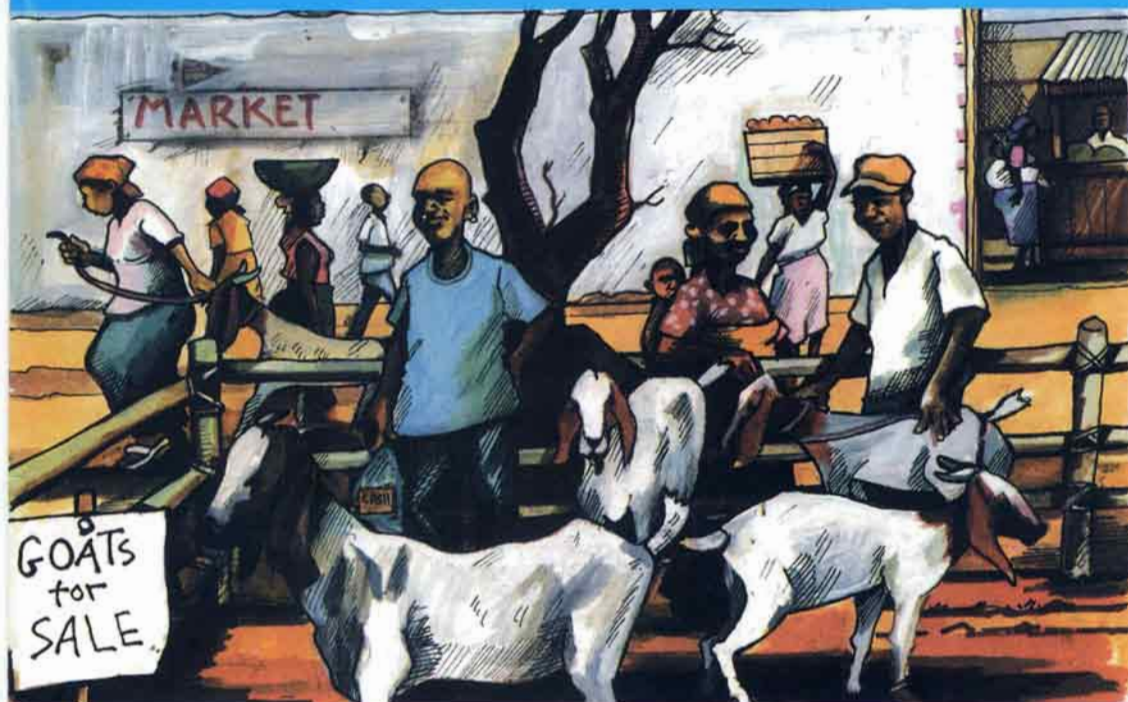




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Republic of Zambia
Ministry of Agriculture and Cooperatives



Agricultural Marketing goats

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Are you interested in rearing and marketing goats?

If you live in a place where there is little rainfall, you may consider keeping goats because they are easy to keep and provide meat and milk which you can eat or sell. Goats are easy to keep because they require a small grazing area compared to cattle which require about a hectare per animal.

Here are some reasons why you may want to keep goats:

- They provide meat and milk which can be consumed or sold
- They are easy to manage.
- They are quite resistant to diseases.
- They are cheap to buy if you are starting to rear them.
- They are easily sold for cash.
- They can be used as payment in solving social disputes.
- Goat scent repels tsetse flies.
- Goat droppings are a good and cheap source of manure for gardening.
- They multiply easily and quickly.

If you are interested in rearing goats for sale, carefully read the following six steps you can follow to market your goats successfully:

Step 1 Identify buyers and their needs

Who are buying the goats to eat?

Goat meat has become the second largest source of red meat after cattle in the towns and cities of Zambia. People in these areas are more likely to buy goat meat than in the countryside.

Goat meat is mostly eaten as roasted meat, at taverns and bars and also by Asians, West Africans and East Africans residing in Zambia. Many of these people do not eat beef for religious reasons.

Lusaka is the largest market for goat meat, with an average of 200 goats being bought at 'Chibolya' Small-livestock Public Market every day. Many customers buy more goat meat during the December festive period. 300 extra goats are sold daily in Lusaka, during this period.

Female goat meat is preferred to male goat meat. Male goat meat is said to have a bad scent due to hormone discharges during slaughter. About three out of ten goat farmers in Southern Province are now castrating male goats to produce meat the customer prefers. Improved breeds are another way of improving quality of meat. Most customers prefer their goat meat to be sun dried. The usual practice is for the consumers to slaughter the goat and dry the meat themselves, often smoking it at the same time. This is a practice used for game meat. It may be possible for the goat farmers to slaughter, dry and smoke their own goats and sell the meat for a higher price.

Step 2

Decide on marketing channels to be used

What are the different ways to sell your goats?

The marketing chain for goats in Zambia is still very informal, meaning there are no established traders who buy goats and there are also no butcheries that slaughter only goats.

The way the goats move from the farmer to the consumer is called a marketing channel. There are a number of marketing channels by which a farmer can sell goats. These channels are listed below and the good and bad points about each channel are shown.



Farmers or villagers sell goat-breeding stock to one another. They may also sell goats to local households buying for home consumption, feasts and ritual healing sessions.

Traders based in local towns purchase goats at the farm or in the village for reselling at the local public markets, or along the main highway, selling to car drivers.

Good points:

- The goats can be sold all year around.
- Limited marketing costs.

Bad points:

- Farmers may not charge their neighbours the market price for the goats for social reasons, such as friendship or other relationships.
- Local buyers may not buy many goats at a time.
- Local consumers may not have enough money to buy goats at market prices.



Traders from cities and big towns travel to villages and buy many goats over a period of time, often camping on the farm. In this way they can gather enough goats and afford to sell them in towns and cities to bar owners, urban butcheries, and to people who prefer to eat goat meat, mostly of Asian, East African and West African origins. The traders may off-load some goats at Chibolya goat public market.

Good point:

- Traders buy a number of goats at one time and the farmer can charge the market price for the goats. Because the farmer sells at farm gate, no marketing costs have to be paid.

Bad points:

- Possibility of incurring high marketing costs.
- Goats may get sick, or lose weight in transit



Channel 3

Farmer  Consumers in cities

Farmers may choose to sell goats directly to consumers at retail prices in the cities and big towns.

Good points: Farmers can benefit from higher prices.

Bad points: It may take long to sell off goats.

May increase marketing costs

Step 3

Plan production to meet buyer needs

Where do you produce goats?

Southern, Eastern and Central Provinces produce more than three out of every four goats reared in Zambia. Southern and Central Provinces supply the Lusaka and Copperbelt markets while, at the time of writing this booklet in 2004, Eastern Province did not sell any goats to other parts of the country due to a livestock movement ban.

Here are a few points about goat production in Zambia:

- Production of goats throughout the country has been increasing over the past three years (2000 to 2003) and it is expected to continue to go up as farmers realise goats are a good source of money.
- Goats can be reared in any part of Zambia where there is grass and shrubs for browsing.
- In drought conditions goats are a safer form of livestock for a farmer to keep, as they need less food and water than cattle.

Is it difficult to start to rear goats for sale?

If a farmer wants to rear and sell goats, it does not require much money. Here are a few things you should think about or buy before goat rearing can begin:

- Labour to look after the animals as they graze.
- Strong rope for walking the goats to the market.
- Extra food if you want the goats to get fat quickly.
- Hire of a truck or van to sell the goats in far away towns.
- Strongly made housing which is raised off the ground so that the goats' droppings can fall through to the ground.

For more information contact Golden Valley Agricultural Research Trust (GART). They sell a good breed of goat from South Africa called Boar Goats. They are bigger and heavier than traditional goats, giving more meat with a possibility of higher returns.

What do you need to know about the market?

Before you start to sell your goats, it is a good idea to ask yourself a few questions:

- Where are the physical markets for goats, apart from at your farm gate?
- How many goats get sold per day at those markets?
- Who are the main buyers and how long do they take to pay farmers?
- When are goats in high demand at these various markets?
- Who are the traders in the market chain?
- How much competition is there amongst farmers supplying goats to the markets?
- Is the price for goats going up or down?
- Which day or month should more goats be taken to the market?

Visiting the Zambia National Farmers Union District offices or contacting an extension officer from the Ministry of Agriculture and Cooperatives can answer some of these questions, they have livestock specialists in the provinces that have high goat populations.

Step 4 Plan to process and sell goat meat and other by-products

Goat farmers should also try and develop direct contact with bar and tavern operators and see if they can sell their goats directly to such buyers. If such buyers would like prepared meat, the farmer could pay to have the goats slaughtered and deliver the meat. In this case the farmer could also sell the goatskins to leather tanners or to traders who supply the tanners with animal skins.

The skins can also be used to make stools, which can be sold to households or traders. However, you need to learn how to make stools and if you have interest you can contact someone to teach you how to do it.

Before slaughtering your goat for sale, seek advice from other farmers because there are steps you must do when slaughtering goats.



Other benefits from rearing goats:

To improve your profits, you may also sell goats milk. Goat milk is as good as cow milk. It can provide the proteins needed by some families.

Having a braai stand at the nearest tavern can also help you make a little more money by selling roasted goat meat.

Step 5 Arrange to transport your goats to markets

Goats are transported to markets in vehicles or small trailers pulled by vehicles. Sometimes traders organise pick-ups to transport goats to town markets.

You will need to get a stock movement permit before you start your journey to the market. The veterinary office in your area issues the permits. Police permits are also required.

However, whatever form of transport is convenient to you and the goats can be used, provided you do not break veterinary laws relating to animal health.



While on transit to markets do not forget to feed your goats if you can because they lose weight if the journey is too long.

Step 6 Calculate costs and profits

How much money will you make?

Before you know how much money you can make, you need to know the cost of:

- Buying the breeding stock of goats.
- Cost of a well-made goat house. If there is not enough space in the house, the baby goats will die and if the house is not strong, people will steal your goats.
- Cost of disease management which is important in goat production.
- Extra feed for the goats and reliable water sources.
- The cost of knapsack sprayers and feedlots.
- The cost of labour to look after the goats

If you know how much you will spend when you sell your goats, you will then know how much profit you have made. This allows you to compare the time and effort you put into keeping your goats, against anything else you could have been doing at the same time.

To help you get an idea of how you can work this out, an example is given in Table 1 for a farmer who reared five goats in Monze, Southern Province in October 2003.

Table 1

The profit a farmer could make rearing and selling 5 goats in Monze in Southern Province. (These prices were obtained in October 2003)

Sale of goats	Price of each goat	Number of goats	Money made
Six month old goat	K 35,000 each	5	K 175,000
What the farmer spent			Cost
Breeding stock (Kid)	K 10,000 each	5 goats	K 50,000
Disease management	K 3,000 per kid	5 goats	K 15,000
Labour	K 4,000 per day	5 days labour	K 20,000
Other costs			K 5,000
Total cost to the farmer			K 90,000
Farmer's profit (Also called gross margin)			K 85,000
Breakeven price = $\frac{\text{Total cost}}{\text{no. of goats}} = \frac{90,000}{5} =$			K 18,000

The cost of the kraals, sprayers, and dip tanks are not included in this calculation because they are spread over several years.

It can be seen from Table 1 that the farmer has made a profit of K 85,000 out of rearing five goats. The time it takes from buying the animal to selling it is usually six months. The price of K 35,000 per goat is what the farmer received at the farm gate in October 2003.

What are the costs of marketing your goats?

While goat farmers may decide to travel to a big town or city to sell their animals at better prices, farmers should realise that to sell in far-off markets, money has to be spent. This money is known as marketing costs. Some of the common marketing costs in goat trading are as follows:



- A farmer has to pay for a stock movement permit from the veterinary department to move goats to other provinces.
- There are transport costs from the village to the town or city. Truck drivers charge per goat. A goods train may be cheaper but it is not practical to transport goats this way.
- District Councils charge an animal levy. They charge per goat.
- Security service charges at Chibolya market in Lusaka if this is where the goats are sold. Chibolya market management provides overnight security services to farmers with goats.
- Farmers may have to feed their goats while waiting to sell them. Farmers can spend up to seven days when demand is low.
- In addition there is a risk of goats dying in transit to the town markets.

Farmers must find out the marketing costs before risking transporting goats to distant towns and cities. The higher the marketing costs, the less the profit the farmer will make.

Table 2 gives an example of the costs that a farmer in the Monze area may have to pay to market goats in Lusaka. It must be remembered that the prices indicated were for the month of October 2003 and prices may change.

Table 2

Profit Monze farmer would make selling the five goats in Lusaka

The cost to the farmer to rear five goats (from Table 1)	K90,000
Marketing costs	Price
Veterinary permit	K 2,500 per trip
Police permit	K 2,500 per trip
Transport	K 5,000 per goat 5 goats
Council levies	K 1,000 per goat 5 goats
Security charges	K 2,500 per day For 2 days
Accommodation	K 20,000 per day For 2 days
Agents' commission	K 2,500 per day For 2 days
Total Marketing Costs	K 85,000
Total Cost (Marketing + production)	K 175,000
Money from selling goats (K70,000 x 5)	K 350,000
(Price per goat is K 70,000)	
Profit made by the farmer, called a Marketing Margin	K 175,000



Marketing Margin (Profit) = Goat Sales - Total costs

In this example a Monze farmer took five goats to Chibolya Market in Lusaka and made a total profit of K 175,000 or K 35,000 per goat. At the farm gate, this farmer made a margin per goat of K 17,000. The farmer has, therefore, gained K 18,000 per goat by going to the town market.

The farmer has to ask the question, does it make sense to take his goats all the way to an urban market for this increase in profit? The more goats a farmer takes, the higher the total profit and the fewer the goats the less the total profit. Some costs, such as food and lodging, are the same whether the farmer takes five goats or twenty. The more goats that are taken, the less the marketing cost per goat.

Where should you sell your goats?

To understand where to make the most money from selling your goats, you need to know the price the goats sell for in different markets and at different stages in the marketing channels. Therefore a goat farmer should try to find out:

- Farm-gate prices offered by different buyers.
- Wholesale prices of goats at local livestock public markets and prices in other town and city markets.
- Goat meat retail prices in provincial towns around the country.
- The number of goats sold or bought per day in each market.
- Payment arrangements; whether by cash or cheque.
- Type of goats preferred, whether small or large, young or mature, male or female.

This sort of information about the goat markets should help farmers to earn the best income from their goats. The nearest place farmers can obtain market information is the District Agricultural Coordinator's office and the Zambia National Farmers Union District offices.

If you are interested in selling goats, where can you go for help?

There are a number of companies and organisations that can advise a farmer how to rear goats and market them. A list of possible contacts is given in Table 3.

Table 3

Institutions that can help a goat farmer.

Name of Institution	Address, phone, fax & e-mail	Contact person
Ministry of Agriculture and Cooperatives	In all districts throughout Zambia	District Veterinary Officer
Livestock Development Trust	World Vision International Kabulonga Box 31083 Lusaka, Phone 01-260722	Middleway, Coordinator
Golden Valley Agricultural Research Trust (GART)	Chisamba Box 820065	Director 611150, 611018
Livestock Services Cooperative	Show Grounds opposite Marco Polo, Box 32025	Marketing Dept.



