

# Small Holder Development

Future Prospective and Possibilities



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# Overview of Pakistan Dairy Industry

- Ranked 4<sup>th</sup> in milk production
- World's 3rd largest livestock population
- Livestock population 158 million including
  - 35.6 million cattle,
  - 31.7 million buffalo ,
  - 28.1 million sheep,
  - 61.5 million goat and
  - 1.0 million camel.

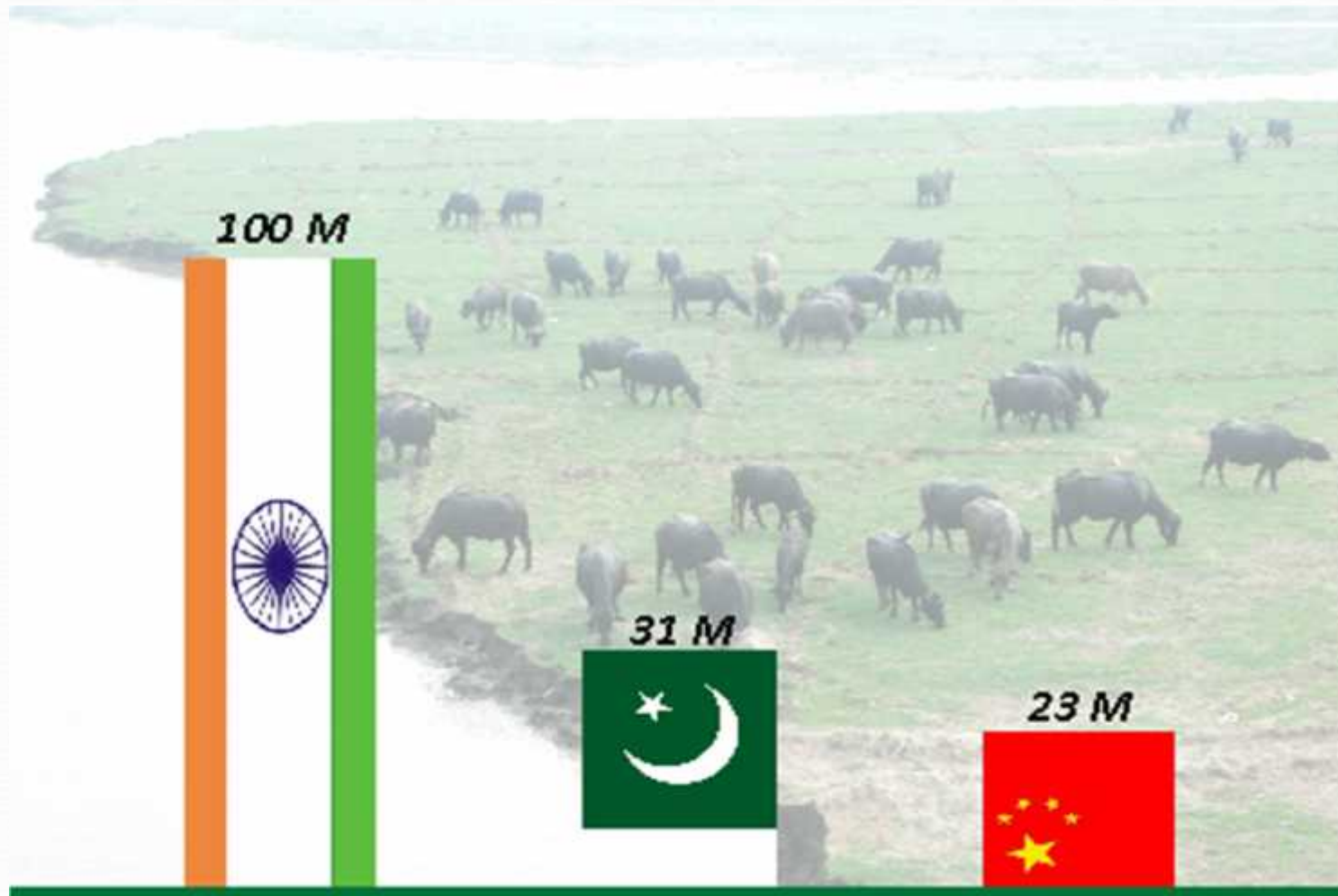


Contributing 55.1 % in agriculture and 11.5 % GDP

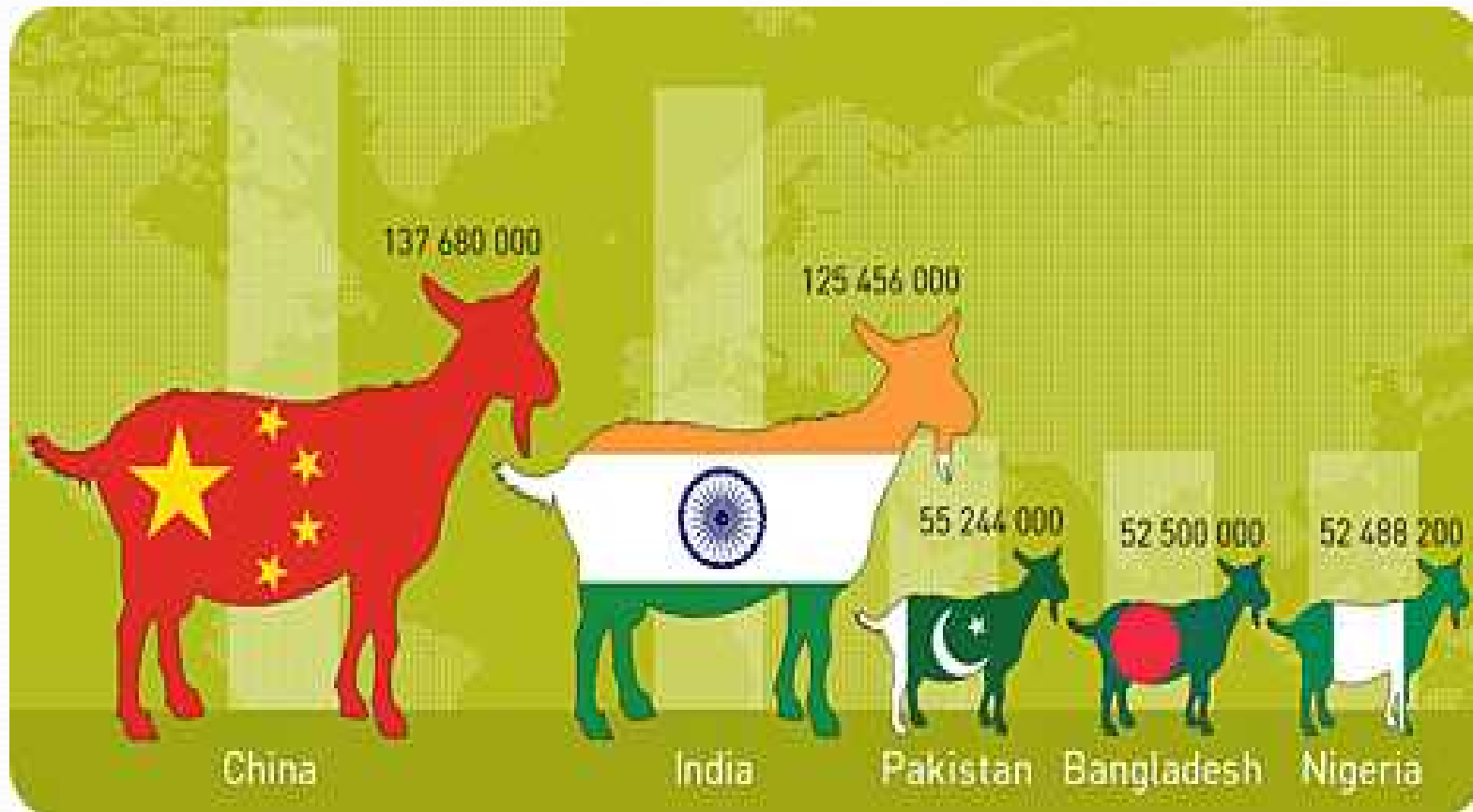
Economic Survey of Pakistan 2010-11



# Pakistan: 2nd Largest Buffalo Holding Country

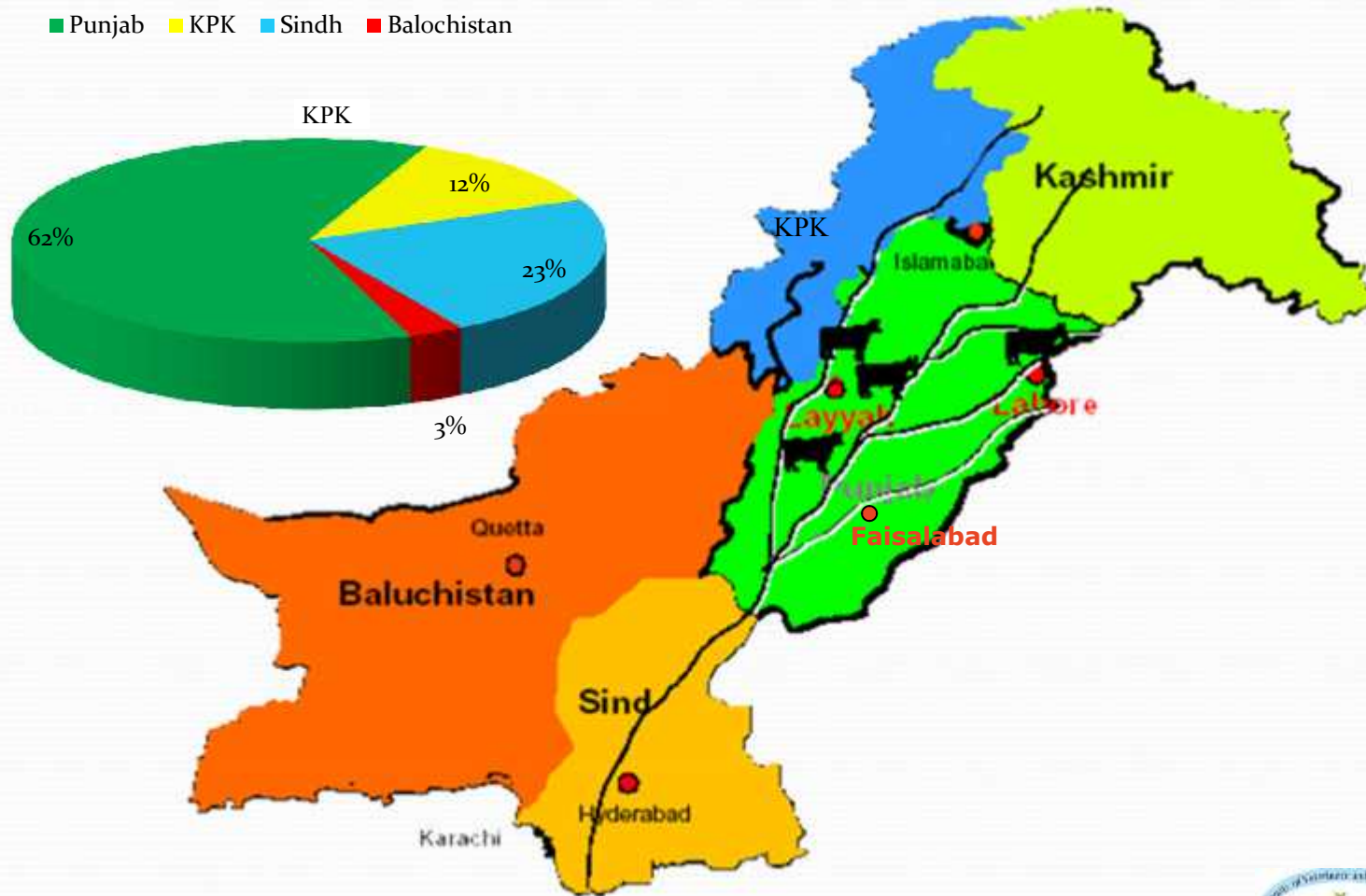


# World Goat Population Overview



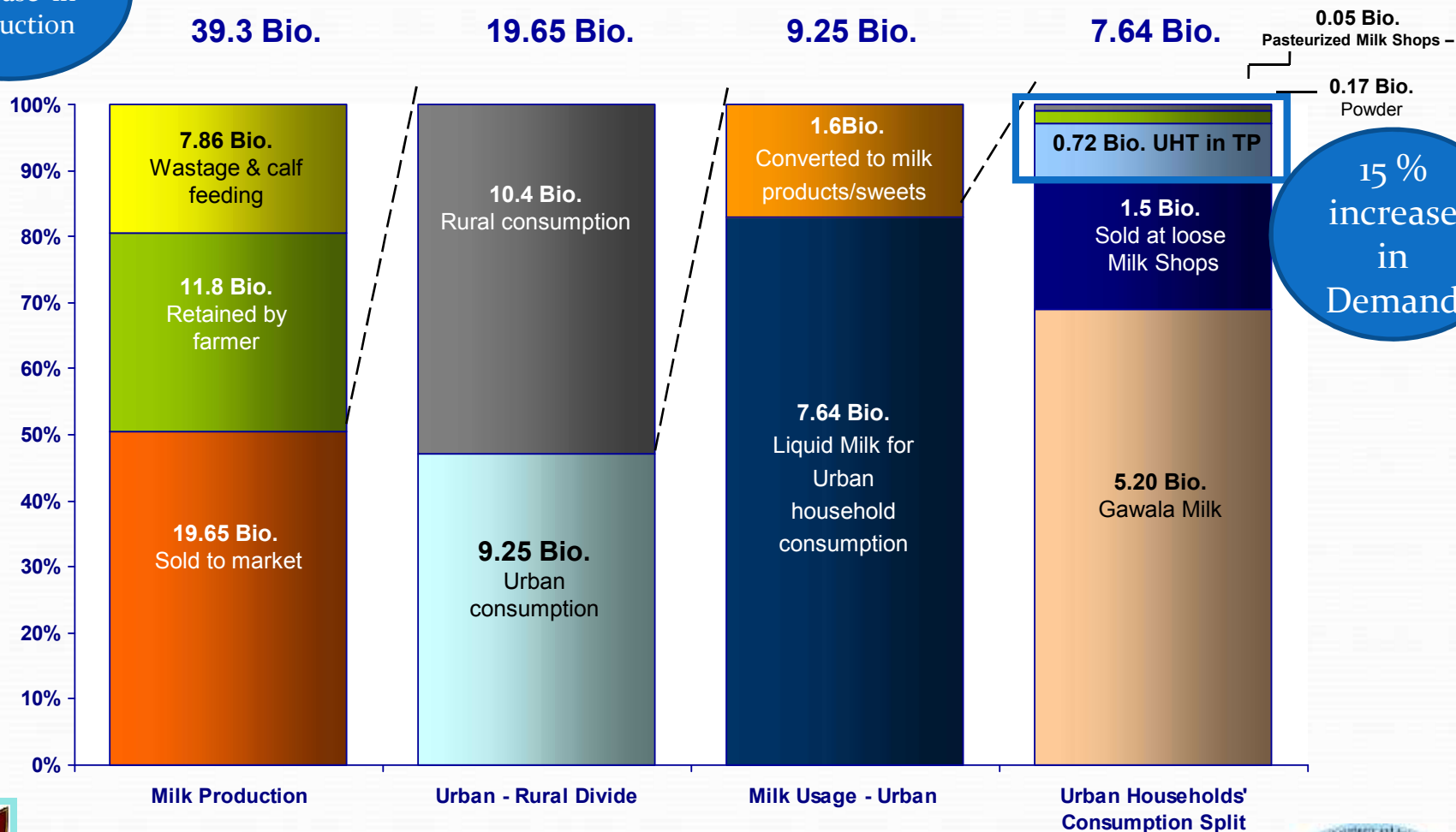
# Provincial Share in Milk Production

■ Punjab ■ KPK ■ Sindh ■ Balochistan



# 4th largest milk producing nation

3 % annual increase in Production



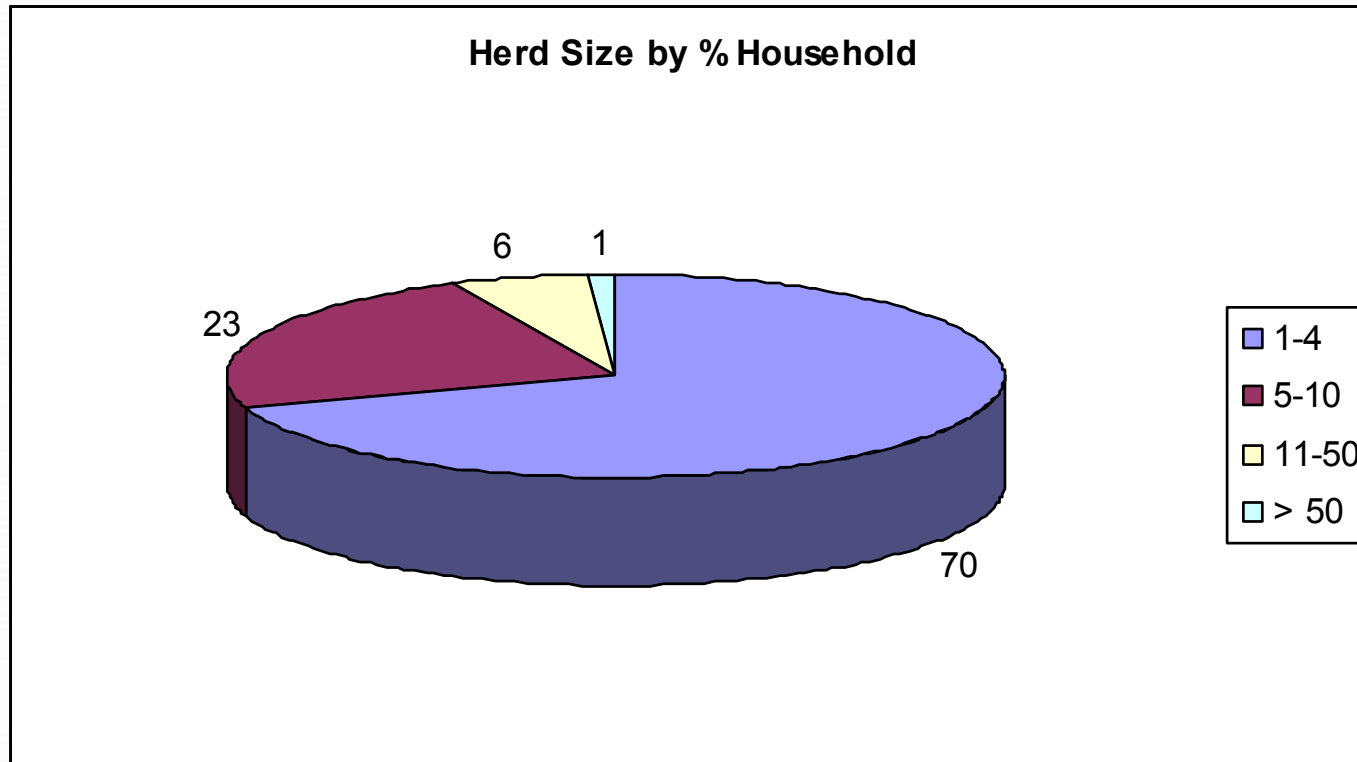
15 % increase in Demand



Source : Pakistan Dairy Association  
Tetra Pak Pakistan internal data



# Fragmented Farm Base



Livestock Census of Pakistan 2006

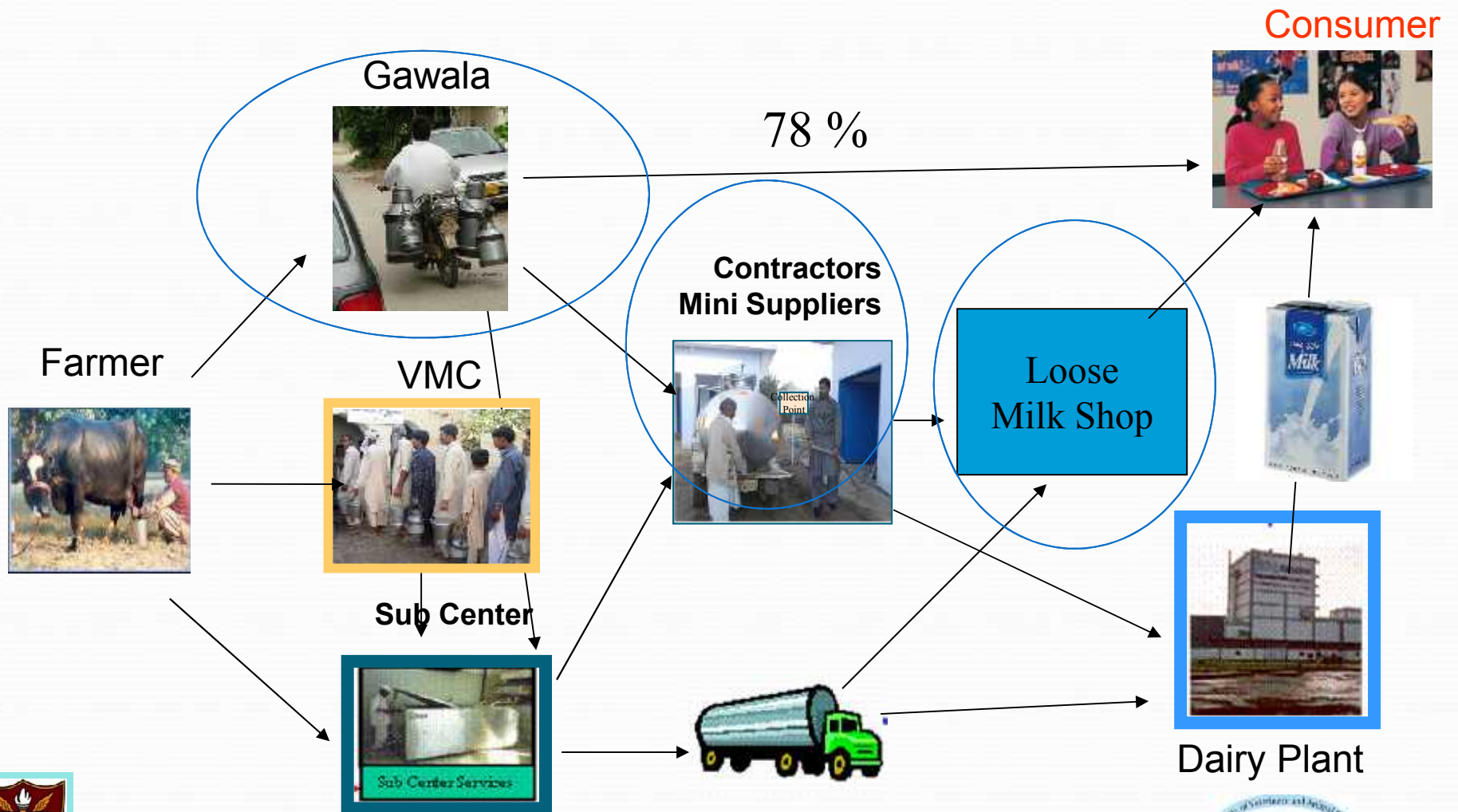


# Tied up Animal .....Rural Farming system





# Middleman is controlling majority of supply chain



# Issues

- Poverty
- Illiteracy
- Landless villagers
- Unemployment
- Role of middle man
- Groupings based on  
Cast/Political/Religion(Mind set of revenge)
- Current political systems
- Lack of credit facilities (6%)



# Poverty

Ranges from 39% to 48%



## Reasons

- Landless .....65%,
- less than 12 acres .....20%
- More than 12 acres..... 15%
- Ever increasing jobless young population
- No investment at village level
- Seasonal jobs with lesser wages
- No capacity building institutions/Strategy
- Not an easy access to credit or higher Interest rate



## Reasons

- Control of state resources in the hands of urban
- Older and aged the head of a family , lesser the growth
- Dependency ratio
- Gender balance issue
- Traditional mindset of rural community
- Villagers find Non farming activities a way to survival



## Current Challenges for Small Holders

- Lack of good Genetic .....Low productive animals
- Lack of awareness/importance..... shortage of Fodder
- No breeding plan .....Non descriptive breed
- Lack of knowledge & skill
- Financial limitation
- Lack of interest in Dairy due to low profitability.
- Lack of animal health service & Agri-Services



## Farmers are facing..... Issues

- Low milk yield / animal
- Comparatively low price of Milk
- Difficulty of selling milk in winter
- Middle man involvement
- Lack of Agri services availability at village level
- Lack of good livestock genetics.



## Gaps in the Dairy sector

- Lack of Clarity on micro level potential of dairy sector to create an impact on rural economy
- Dairy sector is non commercial and un-organized
- No long term plan for Dairy Development...poor Stock
- Lack of efficient distribution
- Untrained extension workers.





# What is Way Forward

New  
Generation  
looking toward  
Policy Makers



# Way forward to develop the dairy sector

## How

- An Infrastructure that does not rely on middle man
- Smallholder capacity building program
- Adoption of improved farming practices
- Increased participation of SH in dairy value chain
- Solution for financial limitation
- Milk development plans to improve milk yield, provision of fodder and feed, breed improvement.



# Way forward to develop the dairy sector

- Concentrated form of agri services in all fields
- Assistance in provision of silage , feed and other dairy related tools at farmer door step
- Soft and interest free loaning
- Model Farm development program
- Provide effective training at all level of supply chain
- Facilitate market-driven solutions
- Value Addition in Dairy Products



# Way Forward

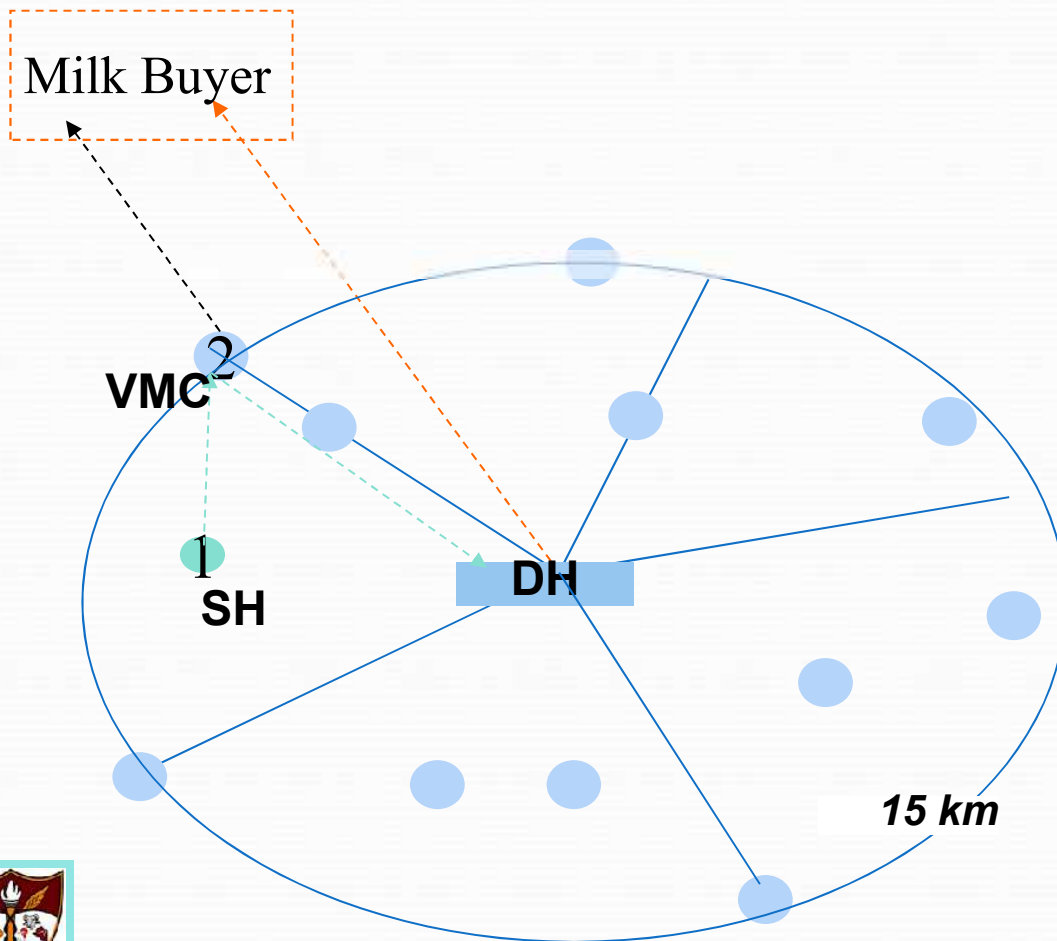
Transforming Traditional Dairy Farming  Business / Commercial Farming

Dairy Hub  
A Comprehensive Community Dairy Development Program



# Dairy Hub Organization

Min. 5 Years Plan



- 20 Villages ●
- 800 SH ①
- 4000 Milking Animals
- Disease free Zone
- Dairy Training Center
- Veterinary Hospital
- One Trained Field staff /2-3 Villages
- Dairy Hub Monitoring System (web Based)
- Training on Value addition
- Chiller in each VMC
- Commodity Shop at village level





Farmer Training



Farmer Training



Silage Making



Medical Camp

# SCOPE OF INVESTMENT

- Productivity enhancement of more than 60 million animals can have a bigger impact on milk & Meat production
- Milk Production cost is 25-40 % less than Commercial scale farming.
- Cost of milk production yet favorable for mass scale milk collection and processing.
- Huge consumer market exists.
- Poverty alleviation & employment generation at Rural level







# Dairy Development Drivers

- Huge Consumer Base
- Health Consciousness
- Untapped Market Potential
- Growing Retail Network
- Industrialization
- Rising popularity of dairy products & flavored milk
- Growth of pasteurized & UHT milk



# Road Map for Development of Dairy Sector

Task	Key Responsibility	Supporting Role
Planning for Dairy Hub projects	Govt, Private sector, Dairy Experts, UVAS, Farmer organizations.	UVAS , UAF, NGO, Extension workers
Breed Improvement	Government & Livestock Department	UVAS,UAF Private Sector SPU Breeder Association
Nutrition	Government & Livestock Department	UVAS,UAF & Private Investors
Good Farm Management Practices	Government & Livestock Department	UVAS,UAF & Private Institutions NGO.
Capacity Building of rural farmers	Government & Livestock Department	UVAS, UAF , Private Dairy Institution
Enhancement of milk production	Government & Livestock Department	UVAS, Private sector,
Value addition of dairy products and Marketing of dairy products	Government & Livestock Department	UVAS & Private Investors, Private Dairy Institutes.
Monitoring System (Herd book, Tagging)	Government & Livestock Department	UVAS & Private sector, Government



# Impacts: Dairy Hubs

- **Improve farm economics, milk quality, & Prosperous Farmers**
- **Increase herd size per farm by 50%**
- ***Increase income per dairy farm by 70%***
- ***Increase milk yield per animal by 100%***
- ***Reduce bacteria count by 50%***
- ***Increase %age of milking animal in herd***
- ***Reduction in Milk Production cost /liter***



# Working Mechanism

- Public Private Partnership
- Private Sector to implement & lead
- Donor/ Government Funding
- Private Sector to contribute in terms of technical expertise and governance.
- Necessary linkages with Academia and Community organizations .
- Joint Monitoring mechanism with the Funding agencies.



Nothing Is Impossible



# Thank you

