



Share of India in Global Trade of Livestock Products – A Macro Approach

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ABSTRACT

Global trade in livestock products is expanding rapidly and significantly due to increase in consumer demands linked to growing educational and awareness of consumer, internationalisation of tastes and habits, developments in science and technology and improvements in communication and transportation. Thus, a deeper understanding of the dynamics of trade performance of livestock sector in India would contribute towards the development strategy of this sector. The secondary data were collected from Food and Agricultural Organization (FAO) of the United Nations and Agricultural and Processed food products Export Development Authority (APEDA). It was observed that India has a major share in total global export among the products like bovine meat, Poultry products and Sheep and Goat meat. The results showed that India's dairy products share in total global import was reduced till 2011 but later imports have been increasing due to raise in income, changing lifestyles, etc. During 2011, positive balance of trade was observed in trade of all live animals except poultry and also in all livestock products except dairy products, wool & hair, hide & skin and swine meat. This may be due to the quality of products produced in the country falls below the internationally accepted standards. Intensive efforts are needed to meet the WTO's Sanitary and Phytosanitary (SPS) and Technical Barriers of Trade (TBT) agreements and Codex Alimentarius Commission guidelines on quality and safety.

Key words : India, share, livestock, trade

INTRODUCTION

Global trade in livestock products is expanding rapidly and significantly due to increase in consumer demands linked to growing educational and awareness of consumer, internationalisation of tastes and habits, developments in science and technology and improvements in communication and transportation. Sustained economic growth and rising incomes during the past two decades have been fuelling rapid growth in the demand for livestock products in India. The rising global demand for livestock products, various global trade negotiations and domestic reforms in India, have improved the access to international markets substantially, particularly during the post-WTO period. Such developments offer an opportunity to India to increase its exports, especially for livestock products like bovine meat, whose domestic demand is low. However, at the same time, apprehensions are being raised about the ability of Indian livestock farmers, a majority of whom are small and marginal, in taking the advantage of emerging opportunities, under the liberalized trade scenario. Thus, a deeper understanding of the dynamics of trade performance of livestock sector in India would contribute towards the development strategy of this sector.

Data Base and Objectives of the Study:

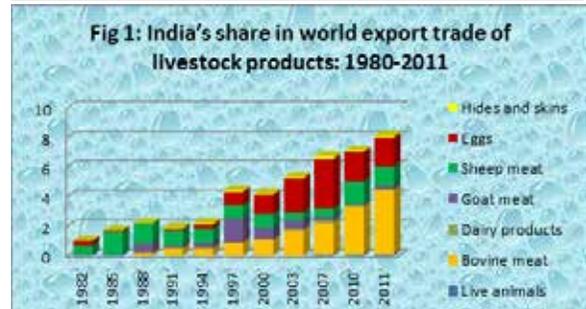
The data used in this study were collected from Food and Agricultural Organization (FAO) of the United Nations and Agricultural and Processed food products Export Development Authority (APEDA), Ministry of Commerce and Industry, Government of India. The objective of the present study the variations in Share of India's export and import trade in global trade for last twenty years.

RESULT AND DISCUSSION:

India's share in global export of livestock products over two decades was depicted in the table 1 and fig 1. From the table, it was revealed that India has a major share in total global export of bovine meat followed by Poultry products and Sheep and Goat meat. India share in total global export of poultry products was in increasing trend from 1994 to 2011. Dastagiri, 2010 showed that meat products constituted the largest share in the total exports. The constraints affecting meat exports as livestock disease situation, abattoir facilities, slaughter house conditions, etc.(Sachdeva, 2005). Similar studies were carried out by Anand and Varalaxmi, 2011 as they evaluated the trade performance of principal commodities from India. Exports of livestock products from India have gained a considerable momentum because of liberalization (Bairwa *et al.* 2013).

Table: 1 India's Share in Global Export (in percentage)

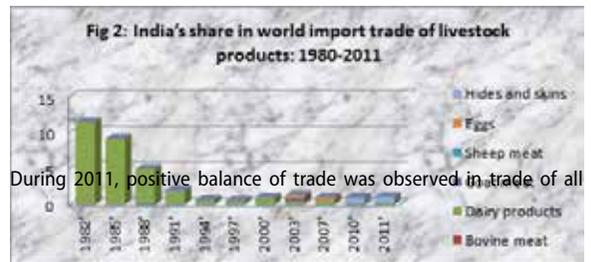
Year	Live animals	Bovine meat	Dairy products	Goat meat	Sheep meat	Eggs	Hides and skins
1982	0.1	0	0	0	0.6	0.3	0
1985	0.1	0	0	0	1.5	0.1	0
1988	0	0.2	0	0.6	1.4	0	0
1991	0	0.5	0	0.2	1	0.1	0.1
1994	0	0.5	0	0.4	0.9	0.3	0.1
1997	0	0.9	0	1.6	0.9	0.9	0.1
2000	0	1.1	0	0.8	0.9	1.3	0.1
2003	0	1.7	0.1	0.6	0.5	2.3	0.1
2007	0.1	2.1	0.2	0.2	0.6	3.3	0.2
2010	0.1	3.2	0.1	0.1	1.5	2	0.1
2011	0.1	4.3	0.1	0.2	1.3	2	0.1



India's share in global import of livestock products over two decades was depicted in the table 2 and fig 2. It was observed that India's dairy products share in total global import was reduced till 2011 but later imports increased due to raise in domestic demand. This may be due to changing lifestyle, tastes, preferences, etc. India needs to diversify its product range to capture the new markets as the food habit patterns are changing rapidly (Ingavale, 2012). India increases its share of hides and skins import in global import from 0 in 1982 to 0.8 in 2011. Balance of trade in live animals and livestock products was depicted in Table 3 & table 4. From the table 3, it was observed that during 2000 the balance of trade in live animals showed negative but in subsequent years India increased its export and maintained positive balance of trade.

Table: 2 India's Share in Global Import (in percentage)

Year	Live animals	Bovine meat	Dairy products	Goat meat	Sheep meat	Eggs	Hides and skins
1982'	0.1	0	11.3	0	0	0	0
1985'	0.1	0	8.9	0	0	0.1	0
1988'	0.2	0	4.7	0	0	0	0
1991'	0.1	0	1.7	0	0	0	0.1
1994'	0.1	0	0.5	0	0	0	0
1997'	0.1	0	0.4	0	0	0	0
2000'	0.1	0	0.8	0	0	0	0.1
2003'	0.1	0	0.4	0.4	0	0.3	0.1
2007'	0.1	0	0.4	0	0	0.4	0.1
2010'	0.1	0	0.1	0	0	0	0.8
2011'	0.1	0	0.2	0	0	0	0.8



During 2011, positive balance of trade was observed in trade of all

live animals except poultry and all livestock products except dairy products, wool & hair, hide & skin and swine meat. This may be due to the changing lifestyle, raise in income, taste and preferences.

Table:3 Trade in Live Animals - India

	1980			1990			2000			2010			2011		
	Export	Import	Net trade												
Quantity (count)															
Cattle and Buffaloes	24564	16	24548	19000	2054	16946	0	2015	-2015	26008	14049	11959	62901	19678	43223
Sheep and Goats	110670	7107	103563	8000	146599	-138599	0	21476	-21476	416343	300	416043	275367	0	275367
Pigs	0	0	0	19000	17100	1900	0	9754	-9754	3036	0	3036	4945	60	4885
Poultry (1,000)	418	2	416	437	0	437	5946	0	5946	368	109	259	188	79	109
Value (1000 \$)															
Cattle and Buffaloes	6573	6	6567	6000	72	5928	1	36	-35	894	544	350	1352	1242	110
Sheep and Goats	3659	52	3607	150	1838	-1688	0	153	-153	11390	98	11292	12218	0	12218
Pigs	0	0	0	380	450	-70	0	111	-111	71	0	71	120	2	118
Poultry (1,000)	149	29	120	123	0	123	1501	0	1501	575	2213	-1638	357	1808	-1451

Table:4 Trade in Livestock products - India

	1980			1990			2000			2010			2011		
	Export	Import	Net trade												
Quantity in tonnes															
Dairy products	321	30202	-29881	384	1058	-674	9897	1624	8273	28755	35539	-6784	16039	50057	-34018
Eggs, total	2218	0	2218	1524	0	1524	11344	23	11321	34861	144	34717	33915	315	33600
Swine meat	4	0	4	3	0	3	3	20	-17	2069	739	1330	612	1202	-590
Poultry meat	9	0	9	228	0	228	259	1	258	4313	148	4165	10548	124	10424
Natural honey	1	3	-2	0	0	0	1534	1163	371	22649	2405	20244	28940	859	28081
Sheep and Goat meat	1145	0	1145	8327	0	8327	11903	6	11897	14313	25	14288	10744	8	10736
Bovine meat	43057	0	43057	63361	0	63361	288027	0	288027	654624	0	654624	945935	0	945935
Meat offals	0	0	0	621	0	621	183	0	183	6952	0	6952	10910	0	10910
Hides and Skins	10	118	-108	0	11049	-11049	49	18179	-18130	1292	21601	-20309	1872	21323	-19451
Wool and Hair	40	18954	-18914	2490	34558	-32068	383	59651	-59268	1434	76562	-75128	2554	80059	-77505
Processed meat	2604	2	2602	175	0	175	137	13	124	637	221	416	598	383	215
Value in 1000 \$															
Dairy products	767	53964	-53197	627	2061	-1434	17415	2295	15120	74855	104817	-29962	26746	175369	-148623
Eggs, total	2657	0	2657	1154	0	1154	12741	40	12701	38790	576	38214	40761	1247	39514
Swine meat	18	0	18	17	0	17	2	115	-113	3538	2233	1305	1734	3917	-2183
Poultry meat	10	0	10	385	0	385	413	6	407	4716	237	4479	16015	455	15560

Natural honey	3	1	2	1	0	1	1810	1182	628	56214	3839	52375	76377	1625	74752
Sheep and Goat meat	1659	0	1659	17503	0	17503	17406	81	17325	60331	144	60187	54019	67	53952
Bovine meat	43901	0	43901	59709	0	59709	306199	0	306199	1696036	0	1696036	3E+06	0	2598158
Meat offals	0	0	0	547	0	547	301	0	301	10171	0	10171	19566	0	19566
Hides and Skins	57	51	6	0	30232	-30232	110	50860	-50750	3533	69796	-66263	4076	86548	-82472
Wool and Hair	71	50927	-50856	1096	109998	-108902	1073	105958	-104885	3503	245868	-242365	10409	385502	-375093
Processed meat	5212	7	5205	442	0	442	362	73	289	2303	642	1661	1021	1492	-471

CONCLUSION:

The present study was undertaken to study the share of India in livestock trade indicated that India has a major share in total global export among the products like bovine meat, Poultry products and Sheep and Goat meat. India's dairy products share in total global import was reduced from 1982 to 2011 but later imports have been increasing due to raise in income, changing lifestyles, etc. India increases its share of hides and skins import in global import from 1982 to 2011. During 2011, positive balance of trade was observed in trade of all live animals except poultry and also positive balance of trade was observed in trade of all livestock products except dairy products, wool & hair, hide & skin and swine meat. This may be due to the quality of products produced in the country falls below the internationally accepted standards. India lacks access to developed country markets due to their stringent food safety and quality standards. Intensive efforts are needed to meet the WTO's Sanitary and Phytosanitary (SPS) and Technical Barriers of Trade (TBT) agreements and Codex Alimentarius Commission guidelines on quality and safety. However, the domestic market would be the core market for most of the livestock products and in some instances, over-emphasis on trade in livestock products may lead to increased food insecurity for certain groups of people whose livelihoods largely depend on livestock rearing.

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