

# Poultry Sector Analysis and Forecast – 2025

## DEPARTMENT OF ANIMAL PRODUCTION AND HEALTH

Poultry production has been the foremost livestock industry for decades. After experiencing the worst challenge faced ever during 2020 – 2023, industry marked the successful recovery by mid-2024. Contribution to national economy at current basic price of 2024 remained at 1.1% of National GDP which is 79% of the total livestock GDP.

Per-capita availability of chicken meat and egg reached 11.80 kg and 137.72 in 2024. The industry is expecting to mark a remarkable milestone in 2025 as an export industry. Import dependency on supply of inputs; mainly feed raw materials and low cost competitiveness yet act as limiting factors despite of achieving quality standards. Therefore re-visiting of regulations pertaining to feed raw material supply and taxation is required for the development as an export industry.

### Broiler Sector

Three (03) grandparent (GP) farms were continued operating supplying parent birds of Cobb 500, Indian River Meat and Ross 308 strains. According to the forward plans submitted to DAPH 2,119,997 of parent bird production is expected from these GP farms in 2025. As per the input plans of 29 parent farms, **the total expected procurement of parent day old chicks (DOC) is 1,407,935 which are far below the expected local production.**

**Table 1. Comparison of Broiler Sector Performance (2023 – 2025)**

Item	Unit	2023	2024	Change (2023 - 2024)	2025 forecast – March*	Predicted Change (2024 - 2025)*
Grandparent Farms	Number	3	3			
Parent Farms	Number	28	29			
Grandparent Imports	Number	46,121	40,385	-12%	50,694	26%
Parent Local Production	Number	1,159,834	1,487,841	28%	2,119,997	42%
Parent Imports	Number	282,891	92,341	-65%	79,000	-14%
<i>Total Parent Bird Availability</i>	Number	1,425,581	1,580,182	11%	2,198,997	39%
DOC Production	Million	166.78	187.77	13%	206.29	10%
DOC Issues	Million	166.45	184.99	11%		
Meat Production	'000 MT	236.11	258.54	10%	290.00	12%
<b>Imports</b>						
Chicken Meat	MT	236.84	61.7	-284%		
<b>Exports</b>						
Chicken Meat	MT	1,502.81	1,575.85	5%		
Hatching Eggs	Million	0.02	0.10	83%		
Day Old Chicks	Million	0.05	0.08	38%		
Chicken feet	MT	0.00	368.00			

\*Based on imports and stocking plans of breeder farms

In 2024, parent DOC importation was decreased by 65%. Local production was increased by 28% increasing the net availability of parent DOC by 11% compared to 2023. The commercial DOC production was increased by 13%. Out of the 188 million commercial DOCs produced 185 million was sold for meat production. Chicken meat production increased by 10% reaching 258.54 ('000 MT) in 2024.

Commercial DOC prices in 2024 ranged from Rs. 90.00 in October to Rs 239.00 in February. The retail price of dressed chicken meat ranged from Rs. 1,030.48 / kg in October to Rs. 1,316.94 /kg in April. According to the input plans and actual placements of broiler GP and parent farms 206.29 Mn DOC and 290.00 ('000 MT) chicken meat production of is predicted by March, 2025.

**Table 2 – Monthly Procurement and Production Forecast 2025 - Broiler Sector**

Month	Procurement plan of Parent Birds		Production of DOC (Mn)*	Chicken Meat Production ('000 MT)*
	Local	Import		
January	128,200	4,000	17.24	23.81
February	125,495	2,000	17.87	24.29
March	105,700	-	17.51	24.62
April	85,235	10,000	17.48	24.64
May	151,820	21,000	17.15	24.09
June	79,900	2,000	16.77	23.53
July	129,835	10,000	17.41	24.45
August	127,820	-	17.18	24.25
September	116,575	20,000	16.89	23.89
October	107,060	6,000	16.92	24.06
November	145,020	-	16.94	24.24
December	105,275	4,000	16.93	24.12
<b>Total</b>	<b>1,407,935</b>	<b>79,000</b>	<b>206.29</b>	<b>290.00</b>

\*Estimates based on actual inputs up to February, 2025.

### Layer Sector

Eleven (11) layer breeder farms were functioning during the year 2024. High demand for both layer DOC and eggs were existed till September, 2024 due to scarcity in supply. The prices of both decreased exponentially since then as supply was exceeding the demand since then. The prices of DOC ranged from Rs 393.00 in December to Rs 573.00 in February, 2024. The retail prices of egg ranged from Rs 38.00 in December to Rs 59.00 in February, 2024. The cost of production of an egg ranged from Rs 29.22 to Rs 37.04 during the year considering the different scales of production. In 2024, egg was removed from the VAT exemption list, for the 1<sup>st</sup> time in history, which was earlier recognized as a primary agricultural produce. The impact on egg was only observed on packed egg price as most of the layer farmers were not VAT registered. However, in 2025, VAT act was amended in a way making it compulsory for egg producers whose turnover rates meet the VAT threshold to register, therefore from April, 2025 VAT impact would be reflected on egg price. Escalation of egg production is expected in 2025 significantly lowering the market prices. Combination of these two factors challenges the survival of small and medium scale producers. It may change the whole value chain of egg industry during 2025.

**Table 3. Comparison of Layer Sector Performance (2023 – 2025)**

Item	Unit	2023	2024	Change (2023-2024)	2025 forecast – March*	Predicted Change (2024 - 2025)*
Parent Farms	Number	11	11			
Layer Parent Imports	Number	116,935	98,124	-16%	172,104.00	75%
Layer DOC Production	Million	7.29	11.74	61%	11.73	0%
Layer DOC Issues	Million	7.17	11.52	61%		

Table Egg Production	Million	2,047.05	2,953.06	44%	3,817.09	29%
<b>Exports</b>						
Table Eggs	Million	14.13	11.67	-17%		
Pullet DOC	Million	0.03	0.03	-10%		

*\*Estimations are based on imports and stocking plans of breeder farms*

98,124 parent birds were imported by 11 layer parent farms in 2024. As the result, 11.74 million layers DOC was produced in 2024 year which was 16% reduction compared to 2023. The egg production reached 2,953.06 million achieving self-sufficiency at market affordability.

Monthly procurement plan of parent birds and forecasted layer DOC and egg production as per the actual inputs up to March, 2025 are depicted in Table 4.

**Table 4 – Monthly Procurement and Production Forecast 2025 - Layer Sector**

Month	Procurement plan of Parent Birds	Pullet DOC Production forecast (Mn)*	Egg Production forecast (Mn)*
January	35,500	0.82	301.75
February	5,000	0.72	314.13
March	7,500	0.85	311.93
April	24,452	0.90	319.44
May	18,500	0.94	306.17
June	6,500	0.94	306.85
July	-	0.96	305.22
August	19,452	1.11	306.07
September	34,000	1.20	308.16
October	12,500	1.16	327.78
November	-	1.09	345.70
December	8,700	1.05	363.88
<b>Total</b>	<b>172,104</b>	<b>11.73</b>	<b>3,817.09</b>

*\*Estimates based on actual inputs up to March, 2025.*

### Import and export

In year 2024, 1,575.85 MT of chicken meat products, 14.13 million eggs, 108,166 DOC have been exported while 61.7 MT of chicken meat products and 11,678,059 fresh eggs and 70.61 MT egg products have been imported. There was a significant growth in exportation of chicken meat and meat products compared to 2023. DAPH, The Livestock division of the Ministry of Agriculture and the industry stakeholders are taking collective measures to achieve country accreditation for several potential overseas markets through improving the quality certification systems. However, further support from the government, through introduction of export based rebate system and reductions of red tapes on importation of raw materials are required to assure price competitiveness.

### Poultry Feed Production Sector

1,365,313.35 MT poultry feed was produced in 2024. Out of the total production 13% had been produced by the self-mixers. Local production of Maize was not sufficient to cater the demand for animal feed. Therefore 221,935 MT of maize was imported during the year. Granting of imports was further delayed in 2024 narrowing the import window to 4 months from August to December 2024. Therefore, the limited local supply, narrow window and limitation of quantity of import created opportunistic behavior of traders. As the result, market prices of maize fluctuated from Rs 130.00 in

January to Rs 191.00 in November, 2024. With the predicted growth of poultry industry it is estimated that 1,593,294 MT poultry feed production is required for 2025. With the predicted local production of 341,595 MT of maize for 2024/25 Maha season, it is estimated that 300,000 MT of maize are further needed for feed production in 2025 assuming the rest of the cereal requirement (350,000 MT) will be fulfilled through rice by-products such as broken rice, peacock rice, rice polish and rice bran as per the traditional practice. Use of rice for animal feed production is continued to be banned even though formal requests were submitted to Ministry of Agriculture to revoke the banned gazette notification.

**Table 5. Comparison of Poultry Feed Production for 2023 – 2025**

Item	Unit	2023	2024	Change (2023- 2025)	2025 forecast	Predicted Change (2024 - 2025)
Commercial Feed Production	MT	995,263	1,187,675***	19%		
Self-Mixed Feed Production	MT	170,164	177,638***	4%	4	
<b>Total Poultry Feed Production</b>	MT	1,165,427	1,365,313***	17%	1,593,294*	17%
<b>Cereal</b>						
Maize Production (Maha)	MT	198,601	196,871	-1%	341,595**	74%
Extent (Maha)	Ha	69,383	65,300	-6%	90,766**	39%
Maize Production (Yala)	MT	22,647	26,626	18%		
Extent (Yala)	Ha	6,599	7,402	12%		
Maize Import for Animal Feed	MT	178,450	221,935	24%		
<b>Oil Meal</b>						
Soybean Production (Maha)	MT	456	508.4	11%	139**	-73%
Extent (Maha)	Ha	272	288.7	6%	99**	-66%
Soybean Production (Yala)	MT	7,324	5,688	-22%		
Extent (Yala)	Ha	3,714	2,927	-21%		
Soybean Meal Import for Animal Feed	MT	199,803	257,931	29%		

\*Estimates are based on DOC import plans, imports and estimated production of DOC

\*\* Crop Forecast, Dept. of Agriculture - vol 05) 2024/25 Maha final

\*\*\* Annual report, VRA Chapter, DAPH

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