



Assessing The Trade Performance of Meat and Meat Products in India

KEYWORDS

Meat products – export performance - India

A. Serma Saravana Pandian

Assistant Professor, Department of Animal Husbandry Economics, Madras Veterinary College, TANUVAS, Chennai – 600007.

Dr. J. Shilpa Shree

Teaching Assistant, Dairy Science College, Hebbal, Bangalore

Dr. B. Jaya Varathan

Assistant Professor, Department of Animal Husbandry Economics, Madras Veterinary College, TANUVAS, Chennai – 600007.

Dr. N. Kumaravelu

Professor, Department of Livestock Production and Management, Madras Veterinary College, TANUVAS, Chennai – 600007.

ABSTRACT

Indian meat export has undergone expansion in the last two decades. In this study an attempt was made to analyse the growth pattern of export of meat and meat products in India. The time series data for twenty year (1991 – 2011) on export of meat products for India were collected from secondary sources. The data were analysed by compound growth rate analysis. Over years, the commodity composition of meat export depicted a highly skewed trend towards the bovine meat. The analysis of export of meat products showed that the export performance of bovine meat has registered the highest position (945935 tonnes in 2011). In terms of annual compound growth rate, meat offal registered a highest growth rate (40.14 per cent) followed by poultry meat (20.77 per cent). Decade wise analysis indicated that the export of swine meat, meat offal and wool and hair have shown a negative trend during the first decade while they have shown a positive growth rate during the second decadal period. During the first decade the growth rate of bovine meat export was the highest (12.68 per cent) while in the second decadal period export of meat offal registered the highest growth rate (41.58 per cent) followed by poultry meat (28.85 per cent).

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. 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. Consequently, the livestock sector has emerged as one of the important drivers of agricultural growth and diversification in India. The 12th Five Year Plan (2012-2017) and the National Agricultural Policy (2000) gave much focus on livestock sector to achieve the target growth rate of 4% in the agricultural sector. 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.

MATERIALS AND METHODS

Data Base for the Study:

The data used in this study were collected from various secondary sources. Time series data for twenty year (1991 – 2011) on export and imports (quantity as well as in value terms) of livestock products for the world and India were collected from Food and Agricultural Organization (FAO) of the United Nations, FAO trade statistics and FAO commodity Review and outlook. The data on top exporting and importing countries were collected from Agricultural and Processed food products Export Development Authority (APEDA), Ministry of Commerce and Industry, Government of India.

RESULTS AND DISCUSSION

TRADE PERFORMANCE OF LIVESTOCK SECTOR IN INDIA:

Export of livestock products from India have gained a considerable momentum since the early nineties chiefly because of liberalization of trade and several trade policy changes coupled with surge in international prices of many livestock based products (Bairwa et al. 2013). Export of livestock products in terms of quantities in India over a period of twenty years from 1991 to 2011 is given in Table 1. From this table 1, it could be inferred that the export performance of bovine meat has registered the highest position (945935 tonnes in 2011), followed by poultry products. Dastagiri, 2010 showed that meat products constituted the largest share in the total exports and he suggested that government should increase its spending to increase livestock production and which in turn will increase livestock export. Import of livestock products in terms of quantities in India over a period of twenty years from 1991 to 2011 is given in Table 2. India does not import bovine

meat. The import of dairy products has shown a fluctuating trend over the period of study. The import of sheep and goat meat had almost not take place, while the import of swine meat and poultry products had registered a

significant growth. India is a potential competitive exporter to Asia and the world. Trade liberalization will help to increase its producer surplus while decreases consumer surplus (Peng and Cox, 2006).

Table: 1 EXPORT PERFORMANCE OF LIVESTOCK PRODUCTS IN INDIA:
(Quantities in tonnes)

Period	Dairy products	Eggs	Swine meat	Poultry meat	Natural honey	sheep and goat meat	Bovine meat	Meat offals	Hides and Skins	Wool and Hair	processed meat
1991	2314	5794	0	215	0	7622	81459	2497	0	1964	191
1992	613	8188	7	139	1	7357	81614	468	0	1421	147
1993	1525	3595	58	212	166	11022	101666	10	0	131	183
1994	8204	6200	742	101	120	10819	116138	76	0	63	192
1995	3633	13175	1117	407	521	8613	159703	53	0	118	476
1996	930	13064	402	520	581	8692	157574	33	0	270	509
1997	1968	9382	252	344	752	7547	176329	95	0	418	240
1998	1067	10885	118	351	1609	8649	153956	32	1	178	242
1999	4627	9950	351	259	1921	12419	167292	62	0	167	1038
2000	9897	11344	3	259	1534	11903	288027	183	49	383	137
2001	21898	10486	770	58	3210	3494	243356	272	700	224	258
2002	15005	15128	1143	1041	6647	4973	297897	398	547	219	577
2003	7745	42319	640	6918	6964	16821	343817	1158	942	357	1012
2004	38006	48582	540	1822	10354	8885	306971	664	1166	408	257
2005	68128	58744	429	890	16769	7178	459937	730	1938	353	289
2006	41874	49070	1672	1072	8136	5482	494112	399	2077	256	752
2007	59910	67259	2019	1887	12231	7985	482925	833	6766	119	436
2008	52924	52409	931	1589	15588	37113	460031	3290	15564	390	336
2009	29254	44180	1414	1656	13311	52252	484689	6166	4945	1117	476
2010	28755	34861	2069	4313	22649	14313	654624	6952	1292	1434	637
2011	16039	33915	612	10548	28940	10744	945935	10910	1872	2554	598

Table: 2 IMPORT PERFORMANCE OF LIVESTOCK PRODUCTS IN INDIA:
(Quantities in tonnes)

Period	Dairy products	Eggs	Swine meat	Poultry meat	Natural honey	Sheep and Goat meat	Bovine meat	Meat offals	Hides and Skins	Wool and Hair	Processed meat
1991	2135	0	0	0	0	0	1	0	5281	30437	0
1992	9445	0	0	0	3	0	0	0	6146	44481	1
1993	2583	0	1	0	3	0	0	0	8529	63801	3
1994	998	0	0	0	162	0	0	0	11348	43180	0
1995	5128	0	0	0	185	0	0	0	10759	51679	0
1996	490	14	9	1	80	2	0	0	14270	65633	0
1997	804	11	0	0	0	0	0	0	13479	66145	0
1998	2004	5	1	0	23	0	0	0	16765	60496	1
1999	19193	69	2	0	27	32	2	0	19043	67911	1
2000	1624	23	20	1	1163	6	0	0	18179	59651	13
2001	1567	8	18	65	1098	4	1	6	15276	80849	138
2002	1766	387	59	17	3387	2	0	0	12119	81654	40
2003	12071	43	86	18	155	2	0	0	9288	91511	47
2004	2552	300	108	9	2605	8	84	0	8164	88136	34

Period	Dairy products	Eggs	Swine meat	Poultry meat	Natural honey	Sheep and Goat meat	Bovine meat	Meat offals	Hides and Skins	Wool and Hair	Processed meat
2005	2184	366	241	44	502	22	0	0	12627	95193	85
2006	3522	239	331	25	1008	9	2	5	19319	102881	76
2007	2620	294	652	54	2529	18	2	51	20235	95630	198
2008	3773	119	1156	63	2800	19	0	0	21876	67178	263
2009	8719	66	1520	61	1104	39	0	0	27553	69901	217
2010	35539	144	739	148	2405	25	0	0	21601	76562	221
2011	50057	315	1202	124	859	8	0	0	21323	80059	383

CONCLUSION:

Indian meat export has undergone expansion in the last two decades driven mainly by increased meat production, institutional interventions in meat processing and policy initiatives to bring down tariffs. The growth of export of meat and meat products are very higher compared to other livestock products. Over years, the commodity composition of meat export depicted a highly skewed trend towards the bovine meat. Domestic demand for bovine meat is being poor; the potential of this sector is to be expanded for realising the better growth in future too. Other potential growth areas are pig and poultry meat. The constraints affecting meat exports as livestock disease situation, abattoir facilities, slaughter house conditions, some social groups against meat exports, lack of grading and inspection system in meat trade and lack of pragmatic slaughter policies (Sachdeva, 2005). Compliance with food safety measures (FSM) has become an important issue in the trading of

livestock products. The emphasis on FSM is expected to increase further as a result of growing awareness about food safety, emerging diseases and increasing paying capacity of the consumers in both domestic and international markets. The cost of compliance, investment required, handling and processing and traceability of the products are some of the important issues that need to be addressed to enhance livestock exports. 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. To reduce the negative externalities of international trade in livestock products, incentives and support services should be structured to allow subsistence farmers and landless livestock farmers to participate in the livestock trade and reap the benefits of emerging opportunities.

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