Cost-benefit analysis of improving housing conditions for poultry in Ukraine

Country: Ukraine

For a large poultry company in Ukraine a cost-benefit analysis was made of the animal welfare situation with focus on poultry houses, equipment and management, and on the costs of improving the facilities to comply with EU poultry welfare standards. Economics and costs of egg production was calculated for the present situation, and when poultry houses would be modernised. In addition we will collect data on market prices of eggs for this company and in Ukraine.

The farm we visited had a capacity of 400.000 rearing birds and 1.200.000 laying birds and following the completion of the planned renovation works, these figures are expected to rise by 30%. Our mission was to collect the data required for a study to assess whether bird friendly housing systems in Ukraine are technically and economically feasible. We carried out a cost-benefit analysis on upgrading the agribusiness operations of this company to enhance animal welfare (e.g. replacement of cages for free range and animal welfare enriched egg production) with as ultimate goal to have better access to the export markets (i.e. EU market).

Based on this information the perspective to change to alternative housing systems was assessed, such as enriched cages or the barn system. For the cost-benefit analysis and business case an investment plan and feasibility study was included, including training of staff because changing to more animal friendly housing systems requires adjusting farm practices with consequences for daily operations.



