



Strengthening Smallholder Enterprises of Livestock Value Chain for Poverty Reduction and Economic Growth in Nepal (SLVC)



Background

The rural natural resource base, agro-ecological environment and farming systems of the country have potential for developing the livestock enterprises, particularly in the areas of milk and goat meat. This potential can be translated into reality for self-sufficiency of milk and meat, if the smallholder dairy and goat production system are efficient, competitive and linked to end markets. With Heifer's facilitation and support from SLVC local community initiatives for strengthening the production and marketing enterprises of the value chains specifically focusing on meat and milk has helped rural farmers increase their family income by channeling urban cash to rural areas. Heifer's 17 years of experience in Nepal suggests that smallholders, when facilitated for entrepreneurship in farming, will become competent producers and can be integrated well in the national and even international food market web.

SNAPSHOT

Project period: **2012-2017**

Target families: **138,000**

Budget: **USD 13.77 million from Heifer International and USD 9.23 million leverage**

Project area: **30 districts**

Targets:

- **138,000 families will earn NPR 200,000/family/annum income**
- **30% goat import substitution**
- **10% milk import substitution**

Project Overview

SLVC project targets on building a holistic system solution with increased production and improved market accessibility for smallholders' products, keeping them as an integral part of the value chain and leading to advocacy for change of current practices affecting goat and dairy production at the national level. It is a five year (2012- 2017) project being implemented in 30 of the 75 districts of Nepal with high potential for producing quality livestock.

Project Goal: By 2016, importation of live goats is reduced by 30% and milk by 10% by involving 138,000 smallholders in value chain enterprises of goat and dairy for increasing their family income and nutrition level.

Objective 1: By 2016, strengthen social capital through organizing 107,000 new farm families in farmer institutions with enhanced management capacity.

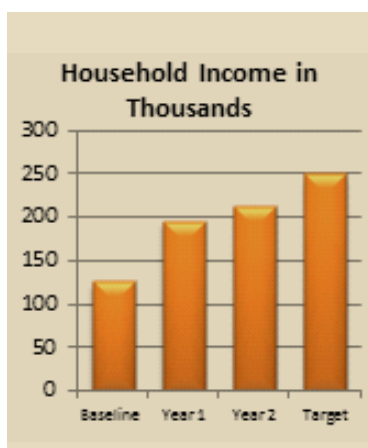
Objective 2: By 2016, increase meat and milk productivity by at least 50% through adoption of improved animal management technologies to contribute to increased family income and nutrition.

Objective 3: By 2016, 3840 SHGs and 185 cooperatives in coordination with District Unions/ dairy industries form a trade alliance between cooperatives/community groups and traders along the value chain and run production and marketing enterprises.

Objective 4: By 2016, engage stakeholders (central government, donor agencies and mass media) for enabling sustainable dairy and goat sub-sectors value chain through appropriate policies and institutional mechanism.

IMPACT OF SLVC PROJECT MEASURED

A COMPARATIVE ANALYSIS BETWEEN PP



Assets

Each project family acquired assets worth NPR 93,253 in FY 14 and additional assets worth NPR 105,164 in FY 15. Farmers have increased the sale of goats by 185%.

Food availability

75% of the project families have food availability year round.

Percentage of families with food availability for less than 3 months/year has decreased from 35.9% to 0%.

Diet Diversity

Out of 12 food categories recommended by FAO project families consumed 7 types of food ingredients on average each day including at least one type of animal source food.

Livestock productivity and production

Goat Productivity increased by 26% in FY 14 and by 36% in FY 15 as compared to baseline figures.

Milk Production increased by 69%.

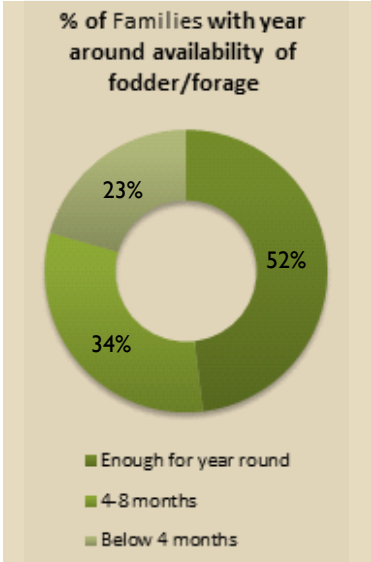
ACROSS THE FIVE DOMAINS OF HEIFER'S THEORY OF CHANGE

PROJECT BASELINE AND RESULTS OF ANNUAL PROJECT SURVEY AS OF FY2015

Environment

Women's Empowerment

Social Capital



Fodder/forage coverage area
 3,109 hectare of land planted with varieties of fodder/forage mostly in previously uncultivated land, fallow and slopy lands.

Women in leadership positions
 The percentage of women holding leadership positions in various committees and forums have increased from 34% in FY 14 to 47% in FY 15.

Women making decisions
 54.67% of the women have decision making power over productive assets.

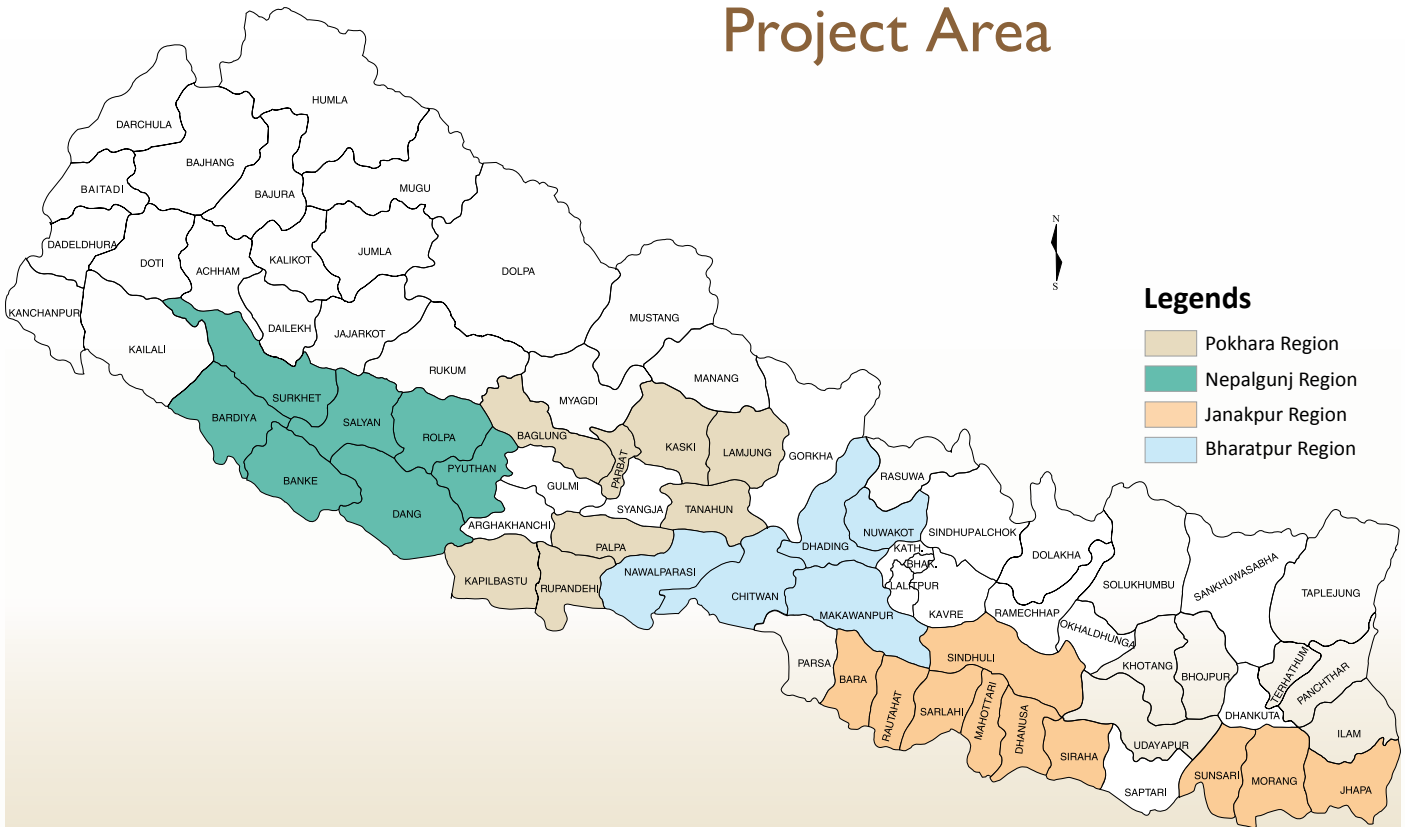
Women with control over family income
 67% of the women have equitable control over the family income.

Passing on the gift
 98% of the project families have shown commitment to pass on the gifts they have received from Heifer to another needy family and help them achieve the similar progress that they have attained.

23,672 Original groups helped in the formation of 79,517 Pass on Groups.

Social Entrepreneur Cooperatives (SEW)
 144 SEW registered and 42,326 joined SEW as share members as of June 2015.

Project Area



Project Components

Social capital formation

The project forms Self Help Groups, primary cooperatives and networks/unions of cooperatives and mobilizes them through a values-based framework that induces reciprocity and mutual trust amongst the major actors along the value chain. Sustainability of a values-based farmer institution strengthens the social capital within the community.

Increase in productivity and production

The project focuses on enhancing dairy animal and goat productivity through input support, improved health services through Community Animal Health Worker and enhanced fodder production. Improved husbandry practices, housing and feeding systems are integral part of the technical interventions.

Value chain actors' engagement

The project develops and provides a common platform for values based interactions among various value chain actors. The project also supports for enhanced entrepreneurial skills in management of input supplies, collection, transportation and distribution systems. Primary cooperatives increase production through management of inputs and technical interventions and link producers with end market actors.

Market promotion of milk and live goat

The project forms and facilitates marketing, collection centers and management committees along with technical support to formulate long term business plans and economic feasibility. Decreasing the gap between the producers and end market users will result in fairer distribution of profits and avoid monopoly situations.



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