



Developing small-scale livestock breeding : Some practical considerations

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Undisputed facts :

- ❖ Growing world population.
- ❖ Over half of it urban.
- ❖ Rising global and per-capita meat & dairy consumption.
- ❖ Arid lands spreading worldwide.

Less acknowledged fact:

❖ **Small-scale livestock keeping is economically reasonable for:**

- ❖ Remote locations,
- ❖ Sparse pasture, arid zones,
- ❖ Indigenous breeds.



Valuable comparative & competitive advantages:

- ❖ Properly done, small-scale husbandry yields:
 - ❖ More rural employment & income,
 - ❖ Lower inputs and cost,
 - ❖ Environment and biodiversity protection,
 - ❖ Co-operation with farmers (fodder) instead of conflict,
 - ❖ Food production on marginal land.
 - ❖ Improved arid land productivity – livestock scatters seeds.

Furthermore

- ❖ Growing urban demand for natural, high-quality (not industrial) meat and dairy.
- ❖ Globally, arid lands can produce wholesome food for the world.

So where is the problem?

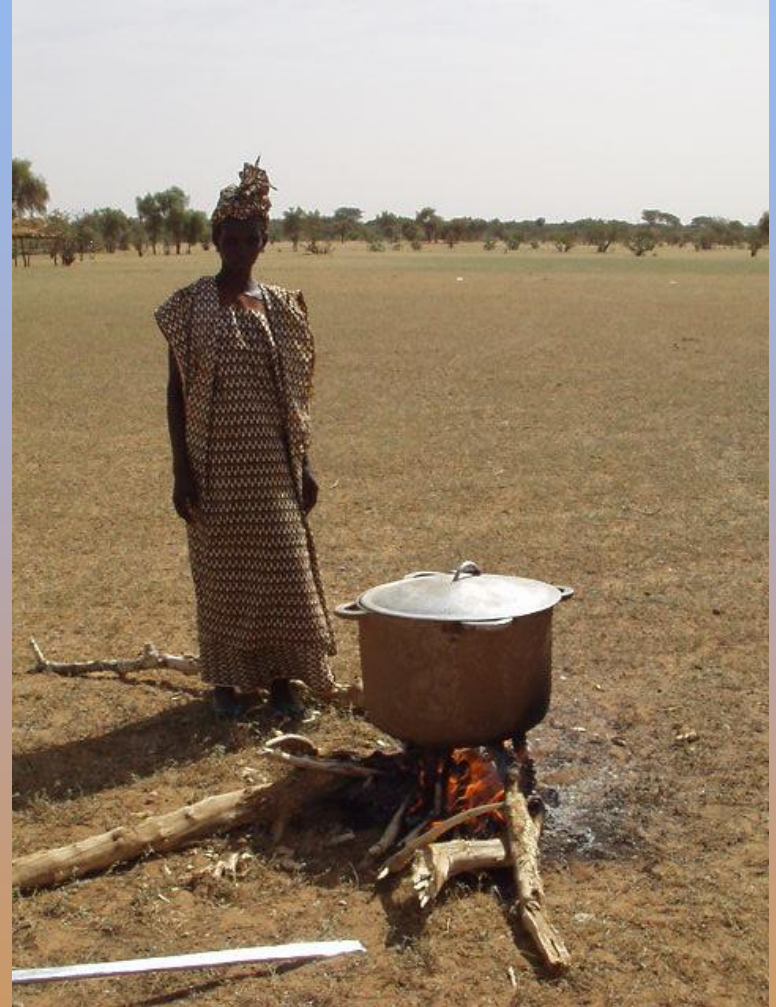
- ❖ Main hurdle: getting produce to market.
 - ❖ Particularly difficult for pastoralists.
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- The background image shows a vast, arid desert landscape under a clear sky. In the foreground, two large, conical tents made of light-colored fabric are pitched on a flat, sandy ground. The tents are supported by wooden poles. In the distance, there are rolling sand dunes and some sparse, low-lying vegetation. The overall scene suggests a nomadic or semi-nomadic settlement in a dry, open environment.
- ❖ Animal products require processing for sanitary and shelf-life reasons.

Where is the solution?

Proposed:

- ❖ Farmers' markets and direct sales: cannot always reach distant urban markets.
- ❖ Are lo-tech solutions an answer?
- ❖ Are “cottage industries” suitable?

In my opinion: NO.



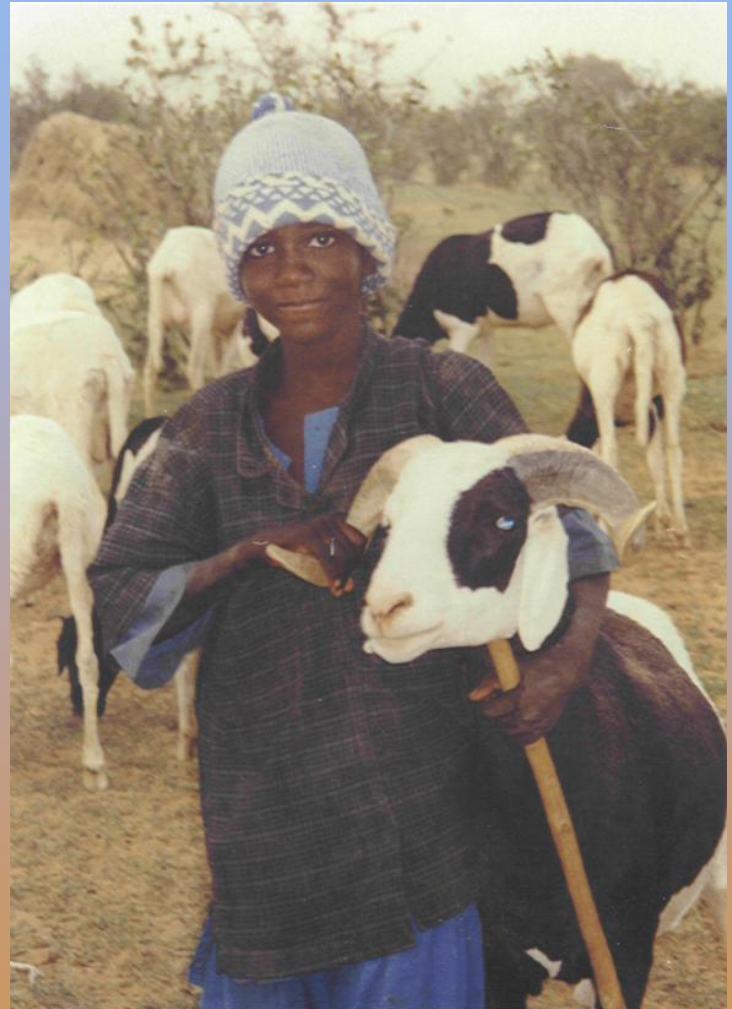
Other options

- ❖ Corporations buy raw materials at low prices to capture maximum added value:

Not enough.

- ❖ Fair Trade is better than Unfair Trade:

Still not enough.



Value chain, e.g. for milk, no processing unit

Stakeholders

Little milk sold
(= producer revenue)



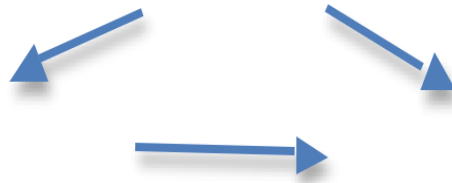
Livestock owner



Raw milk retailer

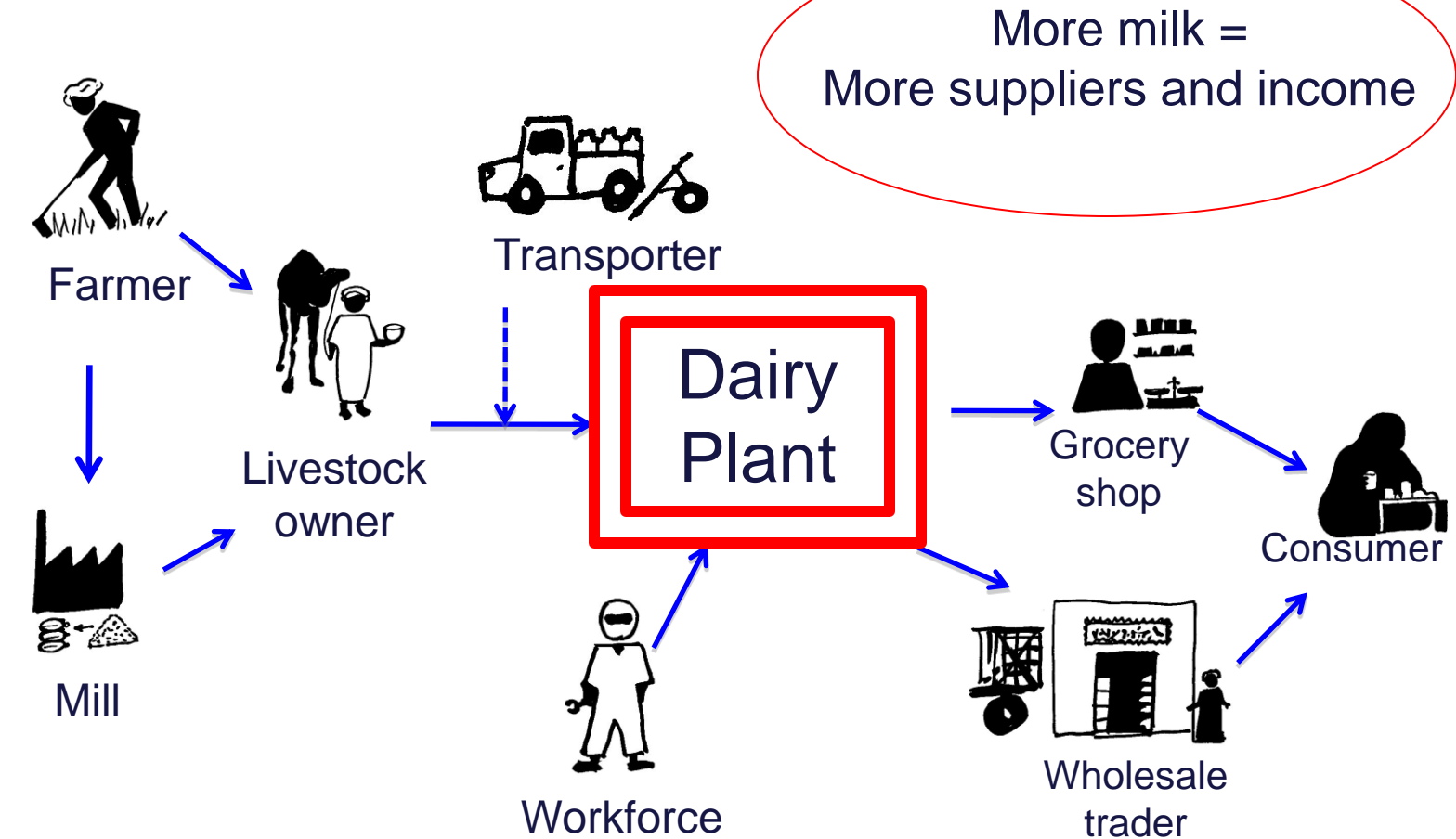


Consumer



With processing unit

Stakeholders



The value chain

- ❖ **A vital link** in the breeder-to-consumer value chain: the unit (e.g. industry) that processes raw meat, milk, hide, wool, etc. locally into market-ready merchandise.
- ❖ ‘PULL’ for farmers,
- ❖ ‘PUSH’ products towards bigger, remote markets.
- ❖ Optimum outlet for small producers,
- ❖ Added-value (major development factor) including local jobs.

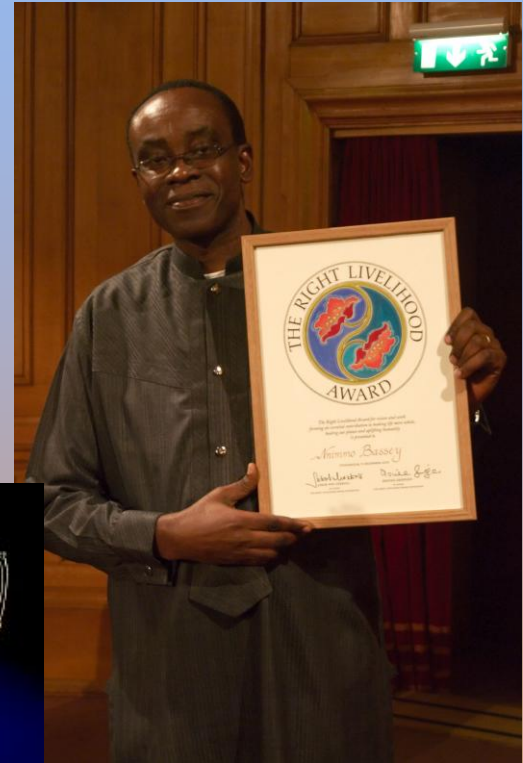
Milk collection centre



Where are the vital links?

This type of enterprise gets medals and awards but often cannot get

LOANS /
CREDIT



The vital link

- ❖ Most small herders cannot run an industry.
- ❖ Not easy, requires managerial skills and technical knowledge.
- ❖ Can NGOs or farmer co-ops do it well...?



Entrepreneurs (a particular variety of humans) seem to do it better.

A sustainable solution

Funding must be made available to small/medium sized processing units that undertake to:

- ❖ Buy raw materials from small producers,
- ❖ Make high-quality products, including niche products, unique breeds, organic, AOC, etc.
- ❖ Pay fair prices and/or re-invest some profit in communities.

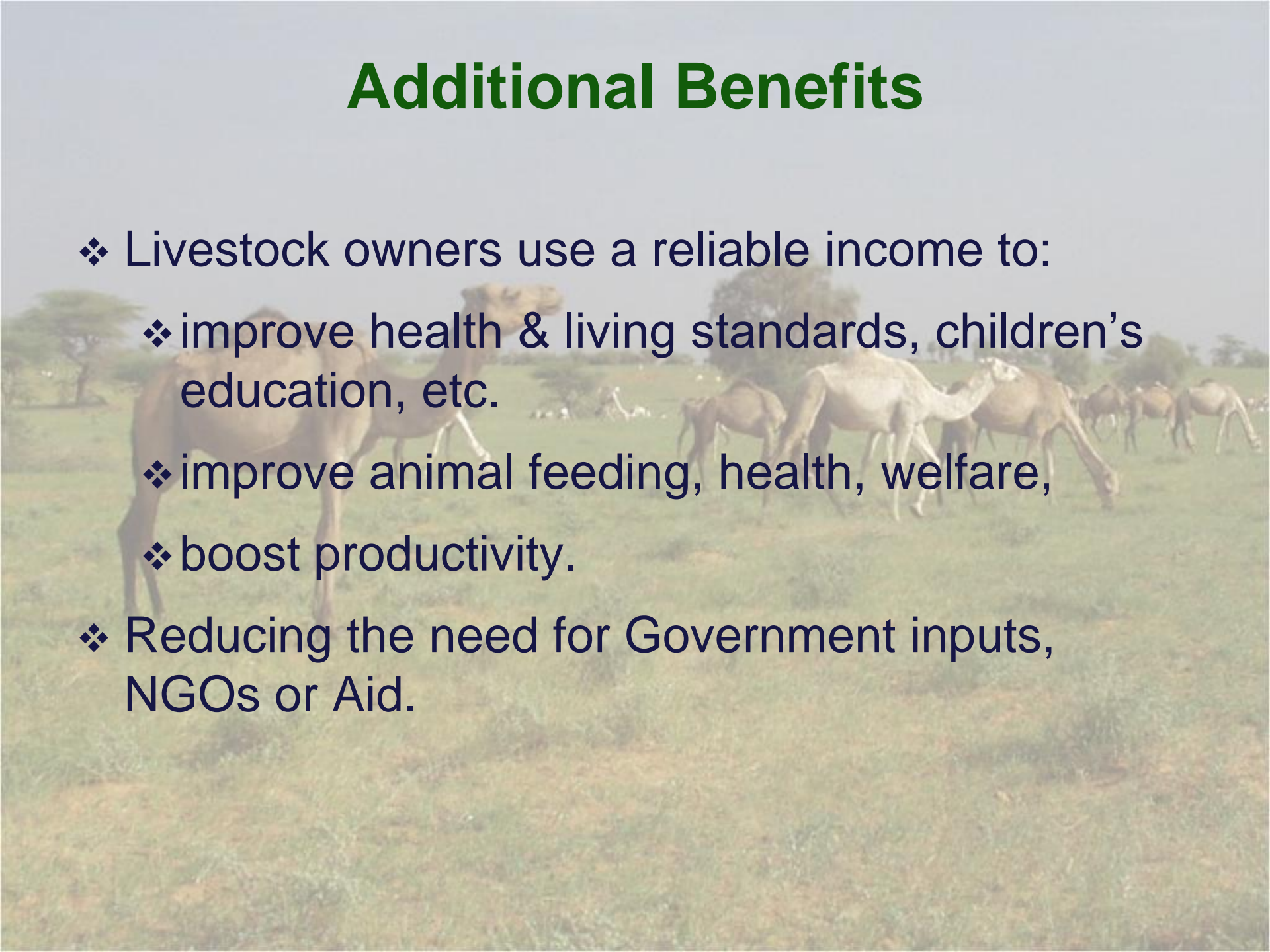
A sustainable solution

- ❖ Local banks can pool resources in a dedicated Fund to reduce individual outlay and risk.
- ❖ Loans only to entrepreneurs signed up to this outlook.



- ❖ Some independent input required to select projects.
- ❖ The Fund also invests to ensure coaching, compliance and repayment.

Additional Benefits

- ❖ Livestock owners use a reliable income to:
 - ❖ improve health & living standards, children's education, etc.
 - ❖ improve animal feeding, health, welfare,
 - ❖ boost productivity.
 - ❖ Reducing the need for Government inputs, NGOs or Aid.
- 
- A herd of camels is grazing in a lush green field. The camels are of various colors, including brown, tan, and white. They are scattered across the field, some standing and some grazing. The background shows a line of trees under a clear sky.

A real-life business example

Tiviski started a mini-dairy plant in 1989.

Initial investment \$300,000, including a \$200,000 loan from French AFD.

First milk collection and pasteurisation in West Africa, and many subsequent Firsts:

“crazy”



A real-life business example

- ❖ All raw milk bought from pastoral herders, at high price: average \$0.60
- ❖ Successful strategies:
 - ❖ modular collecting / chilling centres,
 - ❖ chilled transport,
 - ❖ state-of-the art processing,
 - ❖ direct delivery to retailers.



The dairy plant has grown:

- ❖ Overall investment roughly \$6 M.
- ❖ Up to 200 staff,
- ❖ Up to 1,000 milk suppliers,
- ❖ Five competitors...





The UHT plant
(cow milk only, so far !)

A modern dairy product range



All made from fresh camel, cow or goat milk,
processed to international standards.

QUALITY FIRST!

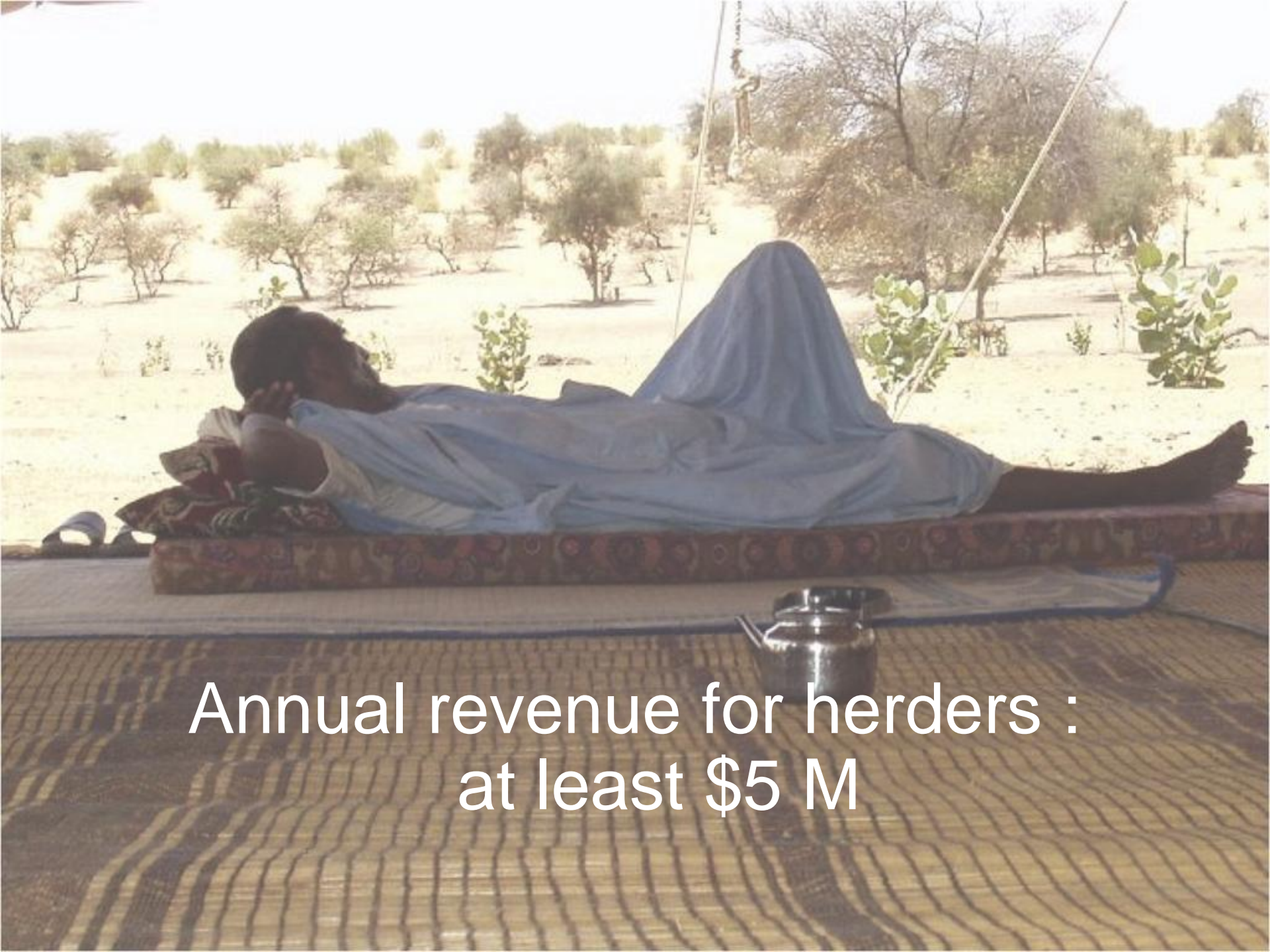
A modern dairy product range



Including unique camel cheese.

Impact

- ❖ Thanks to the dairy industry:
 - ❖ 1,000 to 2,000 herders no longer poor,
 - ❖ At least 7,500 tonnes of milk processed annually,
 - ❖ Overall sales approx. \$10 M
 - ❖ Could be more if milk importers did not actively hinder UHT sales.



Annual revenue for herders :
at least \$5 M

Can it work?

YES!

- ❖ If funding is available, entrepreneurs will come forward.
- ❖ Not a gold mine,
- ❖ Involves hard work,
- ❖ But can yield a respectable profit ...
- ❖ and a lot of collective value and personal satisfaction.

INDUSTRY works!



Think BUSINESS!



Thank you !

