

Pastoral Markets Development (APMD) Platform

Technical Pillar Planning and Stakeholders Engagement Workshop

Country / IGAD:

National / Regional Overview of the Pastoral
Livestock Marketing Chain, Challenges and
Opportunities.

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Introduction to Pastoral Livestock Marketing Chain

The pastoral livestock sector is the backbone of Somalia's economy and plays a critical role in the livelihoods of its population. Somalia is a predominantly pastoral country, with about **60-65%** of the population directly or indirectly relying on livestock for their livelihoods. Livestock production is the dominant agricultural activity, with **over 80% of the country's exports** being derived from live animals such as goats, sheep, cattle, and camels.

Total Somali Livestock Population is estimated about **57,177,652** (Camel =**7,173,988**, Cattle, **5,319,533**, Goat +**30,998,566** and Sheep =**13,685,565**). According to the Food and Agriculture Organization (FAO),

Significance to the Economy and Livelihoods in Somalia

Livestock is central to the economy and livelihoods of Somali households. It accounts for about **60% of Somalia's GDP** and employs a large portion of the labor force, particularly in rural areas. In some regions, livestock production represents over **90% of the household income**.

The pastoral system is not just a source of income but also serves social, cultural, and nutritional functions. Livestock acts as a form of savings or "living bank" for pastoralists, providing a means of financial security and social status.

Main Characteristics of the Pastoral Livestock Marketing Chain in Somalia

Herders/ Producers are the pastoralists who rear livestock using natural pastures and depend on mobility to graze livestock across vast areas, based on seasonal rains.

Livestock Traders play an essential role as intermediaries between herders and the market and they operate in local markets, buying animals from pastoralists and selling them at larger urban centers or export points.

Livestock Brokers and Transporters they facilitate transactions between traders and buyers, and manage the movement of livestock from rural areas to markets or ports

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Primary Markets located in small towns or rural areas where herders bring their animals, livestock are sold to traders or moved further along the marketing chain to larger markets or export terminals.

Secondary Markets are found in major cities such as example Mogadishu, Hargeisa, and Bossaso, Kismanyo, Biadoa , Afgoye, Beledweyne, Guricel Livestock are transported to these markets after initial transactions in primary markets, the prices are generally higher due to proximity to export infrastructure and processing facilities.

Export Markets Somalia has livestock export channels, particularly via the ports of Mogadishu, Berbera, Bossaso, and Kismanyo destined for export are generally transported by sea to Gulf countries.

Key challenges impacting the resilience and hinder the transformation of the Pastoral Livestock sector

- National Quality Infrastructure and trade infrastructure limitations
- Policy and regulatory hurdles
- Data Ecosystem and dissemination limitation (e.g. market information etc.)
- Market access challenges and price volatility
- Climate change adverse effects (- diseases, droughts...etc.)
- Structural and social barriers (mobility, security, pastoralist inclusion)
- Networking and coordinated actions between stakeholders
- Finance and insurance services
- Public Private partnership
- Land tenure and livestock mobility
- Limited Access to Veterinary Services and Animal Health facilities
- Inadequate extension and research services
- Limited technology adoption and innovation for breeding and genetics

Opportunities for growth and sector transformation (the Pastoral Livestock Marketing Chain)

- Existing strengths in pastoralist systems (enabling policy environment, efficient data ecosystem, and Promoting private-sector integration, etc.)
- Successful and scalable business models
- Potential for technological innovations (communication, networking, trade & marketing.)
- Emerging markets and trade routes
- Increased demand.
- Enhanced compliance with trade conditions and standards
- Strengthened market infrastructure
- Private Sector Investment
- Export diversification
- Gender and youth perspectives
- Public Private Partnership (PPP)
- Capacity Building and Training
- Strengthening and organizing Pastoralist Cooperatives and Associations

Previous and Ongoing Relevant Projects and Interventions, Key Outcomes and Learnings

| Project / title | Start - End | Main objectives | Main area(s) of interventions | Main outcomes/impacts |
|--|-------------|--|--|---|
| Building Resilience for Food and Nutrition (BREFONS) (AfDB, Save the Children International) | 2022-2026 | (i) To increase productivity of agropastoral production systems, (ii) To increase incomes from agropastoral value chains and (iii) To enhance the adaptive capacity of the people to better prepare for. | (i) Resilience of Pastoral and Agropastoral Production systems, (ii) Agribusiness Development in Pastoral Communities, (iii) Adaptive Capacity to Climate Change and | (i)Increased Resilience of Agropastoral Production Systems (ii) Increased Income from Agropastoral Value Chains (iii) Enhanced the Adaptive Capacity of the Populations to Manage Climate Change Risks. |
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| Project / title | Start - End | Main objectives | Main area(s) of interventions | Main outcomes/impacts |
|---|-------------|---|--|---|
| Food Systems Resilience Project (FSRP) WB | 2023-2027 | Main objective: to increase preparedness against food insecurity and improve the resilience of food systems in targeted project areas of Somalia' | (i) Resilient Agricultural Production Capacity (ii) Sustainable development of Natural Resources for Resilient Agriculture Landscapes (iii) Getting to markets | (i) Reduction of food insecure people in project-targeted areas (percentage) (ii) Farmers adopting supported climate-smart innovations, technologies, and management practices (number) |
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| Project / title | Start - End | Main objectives | Main area(s) of interventions | Main outcomes/impacts |
|-----------------|-------------|-----------------|--|--|
| | | | (iv) A greater focus on food systems resilience in policy-making | (iii) Increase in land area under sustainable landscape management practices (hectares) (iv) Increase in volume of agricultural and livestock products sold on domestic and regional markets (percentage) |

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| Project / title | Start - End | Main objectives | Main area(s) of interventions | Main outcomes/impacts |
|---|-------------|--|--|--|
| De-risking, Inclusion and Value Enhancement of Pastoral Economies Project WB | 2022-2026 | PDO: To support the inclusion, de-risking and market access of pastoralists in the Horn of Africa. | (i) Risk Finance (ii) Livestock Value Chains and Trade Facilitation | (i) Number of pastoralists having access to drought insurance and financial services under the project (number), of which are female-headed households (percentage) (ii) Value of private capital mobilized by the project (the PCM in the results framework and data sheet reflects the capital at risk from |

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| Project / title | Start - End | Main objectives | Main area(s) of interventions | Main outcomes/impacts |
|-----------------|-------------|-----------------|-------------------------------|--|
| | | | | private insurers, and the private investment mobilized from seed capital). (iii) Number of pastoralist groups connected to markets. (iv) Number of trade facilitation measures supported by the project. |
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Achievements, Success Stories, and potential Upscale

Notable achievements in transformation and resilience of the Pastoral Livestock sub-sector

(Please identify the needs for new interventions, or upscale of successful ones)

- Policy reform and strategic Implementation
- Stakeholders Networking and coordinated actions (e.g., community based for a, market linkages, etc.)
- Decision support and advisory systems.
- Data-driven initiatives, and Knowledge sharing platforms/hubs
- Public-private partnerships approaches/models.
- Livestock Identification and Traceability System.
- Increased market access and productivity (policy, data, standards, conditions, etc.)
- Capacity building
- Private sector involvement & investment
- Marketing/trade infrastructures
- Slaughterhouse rehabilitation
- Livestock Health and Veterinary Services
- Livestock Market Information System (LMIS)
- Extension and research services
- Climate-Smart Pastoral Practices and Resource Management
- Empowering women and youth in pastoralist communities in Livestock Value Chains

Remaining Gaps and Needs for Interventions and scale

Gaps persisting despite efforts and opportunities:

(Please identify the needs for new interventions or upscale of successful ones).

- Policy implementation challenges
- Limited private sector integration
- Data access and dissemination hurdles/ Decision support system
- Insufficient infrastructure or investments
- Lack of capacity (human, knowledge, infrastructure, etc.)
- Public Private Partnership and innovative business model
- Livestock recording, identification and traceability.
- Limited access to markets and market information (e.g., price).
- Stakeholders networking and coordinated actions.
- National Quality Infrastructure (NQI) challenges
- Limited Climate smart innovations
- Limited Veterinary and Animal Health Services
- Inadequate Livestock Market Infrastructure
- Weak pastoral Cooperative and association Structures
- Limit research and extension services

Potential Interventions and Solutions to fill the remain gaps *(that can be handled by APMD)*

Recommended interventions to address the gaps:

- Expanding market infrastructure
- Expanding /rehabilitation of slaughterhouse
- Value add for (e.g., hides and skins, chilling facilities, etc.).
- Enhancing data systems and transparency
- Promoting private-sector participation and integration
- Leveraging technology for resilience and market access
- Livestock marketing policies
- Strengthening Community Animal Health Workers (CAHWs)
- Strengthening animal health, disease surveillance and reporting systems
- Strengthening and formation of Pastoralist Cooperatives and associations
- Establishing research and extension centers(Pastoral field schools)

Thank you