

INCREASED FUNDING FOR THE

FEDERAL MINISTRY OF LIVESTOCK DEVELOPMENT IN NIGERIA



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INTRODUCTION

The livestock industry in Nigeria, valued at over ₦30 trillion, has underperformed in recent years, but has immense potentials and capacity to transform the national economy. This estimate compares with the revenue of ₦50.88 trillion from petroleum resources in 2024. In July 2024, the President, His Excellency, President Bola Ahmed Tinubu proclaimed the establishment of the Federal Ministry of Livestock Development, and this single proclamation underscores the administration's commitment to revitalizing the sector, improving livestock production, and addressing the plethora of long-standing challenges like the land use and farmer-herder conflict, veterinary infrastructural deficits, lack of access to veterinary inputs and services, and challenges with feeds among others. These challenges cost the country at least an estimated \$14 billion annually. In particular, despite the critical role of the livestock industry in agriculture, and its contribution of approximately 9% to the agricultural GDP (and 1.7% to national GDP) the livestock industry remains significantly underfunded (FAO, 2019). This is exemplified in the recently released inaugural budget of the recently formed Ministry of Livestock Development.

In the proposed national budget of ₦49.74 trillion for 2025, the Ministry of Livestock Development has been allocated ₦11.8 billion, a paltry 0.02% of the total national budget and just 1.8% of the allocation to the Federal Ministry of Agriculture and Food Security. This disproportionate funding appears inconsistent with the Administration's commitment to the livestock industry and undermines the sector's potential to address critical challenges such as food insecurity, unemployment, livelihoods and economic stagnation. For instance, the poultry sector alone employs about 14 million people in direct and indirect employment.

Comparatively, while Nigeria allocates about 2% of its budget to the agricultural sector (including the 0.02% to the Livestock industry), Botswana allocated 6.8% and Zambia allocated 7.1% of the total budget to agriculture, fisheries, and livestock interventions, out of which a significant percentage (60.1%) will go to the Farmer Input Support Programme (FISP), which has a large livestock component. While Kenya allocated approximately 2.1% of its national budget to the agriculture sector, a total of 12.5% of this allocation is dedicated to the livestock industry and livestock development. These countries have thriving livestock industries with significant export



potentials in beef, poultry, milk, eggs, and other by-products associated with the industry (See Table 1 below).

Table 1. Comparison of selected countries in terms of agricultural budgets and contributions to national GDP

Country	Agriculture Budget allocation (including livestock)	Contribution of livestock to national GDP	Contribution of livestock to agricultural GDP	Export earnings from livestock	Human population estimate (mid-2024)
Nigeria	2.02% (1.8)	1.7%	9%	21% (US\$99.8 million)	229.68 million
Zambia	7.1% (> 15)	3.2%	42%	0.4% (US\$891,000)	21.31 million
Botswana	6.8%	3.2%	80%	4% (US\$80.1 million)	2.56 million
Kenya South	2.1% (12.5)	10%	50%	2% (US\$1.5 billion)	56.43 million
Africa	2.1% (NA)	≈ 1.0%	47%	10% (US\$12.0 billion)	63.02 million

NA = Not available at the time of the analysis. It should be noted that South Africa has a well-structured vertically integrated private sector-led livestock industry. Hence the government budget contribution is therefore a small percentage of the annual spending in the agriculture sector and livestock industry. The export earnings percentages are also in comparison to the total export per each country

From the table above, it can be deduced that Nigeria currently grossly underutilizes its livestock-related human resources and agricultural potentials. There appears to be a correlation between a well-funded and sustained livestock industry on one hand and its productivity and export capacities on the other. With immense potential for employment generation, livelihood change and immense contribution to food security, and with opportunity for sectoral growth in the livestock industry, a well-funded dedicated ministry and a better-organized livestock industry would be desirable to catalyze the potentials associated with the industry.

Nigeria’s Livestock Sector: A Sleeping Giant

Based on the 2022 estimates, Nigeria’s national herd includes 20.9 million cattle, 49.1 million sheep, 88.2 million goats, 9.2 million pigs and 258.5 million poultry (FMARD, 2017; Agramondis, 2024). However, the sector is largely dominated by smallholders and nomadic herders who lack market orientation and access to modern resources.

With a human population projected to reach ≈ 400 million by 2050, the demand for livestock products and in particular animal-sourced foods will surge exponentially. Currently, food importation costs the country a whopping \$3 – 5 billion annually, with approximately \$1.3 billion spent on milk alone and with a population where approximately 45% do not consume the recommended daily animal protein intake, the catalyzation of the livestock industry is necessary (2020 Nigerian Protein Deficiency Report). It is therefore important to consider the urgency of building a robust livestock economy.



The Cost of Neglect

Considering the cost of underfunding of the industry, the consequences will include the following:

1. Food Insecurity and Malnutrition

- Nigeria already struggles with food insufficiency, and livestock products (meat, milk, eggs) are critical sources of protein and essential nutrients. Underfunding leads to low productivity, reducing the availability of animal protein,
- worsening malnutrition, especially among children and pregnant women.

2. Increased Dependence on Imports and utilization of scarce forex on importation

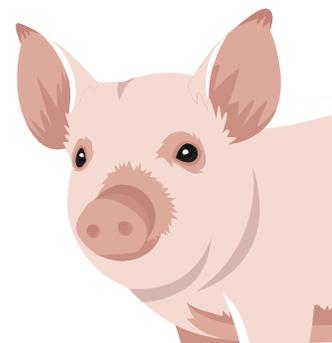
- With low local production, Nigeria increasingly relies on costly imports of livestock products, straining foreign reserves.
- Imported meat and dairy products are often more expensive, making them unaffordable for many Nigerians.

3. Unemployment and Rural Poverty

- The livestock sector provides jobs for millions, including farmers, herders, feed producers, and traders.
- Underfunding means fewer opportunities for employment, worsening poverty, particularly in rural areas.

4. High Cost of Livestock Products

- Low investment leads to poor breeds, inadequate veterinary services, and lack of modern equipment, increasing production costs.
- These costs are passed on to consumers, making animal protein less accessible to the average Nigerian.



5. Low Productivity and Disease Outbreaks

- Limited funding restricts research, veterinary care, and disease prevention measures. This results in frequent outbreaks of diseases like foot-and-mouth disease, avian influenza, and anthrax, leading to livestock losses and economic setbacks.

6. Farmer-Herder Conflicts

- Poor investment in ranching and modern livestock systems forces herders to rely on open grazing. This often leads to conflicts with farmers over land, exacerbating insecurity and displacing communities.

7. Continued Decline in Export Potential

- Nigeria has the potential to export livestock products to other African nations, but low investment means it cannot compete internationally.
- Poor quality standards and lack of infrastructure limit the country's ability to tap into global markets.

Advocacy for Increased Funding

The Federal Ministry of Livestock Development requires a matching budgetary allocation that aligns with not only the economic contributions and potential of the industry, but with the projected growth expected in the industry. Drawing inspiration from other African countries doing well in the livestock industry, Nigeria should aim to allocate at least 10 –15% of the agricultural budget for the next 5 – 10 years to the livestock sector. This increase should enable the:

- Development of modern production systems
- Access to veterinary care, technology, and improved genetics
- Sustainable resolution of farmer-herder conflicts
- Empowerment of women and youths through livestock value chains
- Strengthened export opportunities and economic diversification



Conclusion

The revitalization of Nigeria's livestock sector is not only possible but essential. If Nigeria is serious about meeting the protein needs of its population and reducing the dependence on imports, prioritizing funding for the livestock industry is crucial. By adopting some of the positive model of strategic investment in the livestock industry in the countries exemplified above, Nigeria can unlock the untapped potential of its livestock sector, achieving sustainable development, enhanced food security, and economic prosperity. The time to act is now.

