

1 **Small-scale commercial chicken production: A risky business for farmers in the Mekong**
2 **Delta of Vietnam**

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18 **ABSTRACT**

19 Small-scale farming of meat chicken flocks using local native breeds contributes to the economy
20 of many rural livelihoods in Vietnam and many other low- and middle-income countries
21 (LMICs). These systems are also the target of high levels of antimicrobial use (AMU); however
22 little is known about the profitability and sustainability of such systems. Since small scale farms
23 are commercial enterprises, this knowledge is essential in order to develop successful strategies
24 aimed at curbing excessive AMU. Using longitudinal data from 203 randomly selected small-
25 scale (100-2,000 chickens) native chicken flocks raised in 102 farms in Dong Thap province
26 (Mekong Delta, Vietnam), we investigated the financial and economic parameters of such
27 systems and the main constraints to their sustainability. Feed accounted for the largest financial
28 cost (flock median 49.5% [Inter-quartile range (IQR) 41.5-61.8%]) of total costs, followed by
29 day-old-chicks (DOCs) (median 30.3% [IQR 23.2-38.4%]), non-antimicrobial health-supporting
30 products (median 7.1% [IQR 4.7-10.5%]), vaccines (median 3.1% [IQR 2.2-4.8%]), equipment
31 (median 1.9% [IQR 0.0-4.9%]) and antimicrobials (median 1.9% [IQR 0.7-3.6%]). Excluding
32 labor costs, farmers achieved a positive return on investment (ROI) from 120 (59.1%) flocks, the
33 remainder generated a loss (median ROI 124% [IQR 36-206%]). Higher ROI was associated
34 with higher flock size and low mortality. There was no statistical association between use of
35 medicated feed and flock mortality or chicken bodyweight. The median daily income per person
36 dedicated to raising chickens was 202,100 VND, lower than alternative rural labour activities in
37 the Mekong Delta. In a large proportion of farms (33.4%), farmers decided to stop raising
38 chickens after completing one cycle. Farmers who dropped off chicken production purchased
39 more expensive feed (in 1,000 VND per kg) (11.1 [10.6-11.5] vs. 10.8 [10.4-11.3] for farms that
40 continued production ($p=0.039$) and experienced higher chicken mortality (28.5% [12.0-79.0%]
41 vs. 16 [7.5-33.0%] ($p=0.004$)). The turnover of farmers raising chickens in such systems
42 represents a challenge in targeting messages on appropriate AMU and on chicken health. In
43 order to ensure sustainability of small-scale commercial systems, advisory services need to be
44 available as farmer initiate new flocks, and support them in the early stages to help overcome
45 their limited experience and skills. This targeted approach would support profitability whilst
46 reducing risk of emergence of AMR and other disease problems from these systems.

47

48 INTRODUCTION

49 In Vietnam and many other low- and middle-income countries (LMICs) raising small-scale
50 chicken flocks is a common activity that contributes to the income of many rural households. In
51 addition to providing food security and income, such farming systems help promoting
52 community relations (Alders and Pym, 2009). The Mekong Delta region of Vietnam (human
53 population 21.5 millions in 2019) represents ~13% of the total national chicken meat output
54 (840,000 tons in 2018) (General Statistics Office Of Vietnam, 2018). Chicken production in the
55 area is predominantly semi-intensive (including backyard and small-scale), and is typically based
56 on slow-growing native breeds (Duc and Long, 2008; Lan Phuong et al., 2015). Production is
57 however hampered by a high incidence of parasitic (Nguyen T. B. Van et al., 2020), viral and
58 bacterial diseases (Nguyen Thi Bich Van et al., 2020), often resulting in high mortality losses
59 (Carrique-Mas et al., 2019b). Furthermore, levels of AMU in these systems are known to be
60 particularly high. A recent survey in the area reported that, on average, farmers administered
61 323.4 (SEM \pm 11.3) mg of antimicrobial active ingredients (AAI) per kg of chicken sold. In
62 addition, chickens are often raised on commercial medicated feed (estimated to amount to ~85
63 mg/kg chicken sold) (unpublished). The use of a total of 42 different antimicrobials, many of
64 which are of critical importance by the World Health Organization (WHO) has been described in
65 chicken flocks in the area (Cuong et al., 2019). Chicken farmers often use antimicrobials with the
66 aim of preventing disease, especially during the brooding period, since antimicrobials are viewed
67 as a cheaper alternative than other disease control measures (Truong et al., 2019). Antimicrobials
68 are typically sold over the counter and prices are generally very low (estimated in ~0.40 cents of
69 1 USD per daily dose administered to a 1kg chicken) (Dung et al., 2020).

70 Economic analyses of broiler production systems have been performed in Pakistan and Indonesia
71 (Afzal and Khan, 2017; Coyne et al., 2020b). However, there are no published data quantifying
72 the financial flows within small-scale chicken farms raising native chickens that are so common
73 in Vietnam and other Southeast Asian countries. These farming units are typically smaller than
74 their counterpart broiler farms, feed/water dispensation is manual, and birds are always raised at
75 ambient temperatures. A main challenge for studying these systems is the lack of record-keeping
76 practices in many units (Coyne et al., 2019). Using economic disease and production data from
77 cohorts of small-scale chicken flocks raised in the Mekong Delta over 18 months followed up
78 from day-old to slaughter age, we characterized the cost structure of such systems with the aim

79 of quantifying the fraction spent on antimicrobials and other key inputs. The integration of data
80 on feed medication and AMU allowed use to investigate the impact of these parameters on
81 enterprise productivity. An understanding of the economic parameters that underpin small-scale
82 production systems is a pre-requisite for developing and implementing strategies aiming at
83 improving animal health, whilst reducing excessive AMU in Vietnam and elsewhere in
84 Southeast Asia.

85 **MATERIALS AND METHODS**

86 **Study area and data collection**

87 The study was conducted in Cao Lanh and Thap Muoi districts, Dong Thap province (Mekong
88 Delta, Vietnam) from October 2016 to March 2018. The human population of the province
89 (2017) was 1.69 million. The population densities are 500 people/km² and 127 chicken/km²
90 (General Statistics Office (GSO), 2018) (Sub-Department of Animal Health of Dong Thap,
91 2017). The study was based on data collected during the baseline phase of an intervention study
92 (Carrique-Mas and Rushton, 2017). Randomly selected owners of chicken farms were drawn
93 from the official census and were invited to enroll in the study. We aimed at recruiting farms
94 raising flocks with >100 heads each, managed as all-in-all-out (i.e. single age). Enrolled farmers
95 that consented to the study were provided with diaries and were requested to weekly record
96 information on disease, mortality, source of day-old chicks (DOCs), types and amounts of feed
97 used and health-related products (antimicrobials, vaccines, antiparasitic drugs, disinfectants), as
98 well as any equipment purchased. The costs incurred by farmers, the weight of chickens at point
99 of sale and the income generated from chicken sales were also recorded. Farms were visited by
100 trained field researchers to review the information collected by the farmer on four different
101 occasions over each production cycle. These data were transferred onto a questionnaire and were
102 then uploaded to a central database using a web application for further analysis. This study was
103 granted ethics approval by the Oxford Tropical Research Ethics Committee (OxtTREC) (Ref.
104 5121/16) and by the local authorities (People's Committee of Dong Thap province).

105 **Data analyses**

106 The sum of all financial costs incurred in procuring DOCs and raising the flocks until slaughter
107 age were computed as input data; output data consisted of the revenues derived from the sale of
108 chickens. For each flock we computed the difference between inputs and outputs, excluding the

109 costs of labour. Labour costs were analyzed separately, since they were an opportunity cost, not a
110 financial one. We calculated the return on investment value without labour costs (ROI) for each
111 flock raised (Equation 1) (Zamfir et al., 2016). The ROI value included three range, < 0 (negative
112 value and negative profit); <0 - ≤100 (positive value and negative profit – invest 1 VND but
113 return less than or equal to 1 VND -); >100 (positive value and positive profit – invest 1 VND
114 and return more than 1 VND-).

$$115 \quad ROI = \frac{Revenue - Total Cost}{Total Cost} * 100 \quad \text{(Equation 1)}$$

116 Financial costs and revenues were expressed ‘per chicken sold’ at the end of each production
117 cycle.

118 Farm- and flock-related factors influencing the ROI excluding labour for each flock produced
119 were investigated by building a linear mixed random-effects model. Farm-related variables
120 included district location, owner’s gender, owner’s age, number of staff working in the farm
121 (including the owner), experience in commercial poultry farming (in years) and education
122 achievement of the owner. Flock-related variables were flock size (No. chickens purchased),
123 duration of the production cycle (in weeks), number of sources of DOCs and their cost, feed type
124 (commercial feed, locally-sourced) and price (per kg), percent of weeks consuming commercial
125 medicated feed, average number of daily doses of antimicrobial administered to 1 kg of live
126 chicken per 1,000 kg chicken-days (ADD_{kg} per 1,000 kg chicken-days) (Phu et al., 2020),
127 number of antimicrobial-containing products used, number of vaccines (pathogens) per flock,
128 flock cumulative mortality over the production cycle (as percent of chickens purchased),
129 cumulative mortality from week 9 (as percent of chickens purchased), flocks in farms raising >1
130 flock simultaneously, flocks in farms also raising non-chicken species, flocks where farmer
131 purchased new equipment. All variables were tested as fixed effects, with ‘farm’ identity
132 included as a random effect. Factors that were significant (p<0.20) in univariable analysis were
133 included in multivariable analysis.

134 We investigated the potential association between all modelled variables (including weight of
135 chickens at sale). Of particular interest was the association between (1) price of DOCs and (i)
136 weekly mortality, (ii) duration of the production cycle and (iii) chicken weight at sale; (2) No. of
137 ADD_{kg} (per 1,000 kg chicken-days) and (i) weekly mortality or (ii) flock size and (iii) chicken

138 weight at sale; (3) percent of weeks on medicated feed and (i) weekly mortality, (ii) flock size
139 and (iii) chicken weight at sale; and (4) weekly mortality and flock size.

140 We related the income generated from the flocks to the total time spent by the farm owner and
141 other staff (including relatives) tending the flocks (Equation 2).

$$142 \text{ Daily income} = \frac{\text{Total revenue} - \text{Total cost}}{\text{Working time (days)} * \text{Number of workers}} \quad (\text{Equation 2})$$

$$\text{Working time (days)} = \frac{\text{No. hours per day}}{8 \text{ hours}} * 7 \text{ days} * \text{Duration of cycle (weeks)}$$

143 All financial revenues and costs were expressed in thousands (1,000s) of Vietnam Dong (VND).
144 We investigated the differences between flocks that were and were not followed by a subsequent
145 one within 8 months (i.e. continued/discontinued production) with respect to variables included
146 in the previous analyses. The chosen criterion ensured that seasonal farmers (i.e. those that
147 regularly raise only one cycle per year, typically for the annual Tet holiday) were not considered
148 discontinued production. Pearson's Chi-squared tests were used for proportions and (non-
149 parametric) Wilcoxon rank sum tests were used for continuous data.

150 **RESULTS**

151 **Description of study flocks**

152 A total of 102 farms and 203 flock production cycles were investigated (Table 1). The median
153 flock size was 300 [Inter-quartile range (IQR) 201-502]. A median of 2 [IQR 1-2] flocks were
154 investigated per farm. Chicken flocks were raised over a median of 18 weeks [IQR 16-20]. The
155 median cumulative mortality of flocks over the production cycle was 18% [IQR 8-40%].
156 Cumulative mortality reached 100% in 8 (3.9%) flocks that were affected by an outbreak of
157 severe disease. The main financial revenue in these flocks derived from the sale of live chickens
158 for meat. In all cases farmers collected manure (used litter) and feathers and were used to
159 fertilize crops with no associated income.

160 Table 1. Description of key variables related to small-scale commercial chicken flocks raised in
 161 Dong Thap province (Mekong Delta, Vietnam).

	Variable and level	Median [IQR] or Number (%)	Range (Min.-max.)
Farms (n=101)	Male farm owner	89 (88.1%)	
	Farm owner's age (years)	46 [38-55]	24-72
	No. of staff (incl. owner)	2 [1-2]	1-4
	Experience in commercial poultry farming (years)	2 [2-3]	0-10
	Education achievement of owner (%)		
	<i>Primary school</i>	26 (25.7%)	
	<i>Secondary school</i>	42 (41.6%)	
	<i>High school</i>	28 (27.7%)	
	<i>University or higher</i>	5 (5.0%)	
Flocks (n=203)	Flock size	300 [201-502]	100-1,530
	Duration of cycle (weeks)	18 [16-20]	7-29
	Price of DOC (unit) (in 1,000s VND)	10.0 [8.5-11.7]	
	Feed type		
	<i>Commercial feed only</i>	52 (25.6%)	
	<i>Commercial feed & locally-sourced feed</i>	151 (74.4%)	
	Price of commercial feed (per kg) (in 1,000's VND)	10.9 [10.4-11.3]	9.2-34.9
	Percent weeks on commercial medicated feed	55.6 [25.0-100.0]	0.0-100.0
	Average No. ADD _{kg} (per 100 chicken-days)	27.4 [13.3-53.4]	0.0-176.7
	No. vaccines (pathogens) per flock	4 [3-4]	1-7
	Cumulate mortality over whole cycle (%)	18 [8-40]	0-100
	Cumulative mortality from week 9 (%)	2.5 [0-15.1]	0-100
	>1 flock raised in the farm at the same time	136 (66.9%)	
	Flock raised on farms with non-chicken species*	180 (88.7%)	
Purchased new equipment	148 (72.9%)		
Bodyweight of chickens at sale (kg)	1.5 [1.4-1.7]	1.0-2.9	

162 *Including ducks, Muscovy ducks, quails, pigs, goats and cattle.

163

164 **Cost structure over the flock production cycle**

165 The median financial cost across flocks (in 1,000s VND) incurred in raising one chicken from
166 day-old to slaughter was 48.3 [IQR 36.8-78.0]. Feed cost (commercial and locally-source feed)
167 accounted for a median of 49.5% [IQR 41.5-61.8] of the total cost, followed by DOCs (median
168 30.3% [IQR 23.2-38.4]), non-antimicrobial health-supporting products (vitamins, anti-parasitic
169 drugs) (median 7.1% [IQR 4.7-10.5]), vaccines (median 3.1% [IQR 2.2-4.8]) and other costs
170 (median 1.9% [IQR 0.0-4.9]) (including equipment, litter, electricity and disinfectants). Expense
171 on antimicrobials accounted for a median of 1.9% [IQR 0.7-3.6] of total costs. The median
172 revenue obtained per chicken sold was 108.7 thousand VND [IQR 99.4-121.7]. Flocks were
173 raised on commercial feed containing antimicrobials over a median of 55.6% weeks [IQR 25.0 –
174 100.0]. The mean price (by product) of commercial medicated feed was estimated in 11.2
175 (Standard Deviation (SD) ± 2.5 1,000s VND/kg, higher than the price of non-commercial feed
176 (11.1 SD ± 0.4 per kg) (Welch's t test 2.19, $p=0.028$). The median ROI across all flocks was
177 124% [IQR 36-206%]; therefore, for each VND invested there was a return of VND 1.24. For
178 120/203 (59.1%) flocks, farmers obtained a positive profit (ROI>100%), whereas for 83 (40.9%)
179 farmers obtained negative profit (ROI<100%) (i.e. financial losses). The main cost categories
180 sorted by flock ROI by flock are presented in Figure 1. Generally, higher ROI was associated
181 with a smaller fraction of feed costs.

182 The correlation between all modelled variables (including weight of chickens at sale, not
183 modelled) is displayed in Figure 2. There was no association between the cost of DOCs (per unit
184 purchased) and cumulative mortality (Pearson's correlation coefficient $r=-0.11$, $p=0.093$) or the
185 duration of the flock cycle ($r=-0.01$; $p=0.877$). There was a negative correlation between the cost
186 of DOCs and chicken weight at sale ($r=-0.14$, $p=0.041$), as well as between the total number of
187 ADD_{kg} administered and flock size ($r=-0.19$, $p=0.020$).

188 **Factors associated with ROI excluding labour costs**

189 The ROI values were square root-transformed in order to improve their distribution's normality
190 for subsequent modelling. Only two factors were independently associated with ROI (inverse
191 association) were flock size ($\beta =0.08$, $p<0.001$), and cumulative mortality ($\beta =-1.45$, $p<0.001$)
192 (Table 3). As expected, the average weight of chickens sold was strongly associated with flock
193 ROI (not included in the multivariable model) ($\beta =0.51$, $p=0.001$). The predicted outcomes for

194 different values of the two significant variables are given in Supplementary Material 1. Mortality
 195 was the single most influential driver of ROI.

196 Table 2. Linear mixed models investigating factors associated with ROI of raising small-scale
 197 meat chicken flocks.

Variable and level	Univariable			Multivariable*		
	<i>B</i>	SE	<i>p</i> -value	β	SE	<i>p</i> -value
Female farm owner	0.04	0.09	0.764			
Farm owner's age (years)	0.004	<0.01	0.211			
No. of staff (incl. owner)	0.04	0.07	0.514			
Experience in commercial poultry farming (years)	0.02	0.02	0.227			
Education achievement (baseline=Primary school)						
<i>Secondary school</i>	-0.01	0.11	0.918			
<i>High school</i>	-0.23	0.12	0.054			
<i>University or higher</i>	-0.15	0.21	0.477			
Flock size (per 100 chickens)	0.07	0.01	<0.001	0.08	0.008	<0.001
Duration of cycle (month)	0.21	0.04	<0.001	0.04	0.02	0.071
Price of DOC unit (in 1,000,000s of VND)	-0.03	16.3	0.998			
Use of locally-sourced feed	0.18	0.06	0.052	0.03	0.04	0.408
Price of commercial feed (per kg) (in 1,000s of VND)	-0.01	0.01	0.588			
Percent weeks on commercial medicated feed	-0.12	0.11	0.254			
Average No. ADD _{kg} (per100 chicken-days) (square root)	-0.002	<0.01	0.032	-0.001	<0.001	0.244
Flock vaccinated against >4 pathogens	0.08	0.09	0.33			
Cumulative mortality over whole cycle (%)	-1.42	0.07	<0.001	-1.45	0.06	<0.001
>1 flock raised in the farm at the same time	-0.11	0.07	0.162	0.01	0.03	0.659
Flock raised on farms with non-chicken species	-0.02	0.12	0.884			
Purchased new equipment	0.06	0.07	0.428			

198 *Multivariable model intercept=1.31, Standard Error (SE) ±0.12.

199

200 **Income generated per day of labour**

201 A median of 399 [IQR 266-613] person-hours (equivalent to 49.8 [IQR 33.3-76.5] working days
202 were employed to raise one flock, and a median of 2.3 [IQR 1.3-4.4] person-hours per chicken
203 raised. The median daily income per person in chicken production was 202.1 thousands of VND
204 [IQR 56.5-461.0]. However, for 33 (16.2%) flocks farmers labour income was negative. There
205 was a high positive correlation between income per working day and flock size ($r=0.213$,
206 $p<0.01$) (Figure 3).

207 **Farms that discontinued chicken production**

208 Of 197/203 (97%) flocks that could be evaluated for the criterion of whether or not farmers
209 continued raising chickens within 8 months after their sale, 46 (33.4%) were not followed up by
210 a subsequent flock (i. e. discontinued farming). Table 3 shows the differences with regards to all
211 variables investigated. Farmers that did not raise further flocks had purchased feed prices (per
212 kg) at a higher cost compared with flocks in farms that continued production (11.1 [10.6-11.5]
213 1,000 VND vs. 10.8 [10.4-11.3]; $p=0.039$). In addition, these farmers that discontinued
214 production also experienced higher mortality in their flocks (28.5% [12.0-79.0%] vs. 16% [7.5-
215 33.0%]; $p=0.004$). As expected, the ROI of flocks for flocks followed up were also higher
216 (53.8% [-44.6-132.9%] vs. 139.9% [55.2-238.5%]) (Table 3).

217 Table 3. Description of farm/flocks that discontinued/continued chicken production after one flock.

Variable	Discontinued production (N=46)		Continued production (N=151)		p-value
	Median [IQR]	No. (%)	Median [IQR]	No. (%)	
Flock size	303 [202-404]		300 [201-507]		0.956 ^{□□}
Duration of cycle (weeks)	19 [16-21]		18 [16-20]		0.468 ^{□□}
Price of DOC unit (in 1,000s of VND)	10.0 [8.8-11.7]		10.0 [8.4-11.7]		0.801 ^{□□}
Feed type					
<i>Commercial feed only</i>		9		39	0.502 [□]
<i>Commercial feed & locally-sourced feed</i>		37		112	
Price of commercial feed (per kg) (in 1,000's VND)	11.1 [10.6-11.5]		10.8 [10.4-11.3]		0.039 ^{□□}
Percent weeks on medicated feed	50.3 [22.5-100.0]		55.5 [26.2-100.0]		0.651 ^{□□}
Average No. ADD _{kg} per 1,000 chicken-days	329 [211-639]		266 [126-489]		0.074 ^{□□}
No. vaccines (pathogens) per flock	4 [3-4]		4 [3-5]		0.513 ^{□□}
Cumulate mortality over whole cycle (%)	28.5 [12.0-79.0]		16.0 [7.5-33.0]		0.004 ^{□□}
Cumulate mortality from week 9 (%)	6.9 [0.2-58.1]		1.7 [0.0-11.0]		0.008 ^{□□}
>1 flock raised in the farm at the same time		31 (67.4%)		102 (67.5%)	1.0 [□]
No. flocks raised on farms with non-chicken species		39 (84.8%)		137 (90.7%)	0.270 [□]
Purchased new equipment		40 (87.0%)		47 (68.9%)	0.025 [□]
Bodyweight of chicken at sale (kg)	1.5 [1.4-1.6]		1.5 [1.4-1.7]		0.389 ^{□□}
ROI (%)	53.8 [-44.6-132.9]		139.9 [55.2-238.5]		<0.001 ^{□□}

218 Legend: [□] Result from Pearson's Chi-squared test for discrete data; ^{□□} Result from Wilcoxon rank sum test for continuous data.

219 **DISCUSSION**

220 Our study shows that, in the Mekong Delta of Vietnam, raising flocks of 100-2,000 meat
221 chickens is generally profitable (median 1.24 VND returned per VND invested). The financial
222 profit generated from these systems (per chicken produced) generally increased with flock size.
223 However, in 40.9% of cases farmers incurred in financial losses. The main explanatory factors
224 for the losses identified were a small flock size and high mortality. The (high) observed
225 cumulative mortality (median 18%) is likely to reflect a high incidence of bacterial, viral and
226 parasitic diseases identified in the area (Carrique-Mas et al., 2019b; Nguyen T. B. Van et al.,
227 2020; Nguyen Thi Bich Van et al., 2020). This cumulative mortality reached 28% in flocks in
228 farms that discontinued chicken production.

229 DOCs in our study were generally more expensive (median 30.3% of input costs) compared with
230 Indonesian (25% costs) and Pakistani (22-29%) broiler flocks (Afzal and Khan, 2017; Coyne et
231 al., 2020b). This higher price of DOCs in our flocks is probably due to the absence of
232 commercial hatcheries in the study province (Dong Thap), with DOCs typically delivered
233 through a complex network of intermediate traders. We did not attempt to characterize the breed
234 identity of study flocks due to its complexity. The choice of adequate breed lines should however
235 be important in order to maximize production in these small-scale systems.

236 Our study indicates that commercial feed was still the greatest single most important financial
237 expense incurred to raise chicken flocks (median 49.5% of all costs). In Pakistani broiler flocks
238 feed represented 58.1-63.6% depending on farm type (Afzal and Khan, 2017), and in Indonesia
239 ~70% (Coyne et al., 2020b). It is possible that some of savings in our study flocks were due to
240 the provision of locally sourced feed (local plants, rice gain), normally at no cost. Disinfectants
241 account for a very small fraction since in the area as they are often provided by the veterinary
242 authorities (Dong Thap Sub-Department of Animal Health) free of charge. Our results indicate
243 that, overall, the cost (per kg) of medicated feed was marginally higher (~1%) than that of non-
244 medicated feed; however, we could not demonstrate any impact of medicated feed on
245 bodyweight and/mortality. A total of eight antimicrobial active ingredients (AAIs) were
246 identified from the examination of the labels of these commercial feed formulations (avilamycin,
247 bacitracin, chlortetracycline, colistin, enramycin, flavomycin, oxytetracycline, virginamycin).
248 However only three AAIs, chlortetracycline, bacitracin and enramycin, amounted to >90% of
249 total use (data not shown). The evidence of the impact of antimicrobials in feed (generally as

250 antimicrobial growth promoters, AGP) on animal productivity has been mixed and highly
251 variable depending on the studies and production types (Laxminarayan et al., 2015). In our study,
252 a lower price of commercial feed was associated with continued chicken farming; this confirms
253 that the affordability of this input is crucial to the sustainability of the production system.

254 We estimated that medicines accounted for ~9% of total input costs, compared with 5-6% in
255 Pakistan and ~1.3% in Indonesia. However, in our study the fraction of antimicrobials to total
256 medicine cost was relative small. In contrast, expense on vaccines was higher in our study flocks
257 (3.1%) than in the Indonesian (0.8%) and Pakistani broiler studies (~1.5) (Afzal and Khan, 2017;
258 Coyne et al., 2020b). Vaccination of flocks against pathogens is a widespread practice in the
259 Mekong Delta, with >85% flocks vaccinated against three or more pathogens, the most common
260 being, in decreasing order, were Newcastle Disease, Highly Pathogenic Avian Influenza,
261 Infectious Bursal Disease, fowl pox, fowl cholera and Infectious Bronchitis (data not shown).

262 Our results reflect a relatively small impact of AMU on overall financial costs (<2%) in spite of
263 the high volume of antimicrobials used (previously described in detail using a number of metrics
264 (Cuong et al., 2019). This is reflective of the generally low price of antimicrobials available to
265 Mekong Delta farmers. For example, a daily dose of an average antimicrobial-containing product
266 (per \square kg of chicken) has been estimated to retail at ~0.40 cents of 1 US\$, depending on product
267 (Carrique-Mas et al., 2019a; Dung et al., 2020). Our findings are not dissimilar to costs of
268 antimicrobials intended for small-scale pig farms in Vietnam (<2% total costs) (Coyne et al.,
269 2020a).

270 In Vietnam, as well as in other ASEAN countries, livestock production systems have become
271 more intensified in recent years in response to increased demand for animal protein (Jabbar,
272 2015; Soedjana and Priyanti, 2017). Small and medium-scale production systems such as those
273 described in this study have accordingly become more prevalent and have generally become
274 larger to improve competitiveness. The systems described here represent a transition from
275 backyard to industrial production. However, an increase in flock presents associated challenges,
276 since increased flock size normally entails a high risk of disease and mortality. A recent study
277 has shown that levels of mortality are generally larger in larger flocks, as well as AMU (in terms
278 of frequency) (Carrique-Mas et al., 2019b). In contrast with the findings of that study, we found
279 that larger flock generally received fewer doses compared with small flocks. This is due to small

280 flocks being more prone to overdosing due to incorrect preparation of the antimicrobial product
281 (authors' observation).

282 Despite the increased popularity of industrial broilers, meat from native breeds is still highly
283 valued by Vietnamese consumers thanks to its distinct taste. Native chickens purchased at the
284 farm gate (median price ~70,000 VND per kg in our study) already reached a much higher retail
285 price than broiler chicken meat purchased at retail (i.e. supermarket) (~20,000-25,000 VND per
286 kg) (Anonym, 2019). In Vietnam native chicken production still represents a majority of national
287 chicken meat output: of 990,397 tonnes of chicken meat produced in 2019, 43.3% corresponded
288 to industrial chicken production, the rest corresponding to meat from backyard and small scale
289 production systems (Anonym, 2019).

290 The estimated daily income from raising chickens in our study (VND 202,120) was considerably
291 lower than that generated from comparable occupations in the area, such as mason (VND
292 ~300,000 per day), or factory worker (VND ~250,000 per day) (authors' observation). A major
293 challenge is the limited available land in this densely populated area and the competing income-
294 generating activities (retail, rice, fruit, duck, pig and fish farming). Most households normally
295 make up their income from a range of activities. Often they resort to other members in the family
296 for support in raising chickens. For the individual farmer, raising livestock and poultry are often
297 unstable activities due to the seasonality of production, market fluctuations and the regular
298 incursion of infectious diseases. The recent 2019 incursion of African Swine Fever epidemic in
299 Vietnam (Le et al., 2019) resulted in many pig farmers switching to chicken production, with an
300 associated decline in prices of finished chicken. The necessities to undertake multiple
301 occupations are not generally conducive to farmers becoming proficient in chicken husbandry.

302

303 **Conclusion**

304 We confirmed considerable instability in small-scale chicken farming systems in the Mekong
305 Delta, with many farmers ceasing production after one or two cycles. A higher profitability was
306 attained with larger flock sizes and low mortality. A higher cost of DOCs was associated to
307 increased mortality. In spite of a high frequency of AMU, expenses on antimicrobials accounted
308 for <2% of total costs. We did not find any impact of medicated feed on overall mortality or
309 productivity in flocks. In order to remain profitable, farm owners need to implement effective
310 disease control practices. Establishing advisory services for farmers to help them improve their
311 knowledge base on flock management and health issues, whilst reducing levels of AMU should
312 be a priority for authorities and policy makers. This targeted approach would support profitability
313 whilst reducing risk of emergence of AMR and other disease problems from small-scale
314 production systems.

315

316 **Figures' captions**

317 Figure 1. Graphic representation of the cost structure of small-scale chicken flocks raised in
318 Dong Thap province, sorted by ROI, and stratified by four categories: (1) Feed; (2) Day-old
319 chicks; (3) Antimicrobials and vaccines; (4) Other costs. Solid line (mean); dashed line (median).
320 Flocks that make a positive profit have $ROI > 0$.

321 Figure 2. Correlation matrix of study variables. *sex*: owner's gender, *age*: owner's age; *nwo*:
322 number of workers; *exp*: experience in poultry farming (years); *siz*: flock size; *dur*: length of
323 cycle; *ofd*: usage locally-sourced feed; *prf*: feed price; *wmf*: percent weeks on medicated feed;
324 *add*: average weekly antimicrobial daily dose; *doc*: price DOCs; *cmt*: flock cycle cumulative
325 mortality; *nva*: number of pathogens vaccinated; *ofl*: other flock raised in farm; *oan*: other
326 animal raised in farm; *bwt*: average weight of chicken; *pce*: purchase of new equipment.

327 Figure 3. Income generated per day of labour according to flock size.

328 **Figure 4. Distribution of income generated per day of labour among flocks. Solid line (mean);**
329 **dashed lines (1st and 3rd quartile); green (farmers that continued production); orange (farmers that**
330 **discontinued production)**

331 **Conflict of interest statement**

332 Non declared.

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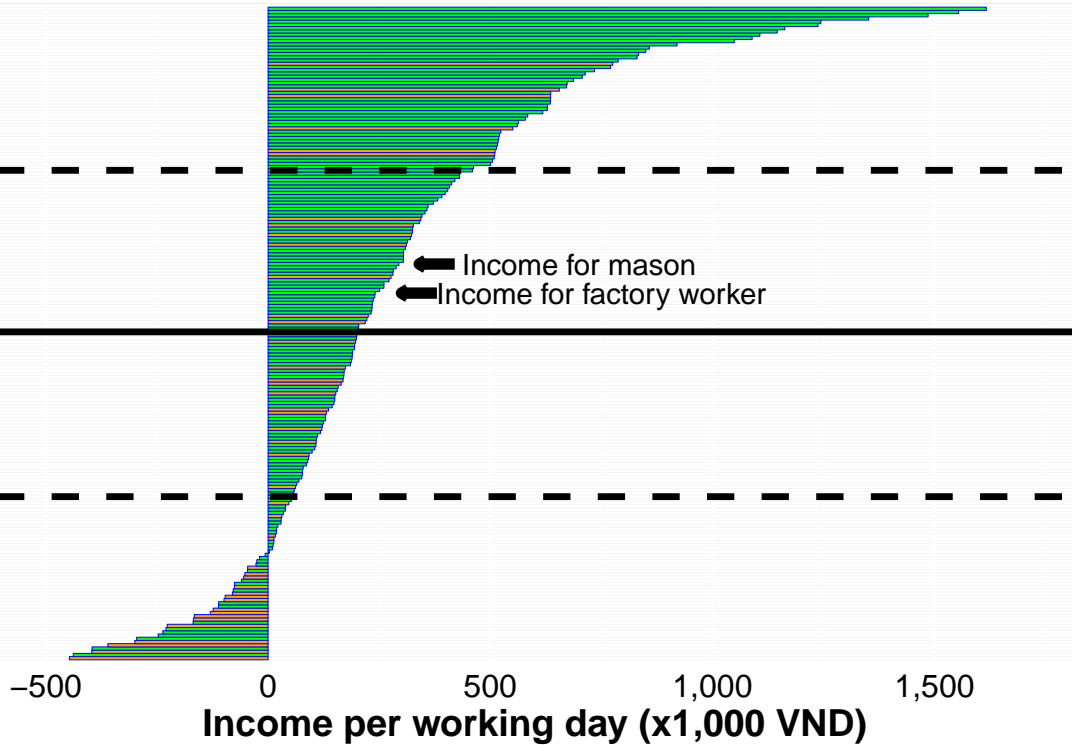
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Flocks



Flock size (x100 chickens)

