



## The Milky Way

### Background

Nepal's livestock sector is the most important contributor to rural livelihoods, providing income, food security and assets that can help withstand crises. However, the potential for smallholder farmers, especially women to improve their livelihoods is limited by the low productivity of traditional breeds of dairy cattle and other livestock. The Agriculture Development Strategy (ADS, 2015) of Nepal has identified dairy as one of the high-priority potential value chains for economic development.

### Rationale

- Low productivity of existing dairy animals, deterioration in progenies due to lack of sustainable genetic improvement program
- Higher cost of production and poor competitiveness
- Poor quality of milk and milk products produced
- Increasing demand for dairy products and gross import situation
- Fragile national dairy ecosystem and policies of the neighboring countries

### Project Goal

For 500,000 farm families to reach sustainable living income and reduce dairy product imports by 50% through improved productivity, access to markets for milk and dairy products and transformed dairy enterprises by 2030.

### Key Donors

Heifer International, Heifer Korea

### Key Partners

Department of Livestock Services, National Dairy Development Board, Provincial Dairy Development Board, Central Dairy Cooperative Association Limited Nepal, Dairy Industries Association, Nepal Dairy Association, Seoul Dairy, Nonghyup Dairy Cattle Improvement Center, Heifer Korea

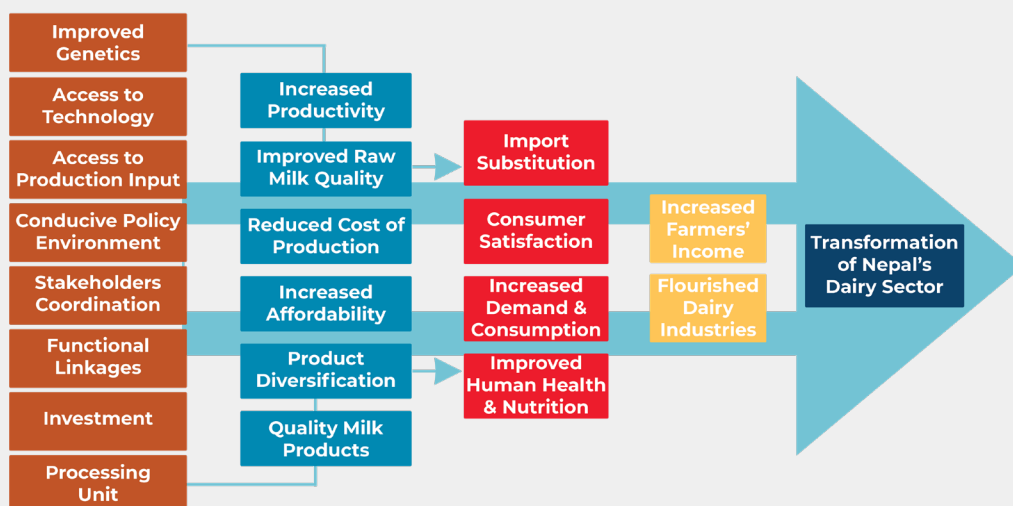
### Project Duration

March 01, 2022- June 30, 2027

### Working Areas

Kamalamai Municipality, Sindhuli District

## Theory of Change



## Project Components

### Pathway 1: Model Dairy Village in Sindhuli District

- Establish a model dairy village to showcase improved practices.
- Improve genetics through local and Korean crossbreed cattle.
- Strengthen social capital, technical capacity, and production inputs.
- Enhance business skills for market access.

### Pathway 2: Scaling the Model

- Replicate the model in 60+ districts.
- Focus on better genetics, improved market incentives, access to finance, and partnerships.
- Strengthen National Livestock Breeding Offices' technical capacity.

### Pathway 3: Enabling Business and Regulatory Environment

- Improve business enabling environment and policy regulation.
- Enhance coordination among dairy value chain actors.
- Build resilience among dairy farmers and processors.

## Cross-Cutting Components

**Gender:** Promoting equitable participation and representation of women in the dairy sector.

**Youth Engagement:** Involving youth in agri-business to harness their potential.

**Environment & Climate Change:** Incorporating climate-smart agricultural practices.

**Animal Welfare:** Emphasizing animal well-being and sustainable livestock practices.

**Food Security & Nutrition:** Enhancing dietary diversity and quality.

## Expected Key Results

- Introducing and scaling a new model based on improved genetics and animal management practices.
- Modernizing the national dairy value chain.
- Strengthening the dairy sector ecosystem.

