

Unique proposition links Sri Lankan commercial fodder cultivators to market

ADDRESSING A CRITICAL GAP IN THE NUTRITIONAL NEEDS OF DAIRY COWS, THE MARKET-ORIENTED DAIRY PROJECT PROMOTES COMMERCIAL FODDER CULTIVATION TO SUPPORT DAIRY FARMERS

A hungry cow is not a happy cow. Animal nutrition is key to increasing milk yield and a good quality fibrous diet is essential for optimum milk production. With the overall objective of doubling milk production of participating dairy farmers, the Market-Oriented Dairy (MOD) Project is working on multiple approaches to improve the year-round availability of grasses by developing commercial-level fodder cultivators and buyers.

To increase milk yield and assure year-round milking for dairy farmers, good quality feed is indispensable, and fodder is a major component. At present, Sri Lankan dairy farmers primarily depend on natural pasture and fodder found on the road side, ravines, banks of waterways, and uncultivated public and private lands which is highly inadequate in meeting the nutritional needs of dairy cows. Very few dairy farmers grow quality pasture and fodder for the purpose of feeding their animals. Further, this scarcity of feed increases the feed costs for dairy farmers.

To address this gap, the MOD Project has commenced developing entrepreneurs who meet certain criteria into commercial fodder cultivators. The entrepreneurs working with MOD must have a will to develop a profitable business, a minimum land extent of 2 acres or a cluster of smaller acreages, road access, and water available throughout the year. They are then linked to markets selling directly to dairy farms or through an intermediary buyer who will then sell the green grass or silage to dairy farms.

Mr. Matthew Krause, MOD Project Director, said that “to assure a year-round supply of feed, the interventions are designed in a holistic manner by educating farmers on the need for quality feed year-round to increase yield and create awareness amongst stakeholders on the business opportunities around growing, conserving, and selling fodder to potential cultivators”. Mr. Krause added, “essentially we encourage both the dairy farmers and the



Mr. Lionel Dharmasiri, Managing Director, Lanka Forages Pvt Ltd exchanging the agreement with one of the commercial fodder cultivators

fodder cultivators to think as entrepreneurs by providing training, enhancing technical knowledge on latest techniques and quality planting material and methodologies which are adaptable to local conditions as well as business planning”.

In November 2018, MOD facilitated the first of such buyer-seller agreements between Lanka Forages Pvt Ltd (the buyer) and three fodder cultivators (the sellers) in the northern region of Sri Lanka, considered a first for the region. The main purpose of such linkages is to ensure year-around availability of good quality fodder and silage at a competitive price, which is essential for dairy farmers to maintain a healthy, high-yield dairy herd and year-round milk production.

The success of this initial signing is already evident with further such agreements being facilitated in other parts of the island, with a second agreement signed in mid-December covering the north western region of the country.

Mr. Lionel Dharmasiri, Managing Director of Lanka Forages Pvt Ltd, stated that “this is a unique business model for Sri Lanka. The agreement today fulfills a great need for the country. The knowledge and training given by the MOD technical team is also valuable so that we can supply the desired quantity and quality of fodder and silage at a competitive price. The other signatories and I sensed the growing market opportunity and have the confidence that there is a guaranteed market for commercial fodder cultivation assured with an agreed rate and a time period for supply”.

Market-Oriented Dairy (MOD) Project, based in Sri Lanka, is funded by the United States Department of Agriculture (USDA) ‘Food for Progress’ initiative and implemented by IESC. The project aims to double the milk production of participating dairy farmers and enable them to obtain a higher price premium for fresh milk through interventions primarily designed to enhance their technical knowledge and create an entrepreneurial, business-oriented mindset. The project also supports enterprises along the dairy value chain to meet the demands of the country’s dairy sector to catalyze a sustainable growth.