



COVID-19: Impact and options for strengthening poultry sector resilience and rebuilding consumer confidence



Recommendations

- Declare livestock and agriculture sectors as essential or strategic activities of public interest, in the framework of any strategic plan.
- Ensure effective market monitoring, equitable distribution, and price regulation for all kinds of poultry products, including DOC, feed, medicine, and mature chickens.
- The government should have a constructive and proactive pre-plan for rapid rehabilitation and provision of temporary alternative income-generating activities for stakeholders involved in livestock sector affected by a pandemic or other natural disasters.
- Develop alternative sales and distribution platforms of poultry and poultry products (online resources and e-commerce) to connect producers, businesses, and consumers in any circumstances.
- Formulate and implement strategies to reduce the spread of misleading information regarding livestock during crises.
- Ensure Government financial incentives reach all vulnerable stakeholders, including small-scale farmers, and facilitate flexible conditions for bank loans and repayments.

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Background

With over 5 million deaths, the COVID-19 pandemic has had a devastating effect on numerous economic sectors worldwide, including livestock production at the global, regional, and national levels. **One Health Poultry Hub, Bangladesh** team conducted two distinct studies to investigate the impact of the COVID-19 on poultry Production and Distribution Network (PDN), as well as on consumers.

COVID-19 impact on poultry PDNs

Movement restrictions imposed at the global and local levels in response to the COVID-19 pandemic damaged Bangladesh's poultry sector by impeding raw material transportation, interfering with access to services, and inhibiting routine business practices.

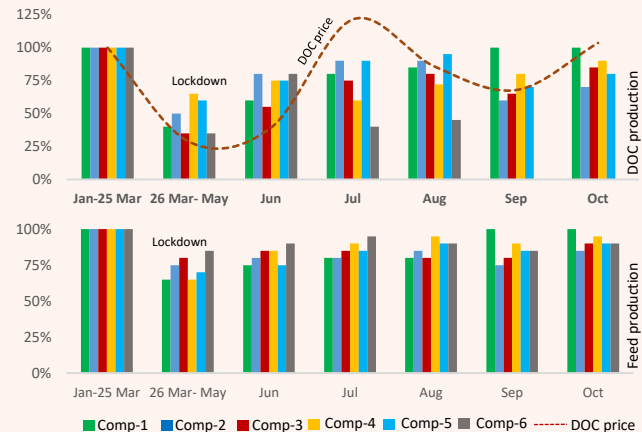


Fig: Fluctuations in Day-old-chick (DOC) production and DOC price and feed production of six companies in 2020

“Sale price of broiler DOC dropped below the production cost. Now, it is 4-5 Tk, whereas it was around 35 Tk before COVID-19. Our production cost is around 30-32 Tk. So, we had to reduce the weekly production of DOCs from 13 million to 7.5-8 million. (GM of Hatchery)

“The company is now facing many threats, including feed raw materials crisis, decreased production, and troubled marketing. Many small/ medium companies may close soon as a result of massive lose. (Manager of feed company)

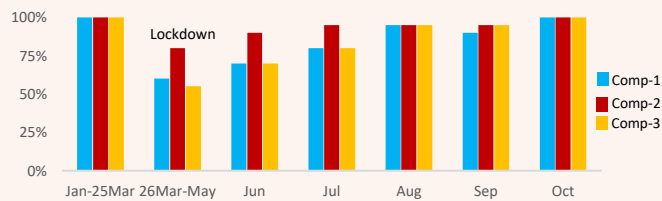


Fig: Fluctuations in product trade volume of three pharmaceutical companies in 2020

“We are losing business due to limited access and less activities on the customer front. Also, local farmers are not rearing poultry as they used to and are not using medication like normal conditions. (Business Manager Pharmaceutical company)

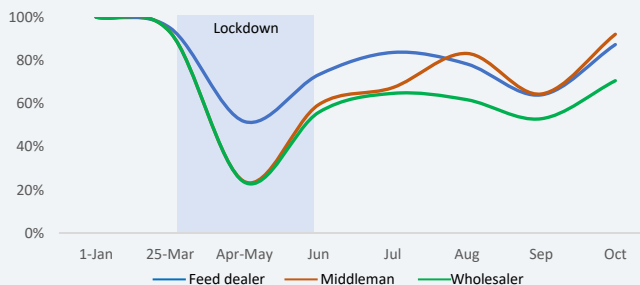


Fig: Fluctuations in product sale volume of traders in 2020

“Hotels, restaurants, and individual stalls which were our key customers are now closed. Besides, we also used to sell a huge number of chickens in EPZ, to garments factories, and residential hostels of universities and colleges which are temporarily closed. In typical times where I was able to trade at least three truckloads of chickens per day, now I can sell only one truckload every other day. (A poultry middleman)

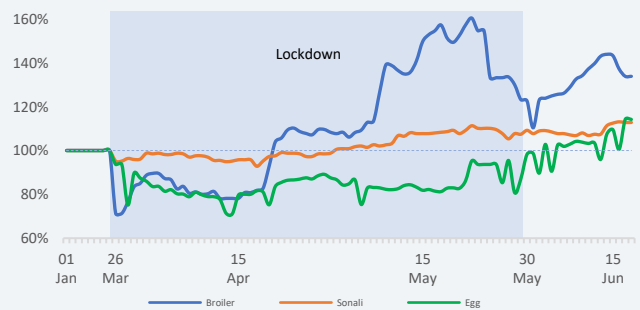


Fig: Fluctuations in chicken and egg (farmgate) price in 10 districts in 2020

Rapid fluctuation of DOC price, interrupting production and transportation, decreased customer demand, and unregulated mature chicken price caused damage to farmers' finances, resulting in the closure of many farms.

“I never experienced this kind of critical situation in the last 10 years. I cannot sell mature broiler to middlemen even at 80-90 Tk per kg, whereas my production cost is near 100 Tk. (A Broiler farmer)

“If this situation lasts, I will have to leave poultry farming forever. I have already lost 100,000 Tk with the last batch. The feed dealer is pressuring me to reimburse my credit. I am now doing other agricultural work on my land, and I had to sell my cow as I needed cash. (A Broiler farmer)

Rather than being created by the crisis, COVID-19 brought these endemic issues to the fore and previously hidden structural fragility to light, such as price fluctuations and credit dependence. These existing concerns became significantly damaging during the lockdown period in ways that individuals were unable to mitigate – leading to the loss of income and entire businesses closing in some cases.

COVID-19 impact on chicken and egg consumers

The impacts of this long-running pandemic on people's socioeconomic and mental state in Bangladesh have resulted in significant variations in chicken purchasing and consumption habits.

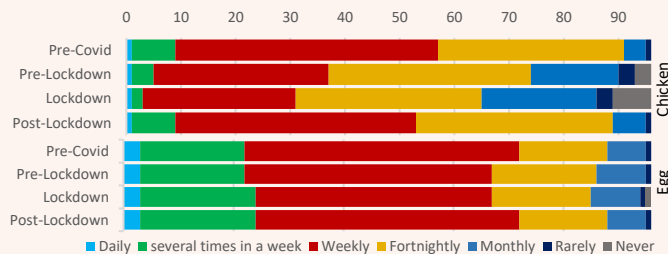


Fig: Changes in chicken & egg purchasing frequency in 2020 [*pre-lock down: 1st Covid case in 8th March to lockdown announcement]

Government's various restrictions have resulted in a decline in the socioeconomic standing of people at all levels, resulting in a considerable change in the frequency with which they purchase chickens. During the lockdown, 26 March to 30 May 2020, the presence of regular purchasers declined in public markets due to shortened trading hours, relocating market sites, and concerns about safety precautions. Many of them changed the locations where they bought chickens as a consequence of the movement restrictions and social distancing regulations and were inclined to purchase their goods, including chicken, at sites they deemed safer such as nearby stores, super shops, or online home delivery.

Rumours:
Human COVID-19 infection can occur from:

- Contacts with poultry
- Chicken consumption
- Egg consumption
- Beef and cattle blood
- Tilapia Fish
- Dog, Monkey
- Imported poultry feed

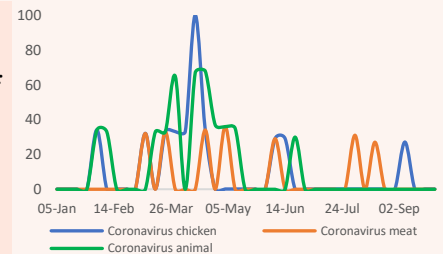


Fig: Google search trend of three terms in Bangladesh 2020

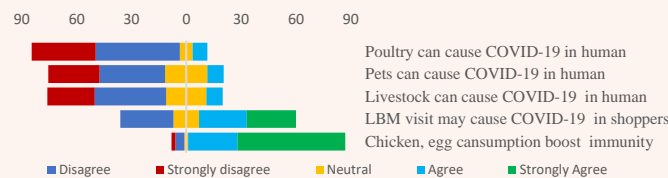


Fig: Consumers' knowledge about COVID-19

Lockdown and changes in economic circumstances affected consumers' shopping routines, also prompted notable variations in their chicken type preference. Besides, consumers mentioned taking extra precautions while preparing chicken and eggs, such as spraying disinfectant on product packaging, prolonged immersion in warm or cold water, washing eggs with detergent, vinegar, or hot water, and pre-boiling in turmeric water.