reducing the prices that producers obtain. The lack of an enabling environment, weak finances and no insurance reduce the supply of livestock to the market.
- 7 Women's participation in the entire three-market system is only limited to contribution in the form of labor. There are no women engaged in the value chain of cattle and camels, while women are better represented in the shoat market as producers and traders.
- 8 Donkey trading has shown potential for value chain development. There is a strong demand for donkeys in Kenyan markets, so donkeys are flowed from highland areas to Moyale through illegal live animal market channels. Donkey traders widely believe that Borena breed donkeys are highly preferred by end markets, and they also believe that supplying them from Borena will minimize the long chain.

# RECOMMENDATIONS

## Improve market infrastructure

The market center infrastructure in the studied district is in good condition. However, it is recommended to support the establishment of animal holding grounds near the major market centers, where livestock can rest for a while before loaded. Some districts have no primary markets and are forced to travel long distances or hold their livestock. It is recommended to support the efforts to establish primary markets with road access. The Moyale shoat market does not fulfill any of the market standards and needs strong intervention.

## Strengthening market actors

the market chain is long and producers are not fairly benefiting from their products. The efforts to build producers' capacity to add value to their products are crucial. It is therefore recommended to organize farmers in livestock fattening and link them to end markets. Women are already engaged in shoat trading, buying and selling in the same market, and have a strong interest in engaging in large-scale shoat trading. It is advisable to support them in order for them to be organized, access credit and engage in large scale shoat trading. It is also recommended to support livestock cooperatives, which are established but not functional, by strengthening their business management and modern herd management with short term technical assistance. It is also advised to support pastoralists on rangeland management through the application of short-term technical assistance, in order to ensure their resilience capacity and minimize the loss of livestock.

## Support market information, linkage and coordination

Organize market linkage trips between cooperative leaders and live animal exporters, fattening feedlot operators and export abattoirs. Map out potential buyers of cattle and shoat in the zone. The new university under construction and different hotels are potential buyers, and efforts to conduct discussion for potential linkages of pastoralists and cooperatives to supply their livestock are highly encouraged. Facilitate a stakeholder workshop with representatives from all categories of actors within the value chain and major supporting service providers with an emphasis on market benefit for producers. Use local media for radio-based market information broadcasts in local or regional languages.

## Improve access to input supply

Support pastoralists to engage in fodder plantation and preservation through the provision of drought-tolerant fodder seed, capacity building trainings on preservation, hay-making and storage facilities. Feed supply is a potential value chain for cooperatives, and efforts to support cooperatives to engage in the animal feed supply business are encouraged. To improve access and meet the demands of pastoralists, it is recommended to support private investment in the animal feed sector and vet services.

## Improve access to financial and insurance coverage

Work with the financial sector to encourage the creation of appropriate loan products and lending schemes for the livestock industry participants. Strengthen support of index-based livestock insurance through awareness raising and influence the government through the regional task forces established for the purpose. Promote index-based livestock insurances and encourage other insurance companies to engage in similar insurance products for the competition and reduced premiums to benefit pastoralists.

**Support market-based extensions and advisory support:** Support and promote market-focused livestock extension services by creating linkages between the extension system and livestock supply chains, and support market-based training for extension workers to provide well informed advice to producers.

## Improve an enabling environment

Recurrent droughts and clan conflicts are critical constraints that limit the supply of livestock to the market and reduce the resilience capacity of pastoralists. To improve the pastoralists' resilience capacity, the efforts must be strengthened on range land management and conflict resolution.

## Influence policies

Support and proactively participate in different networks, task forces and advocacy groups for pastoralist livestock insurance coverage and market-based extension services.

## Further study on other value chains potential for growth

Donkey trading has shown potential for value chain development. There is a strong demand for donkeys in Kenyan markets, so donkeys are flowed from highland areas to Moyale through illegal live animal market channels. Donkey traders widely believe that Borena breed donkeys are highly preferred by end markets, and they also believe that supplying them from Borena will minimize the long chain. However, further study on donkey productivity, cultural sensitivity and strategies to raise awareness is recommended.





# ANNEXES

# Data Collection Tools

## Value chain analysis tools

### Tool 1: Mapping market structure- Actors in Core Functions

Actors	Cattle, goat, sheep and camel	Gender Differences – role of men and women in the market structure
	Brief description of actors	
Smallholder producers		
Collectors/traders- small scale		
Collectors/traders – large scale		
Groups/cooperatives/associations		
Brokers		
Processors		
Wholesalers		
Feedlots-for livestock		
Exporters		

### Tool 2: Mapping market structure- Actors in Supporting Functions

Actors	Brief description of actors				Any gender differences in
	Cattle	goat	sheep	camel	
Input services					
Extension services					
Financial services					
Processing services					
Market information					
Quarantine services					
Emergency services					
Customs services					
Animal health services					
Feed supply services					
Transport services					

### Tool 3: Mapping market structure- Market Dynamics and Performance-Understanding Structure and Interaction

Questions	
Where is the main market?	
How big is the demand per annum?	
What are the main products you supply to the market? Do you have any new products in the pipeline?	

Which market segments are you serving currently? Your geographic coverage, target consumer type?	
Do you have collection centres/points? How many? What are the facilities that are in place? How is the business model working? Plan of expansion?	
What is the role of the target group in the market system? What kind of distribution mechanism are you using?	
Are you a member of any production groups/cooperatives? What is the existing role of cooperatives? What is the role of the groups in supporting the members in production and marketing? Are you interested to form a group?	
What is the nature of the disadvantage they face?	
What supporting functions and rules are hindering the core function?	
Who are the players that perform the functions or set the rules relevant to the poor's transactions?	
What are the relationships between key players?	
Are there any 'embedded' or hidden transactions, or other forms of informality?	
Are there any 'positive deviants'?	

#### Tool 4: Mapping market structure- Market Dynamics and Performance-Understanding Dynamics

Questions	Dynamics
How have transactions changed over time?	
Have any major events altered the way the system works? / How is the supply from other areas/countries affecting their production and business?	
How has the behaviour of key players changed in response?	

## Tool 5: Mapping market structure- Market Dynamics and Performance-Assessing Performance of Functions and Rules

Questions	Performance
Is there any regulatory framework or policy to set up a private business? What are the opportunities/challenges/supports?	
Inadequate - A function or rule has attracted the 'right' player(s), but they do not have adequate capacities or incentives to improve their performance of it.	
Mismatched - A function or rule is ineffective because the player(s) performing it is 'wrong' for the role, and unlikely to have the capacities or incentives to perform a function/rule more effectively in the future.	
Absent - A function or rule is missing because capacities and incentives are not in place, or do not exist, for any player(s) to perform it.	

## Tool 4. Structured KII interview-this is to supplement the information indicated in the M4P tools

### Introduction and consent

Hello!!

Thank you for taking the time to talk to me.

My name is \_\_\_\_\_ and I am working at Path Development Consulting and Research Services. We are conducting a value chain analysis and district market assessment.

The information we collect will help CIFA-Ethiopia to implement the project in your community. I would like to ask you questions about information on the value chain and the market pertinent to your office.

All of the answers you will give to us will be confidential and not shared with anyone other than members of our assessment team. Your name or any other information that may identify you will not be part of any report from this assessment. You are encouraged to answer as many questions as possible.

Your participation is voluntary and if I ask you any questions you don't want to answer, just let me know and I will go on to the next question or you can stop the interview at any time. The interview will take about 30 to 45 minutes.

Are you willing to take part in the discussion? 1. Yes            2. No

Do you have any questions before we start our discussion/interview? 1. Yes            2. No

=====

I read the aforementioned information and procedures to the assessment participant. I asked if the assessment participant has any questions and tried to address all of them to the best of my capacity. The person is willing to take part in the assessment.

<b>Note-taker's name</b>					<b>Context analysis-code</b>	
<b>Facilitator's name</b>						
<b>Location</b>		<b>District</b>				
<b>Location of interview</b>						
<b>Date</b>		<b>Start time</b>		<b>Finish time</b>		
<b>Participants name</b>		<b>Responsibility</b>			<b>Telephone</b>	

## Key leading questions:

### 4.1 Cooperative development office

- ▶ How many multi-purpose cooperatives are available in the district? How many are organized in livestock production? What are the major challenges?
- ▶ Are there cooperatives that participate in livestock value chain? If yes in which specific product? Where do they sell? Do they have a linkage with end markets?
- ▶ If they do not participate in the value chain, what is the main problem for their participation?
- ▶ Are the cooperatives accessing competitive markets for targeted households? Which ones? What are the major challenges?
- ▶ What is the participation of women at different positions in the cooperative? What are your mechanisms to engage them?
- ▶ What are the major capacity gap limitations of major cooperatives?
- ▶ Any remarks that you would like to suggest?

### 4.2 Unions

- ▶ What is the role of the Union in market linkages?
- ▶ What market linkages are established for cooperatives? For which product?
- ▶ Are there any cooperatives engaged in the value chain and linked with markets?
- ▶ What are the major challenges for the cooperatives' linkage with markets?

### 4.3 Livestock and fishery office

- ▶ What are the major livestock production and productivity in your district?
- ▶ Which livestock type has high potential for marketing? Relevance to the Poor (poverty reduction potential)?
- ▶ What is the availability of livestock inputs (feed, animal health, breeding, etc.) like in your district?
- ▶ Is there a big livestock market in your district? Can you tell us the market route?
- ▶ How is the livestock market functioning? Are there brokers, collectors, traders, and what are their roles?
- ▶ Do you think that the livestock market in your district meets the standard?
- ▶ What are the policies, rules and regulations that regulate the livestock market in your district?

### 4.4 Children and women affairs office

- ▶ In what activities do women participate in your district?
- ▶ How are you addressing these? Who is working in this domain?
- ▶ What support or mechanism do you require?
- ▶ Have you done any studies or assessments? What are the results?
- ▶ Have you provided any awareness of community barriers against women and of gender inequality? How? For instance, do you have manuals, budgets, etc.

## Tool 5. Structured KII interview-this is to supplement the information indicated in the M4P tools

Introduction and consent

Hello!!

Thank you for taking the time to talk to me.

My name is \_\_\_\_\_ and I am working at Path Development Consulting and Research Services. We are conducting a value chain analysis and district market assessment.

The information we collect will help CIFA-Ethiopia to implement the project in your community. I would like to ask you questions about information on the value chain and the market pertinent to your office.

All of the answers you will give to us will be confidential and not shared with anyone other than members of our assessment team. Your name or any other information that may identify you will not be part of any report from this assessment. You are encouraged to answer as many questions as possible.

Your participation is voluntary and if I ask you any questions you don't want to answer, just let me know and I will go on to the next question or you can stop the interview at any time. The interview will take about 30 to 45 minutes.

Are you willing to take part in the discussion? 1. Yes      2. No

Do you have any questions before we start our discussion/interview? 1. Yes      2. No

---

I read the aforementioned information and procedures to the assessment participant. I asked if the assessment participant has any questions and tried to address all of them to the best of my capacity. The person is willing to take part in the assessment.

<b>Note-taker's name</b>					<b>Context analysis-code</b>	
<b>Facilitator's name</b>						
<b>Location</b>		<b>District</b>				
<b>Location of interview</b>						
<b>Date</b>		<b>Start time</b>		<b>Finish time</b>		
<b>Participants name</b>		<b>Responsibility</b>			<b>Telephone</b>	

## 6.1 Small holder farmers/pastoralists

- ▶ What are the major activities you are engaged in for your livelihoods?
- ▶ Are you engaged in livestock production?
- ▶ If yes tell us the specific livestock you are engaged in: Cattle, sheep, goat, camel, others...?
- ▶ Who engages in this livestock production? What are the roles of women from production to marketing?
- ▶ How is the production and productivity of the livestock you are engaged in?
- ▶ Where do you get inputs such as breed, feed, vet services?
- ▶ In your community, which kind of livestock has high production and productivity? And which one has high marketing potential?
- ▶ Where do you sell the livestock? Tell us the market for each product you are engaged in.
- ▶ How many of each kind of livestock do you sell annually? Cattle, sheep, goat, camel, others...?
- ▶ For whom do you sell your livestock: for brokers, collectors, farmers, end market, etc.? Tell us for each product: cattle, sheep, goat, camel, others...?
- ▶ Is there any market linkage established for your products? If yes, tell us details.
- ▶ Do you think that farmers are benefiting from the market?
- ▶ Do you have any remarks?

## 6.2 Women's group

- ▶ What are the major activities that women are engaged in in your community?
- ▶ Do they engage in livestock production?
- ▶ If yes tell us the specific kind of livestock women are engaged in? Cattle, sheep, goat, camel, others...?
- ▶ What are the roles of women from production to marketing?
- ▶ How is the production and productivity of the livestock you are engaged in?
- ▶ Where do you get inputs such as breed, feed, vet services?
- ▶ In your community, which kind of livestock has high production and productivity? And which one has high market potential?
- ▶ Where do you sell the livestock? Tell us the market for each product you are engaged in.
- ▶ How many of each kind of livestock do you sell annually? Cattle, sheep, goat, camel, others...?
- ▶ For whom do you sell your livestock: for brokers, collectors, farmers, end market, etc.? Tell us for each product: cattle, sheep, goat, camel, others...?
- ▶ Is there any market linkage established for your products? If yes, tell us details.
- ▶ Do you think that women are benefiting from the market?
- ▶ Are there any cultural practices that restrict women from selling their products to big markets?
- ▶ Do you have any remarks?

## 5.3 Cooperatives

- ▶ What activities are your cooperatives engaged in?
- ▶ Are you engaged in livestock production? Cattle, sheep, goat, camel others...?
- ▶ How is the production and productivity of the livestock you are engaged in?
- ▶ Where do you get inputs such as breed, feed, vet services?
- ▶ In your community which kind of livestock has high production and productivity? And which one has high market potential?
- ▶ Where do you sell the livestock? Tell us the market for each product you are engaged in.
- ▶ How many of each kind of livestock do you sell annually? Cattle, sheep, goat, camel, others...?
- ▶ For whom do you sell your livestock: for brokers, collectors, farmers, end market, etc.? Tell us for each product: cattle, sheep, goat, camel, others...?
- ▶ Is there any market linkage established for your products? If yes, tell us details.
- ▶ Do you think that farmers are benefiting from the market?
- ▶ Do you have any remarks?



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This publication has the collaboration of the Spanish Cooperation through the Spanish Agency for International Development Cooperation (AECID). The contents of this publication are the sole responsibility of the consultants PATH Development Consulting and Research (PDCR) and do not necessarily reflect the position of the AECID.

Financed by:



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