

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Haiti

Post: Santo Domingo

Haiti poultry production triples in last five years

Report Categories:

Poultry and Products

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Report Highlights:

Chicken meat production has nearly tripled in the past 5 years due to significant and successful public and private programs and investments. Rising consumption will support further production increases in the near term. However, imports will remain critical to fulfilling rising consumption, albeit the United States is losing market share to the EU.

PRODUCTION:

Industry Structure:

Two categories of breeders are involved in production: commercial farms and backyard farms.

Commercial Farms:

The commercial farms are the most organized group and include several operators working at different levels of poultry meat production chain. The primary operators are the suppliers of chicks. In 2010 and 2011, Haiti imported respectively 586,388 and 481,080 chicks from the United States.

However, since 2012, a new industry dynamic has developed as the Haitian government and international partners launched the Financial and Agricultural Insurance System (SYFAAH, in French) to support the poultry breeders. An investment of US\$10 million was made in the poultry sector, which improved companies' access to financing. Additionally, a multinational company launched its own hatchery in February 2012, which increased chick production capacity to 558,000 chicks per month. As chick production was limited to an average of 158,000 chicks per month in 2011, the new capacity increased volumes more than three-fold. Consequently, imports of fertilized eggs increased to reach 478,080 in 2013.

There are two subcategories of poultry breeders: the broiler breeders and the layer breeders. Ten major companies were involved in poultry meat production from 2010 to 2013, five in broiler meat production, three in layer production and two in both broiler and layer production. Their poultry meat production capacity was estimated at 7,000 MT per year. However, they used only 25 percent of their poultry meat production capacity, which is currently 70 percent.

Backyard Farms:

Backyard farms are not structured and are primarily a family activity. Domestic chickens are mixed breeds grown for family consumption as well as sold in local markets. Production is generally free-range and corn-fed. Although the product is well-received by Haitians, supply is well below the demand, which affects the price. From 2010 to 2013, backyard farms accounted for approximately 55 percent production. However, since 2014, they have represented less than 40 percent.

Haitian Production Takes Flight

From 2010 to 2013, Haiti's production averaged around 1,725 MT per year. However, production increased nearly three-fold between 2013 and 2017 (to 4,908 MT) due to the previously described industry investment, which supported increased chick supply and improved processing and distribution facilities.

In addition to rising chick supplies, Haiti Broilers - a leader in the Haitian poultry industry – installed new facilities and put in place other new strategic plans in recent years:

- Haiti Broilers invested in abattoir equipment, defeathering machine and storage facilities, which increased available supply in supermarkets.
- Their marketing strategy is based on a network of poultry breeders and expansion of retail distribution.
- A payment plan for the breeders was established to facilitate access to medicine and feed.
- A network of veterinarians is also available to assist breeders.
- The breeders can sell living chickens directly to Haiti Broilers, which oversees the processing and distribution of the chicken meat.

Because of such changes, productivity is improving.

CONSUMPTION:

Poultry meat is one of the preferred meats of Haitian people, along with goat, pork and beef. However, chicken meat remains the most consumed meat as it is readily available on the market and its cost is affordable for low-income households. The consumption of chicken meat is expected to reach 105,000 MT Ready To Cook (RTC) in 2018, which represents an increase of 22 percent compared to 2017. This increase is primarily due to rising per capita consumption, which was 7.83 kilograms in 2017 and is forecast to be 9.45 kilograms in 2018. Haitians typically eat chicken as nuggets, fried and broiled chicken meat, or in barbecue. Purchases are made in public markets, supermarkets and street vendor selling points. Most people eat at home, but a few people eat at restaurants formal and informal.

TRADE:

Imports still account for most of consumption, but domestic production growing rapidly to meet rising demand. While production nearly tripled between 2013 and 2017, imports rose nearly one third during the same period.

Haiti imports primarily frozen chicken leg quarters, legs and drumettes. Imports are primarily destined for street vendors and public markets, with the rest going to supermarkets and restaurants.

Traditionally a U.S. market, the origin of imports has been changing in recent years. While the United States held a 92 percent market share up through 2013, that market share dropped to 77 percent in 2017. January to June 2018 trade data suggests that the U.S. market share will further erode to less than 70 percent in the near term. While Brazilian shipments have risen, purchases from the EU have increased more dramatically and account for the majority of U.S. displacement, primarily due to prices.

Haiti Chicken Meat

Units: 1,000 MT Ready to Cook (RTC)

Attribute	2010	2011	2012	2013	2014	2015	2016	2017	2018 (F)	2019 (F)
Production	2	2	2	2	3	5	5	5	5	5
Imports	49	67	64	61	59	71	88	81	100	110
Total Supply	51	69	66	63	62	76	93	86	105	115
Domestic Consumption	51	69	66	63	62	76	93	86	105	115
Exports	0	0	0	0	0	0	0	0	0	0
Total Distribution	51	69	66	63	62	76	93	86	105	115
Import Change	58	37	-4	-5	-3	20	24	-8	23	10
Consumption Change	55	35	-4	-5	-2	26	22	-7	23	9
Imports Percent Consumption	96%	97%	97%	97%	95%	93%	95%	94%	95%	96%

Haiti Chicken Meat Production

	Production (MT)	Production Ready to Cook (MT)
2010	2,419	1,814
2011	2,210	1,657
2012	2,311	1,733
2013	2,270	1,703
2014	3,457	2,594
2015	7,120	5,340
2016	6,850	5,137
2017	6,545	4,908
2018 *	4,338	3,254

**To August 2018*

Source: Post estimates based on industry market intelligence.