

Supply Chain Improvement of the Halal Goat Industry in the Autonomous Region in Muslim Mindanao

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Abstract : Halal is an Arabic word meaning "lawful" or "permitted". When it comes to food and consumables, Halal is the dietary standard of Muslims. The Autonomous Region in Muslim Mindanao (ARMM) has a comparative advantage when it comes to Halal Industry because it is the only Muslim region in the Philippines and the natural starting point for the establishment of a halal industry in the country. The region has identified goat production not only for domestic consumption but for export market. Goat production is one of its strengths due to cultural compatibility. There is a high demand for goats during Ramadhan and Eid ul-Adha. The study aimed to provide an overview of the ARMM Halal Goat Industry; to map out the specific supply chain of halal goat, and to analyze the performance of the halal goat supply chain in terms of efficiency, flexibility, and overall responsiveness. It also aimed to identify areas for improvement in the supply chain such as behavioural, institutional, and process to provide recommendations for improvement in the supply chain towards efficient and effective production and marketing of halal goats, subsequently improving the plight of the actors in the supply chain. Generally, the raising of goats is characterized by backyard production (92.02%). There are four interrelated factors affecting significantly the production of goats which are breeding prolificacy, prevalence of diseases, feed abundance and pre-weaning mortality rate. The institutional buyers are mostly traders, restaurants/eateries, supermarkets, and meat shops, among others. The municipalities of Midsayap and Pikit in another region and Parang are the major goat sources and the municipalities in ARMM among others. In addition to the major supply centers, Siquijor, an island province in the Visayas is becoming a key source of goats. Goats are usually gathered by traders/middlemen and brought to the public markets. Meat vendors purchase them directly from raisers, slaughtered and sold fresh in wet markets. It was observed that there is increased demand at 2%/year and that supply is not enough to meet the demand. Farm gate price is 2.04 USD to 2.11 USD/kg liveweight. Industry information is shared by three key participants - raisers, traders and buyers. All respondents reported that information is through personal built-upon past experiences and that there is no full disclosure of information among the key participants in the chain. The information flow in the industry is fragmented in nature such that no total industry picture exists. In the last five years, numerous local and foreign agencies had undertaken several initiatives for the development of the halal goat industry in ARMM. The major issues include productivity which is the greatest challenge, difficulties in accessing technical support channels and lack of market linkage and consolidation. To address the various issues and concerns of the various industry players, there is a need to intensify appropriate technology transfer through extension activities, improve marketing channels by grouping producers, strengthen veterinary services and provide capital windows to improve facilities and reduce logistics and transaction costs in the entire supply chain.

Keywords : autonomous region in Muslim Mindanao, halal, halal goat industry, supply chain improvement

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