



EXPLANATORY NOTES FOR THE REPORTS ON EXPORT QUALITY LIVESTOCK, LIVESTOCK PRODUCTS AND KEY FOOD COMMODITIES PRICES

The Livestock Marketing Information System (LMIS) is a scheme designed to collect and disseminate data from the 3 main livestock markets in Somaliland, **Hargeisa, Burao** and **Tog Wajaale**, the **Berbera** port terminus, the **Lowya Caddo** customs office and the **H-Foods** slaughterhouse in Burao. It is implemented by the Somaliland Chamber of Commerce, Industry and Agriculture, in collaboration with the Ministry of Livestock, Ministry of Commerce, Ministry of Finance, Municipalities of Hargeisa, Burao and Tog Wajaale, the Berbera Port Authority and the Healthy Foods (H-Food) Ltd., with the technical support of Terra Nuova.

Purpose

- To provide timely current information to livestock producers and traders about prices of different grades of export quality livestock, kids/lambs for the chilled meat export trade and key food commodities;
- To provide historical data (monthly, 4-monthly, annual) to relevant Somali policy makers, international organisations and other interested stakeholders.

Monitored Species

Market	Hargeisa	Burao	Tog Wajaale
Species	<i>Small Ruminants/Camels</i>	<i>Small Ruminants/Camels</i>	<i>Cattle/Camels</i>

Methodology

(At market level)

Data are collected twice a week, on Mondays and Thursdays. In each market the LMIS staff composes of: 2 senior brokers; 1 price collector, 1 municipality clerk.

The Data Manager, based in the Chamber of Commerce headquarters in Hargeisa on receipt of the data from the price collectors in the field, enters it into a central database. Once data is processed, relevant information is disseminated to the various stakeholders (via SMS, radio broadcasting, newspapers, manual dissemination of slips, Chamber of Commerce website, and monthly reports). Annual and 4-monthly bulletins are also produced with statistically validated data and trend analysis.

(At Berbera port)

Data are collected from export manifests and other records by the **Berbera Port Authority (BPA)**. Two data collectors from the Berbera Port Authority summarises data related to livestock and hides and skins shipments on a monthly basis and transmit these to the Data Manager in Hargeisa at the end of each month.

(At Lowya Caddo border post)

Data are collected from official records of the **Lowya Caddo customs office**. A data collector summarises data related to tax payments on a monthly basis and transmits these to the Data Manager in Hargeisa at the end of each month.

(At the H-Foods slaughterhouse)

Data are collected from official records of the **H-Food slaughterhouse**. A data collector summarises relevant data on a monthly basis and transmits these to the Data Manager in Hargeisa at the end of each month.





Data Collected

(At market level)

- **Prices of Export Quality Small Ruminants, Cattle and Camels:** Average market prices of export quality livestock are calculated by the two appointed brokers in each selected market on the basis of prices reported by at least 20 selected brokers engaged in export transactions. Prices are collected by the price collector in the mid of each market session at 10am in Hargeisa and Burao and 8am in Tog Wajaale. For small ruminants (sheep and goats) and camels a single price is collected for each of the different grades while for cattle (due to a higher variation) an average price range (minimum and maximum) is collected for each grade.
- **Price of kids and lambs for the chilled meat export trade:** Average market price of kids and lambs for the chilled meat industry are calculated by the two appointed brokers in each selected markets on the basis of prices reported by the brokers engaged in this specific transactions. These prices are collected by the price collector together with the others at 10 am in all the three markets. Usually lambs are not exceeding 10% of the transacted lots. A single price is collected for the only existing grade of this category of livestock.
- **Number of exporters active in the market:** The number of export traders (represented by the exporters or their agents) active in the market on the data collection day, is provided to the price collector by the 2 brokers in charge. It is used as a proxy for the demand of export quality animals. As a general indication for the Hargeisa and Burao markets the range is from 2 to 10 (mostly companies) while for Tog Wajaale 7-15 (mostly individual traders).
- **Exchange rate:** The average exchange rate (Somaliland Shilling and Birr versus USD) applied in the market on the data collection day is provided.
- **Number of animals marketed (export and domestic quality):** The daily number of animals traded in each market for the previous week (Saturday to Friday) is provided every Saturday by the Municipality Clerk for all species. Information is extracted from tax receipt records. Different receipts are issued for domestic and export purposes.
- **Retail prices of key staple food Commodities:** Average retail prices of selected staple food commodities are gathered by the price collector after consulting at least 4 retail outlets located in different parts of town and the main market where grains and flour are sold. This is considered representative since usually commodity prices are very similar in each area of town. Prices for sorghum, maize, wheat grain and wheat flour are taken for 1 “galan”, a traditional unit of measurement used in the markets in Somaliland for cereals and flour and it is approximately equal to 1.2 Kg. Prices refer to key food commodities purchased by livestock producers when trading livestock in the market. Therefore they refer to the most common brands available in the market at that particular time. Food commodity retail prices are used to calculate the terms of trade between export quality livestock and key food commodities to monitor the purchasing power of producers.

(At Berbera port)

Livestock data collected from the Berbera Port Authority (BPA) are as following: vessel name, vessel capacity (in tons), number of livestock loaded (divided by species), country of destination and date of shipment. This is provided for each vessel shipping livestock departing from the Berbera port.

Monthly discrepancies may appear between total figures for animals exported from Berbera port and the totals of export quality animals marketed in the 3 monitored livestock outlets. Differences of this type may be due to the time gap between market transactions and actual shipment from the Berbera port. Higher monthly transaction figures at market level, besides the explained time lag, may be due to animals being exported from port terminuses other than Berbera (e.g. Bossaso for small ruminants traded in Burao market). On the other hand lower transaction figures may be imputed to the contribution of transactions from livestock markets other than Hargeisa, Burao and Tog Wajaale such as Alley Badey and Borama (for cattle) and Erigavo and Las Anod (for small ruminants and camels). Small ruminants and camels traded in Erigavo and Las Anod markets are usually shipped from both Berbera and Bossaso port terminuses except during the period from June to October when due to the North-eastern monsoons the small port of Bossaso port remains off limit for dhows, unable to navigate with rough seas. This results in all export activities from the two markets converging to Berbera during that time.





Hides and skins data collected are as following: type of product (dry and wet blue hides), quantity and weight (in number and Kgs respectively) loaded (divided by species), country of destination and date of shipment. This is provided for shipments departing from the Berbera port and for those sent overland to Djibouti including their final destination market. Wet blue hides are processed in Somaliland by various tanneries (e.g. Hargeisa Batuun Tannery, Burao Tannery, Sahil Tannery and Jeromin Tannery).

(At Lowya Caddo border post)

Data are collected from the customs office and consist of dates and numbers of livestock crossing the border with Djibouti according to species.

(At the H-Foods slaughterhouse)

Data collected from the H-Foods slaughtering plant consist of date of shipment, number of carcasses exported, total dressed weight of exported carcasses (Kg), average carcass weight (per shipment in kg), selling price (per kg) and country/s of destination.

Grades and Standards for Export Quality Livestock and kids/lambs for the chilled meat export trade

Export Quality Livestock in Somaliland is graded into different categories having similar characteristics. Export trade is restricted only to male animals. Somaliland authorities (Ministry of Livestock, Trade and Commerce, Berbera Port Authority) enforce this policy to protect breeding stock.

Animals for export and for the chilled meat trade are sorted in different grades based on a combination of different levels of the following characteristics:

1. **Age:** Small ruminants are grouped into the following categories:

- **Young** (kids and lambs) (up to 12-15 months); these are locally termed **Jiqiiq** or **Dhaylo**. (These are either exported on order or transacted for the H-Food slaughterhouse).
- **Immature and mature animals** (from 2 years onwards). Small ruminants between 1 and 2 years of age are not traded for export.

Cattle are grouped as following:

- **Immature** (from 3 up to 4 years) termed **Cujuul**
- **Mature** (from 4 years and above) termed **Waaweyn**.

Camels are grouped as following :

- **Immature** (from 3 up to 6 years) termed **Qaalimo**
- **Mature** (from 8 years and above) termed **Waaweyn**.

Age is estimated through the following methods: visual appraisal of the body size (for all the species), horn ring counting (especially in cattle and goats), dentition (for all the species), visual appraisal of the wool in sheep (change of the coat and thickness of the wool fibres), and visual appraisal of the coat in camels (change of the coat).

- #### 2. **Body Condition:** This is defined as the proportion and distribution of muscles and fat around the body. The condition of an animal is estimated according to the extent of muscles and fat present in some specific anatomical parts allowing the visual appreciation of specific features of the skeleton. Key body parts and anatomical areas are: **neck, back, loin, rump, hips, hooks and pins, tail head, thigh and brisket** and are visually examined or palpated (especially in small ruminants) to assess body condition. The importance of these body parts in ascertaining body condition varies from species to species. The more such areas are covered and skeletal prominences, corners and edges are smoothed or rounded, the higher the scoring assigned to the animal. Two levels are identified for export quality small ruminants: **Fat** and **Normal**, three for cattle: **Excellent, Good** and **Fair** and two for camels: **Excellent and Good**. In pastoral production systems body condition cyclically changes during the year, being at its peak following the rains and progressively decreasing to reach the lowest level during the dry periods.





3. Conformation: This indicates the general build up, shape and outline of the body in terms of muscular versus skeletal development. This indicates the maximum value of commercial cuts and most desirable relationship between meat and bones. Conformation is assessed visually, considering proportions between skeletal size, muscle structure and soundness of feet and legs in order to establish the extent to which the animal's general appearance diverges from what is considered the desirable standard. Three levels are identified for small ruminants and cattle: **Excellent**, **Good** and **Fair** and two for camels: **Excellent and Good**.

- Excellent: (tall animals, with large frame and long and straight rump, loin and back, large heart girt and correct legs and feet and free from problems/defects. In camels the length of the body is highly valued.)
- Good: (animals not as tall as the ones with excellent conformation with smaller frame, shorter rump, loin and back, smaller heart girth and correct legs and feet, free from problems/defects. In camels these are animals with a body not as long as the ones with excellent conformation.
- Fair: (animals showing some problems/defects such as: being very short and small framed, shallow in depth of body and with a small heart girt in relation to the overall body size, steep/sloping rump, easy top line, high flanks, paunchy under line, loose brisket, and with feet and legs defects such as being post-legged, buck-kneed, cow-hocked, toed out in their front feet, etc.)

The adopted grading system has been validated by key stakeholders of Somaliland livestock industry (Chamber of Commerce, Ministry of Livestock, Ministry of Commerce, Municipalities of Hargeisa, Burao and Gabiley, and representatives of brokers).

Live Body Weight (**LBW**) is not officially considered in market transactions. Livestock in Somaliland is traded on a per head basis and not on live body weight. Scales are never used in livestock markets. LBW is only visually estimated by expert agents (traders and brokers) on informal ground.

Statistical Validation

Data used in the 4-monthly and annual reports (i.e., prices, quantities, exchange rates and livestock exports) are subjected to statistical evaluation, before being accepted as valid. This is undertaken using the following formula:

$$(\bar{x}_i \pm 2\sigma)$$

where \bar{x}_i refers to item being analysed

That is to say, for every entry the mean for the period plus or minus two standard deviations is considered a precise estimate. All entries falling outside this range are considered "outliers" or imprecise estimates. The outliers are subsequently investigated individually for possible source of error during data collection, handling and entry process. Where possible, appropriate correction is done by the data manager to rectify the errors.

For data collected during the *Ramadan/Xaj* period, where high variations in quantities and prices easily occur, the interval is set to 1.5σ to increase the accuracy in validation.





SOMALILAND CHAMBER OF COMMERCE, INDUSTRY AND AGRICULTURE

In Collaboration with Min. of Livestock, Min. of Commerce, Min. of Finance, Municipalities of Hargeisa, Burao, Tog Wajaale, Berbera Port Authority and H-Foods Ltd.

Summary tables for different grades of export quality small ruminants, camels and cattle are attached.

• Small Ruminants

Code	Grade	Species	Age (years)	Body Condition	Conformation
*AD1	1 st	Sheep	3-4 ¹	Fat	Excellent
		Goats	4-5 ²	Fat	Excellent
*AD2	2 nd	Sheep	2 ³	Fat	Good
		Sheep	3 ³	Normal	Good
		Goats	3 ⁴	Fat	Good
*AD3	3 rd	Goats	4 ⁴	Normal	Good
		Sheep	2	Normal	Fair
*AD3	3 rd	Goats	3	Normal	Fair
		Goats/Sheep	0.8 – 1 ⁵ year	Fat	Excellent

¹ Males of 2 and 5 years of age can be occasionally of grade I quality but statistically constitute a negligible fraction of the group. Only very well developed and fat 2 year old males can at times be included and 5 year old males are rarely found because they are considered too old.

² Males of 3 and 6 years of age can be occasionally of grade I quality but statistically constitute a negligible fraction of the group. Only very well developed and fat 3 year old males can at times be included and 6 year old males are rarely found because considered as too old.

³ Occasionally also animals of 4 and 5 years of age with a NORMAL nutritional status can be of grade II quality, however their number is statistically very low.

⁴ Occasionally also males of 4 and 5 years of age with a NORMAL nutritional status can be of grade II quality, however their number is statistically very low.

⁵ Occasionally males of 13 to 15 months of age can also be included, especially during prolonged dry spells for their higher resistance during the shipment and for better achieving the required 6-7.5kg carcass dressed weight required by the H-Food slaughterhouse.

* AD = Adhi (Small ruminants)

** JQ = Jiqiiq (Kids and lambs for export trade and chilled meat industry)

• Camels

Code	Grade	Species	Sex	Age (Years)	Body condition	Conformation
*Wa	1 st	Mature camels	Male	8 ¹ -13 ²	Excellent	Excellent
*Wa	2 nd	Mature camels	Male	8 ¹ -13 ²	Good	Good
**Qa	1 st	Immature camels	Male	3-6 ³	Excellent	Excellent
**Qa	2 nd	Immature camels	Male	3-6 ³	Good	Good

(continue Camels)

¹ 7 year old animals can be included in the “mature” category if fully grown and developed; otherwise they are classified as “immature”. For this reason such age group is considered as “intermediate” between the mature and immature categories and called “Dhexe” in Somali. At times exclusive orders are placed from importing countries for 7 year old animals according to the demand.

² 14 and 15 year old males can be included as well. These are either breeding bulls or packing animals at the end of their career but their number is statistically low.

³ 7 year old animals can also be classified as “immature” according to their growth and development stage.

* Wa = Waaweyn (mature camel)

** Qa = Qaalimo (immature camel)

• Cattle

Code	Grade	Species	Age (years)	Body Condition	Conformation
*LO1	1 st	Mature Cattle	6-8 ¹	Excellent	Excellent
*LO2	2 nd	Mature Cattle	5-8 ²	Good	Good
*LO3	3 rd	Mature Cattle	5-7 ³	Fair	Fair
*CJ1	1 st	Immature Cattle	3-4 ⁴	Excellent	Excellent
*CJ2	2 nd	Immature Cattle	3-4	Good	Good

¹ Occasionally 5 years old males can be of 1st grade quality if extremely good, however their number is statistically low. Males of 9 and 10 years of age can achieve at times grade I quality. These are bulls at the end of their reproductive career and their number is statistically low.

² Males of 9 and 10 years of age can achieve at times grade II quality. These are bulls at the end of their reproductive career and their number is statistically low.

³ Males of 8 years of age are sometimes found in this grade; however they are statistically very few. These are bulls showing some defects and not previously culled at younger age.

⁴ Sometimes young bulls of 2.5 years of age in excellent condition and conformation can reach this quality, however they are statistically very few.

* LO = Lo' (cattle mature)

** CJ = Cujiuul (immature cattle)



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