



## Business and Investment Snapshot

### Animal Feed Production

Sector(s):	Animal feed
Location(s):	Addis Ababa, Ethiopia
Number of Employees:	The company currently has 80 employees
Product Line(s):	The company has been processing animal feed in Ethiopia for over 40 years. It produces animal feed for cattle, chickens, horses and pigs. The company also does poultry at small scale and supplies to selected buyers.
Management:	The company is family owned and operated.
Opportunity:	The investment strategy is to own the value chain from “farm to fork”. Therefore, the company expanded its operations from the animal feed production backwards to the farm to enable it to source quality raw material. Forward integration into the value chain would now lead to establishing poultry and beef breeding farms complete with processing. The plan is to build the value chain step-by-step, starting from the animal feed production and going to the poultry and beef breeding and then meat processing.
Market Trends:	According to FAO statistics, the livestock population of Ethiopia has reached 103M heads of livestock consisting of camels (1%), cattle (52%), goat (22%) and sheep (25%). Natural grazing and browsing on plots of permanent grazing land and stubble following crop harvest make the main source of animal feed in Ethiopia. The national annual feed demand for all livestock species is estimated at 95.8M tons, whereas the available amount from all source of feed like grazing, by products, browsing and so on amounts only to 65.6M tons, leaving a demand gap of about 32%. The subsector is not only constrained by a supply problem but is also affected by the poor quality of the available animal feed. Specific to animal feed producers, according to CSA data for the year 2011, there are only 11 companies engaged in production of animal feed through out the country, with actual production of 19,563 tons. The annual import of animal feed and residue grew from 103 tons in 2002 to 623 tons in 2010.
Revenue – Previous Year:	~\$0.6M
Net Margin – Previous Year:	0.4%
Social Impact:	Create employment and notable impact on live stock value chain

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