

‘Make in India’ Mission

Indian Poultry Business & Global Opportunity **“Strengthen Food Safety in Eggs & Chicken”**

Presented at 8th Knowledge Day at Poultry India, Hyderabad

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Global Facts about Chicken Trade

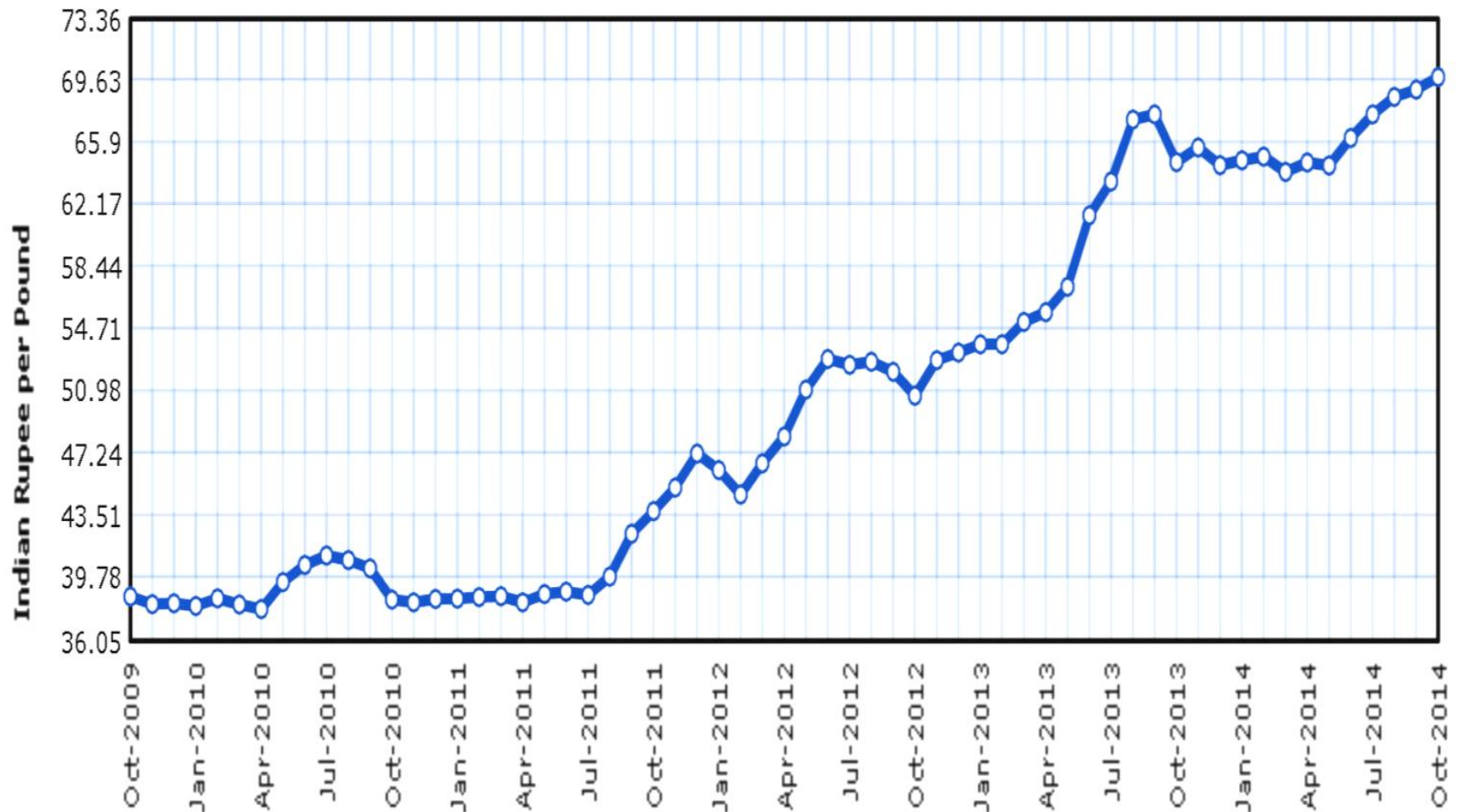
- **Total Global production : 117 million tons**
- **Global Trade growth : 2.5%**
- **International Trade : 14 to 17% of production**
- **Est. Production by 2020 : 128 million tons**
- **Feed Cost : 50 to 70% of cost of production**
- **USA & Brazil Exports : 65% of world export**
- **Export from Thailand : 500,000 tons**
- **Exports from India : 5,000 tons**

Cost of Production:

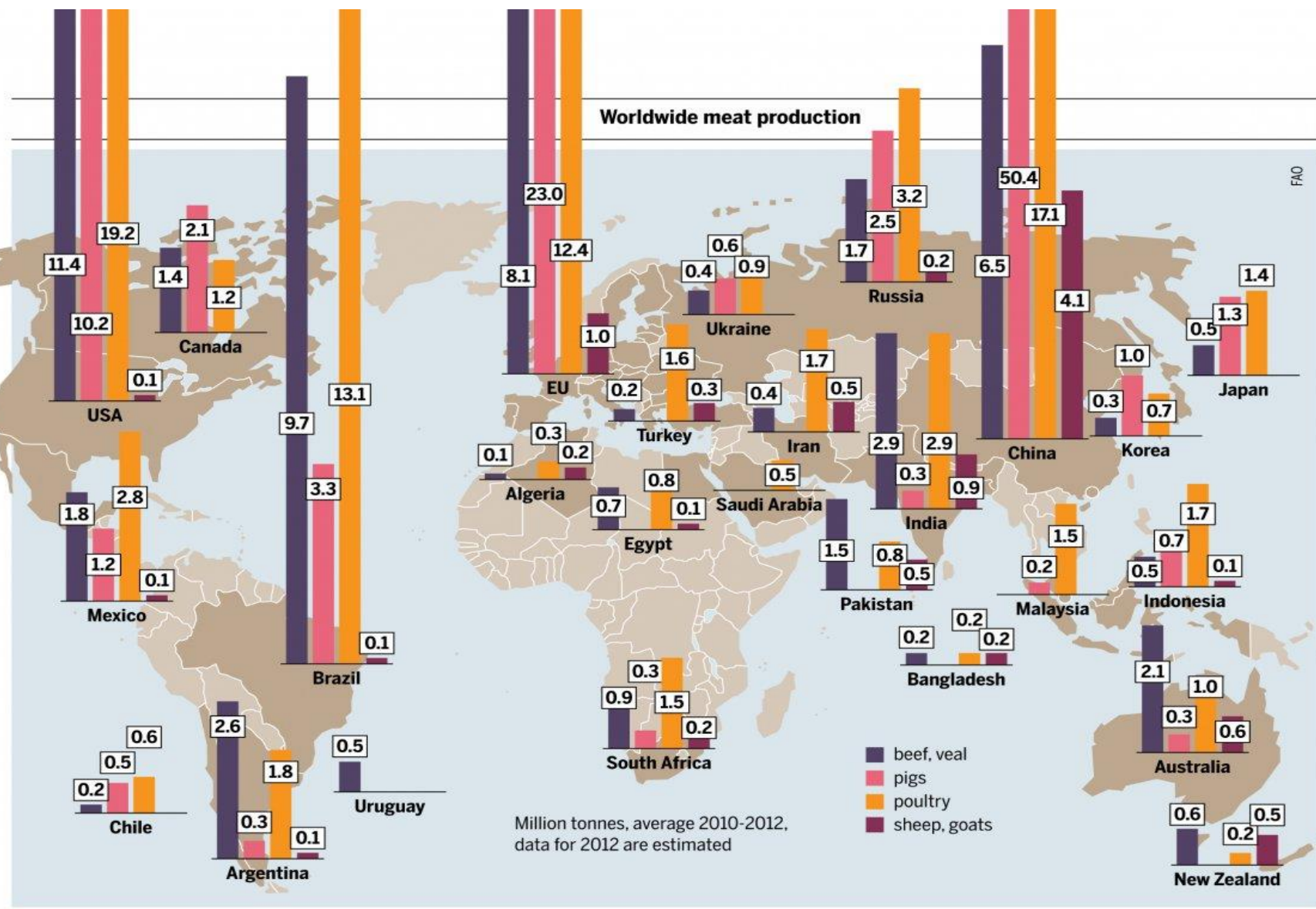
- **Cost in USA & Brazil 30% below those in Europe and China
(The Economist, Sept. 2013)**

Poultry (Chicken) Monthly Price in USA - INR/lb.

(1 kg = 2.2 pounds)



Chicken is the Most Popular Meat Globally

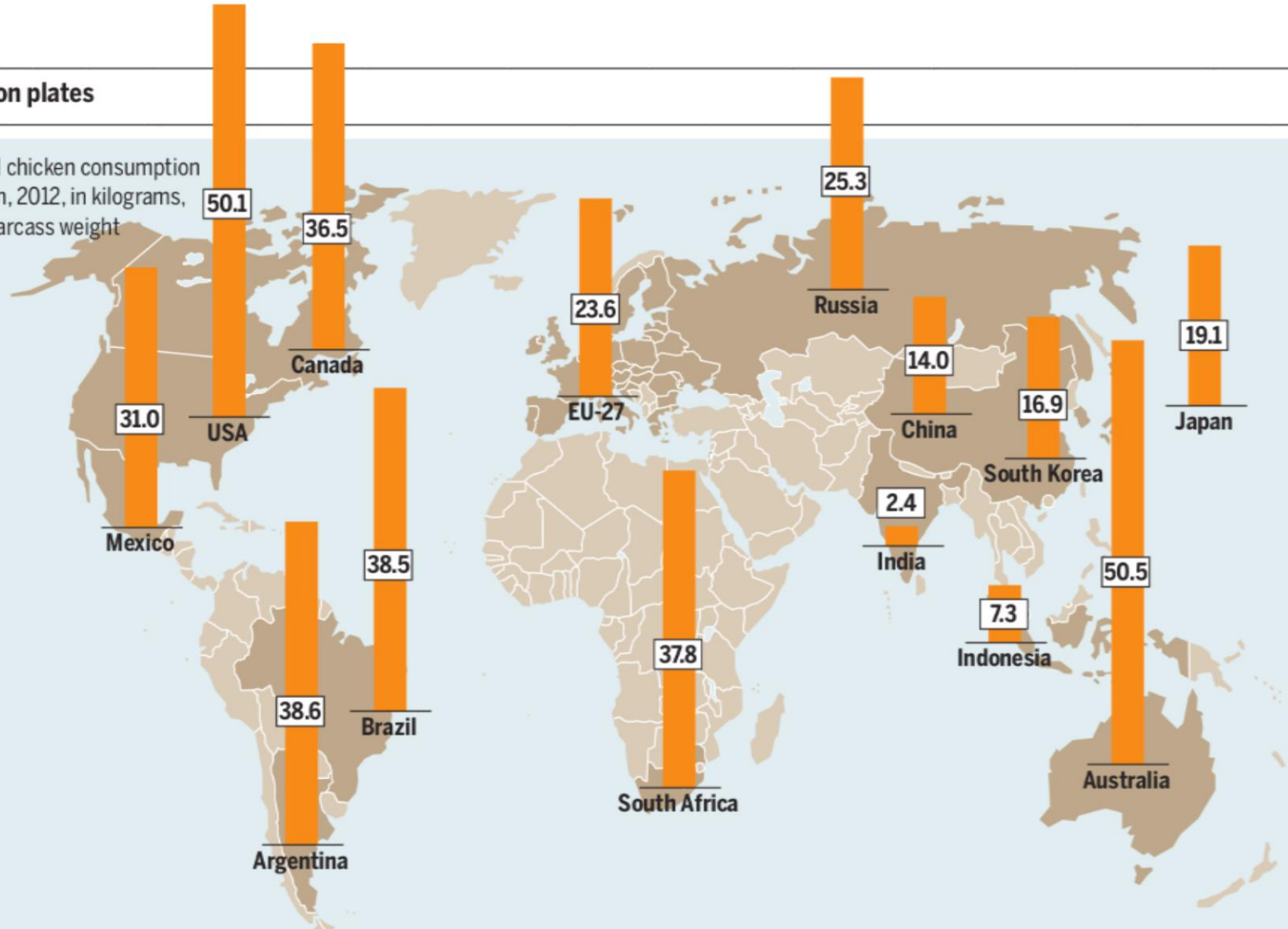


Huge Opportunity ahead in Indian Poultry Business

Chickens on plates

Estimated chicken consumption per person, 2012, in kilograms, dressed carcass weight

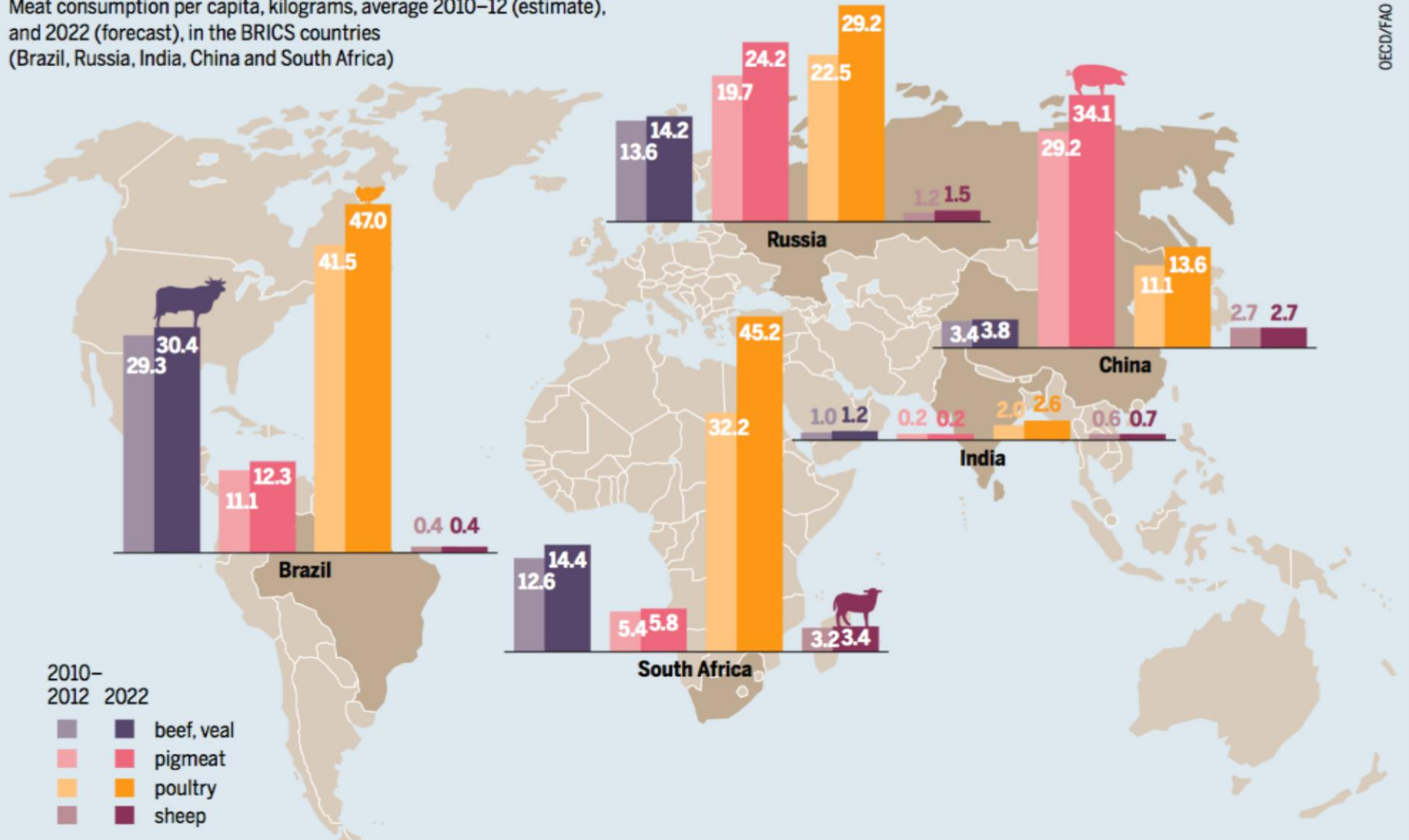
DSW, FAO



Demand in the Developing World is rising steeply

Meat consumption per capita, kilograms, average 2010–12 (estimate), and 2022 (forecast), in the BRICS countries (Brazil, Russia, India, China and South Africa)

OECD/FAO



World Trade in fresh / frozen Chicken meat ('000) tonnes)

Exports	2000	2005	2006	2007	2008	2009	2010
Africa	9.5	4.8	3.0	6.5	9.5	46.2	61.5
Americas	3,627.4	5,516.0	5,445.3	6,366.4	7,311.6	7,234.9	7,252.5
Asia	1,432.2	420.6	482.9	639.1	765.8	876.2	1,173.2
Europe	1,805.1	2,137.3	2,157.6	2,302.6	2,344.7	2,592.1	3,115.8
Oceania	14.3	21.8	20.7	28.2	31.0	33.3	29.2
WORLD	6,888.4	8,100.6	8,109.5	9,342.9	10,462.6	10,782.7	11,632.1

Imports	2000	2005	2006	2007	2008	2009	2010
Africa	259.0	512.9	612.3	673.6	713.2	861.2	1,065.6
Americas	556.0	910.5	1,033.4	1,132.3	1,369.7	1,365.0	1,548.6
Asia	3,276.7	2,767.2	2,976.2	3,654.0	4,274.9	4,670.9	5,158.6
Europe	1,811.2	3,223.6	3,094.2	3,171.0	3,374.2	3,095.0	2,875.4
Oceania	26.4	35.5	32.4	35.6	37.9	42.6	47.1
WORLD	5,929.3	7,449.8	7,748.4	8,666.5	9,770.0	10,034.6	10,695.1

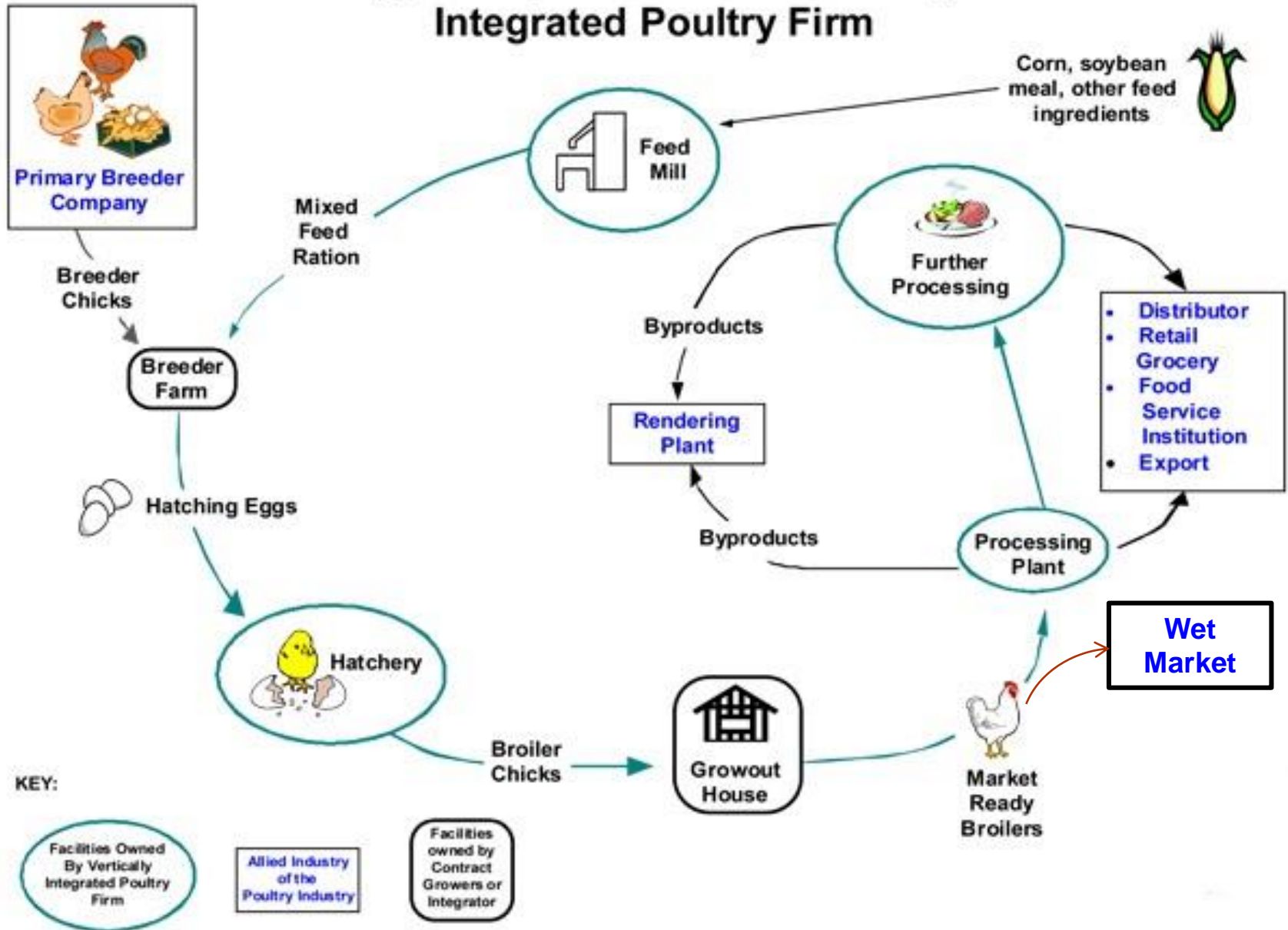
EU, Japan Importing More Thai Chicken, Why not Indian Chicken

- **04 August 2014, THAILAND - The European Union (EU) and Japan have started to import more Thai chicken, especially Japan, which lifted a nine-year ban last December after finding that the kingdom has been free from bird flu, Thai News Agency (TNA) reported a senior official at the Thai Ministry of Commerce as saying on Sunday.**
- **Combined imports of Thai frozen and processed chicken by the EU and Japan during the first six months this year rose 2.6 per cent equivalent to about US\$1.08 billion, according to Nantawan Sakuntanak, director-general of International Trade Promotion Department.**
- **Exports of Thai fresh and processed chicken this year are projected at between 560,000-570,000 tonnes valued about 78 billion baht, up from 530,000 tonnes valued at 70 billion baht in 2013. However, projection on exports this year is still lower than the earlier target, she said.**
- **The Japanese government has imposed stricter measure on chicken imported into Japan and Thai operators have to maintain production and packaging qualities in order to be able to expand export markets in the future, she said.**

Opportunities in Poultry Industry of India

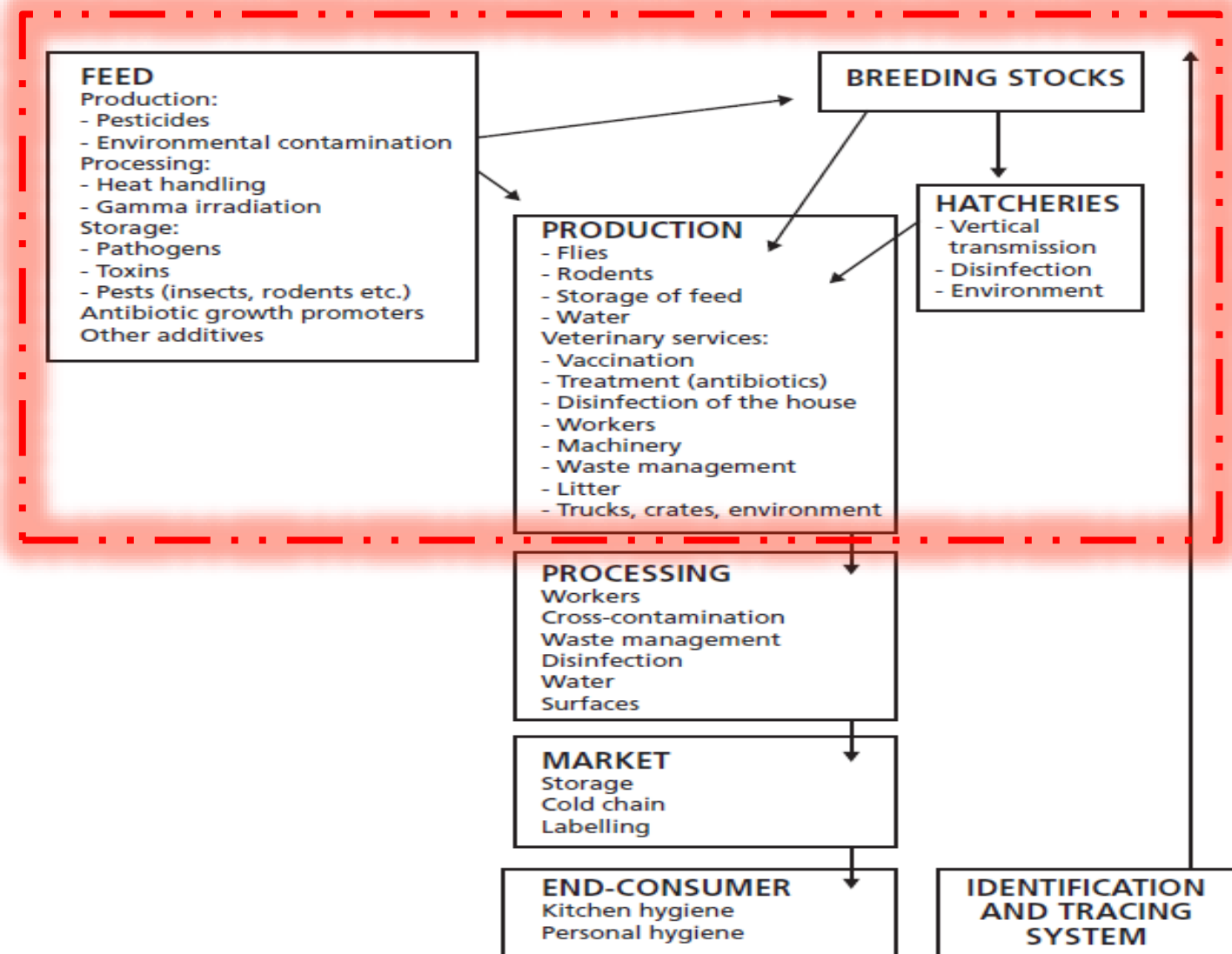
- **Huge Opportunity for Poultry Sector in India**
- **Many players national and international players will enter at various stages of poultry supply chain in coming days**
- **Consumer confidence will be the key factor to derive the brand and sales**
- **“Food Safety” will remain non-negotiable clause in this business**

Typical Operation of a Vertically Integrated Poultry Firm



Food Safety Risk in Chicken Value Chains

The vertical chain of poultry food-products and examples of possible hazard points



Food Safety – Precondition for market Access

- Food safety and quality are best assured by an integrated, multidisciplinary approach, considering the whole of the food chain.
- Eliminating or controlling food hazards at source, i.e. a preventive approach, is more effective in reducing or eliminating the risk of unwanted health effects than relying on control of the final product, traditionally applied via a final 'quality check' approach.
- Approaches to food safety have evolved in recent decades, from traditional controls based on good practices (Good Agricultural Practice, Good Hygienic Practice, etc), via more targeted food safety systems based on hazard analysis and critical control points (HACCP) to risk-based approaches using food safety risk analysis

Food Safety : Start from the Farm Level

Through their presence on farms and appropriate collaboration with farmers, the Veterinary Services play a key role in....

- Ensuring that poultry are kept under hygienic conditions and
- Early detection
- Surveillance
- Treatment of animal diseases, including conditions of public health significance.
- Provide poultry producers with information, advice and training on how to avoid, eliminate or control food safety hazards (e.g. drug and pesticide residues, mycotoxins and environmental contaminants) in primary production, including through animal feed.
- Inspection

What Indian Poultry Should do?

- **Capacity Building:** Farmers and Producers' organizations, particularly those with veterinary advisors, are in a good position to provide awareness and training as they are regularly in contact with farmers and are well placed to understand their priorities.
- **Technical support** from the Veterinary Services is important and both private veterinarians and employees of the Veterinary Authority can assist.
- **Code of Conduct:** The Veterinary Services play a central role in ensuring the responsible and prudent use of **biological products and veterinary drugs, including antimicrobials, in animal husbandry.**
- **Protect Public Health:** This helps to minimize the risk of developing antimicrobial resistance and unsafe levels of veterinary drug residues in foods of animal origin.

Opportunities in Chicken Products Classification

1. Live Poultry ≤ 85 Gram
2. Other Live Poultry ≤ 185 Gram
3. Live Poultry > 185 Gram
4. Other Live Poultry > 185 Gram
5. Edible Poultry Meat (Fresh)
6. Edible Poultry Meat (Frozen)
7. Other Poultry Meat Not Cut In Pieces
8. Cuts & Offals Excluding Livers
9. Eggs In Shell
10. Other Eggs
11. Egg Yolks Dried
12. Other Egg Yolks
13. Eggs Not In Shell (Dried/Cooked)
14. Eggs Not In Shell (Frozen/Preserved)

What Indian Poultry Industry should do to encash the opportunities?

- **Study the Guidelines issued by Codex** for Poultry sector on:
 1. Production Standard
 2. Pathogens
 3. Hazard Analyses in Feed
 4. Antibiotic residues
 5. Finished product standards for poultry sector, etc.
- Make suitable changes in the proposed guidelines based on your experience but these changes should not **compromise food safety in any way.**
- **Discuss the same in industry meetings** and finalize the draft.
- **Submit to other related Industry Associations** for their comments
- **Submit to frame Guidelines by Government** of India
- **Industry should contribute in gaining the consumer confidence** about poultry products and development of Industry.

Think about it, as Consumer...



"Do you want a clean one?"

... what should be the answer every time.

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Options before us...Either we should encash the opportunity, otherwise someone else will do

Everyone has to pay the price for food safety.

But in what form:

(a) Cost to Prevent Food Safety hazards

or

(b) Cost to Recover from Food Safety Hazards

If not done properly, you have to pay for both.

**Top Management has to choose between (a) or (b).
This also shows the mindset of the management and promoters.**

Current Practice is Choose Option (b).

Always open for discussion

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