

The livestock sector within Pro-poor policies: experience from the Livestock Sector Investment and Policy Toolkit (LSIPT)

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Atelier de Formation Collective
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Postures et méthodes”**
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Overview

- **History and objective of the Toolkit**
 - **The content of the Toolkit**
 - **Testing the toolkit in Mali and Zambia: main lessons**
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Part 1: History & objectives of the toolkit



History of the Methodological Guide

- Contrast after few years of PRSP formulation:
 - ❑ scant recognition by national policy makers and donors, given the poverty reduction potential of the livestock sector (Ls)

- Main reasons:
 - ❑ Lack of common vision for the sector's development
 - ❑ Dearth of reliable data to demonstrate payoffs for Ls investment
 - ❑ Lack of capacity to develop appropriate sector plans and policies



- In 2002, the Partnership for Livestock Development, Poverty Alleviation and Sustainable Growth for Africa (ALive) initiated by the World Bank.
 - A regional partnership based on a multi-stakeholders Platform
- Mandated two diagnostic studies "Livestock Poverty Growth Initiatives" or first generation Livestock-PRSP in Mauritania and Burkina Faso.
- Based on these experiences, the ALive Executive Committee decided to develop a toolkit:
 - elaborated in 2007/ 2008, tested in Mali in 2008/ 2009 and currently implemented in Zambia.



Overall objectives of the Guide

Short term objectives →

- (a) Support SSA countries to prepare **poverty focused livestock sector analyses and subsequent action plans**
- (b) Support advocacy that will ensure **appropriate inclusion** of these analyses and action plans **in Poverty Reduction Strategy Papers (PRSP) and follow-up investments**
- (c) Support SSA countries to prepare **pro-poor projects** using the growth potential of the livestock sector
- (d) **Monitor and Evaluate the sector**, for its sustainable development.

Longer term objective →

Sustainably **strengthen national capacities** to carry out social, economic and technical diagnoses of the sector on which to formulate suitable strategic action plans



Elaboration of the Methodological Guide



- Modules “Initial assessment” – “Coalition for change” – “Learning based monitoring and evaluation”:

PPLPI with in-kind participation



- Modules “Livestock in national economy” – “Livestock in households economy”:



CIRAD with in-kind participation and initial support from **TCIW-FAO** and a contribution from **IIED**



- Module “Preparation of Strategy and Action Plan”:
ALive Secretariat



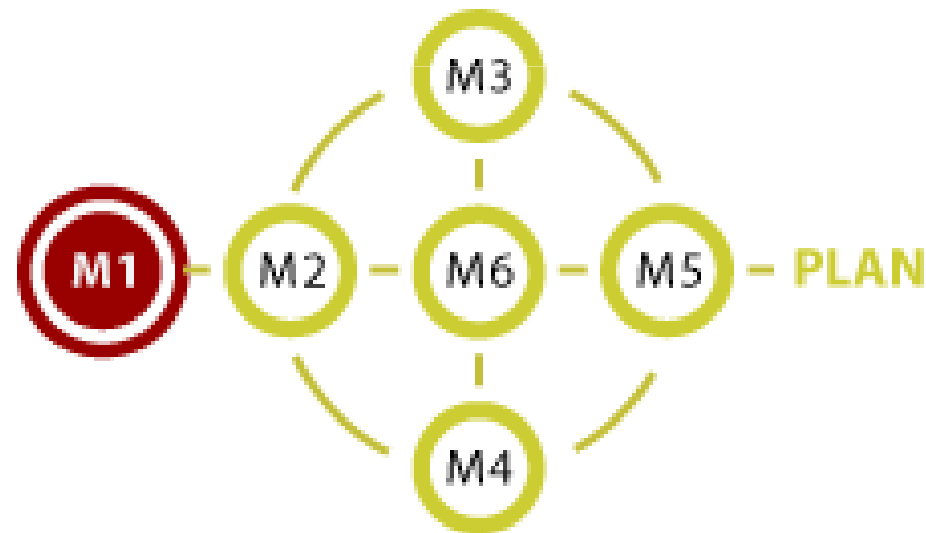
Part 2: The content of the Toolkit



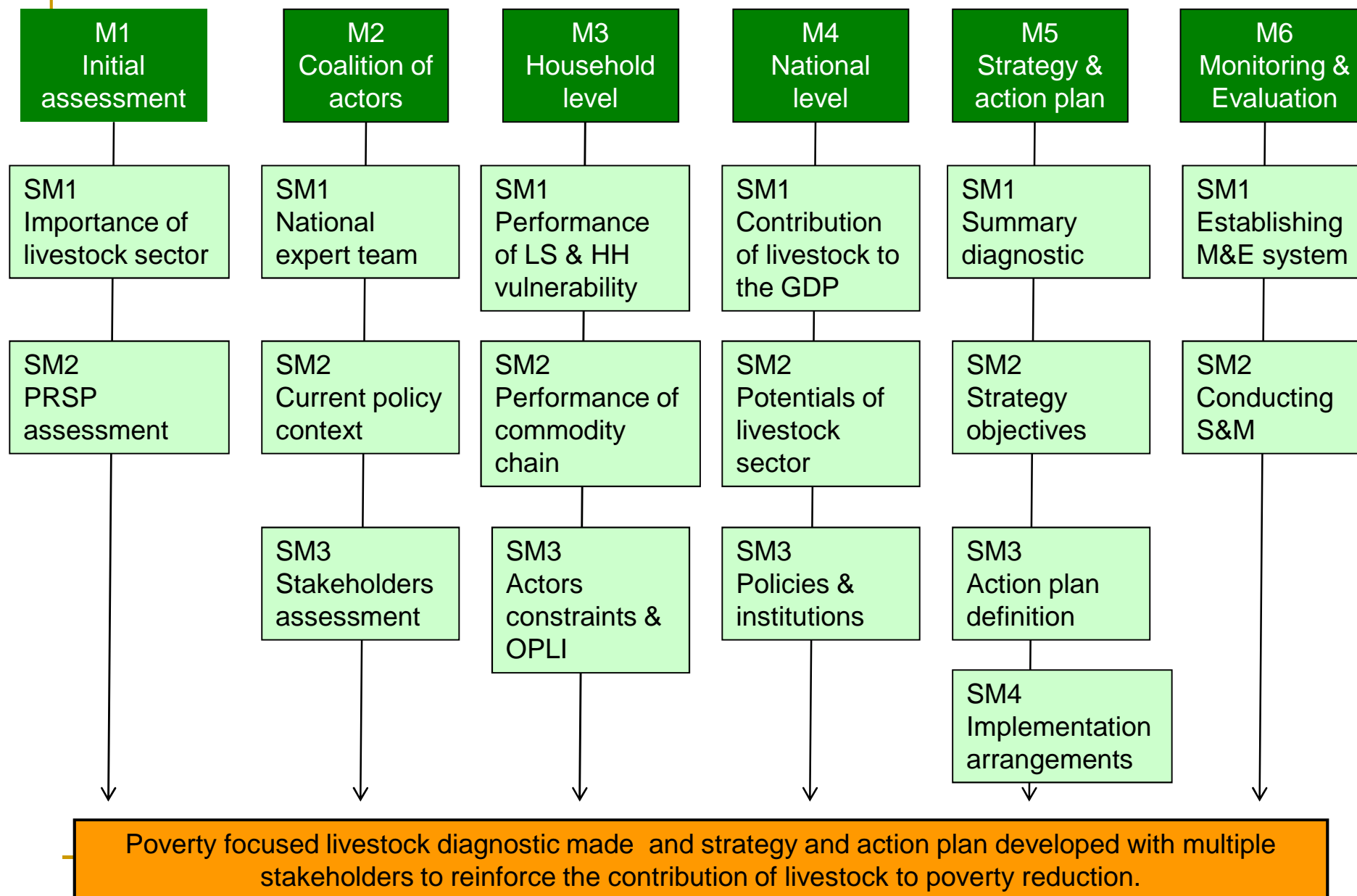
Organization of the toolkit: 3 phases interlinked

- Preparation (M1 & M2)
- Diagnostic (M3 & M4)
- Planification & monitoring (M5 & M6)

website

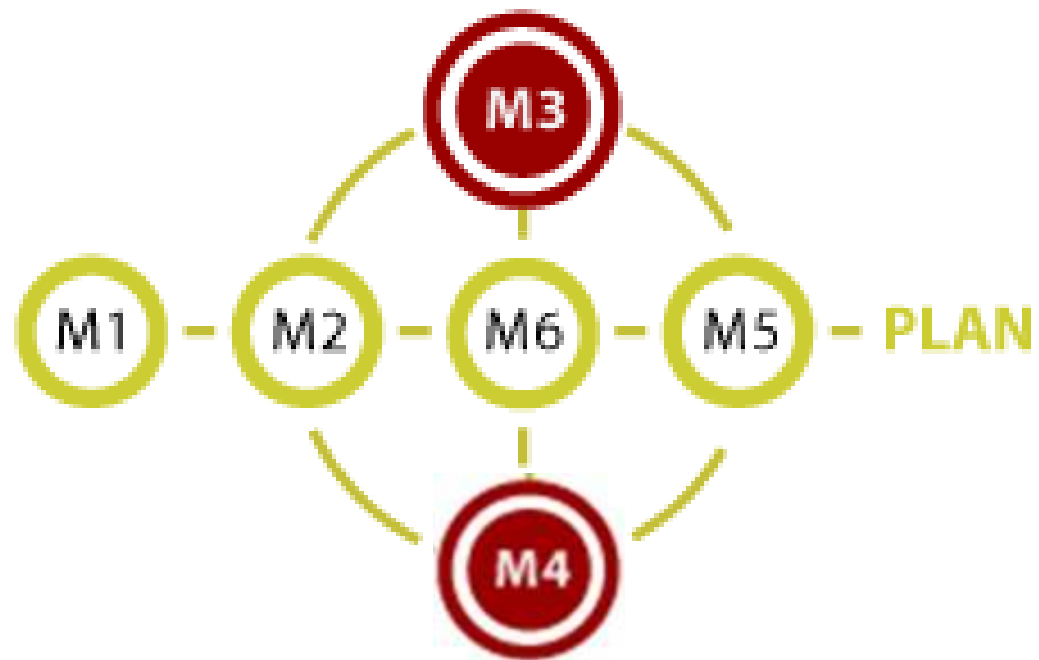


Modules and sub-modules





Modules 3&4: Diagnostic



Structure of the diagnostic (M3 & M4)

	M3 (micro / meso)	M4 (macro)
Main production systems (MPS)	typology (SM1-A1)	Aggregation of all results in M4 according to MPS
Livestock systems	Technical and economic performance of LS (SM1-A2&A3)	GDP (SM1-A1&A2)
Households	Vulnerability of households (SM1-A4)	Food security, poverty and equality (SM1-A3&A4)
Value chain and sector	Organization and performance of VC (SM2)	GDP and sector opportunities (SM1-A1; SM2)
Policies and institutions	Households constraints and OPLI (SM3)	Policies and institutional diagnostic (SM3)

2 options: with or without households survey data

- Without survey data:

- Working with average indicators (ex. income: either all hh are poor or none)
 - Advantage: quick assessment
 - Limitations: characterizing poor livestock keepers and the level of heterogeneity within each categories

- With household-level survey data:

- Working with raw data sets (individual observations for key variables (assets) entered into the tool)
 - Advantage: better knowledge of level of poverty
 - Limits: representativity of the systems upon the sampling procedure of survey data
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Module 3: Livestock in the household economy

SM 1 Analysis of production systems

A1 Identify and characterize the livestock production system

A2 Assessment of technical performance

A3 Assessment of economic results

A4 assessment of the vulnerability at the household level

Livestock-poverty interaction at the farm household level

SM 2 Chain analysis and vulnerability

A1 Identify and characterize the livestock products value chains

A2 Profitability at the level of each value chain

A3 Identify the factors of vulnerability for the different actors/agents

Interaction livestock-poverty along the value chain

SM 3 Impacts of the institutional , policy and legal environment (OPLI) on the actors

A1 Identify the priorities and constraints of the agents in the chain

A2 How the organizations, policies, legislations and institutions answer to the constraints or priorities of agents?

Weak and driving force of the institutional environment

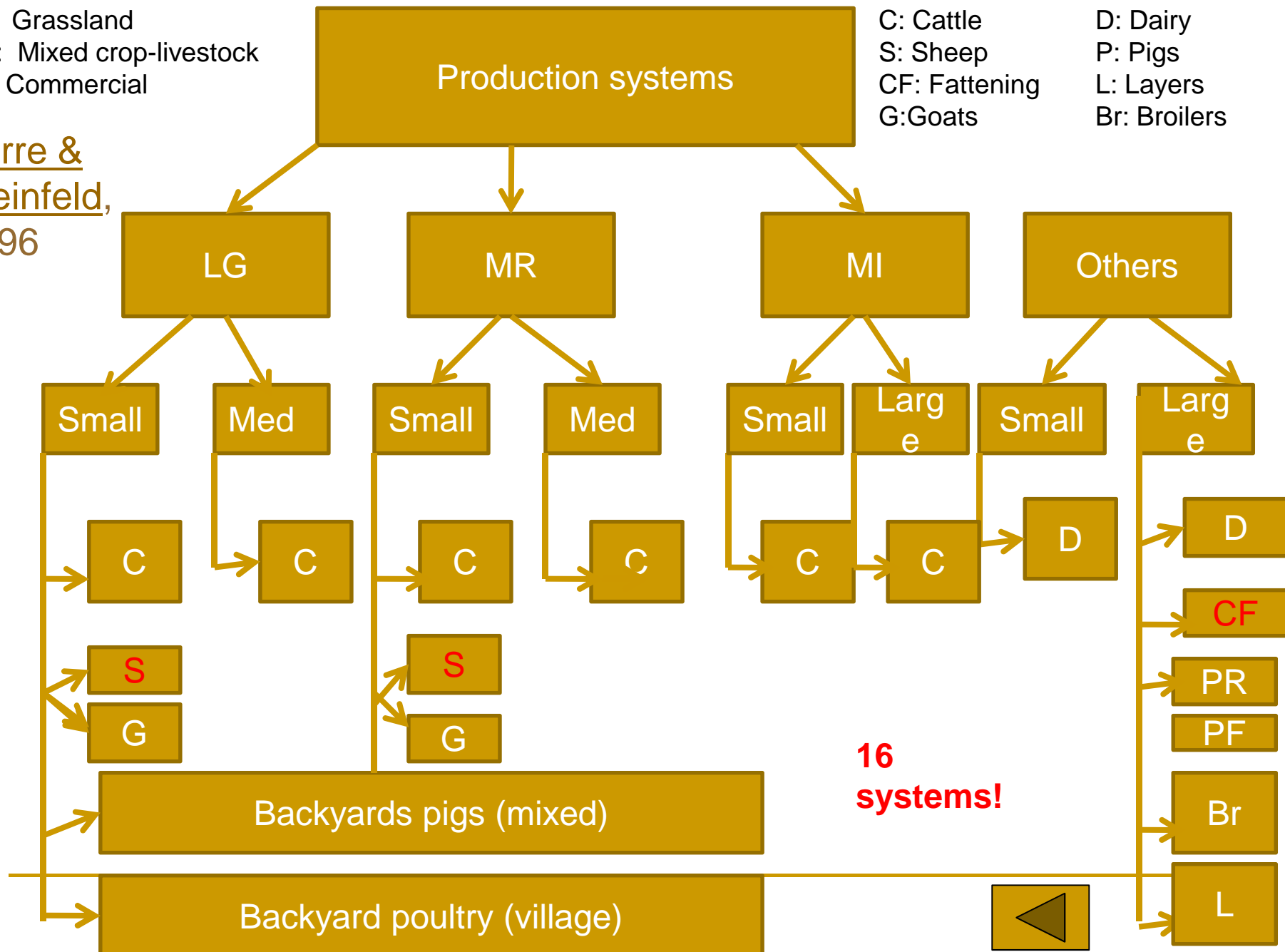
Results: Strategies, priorities, weaknesses and driving forces of the agents along the chains

LG: Grassland
MR: Mixed crop-livestock
MI: Commercial

C: Cattle
S: Sheep
CF: Fattening
G: Goats

D: Dairy
P: Pigs
L: Layers
Br: Broilers

Serre &
Steinfeld,
1996



STEPS AND TOOLS

- Technical parameters
- Economic and financial parameters
- Socio-economic parameters at the household level

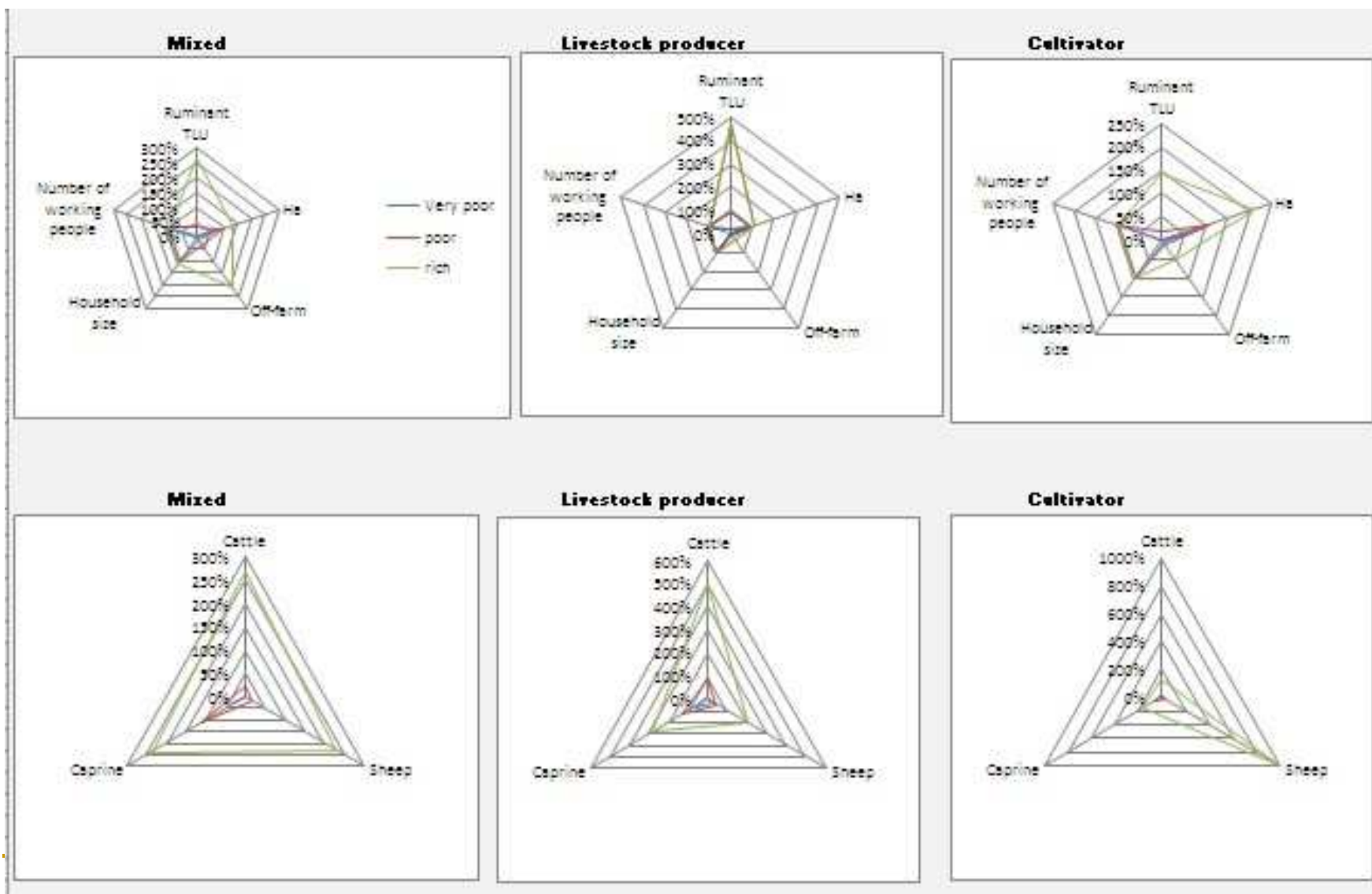
TOOL

EXPECTED OUTPUTS

- Animal productions
- Financial indicators: net income, cost of production,



Households typology and assets



Method of income calculation in the Toolkit

$$I_{i,ps} = (A_{i,ps} * Y_{ps} * P_{ps}) - (F_{i,ps} * C_{ps})$$

Where: I = income of hh i in PS

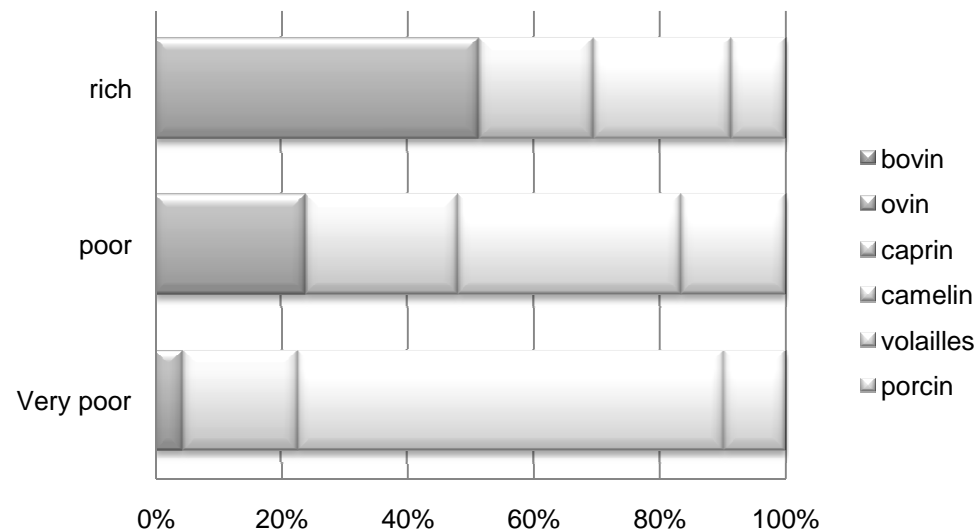
A = assets

Y = average yield

P, C = average prices / inputs costs

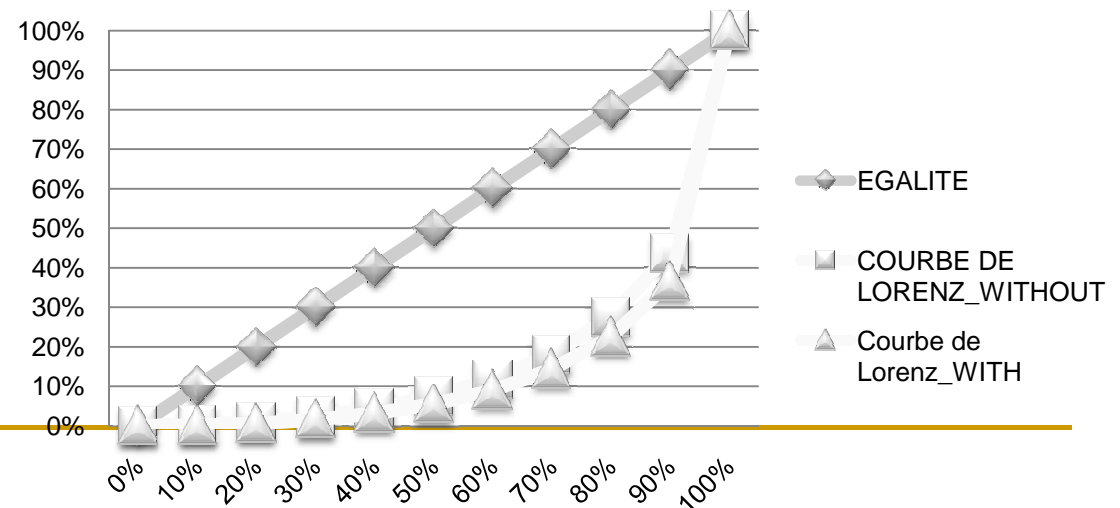
F = average use of inputs (feeds,
veterinary services, ..)

Contribution of each species to livestock income (without)



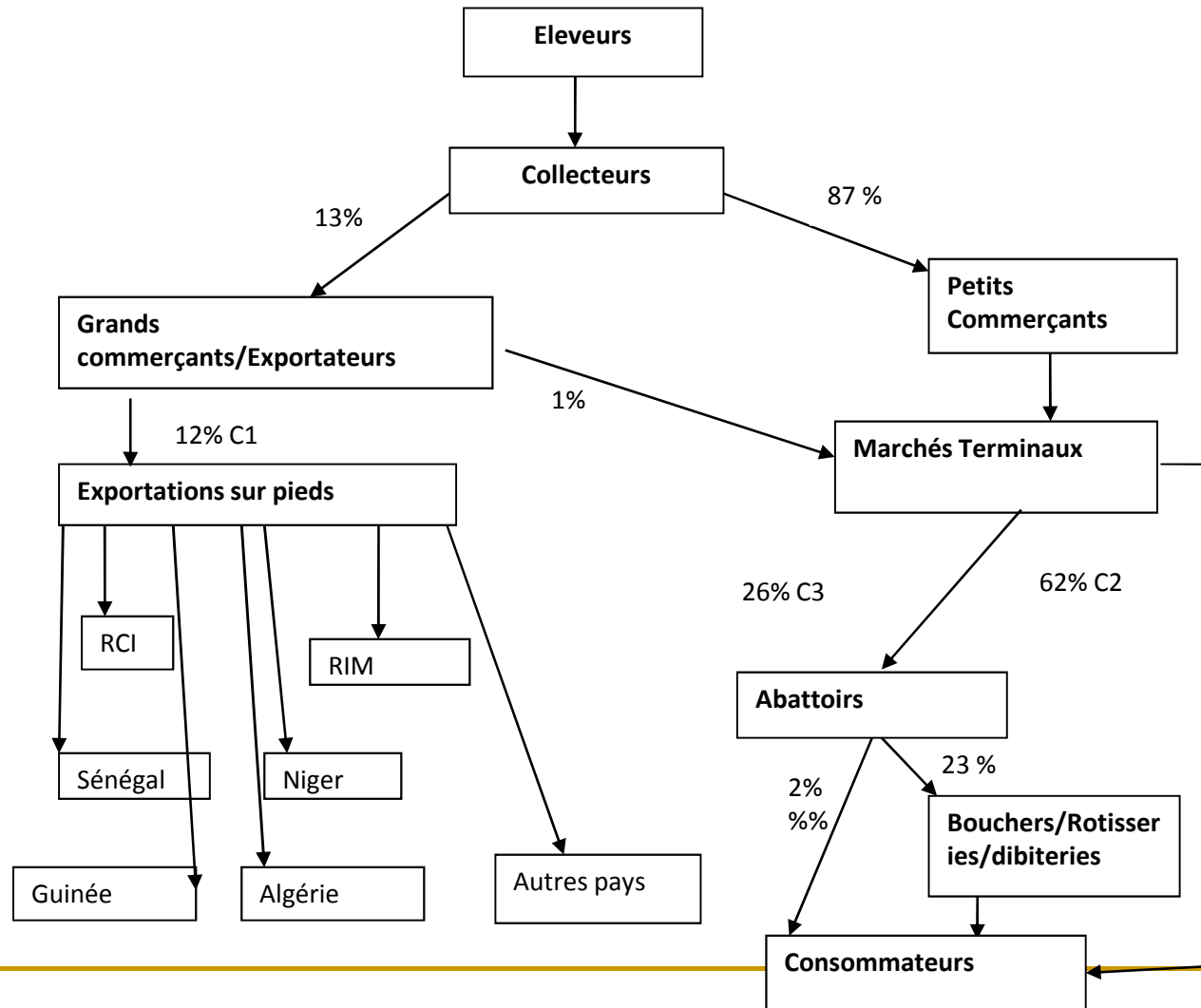
HH
vulnerability
and income
inequality

Impact of an intervention on the level of inequality of household income



Characterization of the marketing chain (case of bovine chain)

(Source: Modibo et al., 2009, Mali)



Analysis of the financial performance of the bovine marketing chain

(Source: Modibo et al., 2009, Mali)

Chain					
Effective (heads)	850978				
Part of the chain (%)	12%				
Nb in the chain	102117				
	Unit value (per animal)	% increase of the unit value	Intermediary consumption (per animal)	Margin	% repartition of charges
Herder	150 000		17 380	132 260	43,96 %
Broker	151 000	0,67%	0	1000	0
Collector	180 000	19,21%	3 000	26 000	7,59%
Trader/ exporter	250 000	38,89%	19 160	50 840	48,46%
Results at the chain leve					
Unit result (/animal ou kg ou litre)	250 000		39 540	210 460	
Total result for the chain (in millions)	25 529		4 037	21 496	100%



Module 4: Livestock In the national economy

SM 1 Contribution of the livestock sector to the national economy

A1 Direct contribution to the GDP

A2 Indirect contribution: environment, health

A3 Contribution to food security

A4 Contribution to the reduction of poverty

Importance of the livestock sector in the economy

SM 2 Potentiality of the sector

A1 Potentialities in terms supply-demand

A2 Competition analysis

A3 Feed resources

A4 Animal health

A5 Animal genetic resources

Potentialities of the sector

SM 3 Policies and institutions

A1 Weaknesses and strengths of policies and institutions to enhance the socioeconomic conditions of the livestock sector

A2 Identify dynamics and synergy with other sectors

Priorities and capacities for the development of the sector

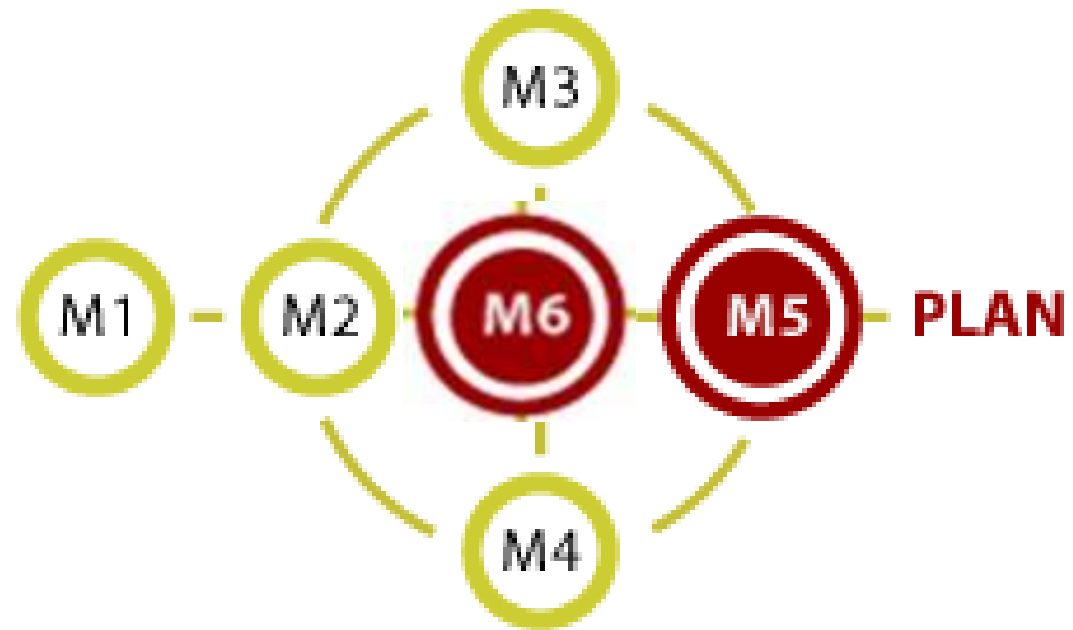
Results: Contribution of the sector to the economic growth and global objective of the reduction of poverty

Livestock contribution to GDP: results compared with existing references
(Source: Modibo et al, 2009, Mali)

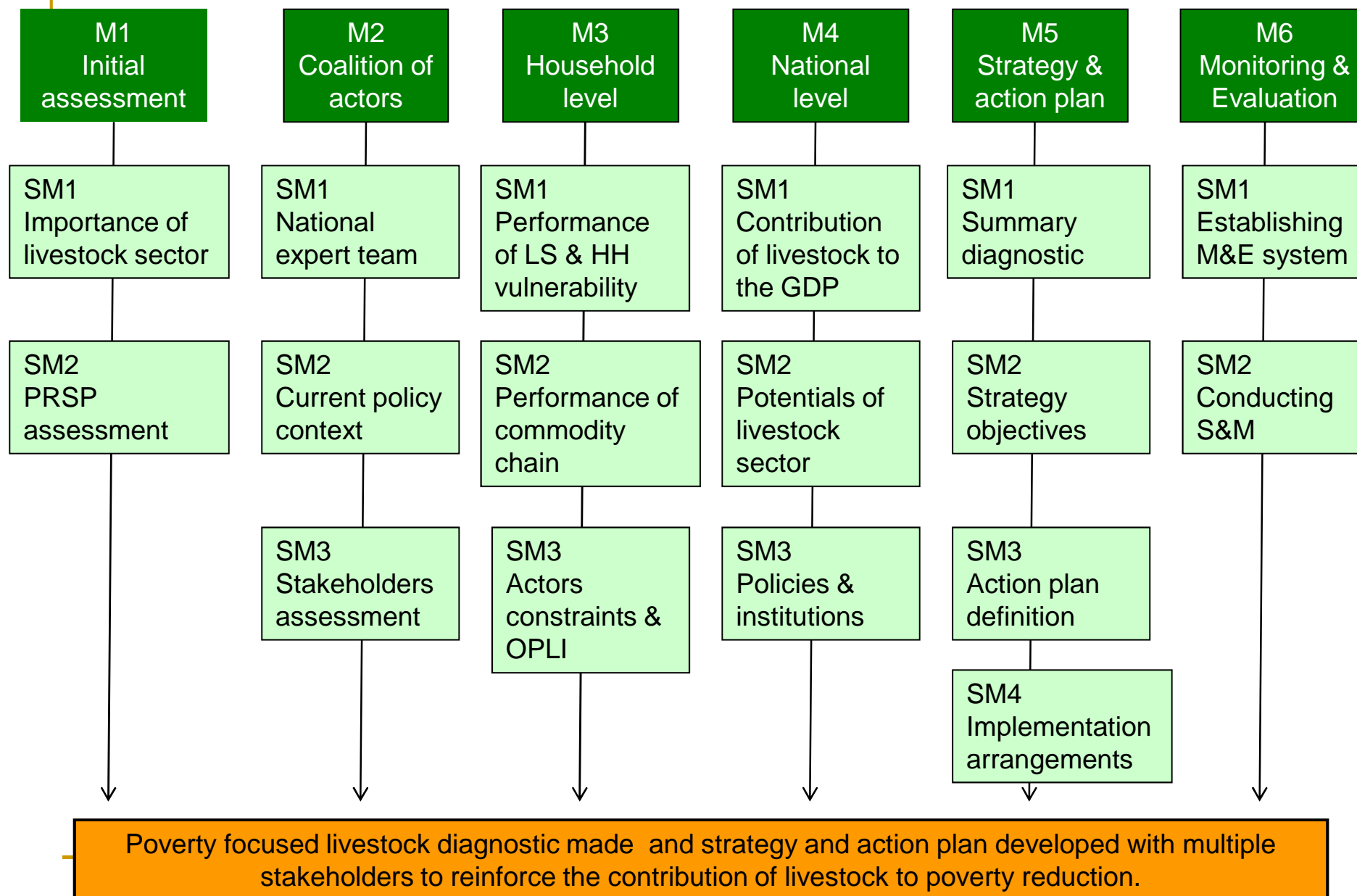
	DNSI (2007)	MEP-DCE (2006)	Diagnostic (2008)
PIB élevage			
Valeur (milliards de FCFA)	290,2	428,0	744,4
Contribution au PIB National (%)	9,6	13,0	19,2
PIB production élevage			
Valeur (milliards de FCFA)		428,0	574,1
Viande (%)		50	25
Lait (%)		21	54
Œufs (%)		2	3
Cuirs et peaux (%)		1	3
Energie (%)		14	9
Fumier (%)		11	6



Module 5&6: Strategy, action plan & monitoring



Modules and sub-modules





Part 3: Implementing the toolkit in Mali & Zambia and lessons learned

Implementation of the LSIPT

	Mali	Zambia
Period	Nov08/ jun09	March11/oct11(exp)
Team	6 from 'livestock profession', 1 economist Leader full-time	4 from 'livestock profession' 3 ag.-economist, 1 sociologist, 1 gender-specialist, 1 statistician None full time
Data	All existing (mainly aggregated) + expert knowledge	All existing + raw household level data + expert knowledge
Context	New livestock ministry	New livestock ministry, no sector strategy, WB livestock development project to start

Strengths of the toolkit

- ❑ **An innovative tool allowing:**
 - An exhaustive, integrated and participative approach
 - A complete diagnostic of the livestock sector (micro and macro / qualitative and quantitative)
 - A declination of strategic options and the development of an Action Plan
 - ❑ **Good transferable tool:**
 - very well received
 - strong educational power and potential in strengthening national capacities
 - A good companion modeling exercise in view of preparing investments or donors projects
 - ❑ **Allows to model impacts of certain events (drought, health, ..)**
 - ❑ **Allows flexibility according to the need of end users:**
 - focus on a sub-sector,
 - feed back loops between diagnostic and planning
 - results can be easily actualized if data available
 - Relative modularity & division of workload
-

Possible difficulties in the process...

- ❑ **Composition and organization of the team:**
 - integration of sociologists and economists
 - Task divisions?
 - ❑ **Bibliography**
 - Focus on technical parameters less on socio-economic data sets
 - ❑ **Attractivity of Excel tools can be detrimental to qualitative analysis**
 - ❑ **Enough time should be devoted to:**
 - the training (first workshop)
 - interpretation and coherence of results
 - ❑ **Difficulty while developing action plan to avoid 'business as usual'**
 - action plan disconnected from other initiatives / sectors
 - lack of prioritization, ...
 - ❑ **The coalition of actors (M2) should be fully active in the action plan development**
-



Context in evolution: the LS IPT objectives with it

- Poverty focused & growth potential (initial level of poverty)
- Investment focus vs policies focus according to funding partners
- No longer PRSP but CAADP



Perspectives

- Training of trainers and hand over to AU-IBAR
- Most interested countries expected to implement the toolkit
 - Those involved in the LSMS-ISA and LDIA projects
 - Those with new livestock ministry (need for capacity building) and/or no policy strategy to be developed/ updated
 - Those about to develop livestock development program



THANK YOU
