

Economy & Production and Marketing of Poultry in the Arab Republic of Egypt

Poultry Production Industry is a form of natural resource exploitation to produce animal protein. It is, therefore, affected by all factors which have an impact on agricultural production. The objectives of this study are to explore the potentialities of Poultry industry under the new Economic reforms, find out whether or not Egypt enjoys a comparative advantage in Poultry production, measure the impact of pricing policies on production, cost and marketing efficiency as well as, to achieve the study objectives. Some Statistical Analysis Methodologies were used, Agricultural Policy Analysis Matrix and a Simple Market Level Model were put into practice. The study has four main chapters, in addition to a preface. The first chapter covers the introduction, problem of the research and the review of literature. The second chapter deals with poultry production in Egypt in five sections. The first section deals with the distribution of poultry production in Egypt in five sections. The first section studies cost of broiler production in the private and public sector as well as analyses of long and short term cost functions to determine the optimal size of broiler production. The second section studies the relationship between cultivated lands and livestock and poultry wealth. The third section sheds light on evolution and impacts of credit policy, kind of loans, interest rate on poultry production industry. Chapter three focuses on evaluation of production policy by using Policy Analysis Matrix. Chapter four concentrates on poultry marketing aspects based on studying marketing margins and channels, time prices movements of broilers - seasonal and periodical changes. In consistence with the subject of the research, chapter four tackles vertical and horizontal integration - distortion of marketing systems and measuring impacts of price changes on production, consumption and marketing efficiency by using a Simple Market Level Model. The study reveals that broiler production is concentrated in Lower Egypt. The study also reveals that broiler production rate of growth at national level amounted to 6.02% during 1981-1986 but it has gone downwards during 1987-1993 reaching (-5.49%). Table egg production is concentrated in governorates " Giza - Sharkia, Kaliobia, Cairo, and Behira" as they contributed 65% of total national production over the period 1981 - 1993. The cost of production per ton of broiler is estimated at L.E. 3115.85 in public sector and L.E. 3054 in private sector. Studying evaluation of poultry feeds 1980-1986 indicates an upward trend at 274 thousand tons annually. But during 1987-1993 poultry feed production declined by 140 thousand tons per annum attributable to phasing out of subsidy on poultry feed. The study made clear that actual production to total need ratio at the national level has declined to 67% in 1993 compared with 93.45% in 1985. The study clarified that capacity per feddan of broilers is about one ton produced over a period of seven weeks. But capacity per feddan of veal fattening fed by bersem for six months is estimated at five calves achieving an extra weight of 540 k.g. Therefore the study pointed out that conversion rate of poultry compared with that of fattened calves is 2: 1. Loans for poultry production reached L.E 98.5 millions in 1982 and moved up to L.E 344 millions in 1990/1991 with an annual increase of L.E 37.6 millions during 1982/83 - 1990/1991. The study also was concerned about agricultural policy analysis which indicates that poultry production policy in Egypt does not achieve its all objectives due to distortions of market and its affiliating institutions. Studying marketing aspects revealed that marketing margins of meat poultry ranged from 13% to 22% of consumer price. Price movement in terms of time showed that there is a direct

proportional relationship between retail price and time elapse .In addition, the study indicated that index number of wholesale price of meat poultry declined below average between January and July reaching its bottom line 95.82 of average in January and goes above average during Aug., Sept. ,Oct. , Nov. and Dec. and reaches its peak 106.5 in October . This is attributable to running of some poultry production sheds' out of business because of high temperature dominating in these months , diseases ,high mortality rate ,underweight leading to decline of economic returns .The study also clarified that vertical integration of poultry industry manifests itself in the sequence of production process from the very beginning up to the final stage of production . where as horizontal integration is shown between poultry industry and other related industries (feed, equipments, veterinarian care and vaccines) .To measure impacts of pncmg policy on production , consumption and marketing efficiency , the study functioned the market model . The results of application of market model indicated that if liberalization of price had been implemented in early 1980's, Egypt's production would have increased by 77 thousand tons 1981 -1985 and 44 thousand tons 1980 - 1992 . Meanwhile, consumption would have been cut by 22 and 10 thousand tons respectively over the two periods previously mentioned.