2024 POULTRY SECTOR PRELIMINARY OUTLOOK

Policy & Research Department

BUSINESS BOTSWANA

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1. Executive Summary

This report publishes preliminary results of the Poultry Sector statistics and an overview covering various sector aspects. This is published through the Business Botswana Poultry Desk office.

Published through the Business Botswana Poultry Desk, the report highlights the ongoing efforts to promote the growth of the poultry sector and ensure that policies align with the needs of industry stakeholders. Field visits and data gathering revealed that:

1.1 Broiler hatcheries can produce over 41 million Day-Old Chicks (DOCs) annually, supporting the production of approximately 52 million kg of poultry meat.

1.2 Layer hatcheries and point of lay hen (POL) suppliers rear about 850,000 layers per annum.

1.3 Feed production capacity to produce is approximately 260,000 tonnes per annum.

1.4 Egg production is estimated at 19.6 million dozen annually.

1.5 Employment in the sector totals over 25,500.

1.6 The sector's estimated **contribution to the Gross Domestic Product (GDP)** is BWP3 billion annually.

2. OVERVIEW OF THE POULTRY INDUSTRY IN BOTSWANA

2.1 Poultry Desk Establishment

The Poultry Office, under the Policy and Research Department, was established to facilitate the growth and public image of the industry. Its role is to liaise with relevant industry leaders, government bodies, and other stakeholders to ensure accurate representation and advocacy for the sector.

The need for reliable production data within the industry led to the establishment of the office. Therefore, this data is critical for effective policy advocacy, ensuring policymakers make informed decisions based on precise and comprehensive industry insights.

In addition to policy development, the office regularly visits poultry operations countrywide. These visits allow the desk to collect vital data, engage with industry leaders, and gain firsthand knowledge of the sector's challenges and practices.

2.2 Data collection method

The initial phase of the assessment focused on large and commercial-scale operations within the poultry sector, involving site visits to subsectors such as hatcheries, broiler and layer producers, feed producers, feed suppliers, and meat and egg producers.

Given the strict biosecurity protocols in place, most of these visits took place at the offices of the respective operations or neutral venues. In some instances, we visited farms directly, offering valuable insights into various operational aspects, such as chick rearing, feed production, egg production, poultry equipment, and pharmaceutical use.

Additionally, to better understand the industry's present conditions, a detailed questionnaire was administered, with a particular focus on large-scale operations, as they offer reliable and consistent data, forming the basis for our analysis.

2.3 Poultry Sector Structure

The poultry sector is divided into 4 primary segments of production for layers and broilers namely: breeding; hatcheries, feed production, meat and egg production.

2.3.1 Hatcheries- Broilers

Botswana is home to two broiler hatcheries, which collectively have an annual hatching capacity of approximately 41 million Day Old Chicks (D.O.C)

2.3.2 Hatcheries- Layers

The layer hatcheries have an annual capacity of producing 1 million D.O.C and point-of-lay (P.O.L) hens. The current annual production is estimated at 850,000 hens.

2.3.3 Feeds production

The industry has an estimated annual poultry feed production capacity of 260,000 tonnes. These feeds are purchased directly by large-scale operations or supplied through feed retailers to smaller-scale producers.

2.3.4 Meat producers

The industry has an estimated annual production of 52 million kilograms of poultry meat. Mortality rates are approximately 8.2% for large-scale operations and 15% for small producers.

2.3.5 Egg Producers

Egg production is estimated at 19.6 million dozen annually, based on the production of 850,000 hens. Each hen is estimated to produce 23 dozen eggs per annum.

2.4 Ownership Structure

Most large-scale operations are largely citizen-owned, with some being joint ventures that include minority foreign shareholders. The age demographic of the ownership predominantly falls within the 50 years and above range, indicating a mature ownership group in the sector.

2.5 Geographical location

Producers are predominantly concentrated in the South-East region, followed by the Kgatleng District. However, poultry production is distributed across the northern and southern regions. Our research identified close to 40 commercial poultry operations spanning the full spectrum of poultry production.

2.6 Small-scale Production and Contribution to the Industry

The small-scale poultry sector plays a vital role in the economy, employing an estimated 20,000 people[1]. Government initiatives such as the Chema Chema Fund & Thuo Letlotlo have helped increase the number of small-scale farmers. These operations contribute approximately BWP1 billion to the GDP. Small-scale operations place around 14.5 million D.O.C annually. However, their potential for meat production is curtailed by challenges such as higher mortality rates estimated at 15%, often due to suboptimal rearing conditions.

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1 Assumption is that for an estimated 10 000 small Poultry farmers in Botswana, there is at least one employee per farmer, hence the 20 000 figures.

Despite challenges such as high mortality rates (estimated at 15%), often due to suboptimal rearing conditions, small-scale producers contribute significantly to national food security and economic goals. These operations place an estimated 14.5 million D.O.C annually into production.

2.7 Projected annual turnover and its contribution to the Overall economy

The sector contributes approximately 1.27% to the national GDP. With an estimated annual turnover of P 3 billion, the industry plays a critical role in Botswana's agricultural and economic landscape.

Annual per capita egg consumption is around 90 eggs, while meat consumption per capita is approximately 23 kilograms. These figures reflect growing demand and underscore the sector's significance in enhancing food security and contributing to national development.

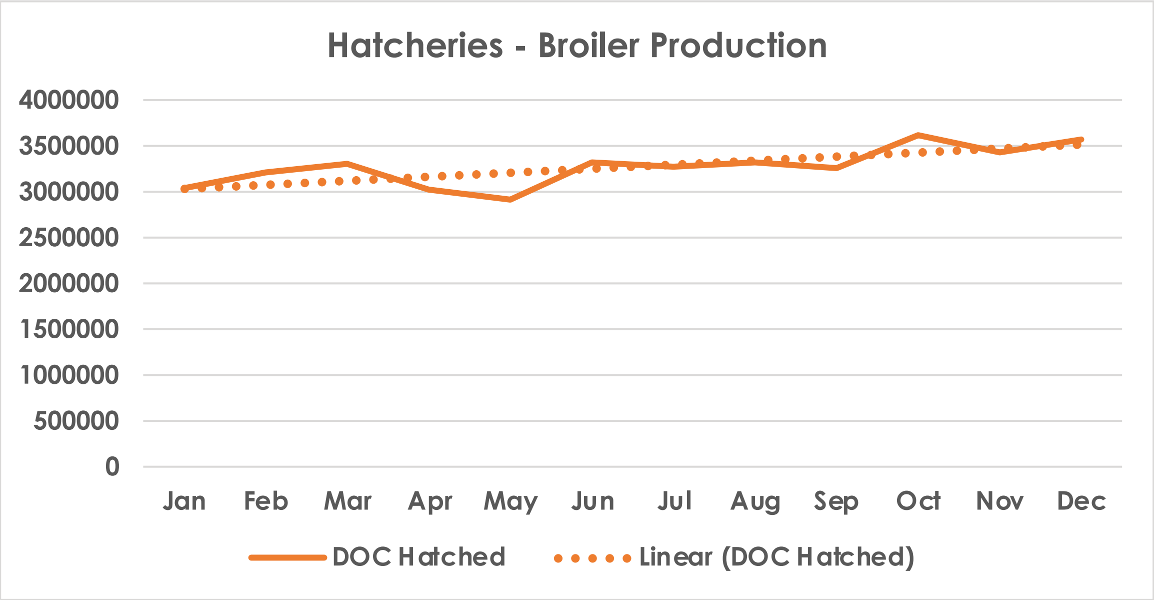
The sector also generates employment for around 25,500 people.[2], further solidifying its importance in providing livelihoods and driving economic growth.

2 The employment figure takes into account both small- and large-scale poultry operations

3. PRODUCTION STATISTICS AND GRAPHICAL ILLUSTRATION

3.1 Hatcheries- Broiler Production

- Graphical Illustration



- Table Format

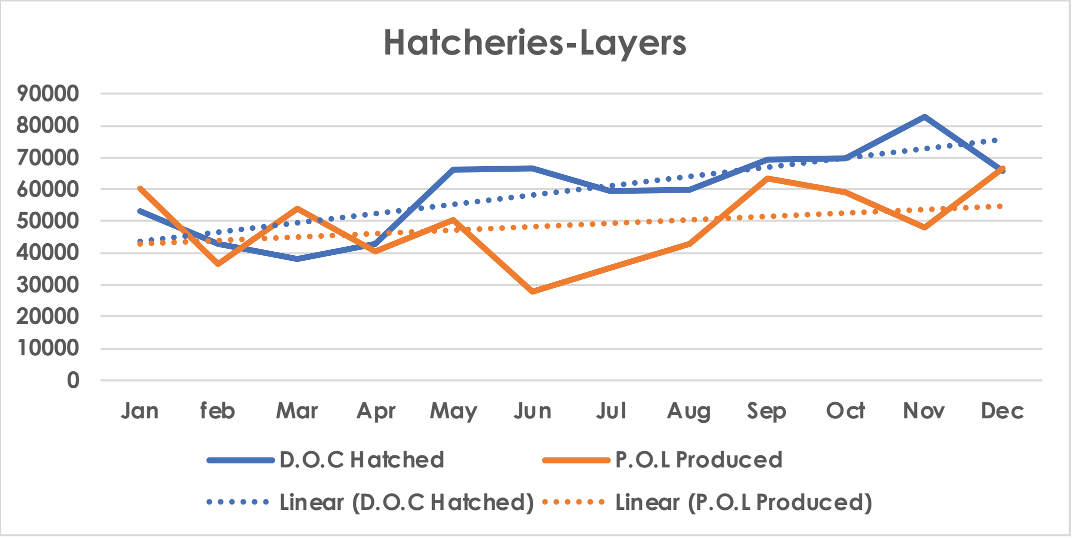
Month (2024)	Day Old Chickens (D.O.C) Hatched	Average Hatchability Rate (%)	Capacity utilisation %
Jan	3,042,346	78.23	84.84
Feb	3,214,233	83.16	94.56
Mar	3,317,688	82.03	87.92
Apr	3,031,167	82.04	86.12
May	2,918,798	82.57	82.27
Jun	3,331,143	82.5	92.84
Jul	3,285,397	80.95	94.08
Aug	3,321,496	80.3	96.53
Sep	3,257,823	82.48	99.75
Oct	3,625,290	82.76	99.97
Nov	3,429,741	81.36	100.0
Dec	3,579,992	81.18	99.63
Total	**39,355,114**	**81.63**	**93.21**

- Analysis

The 2024 data on Day Old Chickens (D.O.C) hatched shows fluctuations across the months, with the highest production in October at 3 625 290 chicks and the lowest in May at 2,918,798. The above graph shows seasonal trends, the early months (January through March) show a steady increase, reaching 3,317,688 in March. A decline is noted in April and May, with figures falling to 3,031,167 and 2,918,798, respectively. This was caused by a slight shortage of hatching eggs from both hatcheries, due to Avian Influenza (AI) in South Africa. The last quarter of data shows a recovery, with September, October, and December exceeding 3.25 million chicks.

3.2 Hatcheries- Layers Hatched and Layer Produced

- Graphical Illustration



- Table Format

Month (2024)	DOC Hatched	POL produced
Jan	53,188	60,156
Feb	42,760	36,521
Mar	37,986	54,089
Apr	42,928	40,458
May	66,271	50,412
Jun	66,452	28,026
Jul	59,557	35,357
Aug	59,917	42,682
Sep	69,468	63,275
Oct	69,755	58,988
Nov	82,757	48,138
Dec	65,781	66,593
Total	**746,920**	**613,695**

Note: There is no direct correlation month on month between DOC hatched and POL hens sold. The rearing lasts 17 weeks, resulting in a lag between hatched and sold.

In 2024, the number of Day-Old Chickens (DOCs) hatched fluctuated, starting with 53,188 in January and peaking at 82,757 in November. This reflects an upward trend with notable increases from April onward, reaching two consecutive highs in October (69,755) and November (82,757). The production of Point of Lay (POL) birds also varied, starting at 60,156 in January, experiencing a dip to 28,026 in June, and rising again toward the end of the period with a second-highest output in September (63,275) and October (58,988). The trends indicate increased productivity toward the end of the year showing a rise in productivity towards the end of the year, both DOCs hatched, and POL produced, suggesting that there is still available capacity to meet future demand, as previously mentioned.

3.3 Feeds Production

Graphical Illustration

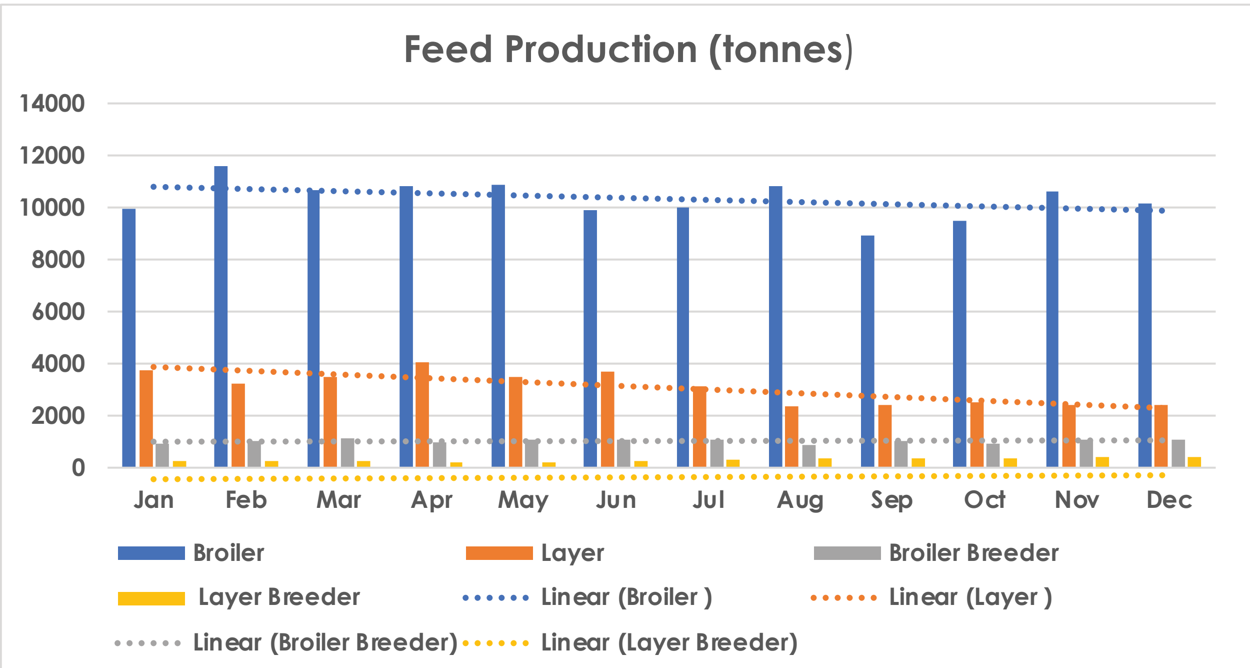


Table format [3]

Month (2024)	Broiler	Layer	Broiler breeder	Layer breeder	Total
Jan	9,959	3,774	950	303	14,986
Feb	11,609	3,263	1,059	273	16,204
Mar	10,661	3,511	1,163	273	15,608
Apr	10,848	4,066	999	243	16,156
May	10,866	3,486	1,106	250	15,708

3 The figures have been rounded off to the nearest whole number

Jun	9,928	3,692	1,119	272	15,011
Jul	10,000	3,156	1,109	334	14,599
Aug	10,844	2,391	899	393	14,527
Sep	8,965	2,410	1,044	360	12,779
Oct	9,508	2,561	925	364	13,358
Nov	10,616	2,413	1,119	426	14,574
Dec	10,196	2,434	1,119	425	14,174
Total	**123,998.90**	**37,155.72**	**12,611**	**3,916**	**177,681.62**

- Analysis

The 2024 poultry feed data shows that broiler feeds consistently lead production, serving as the largest contributor, with a peak in February (11,609 tonnes) and a noticeable drop in September (8965 tonnes). Layer feeds the second-largest contributor, also fluctuate, reaching their highest in April (4,066 tonnes). Broiler breeder and layer breeder feeds remain more stable, with broiler breeder feed peaking in June (1,119 tonnes) and layer breeder feed reaching its highest in November (426 tonnes). Overall, total production reached a maximum in February at 16,204 tonnes and dropped to a low of 12,779 tonnes in September, highlighting month-to-month fluctuations across all categories.

Note: The trend line decline in feed production could be because of the omission of feed producers who are not submitting data. With both layer and broiler hatchery trend lines on the rise a similar trend should be observed with feed and meat production.

3.4 Meat Production

Graphical Illustration

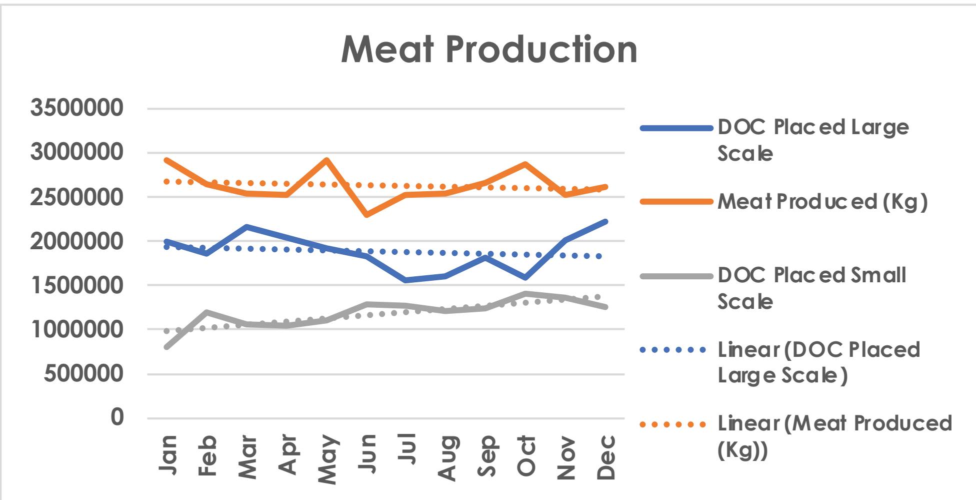


Table format [4]

Month (2024)	DOC Placed Large Scale Using Hatchery Data	DOC placed large-scale	DOC placed small-scale	Amount of Meat Produced (Kg)	Average Monthly Mortality Rate (%)
Jan	2,242,478	1,992,415	799,868	2,919,972	7.1
Feb	2,018,186	1,851,377	1,196,047	2,635,840	9.6
Mar	2,261,616	2,157,522	1,056,072	2,530,466	8.5
Apr	1,987,561	2,039,905	1,043,606	2,527,290	8.1
May	1,820,416	1,915,292	1,098,382	2,911,051	7.5
Jun	2,050,218	1,832,595	1,280,925	2,291,503	7.8
Jul	2,015,008	1,561,893	1,270,389	2,514,426	9.0
Aug	2,118,684	1,597,942	1,202,812	2,536,567	8.3
Sep	2,102,618	1,807,633	1,247,776	2,654,353	7.1
Oct	2,380,212	1,579,754	1,406,037	2,872,411	8.6
Nov	2,072,672	2,002,579	1,357,069	2,529,285	8.2
Dec	2,331,285	2,214,506	1,248,707	2,614,638.99	8.5
Total	**25,400,954**	**23,711,094**	**14,207,690**	**31,537,805.05**	**8.2**

Notes:

- The poultry industry produces around 52 million kg of meat annually, with commercial operations accounting for 35 million kilograms and small-scale producers contributing the remaining 17 million kg.

- The estimated total meat production does not account for spent hens, which play a significant role in the meat industry. It does not include Tswana chickens, which contribute to the meat production output as part of the national flock. For purposes of estimation, the estimated hens in production annually are 850 000, as earlier stated, if we account for meat produced out of the spent hens, taking an average of 12% as the mortality rate, this translates to 850 000 minus 102 000, which is 748 000. Therefore, taking an average of 1.4 kg dressed weight per spent hen, the amount of meat produced from spent hens is 1 047 200 kg annually.

- The table shows that the total meat produced reflects only the recorded data from large-scale producers.

- The discrepancy between DOC placed by the large-scale using hatchery data and the recorded DOC large scale reflects the number of DOC absorbed by the large-scale producers who are not submitting data to the poultry Desk.

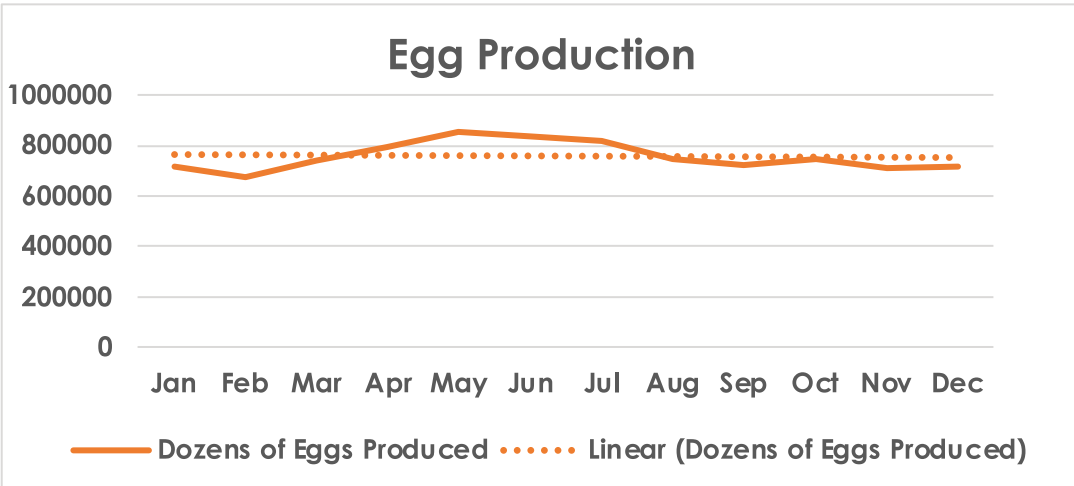
4 The amount of meat produced has been rounded off to the nearest whole number

- Analysis

The data reveals a fluctuating trend in Day-Old Chickens (DOCs) placements in large-scale, small-scale, and meat production throughout 2024, with peak meat production in January (2,919,972 kg).

3.5 Egg Production

Graphical Illustration



- Table format

Month (2024)	Number of Layers in Production	Dozens of Eggs Produced	Production Performance %
Jan	326,474	717,564	85
Feb	333,605	672,616	86
Mar	327,944	742,850	88
Apr	358,051	792,012	88
May	364,947	852,052	90
Jun	465,808	835,311	72
Jul	340,343	816,446	93
Aug	334,200	747,910	87
Sep	341,336	724,621	85
Oct	330,972	748,668	88
Nov	342,906	708,243	83
Dec	342,479	718,304	81
Total	**350 755**[5]	**9,076,597**	**86**

Note: The estimated annual production of 850,000 hens, as noted in section 2.3.2, includes both small and large-scale producers. Data indicates that large-scale producers contribute an average of 350,755 hens, rounded to approximately 350,000 annually. This indicates that of

5.The figures for layers in production reflect only large-scale producers. Since the number of hens in production varies monthly, the average is calculated by summing the monthly figures from January to December and dividing the total by 12.

the total number of hens in production, 350,000 come from large-scale producers, while the remaining 500,000 are from small-scale producers

Analysis

The average production performance for 2024 stood at 86%, with fluctuations throughout the year. July (93%) recorded the highest efficiency, while June (72%) had the lowest despite the highest number of layers, indicating possible inefficiencies. Performance remained strong in March, April, May, and October (88–90%) but declined towards year-end, reaching 81% in December. The overall trend suggests stable production, though June's sharp drop and the late-year decline may require further investigation. Small-scale producers' contribution is therefore 59%.

4. CONCLUSION

In conclusion, the data presented in this report highlights the dynamic and vital role of the poultry sub-sector in Botswana's agricultural and economic landscape.

Throughout 2024, the industry has demonstrated resilience and growth across various sectors, including broiler and layer hatcheries, feed production, and meat and egg production. Despite external biosecurity threats, the sector has shown adaptability, positioning itself for continued development.

Given its substantial contribution to Botswana's economy, food security, and job creation, ongoing government support remains critical. This support should focus on strengthening policy frameworks, investing in infrastructure, advancing research and development, and advocating for local and international market access. With continued backing, the industry can capitalize on new growth opportunities, enhance its competitive edge, and foster innovation to meet evolving consumer demands.

With the right investments and strategic support, the poultry sub-sector is primed to continue thriving, contributing to national economic goals, and promoting sustainable job creation.

BUSINESS BOTSWANA MEMBER VALUE PROPOSITION

ADVOCACY | GROWTH | STEADFAST SUPPORT | BUSINESS FACILITATION | PEACE OF MIND

PILLAR 1: SAFE GUARDING BUSINESS INTEREST

Shaping Favourable Business Climate
Business Botswana recognizes the significant impact that policy decisions can have on your business. As your dedicated advocate, we ensure that your voice is represented at the highest levels of government. Through our established Public-Private Dialogue (PPD) platforms, we facilitate meaningful interactions between the private sector and policymakers.

The Business Botswana Public Private Dialogue (PPD) platforms that drives policy dialogue to ensure your concerns are addressed include the Local Level Consultative Council (LLCC), Sector Level Consultative Council (SLCC), High-Level Consultative Council (HLCC and National Business Conference (NBC).

Influencing Policy Agenda
We engage actively with policy makers to shape policies that create a favourable business climate. Our policy agenda focus on removing trade barriers, streamlining bureaucratic processes, and encouraging fair competition.

Creating a Level Playing Field
We advocate for equal opportunities for all businesses to succeed. Our policy advocacy considerations focus on reducing costs, maximizing efficiency, and eliminating discriminatory practices.

Safeguarding Members Interests
We diligently work to protect your financial and public relations interests. Our expertise in industrial relations helps ensure compliance with labour laws, reducing the risk of costly disputes and reputational damage.

PILLAR 2: GROWTH

Fuelling growth and providing exceptional support, Business Botswana drive your business forward. We create opportunities for growth and expert guidance for you to stay ahead business challenges.

Accelerating Growth
Business Botswana is dedicated to equipping its members with the resources and opportunities needed for sustainable growth. We actively encourage collaborations and partnerships to unlock new growth avenues

Networking and Partnerships
We create valuable networking opportunities through trade fairs, business expos, and industry-specific forums. Our extensive network connects you with potential clients, partners, and suppliers, broadening your market reach.

Capacity Building
We provide a wide range of training and capacity-building programs aimed at enhancing your skills and knowledge. All the programs we offer cover critical topics that are intentional to capacitate and enhance skills for business. We ensure our members remain competitive in an ever-changing business environment.

PILLAR 3: SUPPORT

Unwavering Support:
Navigating the complexities of the business world can be daunting. Business Botswana offers steadfast support to help you overcome challenges and achieve your objectives.

Expert Advice:
We provide expert guidance on a variety of industrial relations, HR, and general business practises. Our team assists with issues ranging from dismissals to salary concerns, ensuring compliance and minimizing risks.

Strategic Conversations:
We facilitate strategic discussions between our members and key stakeholders to address administrative and policy-related challenges.

PILLAR 4: BUSINESS FACILITATION

Business Insights:
We offer timely information on current issues affecting the private sector together with unlocking new markets and concentrate on your core business

Expanding Your Reach
We organize trade missions and networking events, creating opportunities to engage with key decision-makers.

Strategic Market Access
Business Botswana plays a crucial role in providing seamless access to key markets. Through leveraging on our network, we connect our members with potential clients, partners, and suppliers through our extensive network.

Our affiliation with the SADC Business Council and other international partners widens our regional and global network. We provide guidance on international trade matters and facilitate participation in promotional export campaigns.

PILLAR 5: PEACE OF MIND

Freedom to Focus:
By relying on Business Botswana for your advocacy and support needs, you can concentrate on your core business operations.

Operational Efficiency
Leave the complexities of policy and advocacy to our expert team. Focus on innovation, product development, and market expansion.

Peace of Mind:
Rest assured that your interests are protected and your concerns are addressed. This allows you to concentrate on sustainable growth.

Business Botswana Services

- **Policy Influence**
- **Export promotion**
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- **Training and Consultancy**
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- **Business Advisory**
- **Dispute Resolutions**
- **Business and Economic Insights**
- **Meetings and Seminars**

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