

A brown cow is grazing on a dirt path in a rural, hilly landscape. The path is made of dirt and is surrounded by green grass and trees. The background shows rolling hills and a clear blue sky. The cow is the central focus of the image, and its presence on the path suggests a rural or agricultural setting.

# **Insights from a study of cross-border cattle movement in the GMS**

**Tom Weaver, CASP2, Pingxiang, March 2018**

**Livestock are essential to the majority of GMS farming systems, especially with the threats of climate change**



**Draft**

**Manure**

**Cash income**

**Savings**

# **Beef demand**

**Has rocketed in the PRC and expected to remain high**

**Growing in the lower GMS with increasing household incomes**

# **Beef supply**

**PRC is undersupplied due to household incomes, mechanization and limited available land**

# Chinese beef trading prices (USD/kg), 2001-2018



Source: <https://tradingeconomics.com/commodity/beef>

# That means busy markets



# Recent development of modern feedlots



# Lots of animals need lots of feed



# Rewards

**Fattening for 2-3months = 100-120kg LW gain**

**Profit ~600-1000RMB/head**

**(only really feasible at a scale of 200head+)**



**One feedlot for 800head can provide a substantial income to 80-100 smallholders supplying fodder e.g. maize**

**Chinese consumers are getting the meat they want, feedlots are making healthy profits, and lower GMS households are getting better prices for stock**



# But there are risks

**Transboundary animal diseases – most notably FMD**

**Foodborne hazards**

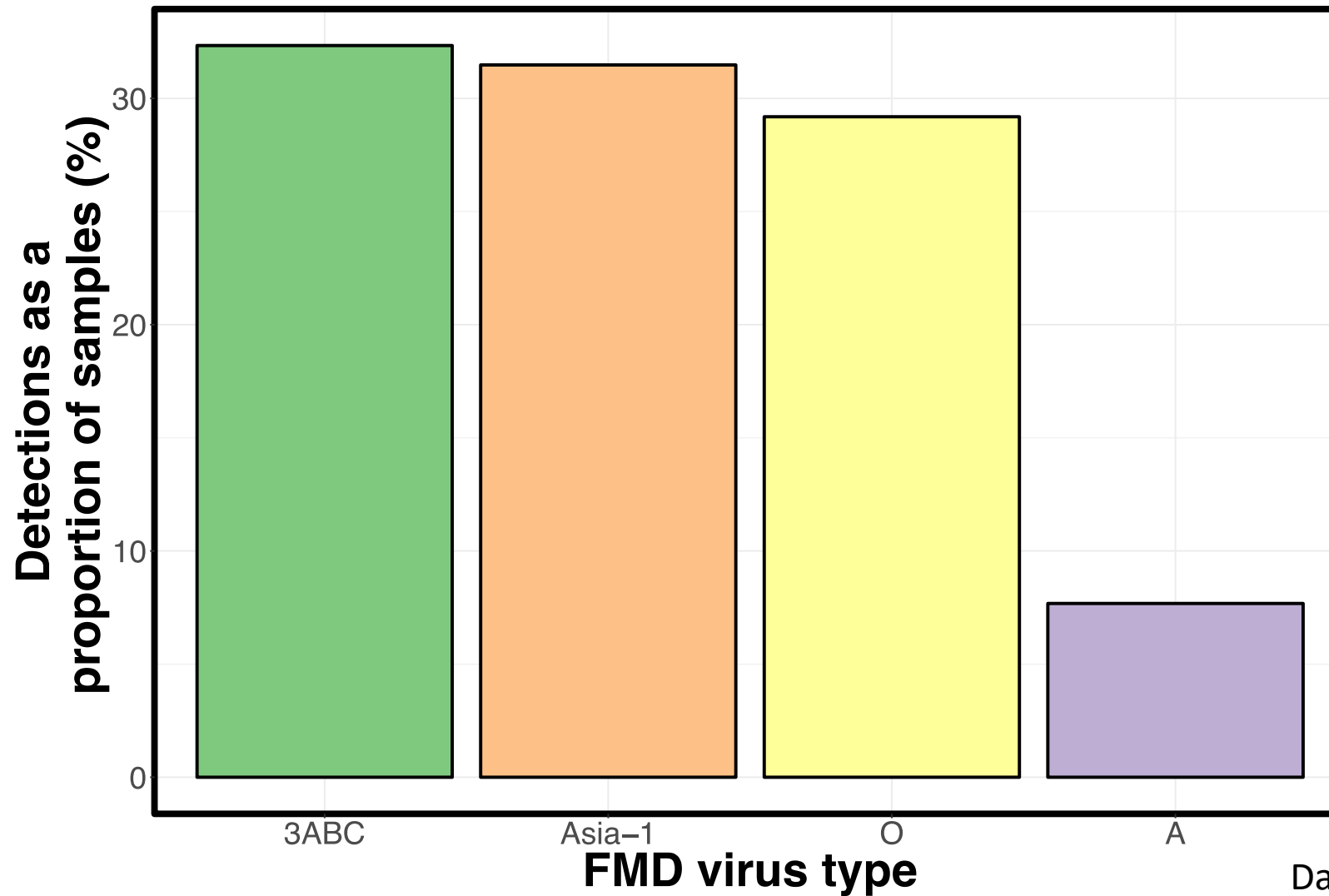


Source: <https://www.tasmanianregions.tas.gov.au>



Source: CDC 2014

# FMD exposure

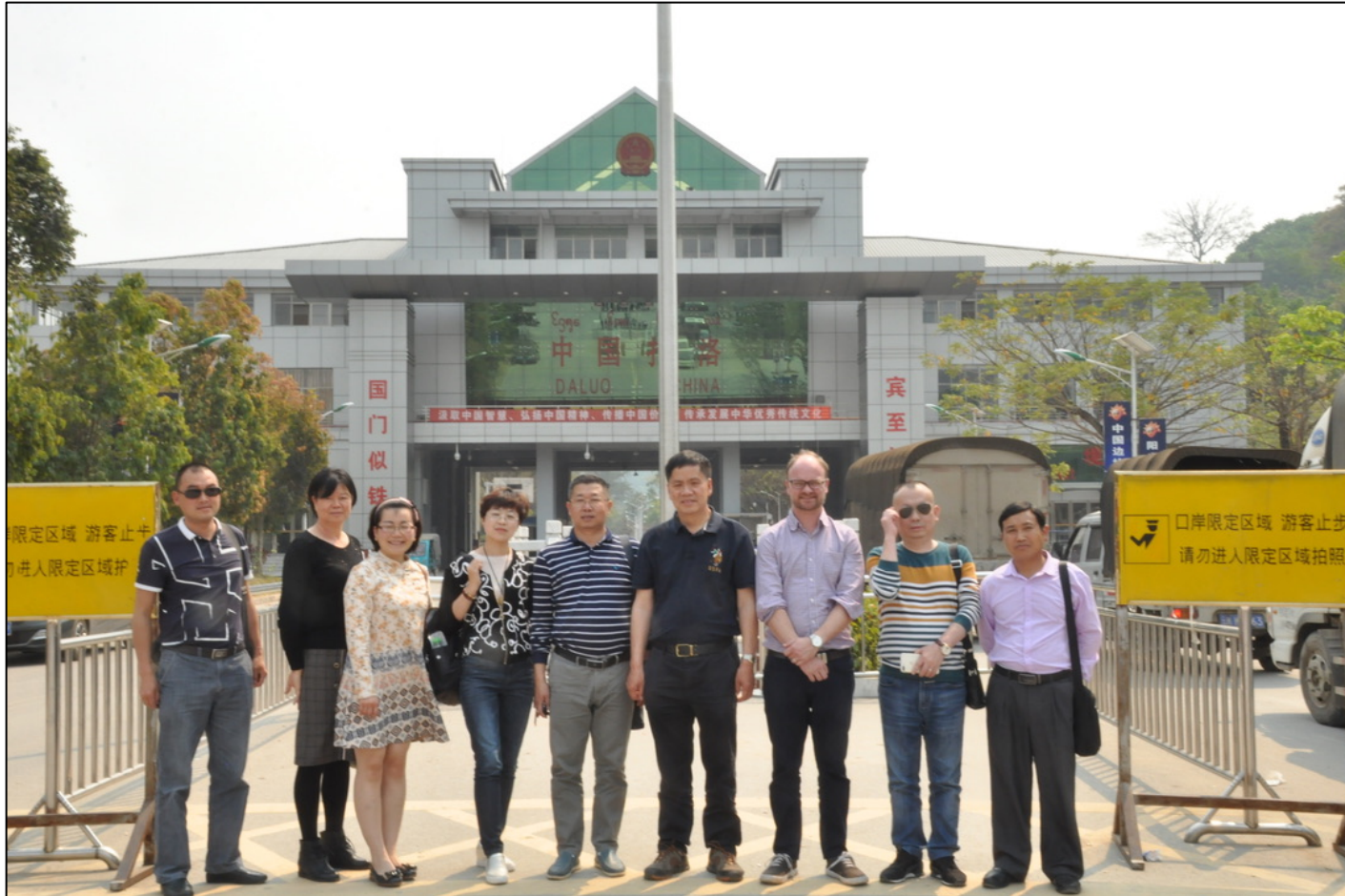


Data sourced from YASVI 2016

**Live animal imports in  
these areas are currently  
illegal**

**But...**

# Border points

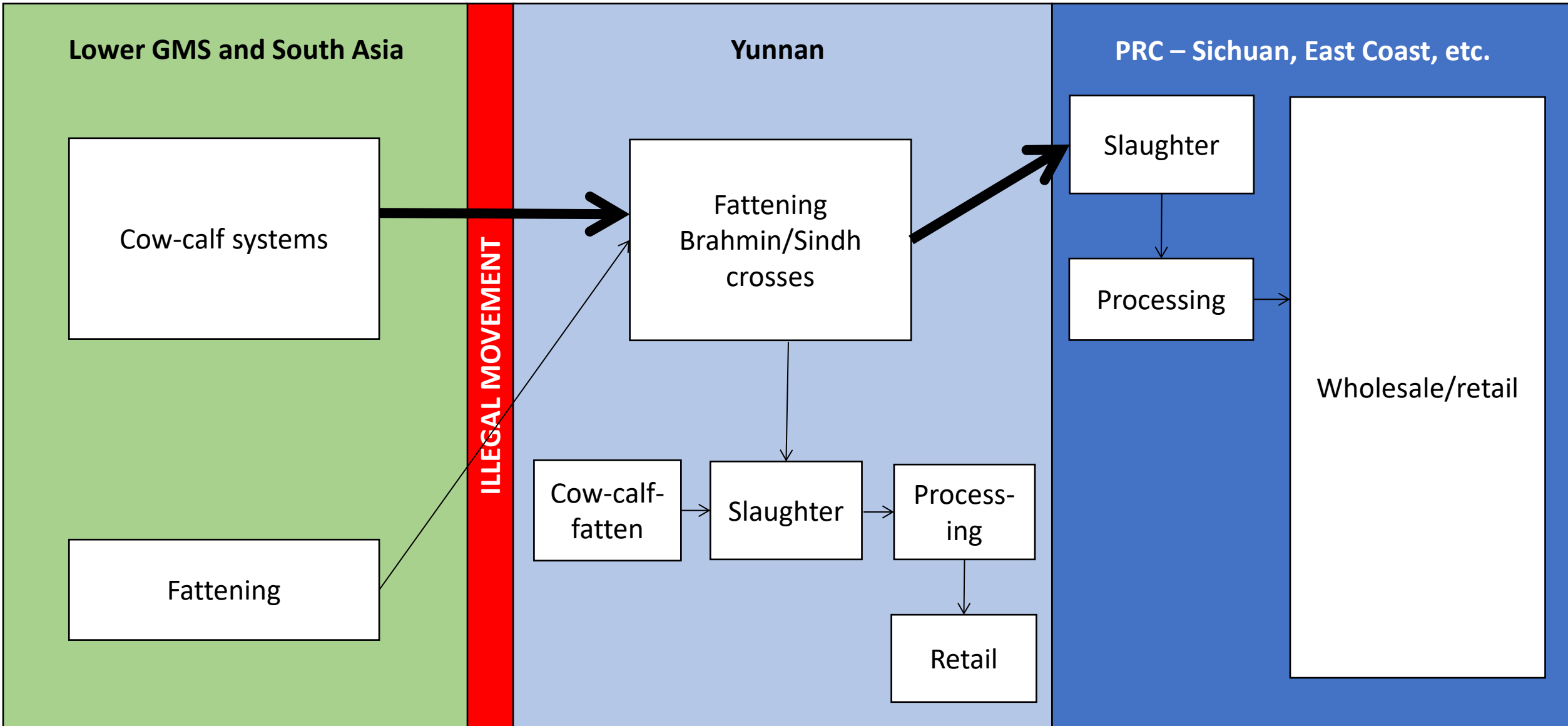


# Movement patterns into Southern PRC



**Conservatively  
, 1 million head  
of  
cattle/buffalo  
cross the  
border into  
Yunnan alone  
each year**

# Current value chains



**What might safer, more  
sustainable value chains  
look like?**

**Lower GMS and South Asia**

Cow-calf systems

Fattening

**LEGAL MOVEMENT**

**Yunnan**

Fattening – primarily  
Brahmin/Sindh crosses

Slaughter-  
evisceration/  
boning-out-  
chilling

Retail

Cow-calf-  
fatten

Slaughter

Processing

**PRODUCT ONLY**

**PRC**

Sichuan, East Coast etc.

Wholesale/retail



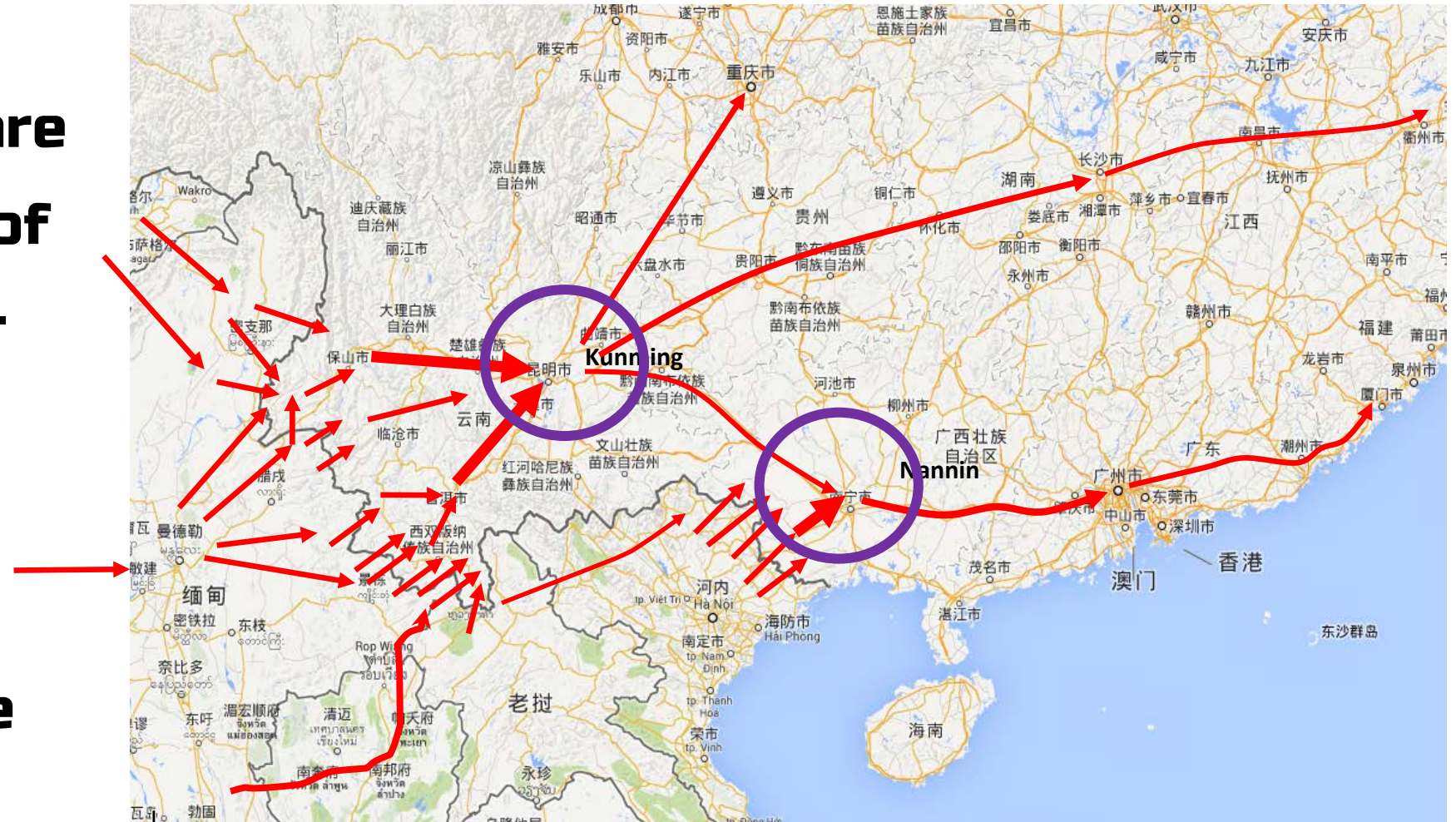


# Benefits

- **Chinese consumers get the beef they want**
- **Chinese government get improved food safety, reduced TAD risk and taxes**
- **Chinese businesses get animals to fatten, slaughter and profit from**
- **Smallholders in the lower GMS and Yunnan get improved livelihoods – by supplying grower stock and feed**
- **All GMS countries are able to manage disease and foodborne hazard risks and benefit from increased trade in a valuable product**
- **Concentration and specialization can spur improved waste management, addressing climate change**

# But why will this work?

Unlike the borders there are only a handful of main thoroughfares from Yunnan and Guangxi to the greater Chinese market



# How can this be achieved?

- (1) Work to legalize movement**
- (2) Establish animal disease control zones**

**This will facilitate:**

**Private sector investment in feedlots, slaughtering and cold chains**

**Improved traceability**

**More effective routine surveillance, outbreak responses and control of TADs  
and foodborne hazards**

# **What investments are needed from governments and donors?**

**Market infrastructure**

**Extension in lower GMS countries**

**Support for feedlot development in lower GMS countries**

**Coordination, technical capacity building and facilitating sample/data sharing between countries**



**Thank you**