

B/1125 The Honourable Second Member for Quartier Militaire and Moka (Mr. Dayal)

To ask Dr. The Honourable Minister of Agro Industry and Fisheries:

Whether, in regard to the production of milk and of its by-products, he will state if Government is proposing to create clusters of cow breeders, region-wise, in order to benefit from the economies of scale and, if so, will Government consider the advisability of (a) providing to the clusters of cow breeders (i) fodders against payment of a fee and (ii) the necessary infrastructure and equipment, including those for cow milking and (b) arranging for the bulk collection of milk and the storage thereof?

REPLY

Mr. Speaker Sir

I would first like to thank the Honourable member for raising the issue of production of milk and its by-products.

As a matter of fact, my Ministry has been encouraging the creation of clusters of cow breeders to benefit from economies of scale. But the strategy adopted is different to the ones mentioned by the Honourable Member.

More specifically with regard to:

- (a) my Ministry is not providing fodder but cattle feed instead, (cow feed and cotton seed cake) region-wise, at a price

which is highly subsidized.; and leasing state lands for breeding purposes, which include fodder production

(b)The government does not have a policy of providing the necessary infrastructure and equipment. My technical agencies, (FARC, AREU, Agricultural Services), however, offer technical advice for putting up of the infrastructure and acquisition of the appropriate equipment.

(c)My Ministry, through the AMB, has been arranging for the bulk collection of milk, its storage and processing, but this facility is being reconsidered now. I will detail this in my answer to PQ B/1129.

Now, I would wish to seize this opportunity to make a comprehensive statement on action taken by my Ministry in dairy sector development, which will shed more light on the strategy adopted.

It was by September 2005, that my Ministry with the input of FARC undertook a strategic overview of the Mauritian Dairy Supply chain and conceptualization of the “Village Laitier” project which was mentioned in our Government Programme.

This was followed by an Action Plan specifically for one cluster, namely the Nouvelle Découverte Cow Breeders Cooperative Society Ltd. In May 2006, with the appreciated support of the French Government, Mr. F. Vaucoret fielded a technical mission in Mauritius and through a report confirmed the strategy adopted and the operationalisation of the “Village Laitier” Project.

Several meetings were held under my chairmanship and also that of the Food and Agricultural Research Council (FARC) with breeders and other stakeholders, to follow up closely on the development and revitalization of the dairy sector.

These were also dealt with at the level of workshops. The latest one being the National Workshop on *Strategic Options for the Crop & Livestock Sector (2007 -2015)* held at the Rajiv Gandhi Science Centre on 21 August 2007.

Mr. Speaker Sir,

The general approach is for my Ministry, as the lead Agency of the State, to coordinate and deliver selected measures, schemes and action, which are designed to act as catalyst to the efforts that have primarily to be made by the breeders and other stakeholders themselves in the first place.

This Mission is being implemented through the following strategies:

(1) In the short to medium term, to stop urgently the further decline of the milk sector:

By consolidating existing clusters (Cooperatives) of breeders to convert them into “Village Laitier”. We are dealing with **two** categories here:

(a) Livestock Cooperatives already operating on Statelands, where there is need for monitoring and upgrading;

The examples are :

- La Brasserie Cooperative Society (comprising 14 members)
- Nouvelle Découverte Cow Breeders Cooperative Society Ltd;
(comprising 11 members)

which were allocated 70 Arpents and 86 Arpents of State Lands, respectively, by myself as Minister in 1998/99.

We have taken following action steps here:

- (i) Detailed Action Plan has been defined for Nouvelle Découverte Cow Breeders Cooperative Society Ltd
- (ii) Water & Electricity facilities and road access have been upgraded;
- (iii) Project submitted to Decentralised Co-operation Programme (DCP) of EU has been approved: Grant of Rs3m is available to further upgrade infrastructural facilities such as road access and water system.
- (iv) 22 cows have been made available from Palmar Station at subsidized prices.

(b) Other clusters/cooperatives already operating BUT in the traditional household backyards, where there is need for relocation to appropriate sites.

The examples are:

- Most of the Livestock Cooperatives & individual breeders

Following action steps have been taken

- The Northern Livestock Cooperative Society Ltd (consisting of 15 members) has been allocated 12 Arpents of Stateland (at Nouvelle Découverte). Lease Agreement signed on 7 June 2007.
- The Ministry of Industry & Cooperatives has made available Rs1.0m for setting up of a model cowshed at Nouvelle Découverte.

(2) In the Medium to Long Term, to encourage the establishment of NEW dairy projects on State Lands.

(a) medium to larger scale projects

Several project proposals have been submitted to my Ministry where the single major request is for LAND, which ranges between 50 and 250 Arpents per unit.

Planning, financial arrangements and establishment would be the exclusive responsibility of the private promoter(s), with the State only involved in State Land allocation, (if where and when available and suitable); in regulatory oversight and technical support if requested. Examples of State Land allocations are:

- Krish Cow and Dairy Products Ltd
- Food and Allied Industries Ltd (FAIL)

- (b) **Small scale dairy projects:** Similar requests for State Lands have also been made by small breeders, existing and prospective.

State Lands: State Lands have been identified for these activities and the beneficiaries have already received the letter of intent and expected to sign the Lease agreements by next week.

A Committee chaired by the Director of AREU is monitoring the matter.

I am tabling the list of the beneficiaries for dairy projects so far.

- (c) **The Mauritius Prisons Services**

My Ministry has donated **21** cows and **19** heifers for breeding purposes on 20 August 2007, which is expected to make the Prisons Department self-sufficient in milk production.

Moreover, the Prisons Services has been allocated 16 hectares of land at Mon Bois for livestock breeding activities including fodder production.

- (d) **Rodrigues Regional Assembly**

My Ministry has given special attention to Rodrigues by supplying **64** animals comprising among others, 5

bulls, 5 young heifers, 5 breeding heifers and 10 cows on 3rd October 2007.

(ii) **Other Strategies**

(a) Livestock belts: Land and Site Identification and allocation for breeding and fodder production

We are presently working on identification of such belts around the island which will consist mainly of private lands. This will take account of our sugarcane/agricultural diversification strategy and environmental requirements; incentives package that may be needed to encourage private landowners to convert land to livestock/fodder production activities; and sensitization/training programmes.

(b) Milk Price Policy

Since April 2007, fresh milk price has been increased to MUR 12.00/litre by AMB to give an added incentive to cow-keepers.

(c) Synergies between breeders and small breeders: large players to catalyse small scale sector development in terms of new management practices and technologies and feeding systems, animal supply; and marketing and processing of fresh milk. Both Krish Cow and FAIL that

have been allocated State Land are willing to interact positively with small breeders.

(d) Synergies between small scale breeders.

Bona fide breeders who benefit from one-off sale of livestock from Palmar Livestock Production Unit to supply prospective breeders with breeding stock.

(f) Import of heifers: Encouraging strategic alliances between livestock importers and breeders in the import of breeding animals.

(g) Technical support

This is being provided through agency of the FARC including the coordinated inputs of AREU in terms of research and extension; and the inputs of the Animal Production Division and Veterinary Services.

Technical support relates to good management practices, which includes advice on purchase of equipment such as milking machines and cooler tanks; milk marketing and processing.

(h) Other incentives

My Ministry will ensure that breeders continue to benefit from all logistic support free of charge from Division of Veterinary Services and AREU, FARC and Food Technology Laboratory.

- drugs and artificial insemination (against a nominal fee of Rs2.50 per insemination);
- visit of Veterinary Officer on a 24-hr basis
- expert advice on best practices for animal husbandry
- analysis of milk
- Cattle feed including cow feed and cotton seed cake at a highly subsidized rate (actual price of Rs4,500 per ton against market price of Rs9,000 per ton).
- Cash grant Scheme from Ministry of Industry, SME's Commerce & Cooperatives of Rs 40,000 per breeder.