**INCOME GENERATION THROUGH DAIRY VALUE CHAIN PROGRAMME**

Introduction

The overall objective of this project is to reduce poverty and promote children’s rights of disadvantaged communities in the target area of living a standard life that is good enough to meet their physical and mental needs (Article 27 of the CRC). The social development and income generation programs will ensure that the economic status of the disadvantaged is improved to address the needs of their children. In order to enhance the standard of living among children and community members, the marginalized and deprived families are to be supported to improve their economic situation through livelihood options.

As per our identification, the need of the hour is to ensure regular income to the poor families. One such potential venture would be to support these women to own productive assets in the form of dairy animals and help them to venture into dairy development and its allied activities. Hence the project seeks to venture into providing the targeted 100 vulnerable beneficiaries from five villages in providing assistance / subsidy to purchase milch animals, train them in animal husbandry, and provide them with technical 5 expertise for fodder development, azolla cultivation and feed management. Further, the dairy producers will be linked up with local milk collection centres / units for better marketing approaches and to have long term impact on the participants. The impact will be positive and more pronounced on their children in protecting their rights.

**Experience of REAL in Dairy sector & Context relevance**

‘REAL - Rural Education and Action for Liberation’ is a non-governmental organization established in Ennayiram village of Villupuram district in 1989. Since then REAL has forayed into a number of development issues concerning women and children in Villupuram and Cuddalore districts and have subsequently expanded to other districts in Tamil Nadu including Thiruvallur, Kanchipuram and Chennai. Since the past several years, REAL is in to the development of socio economic status of poor in Villupuram and Cuddalore Districts of Tamilnadu and in some parts of Pondicherry. The area is in lee ward area and hence it falls under rain-fed category. The people who are dependent on agriculture witnessed issues due to lack of rain fall and hence were trapped into poor socio – economic status. About 25 % of the population of the area was then illiterate, ignorant and experiencing poor living conditions, social stigma, etc. REAL had found that small scale dairying is a potential option to upgrade their livelihoods. Hence, REAL had distributed milch animals in 1992, to foster economic development of the poor people in its target area. The beneficiaries were brought together to establish a dairy cooperative by name ‘Annai Theresa’. Post 1995, a milk collection centre was opened in Ennayiram village and slowly it got extended into the surrounding villages. In the year 2000, REAL had established a milk chilling centre that began running successfully with the cooperation of the community members. REAL has developed considerable experience in promotion of small scale dairying as a viable livelihood option for the poor.

**Project Strategy:**

**Creating awareness of milch animal rearing to 500 families and introducing milch animals to 100 families**

The project would capacitate around 500 project participants on the best practices required in rearing of milch animals through appropriate resource persons. The project will introduce at least 100 milch animals by facilitating the project participants to get credit support from NABARD for the purchase of milch animals. By provision of technical services and introduction of the milch animals, there will be a marked increase in the quantity of milk produced.

**Establishment of feed units and fodder plots**

Feed for cow ranges from dry fodder, concentrate feed and green fodder. Dry fodder act as silage, concentrate feed gives the essential nutrients and green fodder gives water, fiber and protein content. Concentrate feed for cow are generally include gingelly cake, Groundnut Cake, Wheat bran, Tapioca Powder, Pulse bran, and Cotton seed Cake. Fibre content in the grasses enhances the digestion in cows. The grasses varieties include Co 2, Co 3, Co 4, Cumbu Nampier, Guinea Grass, Kolukkattai Grass, Elephant Grass, Water Grass, Dena Grass, Roast Grass, Marvel Grass, Arugam Grass etc. Among these grasses **CO-4**, also called as Emperor grass is the recent successful variety released by TNAU. This grass can be largely considered for cultivation.

The rural population especially the dalits get wage on weekly basis or daily basis from the landlords or the MNREGA Works. After doing all the necessary expenses, this population is left with only a minimum amount to purchase feed and thus they get restricted from going to bulk sellers who either sell their products on a wholesale basis or require the money immediately. But this population is left with minimal money on a daily basis. This restricts the population to go for concentrated feed which are either costly or could be bought only on wholesale basis. So, to break this stereotype, the Project can initiate small feed shops / fodder plots in the rural villages which will result in increased access to the feed / fodder as the milk producers preferred such kind of feed shop/fodder plots which was able to sell them the feed on lower cost compared to market and also on a retail basis. The feed shops were able to match the cash flow of the population which is erratic and poor.

**Technical support by Veterinarians and Paravets**

The project would provide regular training through trained veterinarians from the animal husbandry department and private diaries on animal care to those who are involved in dairy encouraging the use of best practices like de-worming, animal vaccination, use of artificial insemination, improvement of cleanliness standards of animal sheds, use of green fodder and feed concentrates. A cadre of around 5 community volunteers would be developed as para-vets who will provide basic veterinary services to the community at a nominal cost. The project would identify such volunteers and facilitate the process. Meanwhile, the veterinary doctor would monitor the overall progress in taking veterinary care, promoting dairy unit and accessing possibilities to relate marketing opportunities for extending by-product services.

**Market Intervention Strategies**

REAL has a good presence in this region through it’s already existing project especially on the child rights, women empowerment and dairy initiatives. A large population has been already covered through the SHG Initiative which was collectivized through the SHG Federations. The SHG Federation has decided to provide holistic service to the dairy cluster existing in this region through provision of good credit for purchase of milch animal, para-vet services to look after the health of milch animals, awareness creation on the milch animal rearing, establishment of feed shops and fodder plots, and milk market intervention strategies. Through which, the family could assure a regular income of Rs.7500/- per month by involving in dairy business.

**Budget:**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **S.No** | **Particulars** | **Budget in Rs.** | | | **Budget in $** | | |
| **Unit Cost** | **No.of Units** | **Total Cost** | **Unit Cost** | **No.of Units** | **Total Cost** |
| 1 | Identifying 5 para-vets and 100 beneficiaries in 5 villages |  |  | 750 |  |  | 10 |
| 2 | Capacity Building to identified 100 beneficiaries on fodder, feed and animal husbandry practices. | 100 | 200 | 20000 | 1.43 | 2.87 | 286 |
| 3 | Capacity Building to 5 para-vets on veterinary care and services. | 5000 | 5 | 25000 | 71 | 0.072 | 355 |
| 3 | Promoting fodder and feed cultivation at home backyard (100 beneficiaries) | 1000 | 100 | 100000 | 14.32 | 1.43 | 1432 |
| 4 | Promoting azolla cultivation (100 beneficiaries) at home backyard | 2000 | 100 | 200000 | 28.66 | 1.43 | 2865.5 |
| 5 | Animal Purchase (Subsidy) | 2500 | 100 | 250000 | 35.82 | 1.43 | 3581.8 |
| 6 | Animal Insurance Support | 750 | 100 | 75000 | 10.75 | 1.43 | 1074.5 |
| 7 | Marketing Tie-ups / Arrangements. |  |  | 3458 |  |  | 50 |
|  | **Total** |  |  | **674208** |  |  | **9654.8** |

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