

**Review of  
the Poultry Sector  
in Turkmenistan**

**Case Study**

**Smallholder Proposal**

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## **Conclusions**

It is unreasonable to expect poultry production in Turkmenistan to achieve international competitiveness during a short period of time. However, with a few essential improvements it should be possible to improve the present production efficiency by more than 100 %.

The sector comprises specialised State poultry farms, Collective farms and some private poultry farms. 95 % of the poultry population are layer hens and the remaining 5 % are ducks.

The State and Collective farms utilise only about 30 % of their capacity mainly due to limited supply of feed. Productivity is low; on average approximately 100 eggs per hen per year.

## **Recommendations**

The report makes a number of recommendations of which the most important are:

1. To make it attractive for foreign technology partners to establish a joint venture cooperation with the larger farms including the new planned broiler farms.
2. To reorganise the State Layer Farms by establishing a Central Breeding and Hatchery Farm with the objective to supply other large layer farms with sexed day old chicken for production of table eggs.
3. To create an infrastructure which makes it possible for the private sector to grow. It is recommended, on a pilot basis, to establish a smallholder model for the development of the private sector.
4. To reorganise the feed supply sector. It must be stressed, that until a stable supply of quality feed is established, it is senseless to develop the poultry sector.
5. To provide an outline design, specifications and production guidelines for smaller semiautomatic poultry processing plants to be implemented where and when it is needed.
6. To provide systems to improve the micro climate inside the poultry houses.

## **Main Findings**

The poultry sector is divided into three groups of poultry holders i.e. State farms, Collective farms and a few private poultry operations. There is one State Broiler Farm only, but it is not in operation due to an outbreak of New Castle Disease.

Ducks are the only specialised production of poultry meat, but the selling price of duck meat is not higher than that of chicken meat.

The 10 State Farms account for approximately 40 % of the production and the Collective farms close to 60 %.

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State layer farms are equipped with layer cages and non-functioning cooling systems.

The collective farms use a free-range production system with manual feeding and no cooling system. The productivity of these farms seems to be even lower than that of the State farms.

There is very limited information available regarding the private sector. However, some farms exist and it seems that productivity there is higher than in the State and the Collective farms.

The few poultry processing plants existing are not in operation and are an integral part of the State farms. The largest one is in a very bad condition from a maintenance as well as from a hygienic point of view.

State purchases of eggs from the Public farms have dropped by 73% from 217 million eggs in 1990 to 59 million eggs in 1994. There has also been a decline in the purchases of poultry meat by 43% from 8,800 tonnes in 1990 to 5,000 tonnes in 1993.

The consumption of eggs has declined by 25% from 101 eggs per capita per year in 1990 to 75 eggs in 1993. From 1990 to 1993 the consumption of poultry meat is roughly estimated to have been 1 kg. per capita per year. In 1994 it increased to some 3.5 kg. due to import of larger quantities from the USA.

### **Constraints**

The three main constraints of the poultry sector are:

1. Feed supply, quantitatively as well as qualitatively
2. Health situation
3. Management and operation skills
4. Infrastructure for privatisation

### **Proposed Pilot Project**

When developing a private sector it is essential to create an environment in which farmers are encouraged to invest in poultry operations. It is proposed to establish a pilot programme in an area with 1,000 to 2,000 families connected to collective farms, of which approximately 100 families are selected to participate in the programme.

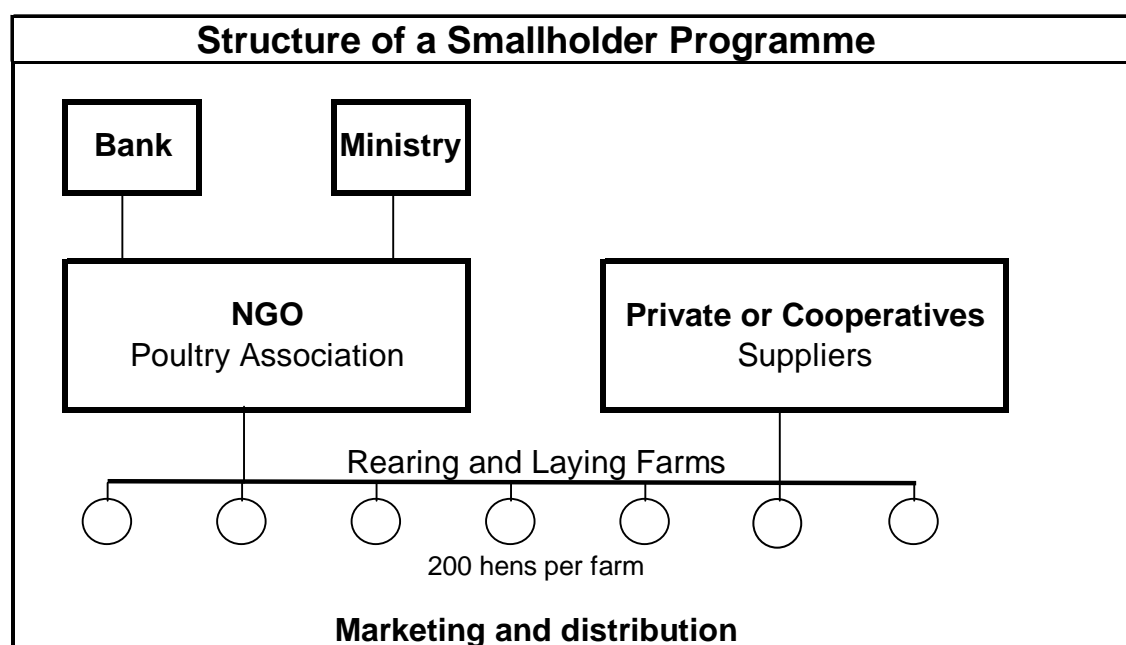
The pilot project comprises:

1. An organisation, probably an NGO (None Government Organisation) to set up the project. This organisation might later be reorganised to form a Poultry Association for Private smallholders.
2. A supply operation for providing day old chickens, feed, medicine, vaccine and technical assistance for the establishment of small poultry farms.
3. Approx. 100 poultry holders with 200 hens each.

The pilot project is estimated to last for a 3-year period. If the results are promising, the same model can be implemented in other areas. With an implementation rate of one new "association" per month the layer population will increased by 200,000 layers in one year, equal to the number of hens in 2 State farms.

### Project Outlines and Justifications

The rationale behind the project is that the existing big poultry enterprises, even renovated, probably will continue to operate on a low production level. Furthermore, the farms are not easy to privatise due to their large integrated set-ups. The advantages of having a system in which the supply enterprises are separated from the primary production are the employment opportunities. The collective members get the opportunities to start a animal production in their exiting facilities with a very low investment In the figure is illustrated the institutional set-up for a small scale poultry sector.



The development strategy is to initiate establishment of a pilot project probably close to Ashgabat. The pilot project will comprise an NGO responsible for implementation and administration of the set-up and family operated hatcheries to be the suppliers of inputs to 100 small layer farms and 7 rearing farms.

In the initial phase, the NGO shall also be responsible for the credit administration, either in cooperation with an existing bank or a district bank.

The NGO can later be converted into a Poultry Association and be responsible for implementation of similar associations in other areas.