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Sheep Trade in Syria

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Introduction

Marketing of livestock and their products has long been an essential component of rural income generation, and currently sheep is one of the most profitable commodities in Syrian export. The majority of Syria's livestock population consists of sheep and goats of mainly indigenous breeds - multipurpose animals that are raised for meat, milk, and wool.

Syria covers an area of 18.6 million hectares. About half of Syria's land mass is classified as pasture (Al-Badia, covering 8.3 million hectares), providing an estimated 15% or more of the national sheep flock's nutritional requirements in a normal rainfall year.

The agriculture sector accounts for 26% of Syria's GDP. Livestock provides over 34% of the total value of agricultural production, and contributes 17.7% of the value of agricultural exports. The livestock industry also provides employment to approximately 20% of the national workforce, and is the main source of income and livelihood for Bedouin herders. In 2004, the total number of animals was estimated at around 17.5 million sheep, 1.1 million goats, and 1.0 million cows.

World Sheep Trade

In 2003, the main sheep exporters were Australia 29%, Sudan 16.1%, Romania 10.9%, Hungary 5.9%, and Syria 5.7%, which together accounted for 68.3 % of the total world exports value.

Table 1 - The Five Top Sheep Exporting Countries in the World, 2003

Year	Countries	Exports/value(1000\$)	%
2003	World	752176	100
	Australia	222905	29.6
	Sudan	120965	16.1
	Romania	81928	10.9
	Hungary	44432	5.9
	Syria	43231	5.7

Source: FAOSTAT

On the other side, the top sheep importers in the world in 2003 were Saudi Arabia 38.9%, Italy 10.2%, Kuwait 9.5%, Lebanon 6.1%, and Greece 3.8 %. Together they accounted for 68.4% of sheep world imports.

Table 2 - The Five Top Sheep Importing Countries in the World, 2003

Year	Countries	Imports/value(1000\$)	%
2003	World	1003317	100
	Saudi Arabia	390000	38.9
	Italy	101972	10.2
	Kuwait	95000	9.5
	Lebanon	61108	6.1
	Greece	38324	3.8

Source: FAOSTAT

Sheep Trade in the Arab Countries

In 2003, the Arab countries accounted for 24.0% of the total world export and 65.9% of the total world import value of sheep, while Syrian sheep export and import to world were 5.7% and 0.8% respectively. In 2003, the main exporters of sheep in the Arab countries were Sudan 67%, Syria 24%, Jordan 8%, Saudi Arabia 1%, and Egypt 0.2%. Together they accounted for 99.7 % of the total Arab countries sheep exports value.

Table 3 - The Five Top Sheep Exporting Arab Countries, 2003

Year	Countries	Exports/ value(1000\$)	%
2003	Total Arab Countries	180649	100.
	Sudan	120965	67.2
	Syria	43231	24.0
	Jordan	13623	7.6
	Saudi Arabia	1931	1.1
	Egypt	346	0.2

Source: FAOSTAT

On the other side, the top importers of sheep in Arab countries in 2003 were Saudi Arabia 59%, Kuwait 14%, Lebanon 9%, Jordan 4%, and Bahrain 3%.

Table 4- The Five Top Sheep Importing Arab Countries, 2003

Year	Countries	Exports/ value(1000\$)	%
2003	Total Arab Countries	661882	100.0
	Saudi Arabia	390000	58.9
	Kuwait	95000	14.4
	Lebanon	6108	9.2
	Jordan	24744	3.7
	Bahrain	19744	3.0

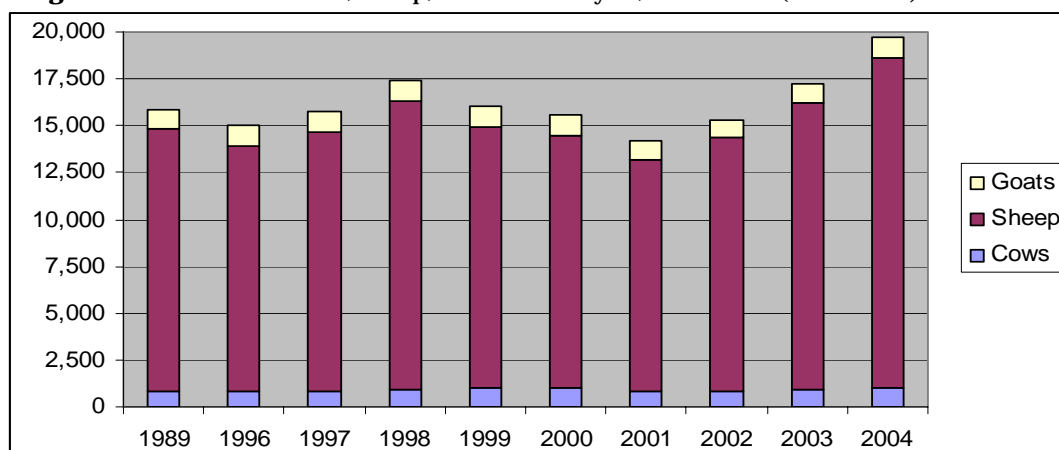
Source: FAOSTAT

Sheep Population in Syria

Rainfall and price have a major impact on sheep feed availability, and thus the strength of the sheep population in Syria. Thus, in the years 1999-2000, because of the drought, the sheep population decreased below 1989 levels due to the overselling of females and lower rates of fertility. The number of sheep fell from 15.4 million head in 1998 to 13.5 million head in 2000 and then down to 12.3 million head in 2001.

The data in the following chart illustrate the development of the goat, sheep, and cow populations. There was a negative trend that prevailed from 1998 until 2001, and then the numbers started growing again during the following years. The growth in the sheep population was the greatest in 2004, when it accounted for 89% of the total livestock population

Figure 1 – Number of Goats, Sheep, and Cows in Syria, 1989-2004 (Thousands)



Source: MAAR, Annual Agricultural Statistical Abstract.

In 2004, cow's milk accounted for 64% of the total milk supply, and sheep milk accounted for 32.4%. In the same year, sheep meat accounted for 75% of total domestic production of meat.

As the livestock population expanded from 2002 (as seen in Figure 1), production of the main livestock products also grew (see Table 5, below).

Table 5 - Milk and Meat Production in Syria, 1989-2004

Years	Milk Production (1000 Ton)				Meat Production (1000 Ton)			
	Sheep	Cows/ Buffalo	Goats	Total	Sheep	Cows	Goats	Total
1989	439	778	60	1277	113	30	6	149
1990	497	771	63	1331	114	32	6	152
1991	513	799	58	1370	124	33	5	162
1992	512	776	62	1351	113	29	5	147
1993	437	743	64	1244	92	29	6	127
1994	395	764	67	1227	120	30	5	155
1995	454	889	71	1414	131	34	6	171
1996	499	934	75	1508	143	40	7	190
1997	524	1009	77	1610	148	42	5	195
1998	582	1119	79	1780	154	43	6	203
1999	446	1144	66	1656	177	47	5	229
2000	446	1157	70	1673	184	47	5	236
2001	483	1033	62	1578	169	42	5	216
2002	536	1175	56	1767	120	47	5	172
2003	596	1211	71	1878	153	47	7	207
2004	691	1366	72	2129	161	48	7	216

Source: MAAR, Annual Agricultural Statistical Abstract

The drought in 1999 cost the sheep producers about Sp 8.8 billion¹ due to loss of meat, milk and wool production, and a further Sp 37 billion due to increased expenditures on feed and water².

¹ - The exchange rate used is 46.25 Syrian pounds per US dollar, according to Decision No.3701, 1998.

To address the problematic situation, the Syrian government, through the Agriculture Council, has implemented a number of emergency measures, including:

- Distribution of medicines and vaccinations for sheep;
- Providing extra feed rations to sheep herds, on subsidized and deferred payment basis;
- Providing water for livestock breeders and their flocks;
- Providing extra financial resources to the feed revolving fund and price support;
- Authorizing the Fodder Establishment to import additional barley;
- Allowing grazing in conservation reserves, which are normally protected; and
- Allowing private sector imports of feed, particularly barley.

Sheep Production Systems in Syria

The Bedouins (mostly in Al-Badia) primarily depend on sheep raising for their income. They are part of the poorest segment of the population, with incomes generally less than half the national average.

In 2003, according to the official statistics, more than 70% of the sheep population was in Al-Badia, distributed among governorates Deir Ez-Zor 16%, Aleppo 16%, Homs 14%, Al-Rakka 13%, and Hama 13%.

In the past, the sheep production system was based on seasonal movement between the rangelands in the east and southeast area and the dry and irrigated crop areas in the west, where the sheep grazed on crop residues. At present, this system is different because the share of the national sheep flock's nutritional requirements which are obtained from rangelands is diminished. This was accompanied by incremental increases in the share supplied by supplementary feeding. As a result, flocks are spending longer periods in the cropping zones in the dry seasons, rather than natural grazing. This led to sheep early weaning and intensive feedlotting.

Such change in the system of sheep production has been fostered by improved transportation and infrastructure, as well as the securing of national boundaries, and an increasing sheep population accompanied by higher prices for young sheep.

From around October to January/February, part of the sheep feed depends on feed procured at subsidized prices from the General Establishment for Fodder. This period is usually extended during drought years. At this time, most of the feed may also be procured from the free market (private sector). At the end of the rainy season, from March to May, sheep graze largely on rangeland. By the end of May, herds are moved to irrigated and rain-fed areas to graze on residues of barley, wheat, sugar beet, cotton, maize and vegetables. They also graze on rangelands in the coastal mountains. The estimated ratio of rangeland to sheep is less than one hectare to head, providing around 165 kg of dry biomass per head of sheep.

Policy objectives

The Syrian government supports a number of mechanisms to ensure balancing production supply with consumer demand for livestock products at stable prices. Such support reflects a

² - Garry Cummins, FAO International Consultant (2002): Livestock Sub Sector, National Agricultural Policy Center, Damascus – Syria.

strategy which attempts to increase livestock production to meet local demand and to achieve greater self-sufficiency, as well as creating production surpluses for export, and protecting the local market from external competition where possible. To this end, the government has been:

- Promoting cooperatives to improve grazing practices and protect natural pastures;
- Improving local breeds and developing breeding centers, particularly for dairy animals;
- Improving veterinary services and extension services;
- Improving the availability and quality of feeds, including crop residues;
- Providing credit for the development of livestock production.

Applied Policies

In 1986, a number of joint ventures between the public and private sectors were established under Decree No. 10 to export sheep to the Gulf. The trade was profitable so volumes increased sharply in 1989, resulting in a substantial increase in the price of mutton on the local market. To prevent further escalation of the domestic price, the government introduced the “Two for One” policy which required exporters to import live sheep equivalent to twice the volume of the proposed export shipment, before they were permitted to export Awassi sheep (a particular breed of sheep found only in Syria and favoured in various Arab countries). A trader was allowed to export only against documented verification of the required imports. The decision that was issued in 2003 by the Ministry of Trade and Economy includes elimination of this Export–Import link.

During 2004, domestic prices for local meat witnessed significant increases as a result of the increased exports accompanied by low imports. Accordingly, to adjust the situation, an export tax was imposed to reduce export and limit the domestic price increase. Legislative Decree No. 18 of February 14, 2004 established a fee of 100 SP/head on exported livestock.

The Cabinet issued Decision No. 20 of 2 June 2004 establishing a starting date for exporting male sheep (from 1/6/2004) and stated the condition that their weight should not be less than 38 Kg. A report on sheep flows is prepared monthly to identify future procedures.

The veterinary requirements for imports are drawn from Law No. 60/T of 1988, modified by Decisions No. 1123 and No. 1618 of 2001 and Decision No. 357 of 2002. Accordingly, current Syrian quarantine regulations require that livestock should reach Syria within 45 days and 60 days for other animal products of issuance of the pre-shipment certificate of health in the country of origin.

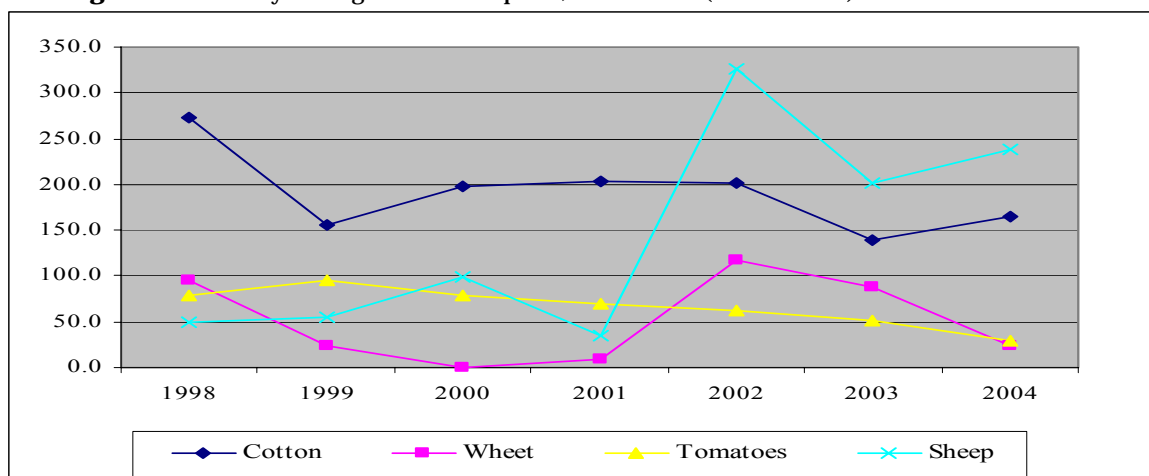
Later in 2006, the Ministry of Trade and Economy issued Decision No. 11 of 5 January 2006 which is suspending the exportation of male sheep and young goats from 5 January 2006 until 1 March 2006.

Syrian Live Sheep Trade

Live sheep are considered the most traded commodity in the Syrian livestock sector. The export of live sheep to the Gulf is a significant source income for livestock breeders and has a direct impact on the prices of domestically produced sheep.

The following chart shows the development of Syrian sheep export.

Figure 2 - Main Syrian Agricultural Exports, 1998-2004 (Million US\$)



Source: MAAR, Annual Agricultural Statistical Abstract

A Syrian specialty is the Awassi breed, which receives significant attention due to the high degree of consumer preference for this breed in the Gulf and neighboring countries.

The main destinations of Syrian sheep exports in 2004 were Saudi Arabia with 72.9% of total exports followed by Lebanon 9.3%, Kuwait 9.1%, and Qatar 7.6% (Table 6).

Table 6 - Syrian Sheep Export and Destination Countries, 1995-2004

Years	Exports		Unit value US\$/Ton	Main Destination Countries (%)
	Ton	Million US\$		
Av 95-97	18200.5	58.4	3206.1	S. Arabia 43.0, Kuwait 30.0, Qatar 13.3, Turkey 12.4
Av 02-04	90419.4	255.3	2823.9	S. Arabia 73.5, Kuwait 9.1, Lebanon 8.4, Qatar 7.5
2000	42308.3	99.6	2354.9	S. Arabia 75.7, Qatar 14.6, Kuwait 9.3
2001	12489.0	34.9	2793.1	S. Arabia 73.9, Qatar 24.5, Kuwait 1.5
2002	109410.0	326.7	2985.6	S. Arabia 77.6, Kuwait 12.1, Qatar 7, Lebanon 1.7
2003	67998.1	201.1	2957.7	S. Arabia 67.4, Lebanon 18.1, Qatar 8, Kuwait 4.1, Jordan 1.4
2004	93850.0	238.2	2538.5	S. Arabia 72.9, Lebanon 9.3, Kuwait 9.1, Qatar 7.6

Source: General Custom Department

In 2004, Syrian sheep export value reached 10959 million SP accounting for 21.1% of agriculture exports. The data in the following table illustrates the positive trend for Syrian sheep exports during the years 1995-97 and 2004.

Table 7 - Sheep Exports Value, Million Sp and % of Agricultural Exports

Commodity	Av 95-97*	1998*	1999*	2000	2001	2002	2003	2004
Sheep	2684.2	2250.2	2507.7	4583.1	1604.6	15025.9	9251.4	10958.9
% from Ag	6.5	5.3	6.9	12.7	4.2	24.5	17.7	21.1

Source: General Custom Department, Adjusted Exchange Rate 46.5, 46 for import and export respectively

Most Syrian imports of most livestock products – except live sheep - are from members of the European Union. Romania and Bulgaria are exceptions, providing of the major share of live

sheep (mostly of the bela variety) to Syria. On the other hand, the exports of animal products, including live sheep, are exported from Syria to neighboring countries.

In order to maintain the exceptional quality of the Awassi sheep breed in Syria, and to protect the comparative advantages enjoyed by that industry, the Syrian government only permits males of that variety to be exported.

Sheep Milk

The production of milk fluctuate highly with the seasons. About 691 thousand tons of sheep milk were produced in 2004. The sheep milk accounted for about 32% of total milk production in Syria (1878 thousand tons). This corresponds to a consumption of 33 kg/capita. About one third of the sheep milk produced is consumed fresh either within the sheep producer families or distributed locally in neighboring towns and villages. Some milk is used to feed lambs and meet family needs. Milk surpluses are processed into cheese, yogurt, butter, and ghee, mainly by small processors, although government and some private dairy factories do process some sheep milk.

Meat Processing

Most sheep and cattle slaughterhouses are owned and operated by the government. Both sheep and cattle are slaughtered at a range of weights and ages according to the consumer preferences. Existing legislation bans the slaughtering of very young animal. The most popular sheep meat for domestic consumption is from males of 50 kg live weight and over 8 months old.

Recommendations

The large sheep population in Syria causes overgrazing and land degradation, particularly in the drier regions. The continuing growth in the sheep population coupled with the diminishing areas of traditional grazing have put intense pressure on the rangelands, and have contributed to the degradation of Syria's land resources. Development of the livestock sector must therefore be balanced with measures to conserve the environment. Thus, any development strategy for the sector must attempt not only to achieve growth and reduce poverty, but also to maintain agricultural and environmental sustainability.

Procedures should also be taken to organize the export process for Awass sheep in order to achieve balance and to protect local consumers from the continuing rise in prices, which would lead to:

- Increasing local demand on meat which result from over exported sheep
- Reduction on substitute meat import

References

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