

Changes in Poultry Farmers' livelihoods in Mirsarai Upazilla as a result of Covid-19's Effects on the Poultry Sector in the Post-pandemic Period



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ABSTRACT

The post-lockdown period has brought forth an array of formidable challenges for poultry farmers, creating a profound impact on the dynamics of their operations and overall profitability. This comprehensive report embarks on a journey to delve deeply into the multifaceted and intricate issues confronted by poultry farmers in the current scenario. One of the most pressing predicaments that have emerged is the staggering escalation of feed prices. The sudden surge in feed costs has exerted substantial financial strain on poultry farmers, directly affecting their bottom line. In tandem with this predicament, there has been an alarming diminution in the quality of available feed. The compromised feed quality not only hampers the growth and health of poultry but also compounds the economic predicament faced by farmers. Moreover, the erratic fluctuations in chick prices have added to the conundrum. The unpredictable oscillations in chick prices have disrupted the financial planning and stability of poultry farmers, rendering their operations more volatile and uncertain. Adding to the complexity, the reliability of suppliers has become a major issue. The inconsistency and unreliability of suppliers in providing essential inputs further disrupt the delicate balance of poultry farming operations. Intricately intertwined with these challenges is the contentious practice of contract farming. The intricate dynamics of contract farming have raised concerns about power imbalances, fairness, and the overall well-being of poultry farmers within this system. This report rigorously explores the multifarious dimensions of these challenges, shedding light on the intricate interplay between poultry farmers, suppliers, and the broader agricultural ecosystem. This study also takes a close look at the diverse strategies adopted by poultry farmers in response to these formidable challenges. These strategies encompass not only tactical adjustments in farming practices but also pivotal shifts in livelihood choices. The potential consequences of these adaptations are far-reaching and have implications for the wider population's access to affordable protein sources.

Keywords: Poultry farmers, Feed prices, Chick prices, Contract farming, Livelihood

1. INTRODUCTION

In addition to its effects on public health, COVID-19 has had a wide range of effects on social and economic life. At the global, regional, and national levels, affected areas include the livestock industry especially in poultry production sector (Marchant-Forde and Boyle, 2020). In an effort to contain the pandemic, the government has instituted national lockdowns, travel bans, border closures, and other measures. These have brought about certain unavoidable adverse effects. These have included (i) local and international movements of live animals and animal products; (ii) raw material supplies for feed and medication; (iii) provision of other production inputs and equipment; and (iv) access to labor and professional services with reference to the livestock sector (Food Agriculture Organization, 2020a). But the problem arise after withdrawal of lockdown, price of poultry feed ingredients already increase during lockdown and now feed quality become low (1). The primary animal industry in Bangladesh is poultry production, which plays a significant role in the nation's overall food security and economic growth. This industry employs more than 8.5 million people, making it the second-largest employer behind the apparel sector (Hossain, 2020). Of fact, COVID-19 is neither the first nor the only difficulty this developing sector encounters. More than half of the nation's poultry farms and hatcheries were forced to close due to the avian influenza epidemic in 2007, and poultry producers are still suffering from the disease's appearance (Gupta et al., 2021). There are also structural challenges shaping the sector. The distribution of chicken and poultry products is hampered by market risks such value chain fragmentation, high intermediation costs, and little or poor traceability (MoFood-Ministry of Food, 2020). Stakeholders are also becoming increasingly concerned about the unregulated and variable cost of several essential farm inputs, such as day-old chick (DOC) and feed, as well as the unreliable market price of completed live poultry. Companies' approaches to producing, marketing, and distributing feed vary, and as a result, they frequently establish pricing on their own and are not subject to government regulation. Fluctuating prices are also a concern.

Changes in supply and demand cause chicken and egg prices to change regularly, sometimes beyond the reach of many consumers, and sometimes so severely that farmers suffer financially. Moreover, the insufficient coordination between the country's public-private and research institutions and inadequate government oversight of the poultry sector is hampering the development of this sector (Hamid et al., 2017). Considering the adversity of farming (broiler production farm) in the root level farmers, the research mainly focused on thought of farmers shifting livelihood such as other type of farming or other sources of family income.

2. MATERIALS AND METHODS

2.1 Literature Review

We conducted a review of news stories published in major print and electronic media during the early stages of the COVID-19 pandemic in Bangladesh (April, 2020) to post-pandemic period (August, 2023). We developed an analytical overview of the various effects of COVID-19 on the country's poultry business. The following resources were screened : news channel (Somoy News), 12 Bangladeshi daily national newspapers (Daily Star, Prothom Alo, Financial express, Kalerkantha, Jugantor, Samakal, Ittefaq, Nayadiganta, Inqilab, The Independent, Bangladesh Pratidin, and The Azadi) and nine online news websites (Agricare24, The Business Standard, Andolonerbazar, AgroBangla, Agrinews24, Adhunik Krishi Khamar, Poultry Doctors BD, Jagonews24, Banglanews24, BDnews24, UNB, Banglatribune and Bangla.24 Live Newspaper).

2.2 Interviews

Based on a list of poultry (broiler) farmers on the area (Mirsarai Upazilla, Ctg), three groups of farmers were selected. **Group-1** consisted small-scale farmers (<500 birds/farm), **Group-2** included medium-scale farmers (501–5,000 birds/farm) and **Group-3** covered with large-scale farmers (>5,000 birds/farm) according to research project “Behavioral adaptations in live poultry trading and farming systems and zoonoses control in Bangladesh” (BALZAC) (Grant No. BB/L018993/1) (Høg et al., 2019; Gupta et al., 2021; Moyen et al., 2021). Open-ended questions were posed to participants regarding the effect of COVID-19 on their business, their coping mechanisms, their current way of life and financial situation, their prediction of the poultry industry's future in the upcoming months, the support they have received, and their expectations from the government. All the farmers were interviewed face-to-face and they were interviewed in Bengali, transcribed and translate into English by the researcher.

2.3 Data Analysis

Farmers were given open ended questionnaires which was approved by the supervisor of the study. Questionnaires were collected, reviewed, analyzed and systemic coding was done. Initial themes were then generated and discussed. Quantitative data inputted and visualized in Microsoft Excel.

3. RESULTS AND DISCUSSION

3.1 Escalating Feed Costs and Diminished Quality:

One of the foremost predicaments encountered by poultry farmers is the steep escalation in feed prices, which have surged by an alarming 50% to 55% (Bangladesh Post, Sept.2021). The simultaneous decrease in feed quality compounds the challenge, forcing farmers to navigate a delicate balance between maintaining poultry health and optimizing production costs. This issue has a direct impact on the overall cost of raising poultry, subsequently affecting profit margins. One of the farmer commented,

“Medicine and feed cost more in farming compare to pre-pandemic farming, so it is difficult to gain profit from the same farm now”.

3.2 Disrupted Market Dynamics:

Adding to the turmoil is the volatile nature of the market, largely influenced by dominant conglomerates. These large corporations wield substantial control over market prices, leaving farmers susceptible to abrupt fluctuations that can lead to financial instability (NEWAGE Bangladesh, March, 2023). The unstable market environment requires poultry farmers to continually adapt their strategies to survive amidst unpredictability. Farmer Nabi said,

“We don't know when the market will increase or decrease. We are now entirely dependent on luck. At times, we must sell our birds for the smallest possible profit. A few more days of reaping entails heavier financial loads. Maintaining a family is difficult right now with such unpredictable market”

3.3 Deceptive Practices and Delayed Growth:

Intricately intertwined with the issue of market dynamics is the problem of suppliers providing inaccurate information about the quality of Day-Old Chicks (DOC) – an

essential starting point in the poultry farming process. Many farmers have reported instances of receiving lower-grade DOC in the name of higher grade or instances where the grading information was manipulated. This results in delayed growth and extended rearing periods, further escalating costs and diminishing potential profits. One farmer who did not want reveal his name remarked,

“I paid 65 Tk per DOC from a vendor of a reputable company who informed me that they were Grade-1 chicks. After one week of feeding, the chicks grew very little. They gain 30–40 grams in weight, while the cost of the feed remained the same. All the chicks died between 13 and 20 days later, and I had no financial benefit from that batch. Even if they provide them to me for free, I will not rear a chick from that company in the future.”

3.4 The Predicament of Contract Farming:

Contract farming, a practice where farmers enter agreements with large corporations for the supply of DOC and feed mainly, has emerged as a polarizing issue. While theoretically offering benefits such as veterinary support and medicines, it places the farmers in a vulnerable position. They are bound to sell their produce to the company at rates set by the company, irrespective of market fluctuations. This arrangement has been met with widespread dissatisfaction among farmers, who find themselves relinquishing control over their businesses and profits. Several statistics show that around 150,000 poultry farms in Bangladesh supply chickens to the markets. About 30 corporate companies are also operating in this sector, but none of them agreed to reveal the number of contracts they have with the smallholders (bdnews24.com, Feb. 2023). Topu a medium broiler farmer with 7 years of farming experiences went with contract farming with a company after lockdown end. He noted,

“Company provided lower graded chicks with intention to sell their feed because this kind of chicks’ growth rate lower and have to rear at least 35 days. But during selling

time representative of the company don't want to hear anything. I have to share my profit with company. But my loss? They don't care".

3.5 Shift in Livelihoods:

The gravity of the challenges is evident in the significant changes observed within the poultry farming community. A distressing 23% of farmers have been compelled to abandon the trade, seeking alternative livelihoods due to the mounting adversities. A staggering 53% are contemplating shifting to other livestock sectors, such as cow fattening and dairy farming. This transition is attributed to the high demand for cows during Eid, a crucial festival in the Muslim world, and the perception of these sectors as more financially viable alternatives (The Daily Star, June 2022). Kamal is a large scale farmer who had 10 years farming experience, now thinking other source of livelihood. He stated,

"We are a 13-person blended family. For ten years, I have been farming, and my brother has helped me out. Currently, a large corporation controls the whole market. I am unable to keep up with the costs of farming. Due to our inability to earn enough money to support such a large family, my brother moved abroad last year in search of employment. I believe that beef fattening is much more profitable now. I may purchase two bulls for the upcoming Qurbani. See what I shall receive next".

As The data showed that beef fattening farming one of the most profitable farming in recent years (DhakaTribune, June 2023) and every year total number of sacrificed animal increasing. There are good demand of local cattle breed for festival. Moreover beef price hike 46% in last two years (The Daily Star, Aug. 2023). So people see that is an opportunity to make a quick shift from poultry farming to cattle farming and make some good amount of profit. Farmer Badol said,

"I have land from my ancestor. I'm thinking to cultivate fodder and start dairy farming along with fattening of bull. Broiler is a hassle for now and become very costly. People are very aware what they are eating. I think organic farming will bring me some fortune".

4. CONCLUSION AND RECOMMENDATIONS

The lockdown imposed from January to July 2020 had a profound impact on the poultry farming industry in Bangladesh. Poultry farmers faced economic hardships, labor shortages, supply chain disruptions, and shifts in consumer behavior. Government interventions and technological adaptations played a role in mitigating some of these challenges but yet not enough. The price of most used protein for people in Bangladesh are egg and chicken which price rise 15% and 9% respectively (bdnews24.com, July 2022). The experience highlighted the importance of building resilience and flexibility within the poultry industry to better cope with future crises.

To enhance the resilience of the poultry industry, stakeholders should consider investing in technological advancements, promoting proper information dissemination, establishing contingency plans for supply chain disruptions, and diversifying marketing strategies to address changing consumer preferences. Additionally, collaboration between the government, industry players, and relevant organizations can contribute to the sector's long-term sustainability.

This topic should not be ignored anymore and need wide range of data such as whole country to understand the condition more deeply.

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BIOGRAPHY

The author's name is **Md. Naim Uddin**, son of Md Abu Redwan and Shameem Ara Begum from Mirsarai Thana under the Chattogram district. Author is currently doing his undergraduation in Doctor of Veterinary Medicine (DVM) at Chittagong Veterinary and Animal Sciences University. Author completed my Secondary School Certificate Examination (S.S.C) from Mirsarai Pilot High School in 2014 and Higher Secondary School Certificate Examination (H.S.C) from Govt. City College in 2016. As a veterinarian, he enjoys serving animals and want to spend the rest of his life serving animals.