

DONKEY FARMING FOR EJIAO PRODUCTION



Location: Northern Territory, Australia

Sector: Agribusiness

Investment type: Various options available including purchase, lease or partnerships with local farmers and indigenous enterprises.

Estimated total project cost: Variable dependent on location, scale and infrastructure

Project status: Conceptual

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Project description:

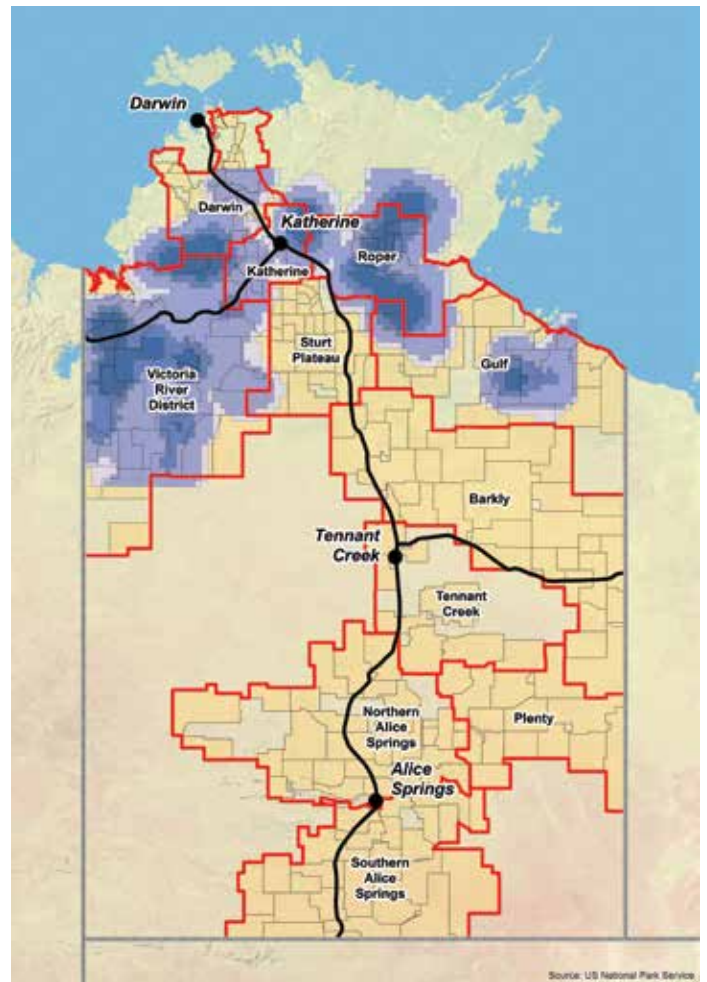
The Northern Territory (the Territory) has a large population of feral donkeys which are considered pest animals. There is only limited demand for donkey products in Australian domestic markets.

There is strong demand for donkey meat and gelatin (ejiao) from China. Feral donkeys could be captured and used as part of a foundation herd to establish a commercial donkey farming industry in the Territory. Donkey farming could be a stand-alone business or a complimentary venture operated in conjunction with cattle production. In the longer term selective breeding and introduction of genetics may be required to obtain the necessary product characteristics.

At present there is no operational protocol for export of donkey meat and hides to China. This would need to be resolved for the industry to develop. It is understood that the Australian Government Department of Agriculture and Water Resources is currently in discussion with People's Republic of China State Administration of Quality Supervision, Inspection and Quarantine on this issue. However, resolution is likely to take some time.

The Northern Territory Government has recently published a draft assessment on the potential for donkey farming including a gross margin analysis i.e. the gross income produced less the variable costs of production. The analysis serves as a guide to the relative profitability of different donkey farming options, as well as beef cattle farming. This is available online at dpir.nt.gov.au/primary-industry/agricultural-developments/donkey-farming (currently in English only).

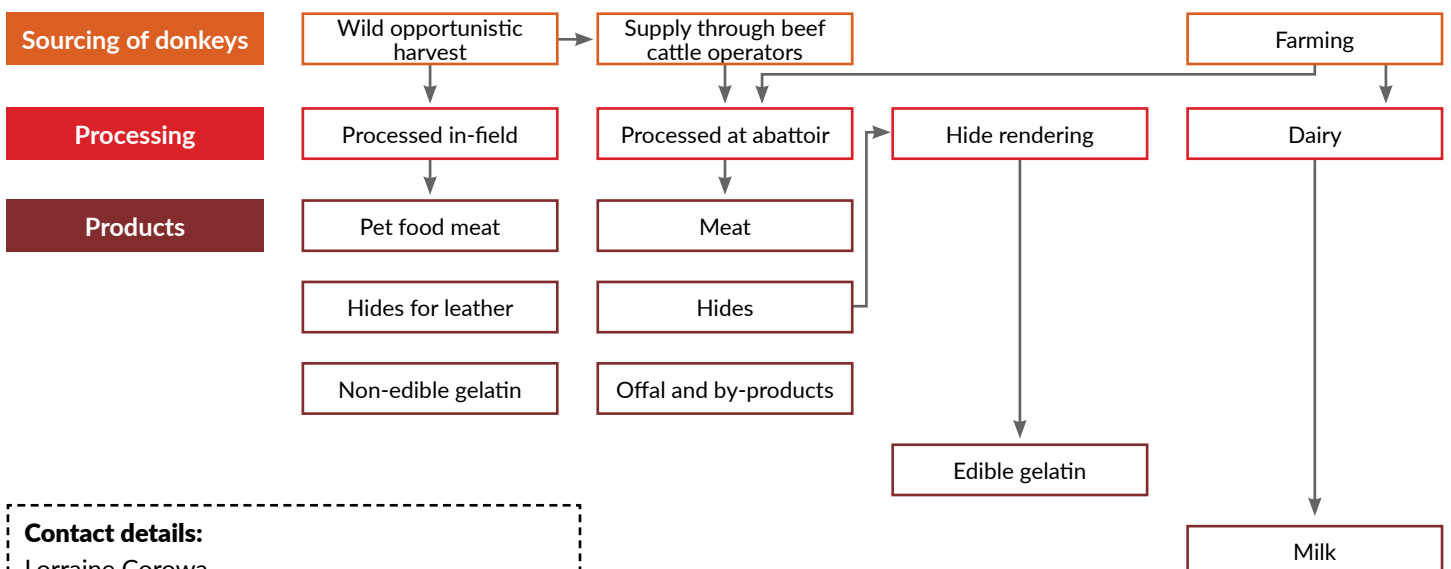
The Northern Territory Government supports the development of a profitable donkey industry in principle. However the development of a commercial business case will require rigorous assessment based on the particular circumstances of the individual enterprise including location and available services which vary across the Territory. The Northern Territory Government also cautions that detailed business planning is required to carefully consider the opportunities as well the current challenges to production.



Distribution of donkeys in the Northern Territory



Donkey Farming Models



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