

Policy Engagement for the Day Old Chicks DOCs Value Chain in Oyo State

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Background

The sustainability of Nigeria's poultry industry is significantly dependent on the viability of the Day-Old Chicks (DOCs) value chain (Tasie et al., 2020). The Day-Old Chicks (DOCs) value chain in Nigeria is relatively simple, with three main actors:

- Parent Stock farmers (breeders),
- Hatchery farmers, and
- Day-Old Chicks (DOCs) marketers

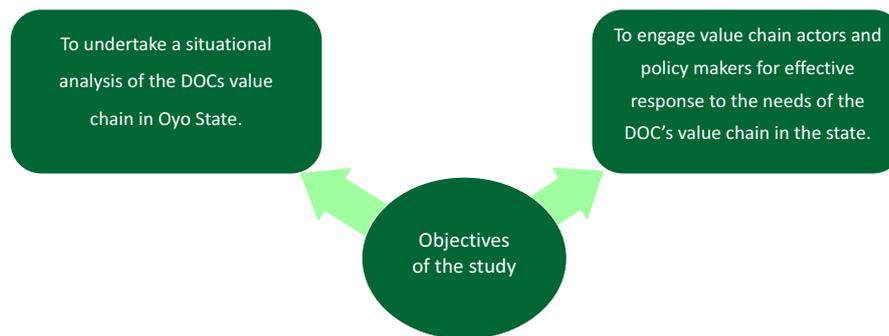
These value chain actors are guided by standards set by various local regulatory agencies to ensure that the DOCs in circulation are high quality and free from infectious diseases. However, ensuring safety and quality control in the value chain has been challenging as the roles of these regulatory agencies are not clearly defined, leading to duplicity/multiplicity of roles and responsibilities. This creates an undue burden on the value chain actors, the primary targets of these regulations, highlighting a critical gap in crafting a clearly defined policy framework with streamlined regulatory functions and guidance for the actors. Against this background, the Innovation Lab for Policy Leadership in Agriculture and Food Security (PiLAF) at the University of Ibadan, Ibadan, Nigeria, conducted this study to analyze the situation of the Day-Old Chicks (DOCs) value chain in Oyo State by engaging critical stakeholders. Policy recommendations from this study provide a guide for setting an agenda for shaping the future of the poultry industry, with a focus on sustainable development and improvement (Hansson-Forman et al., 2021).

Highlights

1. The Day-Old Chicks (DOCs) value chain in Oyo State faces overlapping regulatory responsibilities between the Nigerian Institute of Animal Science (NIAS) and the Veterinary Council of Nigeria (VCN), causing inefficiencies and double taxation.
2. The activities of NIAS are perceived by stakeholders as tilted toward revenue generation rather than enforcing compliance with standard practices.
3. The prevalence of unqualified personnel, driven by the high costs of hiring certified professionals, compromises product quality, public health, and food safety.
4. High feed costs, weak regulatory control, limited use of technical manpower, and sharp practices hinder the industry's growth and profitability.
5. Opportunities like rising poultry demand and agricultural loans are counterbalanced by threats such as unethical practices, adulteration, and insecurity.

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Methodology

A stakeholders' discourse involving major actors along the Day-Old Chicks (DOCs) value chain in Oyo State was held at the Abuja Hall of the Ibadan Business School with participants including representatives of the:

- Nigeria Veterinary Medical Association (NVMA),
- National Institute of Animal Science (NIAS),
- Animal Scientists and Veterinary Doctors specializing in poultry research from the University of Ibadan;
- College of Animal Health and Nutrition, Ibadan; and
- Institute of Agricultural Research and Training, Obafemi Awolowo University, Ibadan.

Others included representatives of the following:

- Poultry Association of Nigeria (PAN);
- Day Old Chicks Marketers Association of Nigeria (DOCMAN),
- Breeder farms and hatcheries.

A total of 24 stakeholders and 6 PiLAF researchers were in attendance. Data were collected and analyzed using qualitative methodologies, including group discussions, brainstorming sessions, SWOT analysis, and problem tree analysis to achieve the study's objectives.

Findings:

1. Regulators for Day Old Chicks (DOCs) value chain in Oyo State

Participants identified the following agencies as responsible for regulations guiding the Day-Old Chicks (DOCs) value chain in Oyo State:

- Veterinary Council of Nigeria (VCN): Responsible for the (delete concerned with regulations to) prevention of infectious diseases and related health hazards,
- Nigerian Institute of Animal Science (NIAS): Deals with regulations on livestock management and husbandry practices,
- Ministry of Agriculture: Departments of Veterinary Services and Animal Husbandry. These two departments domiciled in the Ministry of Agriculture, are responsible for implementing/enforcing the necessary regulatory items specified by the VCN and NIAS among the value chain operators.
- Standard Organization of Nigeria (SON): Charged with regulations on feeds
- National Agency for Food and Drug Administration and Control (NAFDAC): Regulates and controls the manufacture, sale, and use of drugs
- Nigerian Agricultural Quarantine Services (NAQS): Deals with import and export of livestock products

- National Environmental Standards and Regulations Enforcement Agency (NESREA): Regulates environmental sanitation,
- Consumer Protection Agency: Regulates and enforces consumer protection laws.

Among the above-listed regulatory bodies, the Nigerian Institute of Animal Science (NIAS) is the most recognized by major operators (breeders, hatcheries, and marketers) in the value chain than others, followed by the Veterinary Council of Nigeria.

2. Situation analysis and issues

The major operators in the DOCs value chain, especially the marketers, expressed concern about the activities of NIAS as they are perceived to tilt toward revenue generation rather than enforcing compliance with standard practices in the industry. The back-and-forth debate on this issue revealed the existence of a communication gap and lack of synergy in the workings of some regulatory agencies and the Day-Old Chicks (DOCs) value chain actors. In a similar vein, the value chain actors affirm that there are overlaps in some aspects of policy guidelines for the Day-Old Chicks (DOCs) value chain by the Veterinary Council of Nigeria and NIAS, leading to what may be described as double taxation to the disadvantage of the actors. Although the policy documents from these two central regulatory agencies target different end users (Veterinary Council of Nigeria targets prevention of infectious diseases and related health hazards while NIAS targets maintaining standard practices in livestock management and husbandry practices), overlaps exist in terms of operationalization of some of the domains. Specifically, registration and licensing, prohibition, and import and export domains are some aspects of the policy documents that need minor modifications for clarity and separation of roles. In this respect, the stakeholders identified the various domains of regulation for the Day-Old Chicks (DOCs) value chain, as outlined in Table 1, and through consensus building, agreed on the responsibilities for each domain.

Table 1: Responsibilities for each of the domains

	Regulation Domains	Responsibility
i.	Hygiene/biosecurity	Vet. Council
ii.	Good husbandry practices	NIAS
iii.	Ensuring good parent stock qualities	NIAS
iv.	Ensuring health and good quality DOCs	Vet. Council/NIAS
v.	Ensuring proper sexing of DOCs	NIAS
vi.	Proper packaging and labeling to ensure traceability	NIAS
vii.	Proper handling and transportation	NIAS
viii.	Registration of breeder farms, hatchery, and DOCs operations plus prohibition of unregistered farms or revocation of certificate of registration	Vet Council to issue a permit. The permit to be included as part of the required documents for licensing by NIAS
ix.	Personnel or human resources in a supervisory capacity at Breeder Farms and Hatchery	NIAS & Vet. Council
x.	Animal health, Pest, and disease control	Vet. Council
xi.	Reporting and oversight responsibilities (Inspection)	Vet. Council/NIAS
xii.	Administration of vaccines and combating Anti-Microbial Resistance	Vet. Council
xiii.	Control of public health	Vet. Council
xiv.	Prevention of health-related hazards in animal feed and feed ingredients	Vet. Council
xv.	Notification of suspected disease	Vet. Council
xvi.	Food safety assurance and quality control	Vet. Council
xvii.	Sanitary mandate for prevention of zoonosis	Vet. Council

Source: Authors' compilation from stakeholders' discourse.

Furthermore, a SWOT analysis was conducted to assess the Day-Old Chicks (DOCs) value chain by identifying the factors that influence the sector's operation, as presented in the matrix in Table 2. Value chain actors noted the presence of good infrastructure and an available market for their products. Additionally, the weather in Oyo State is favorable for day-old chick production, with access to good-quality chicken breeds. However, certain weaknesses continue to limit the industry in achieving its full potential. High operational costs, particularly the feed cost, and weak regulatory control within the value chain hinder attaining maximum profit and producing high-quality Day-Old Chicks. Despite these limitations, the industry presents several opportunities that can be leveraged for increased production and efficiency. These include the increasing demand for poultry products, high returns on investment that can attract investors, the ban on importation driving local demand, and the availability of loans and grants for agriculture. At the same time, the value chain faces significant threats. Chief among these are sharp practices and adulteration, which threaten the integrity and trust within the industry.

Table 2: SWOT matrix for DOC's value chain

Strengths	Weaknesses
Infrastructure	Poor record keeping
Market	High cost of feed
Favourable weather	Weak regulatory control
Availability of good breeds	High operating cost
Training and empowerment	Inadequate use of technical manpower
Technical manpower	
Opportunities	Threats
Supply gap	Seasonality
Good return on investment	Sharp practices
Ban on importation of poultry birds	Adulteration
Agric. loans and grants	Insecurity

Source: Authors' compilation from stakeholders' discourse.

3. Problem tree analysis of the DOCs value chain in Oyo State:

The rivalry between the Veterinary Council of Nigeria (VCN) and the Nigerian Institute of Animal Science (NIAS) as oversight agencies in the sector, coupled with the high cost of hiring registered professionals like animal scientists and veterinary doctors, has inadvertently created opportunities for quacks to thrive. The pervasiveness of cheap labour from quacks with little to low expertise who are often willing to render services at highly reduced costs was an underlining cause of the production of poor-quality Day-Old Chicks (DOCs). In addition, operators producing at trim scale level often find it challenging to hire professionals due to low-profit margins. This results in poor-quality services and products, increasing the risks of disease outbreaks, reduced productivity, and financial losses. Furthermore, where professionals are not used appropriately in the Day-Old Chicks (DOCs) industry, public health and food safety are at serious risk due to the high possibility of compromising critical standards.

The inability to export products from the industry is blamed on the inefficient use of technical manpower. Another significant challenge is the lack of compensation or claims for losses DOC actors incur. Regulatory authorities often attribute these losses to using unqualified personnel, overlooking the impact of agency rivalries, such as the power struggle between VCN and NIAS and other systemic challenges operators face.

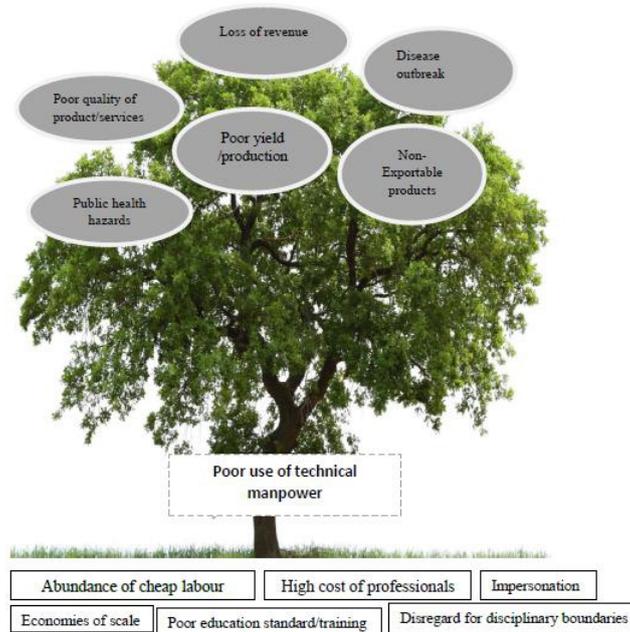


Figure 1: Problem Tree Analysis of the DOCs value chain in Oyo State

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Policy Recommendations:

1. The NIAS/VET agencies and their enforcement agents need to tone down their drive for revenue collection and shift their emphasis to enlightenment campaigns and training for the DOC value chain operators to develop a partnership mindset.
2. The areas of overlap between NIAS and the Veterinary Council in operationalizing some regulatory domains and responsibilities should be carefully addressed.
3. A joint implementation team should be established where responsibilities are co-shared.
4. The Veterinary Council of Nigeria should focus solely on preventing infectious diseases and related health hazards, while NIAS should focus on maintaining standard livestock management and husbandry practices.
5. The relevant departments in the Oyo State Ministry of Agriculture and Rural Development should handle registration and licensing. Operators seeking to be registered may be granted clearance by NIAS and the Veterinary Council, which should form part of the documents to be tendered at the Oyo State Ministry of Agriculture for issuance of license/permit.
6. The concerned associations should revise the professional fees for services rendered to the DOC's value chain operators to encourage more patronage and assure food safety and public health.

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The contents of this policy brief are the responsibility of the authors and reflect the findings from the project carried out.