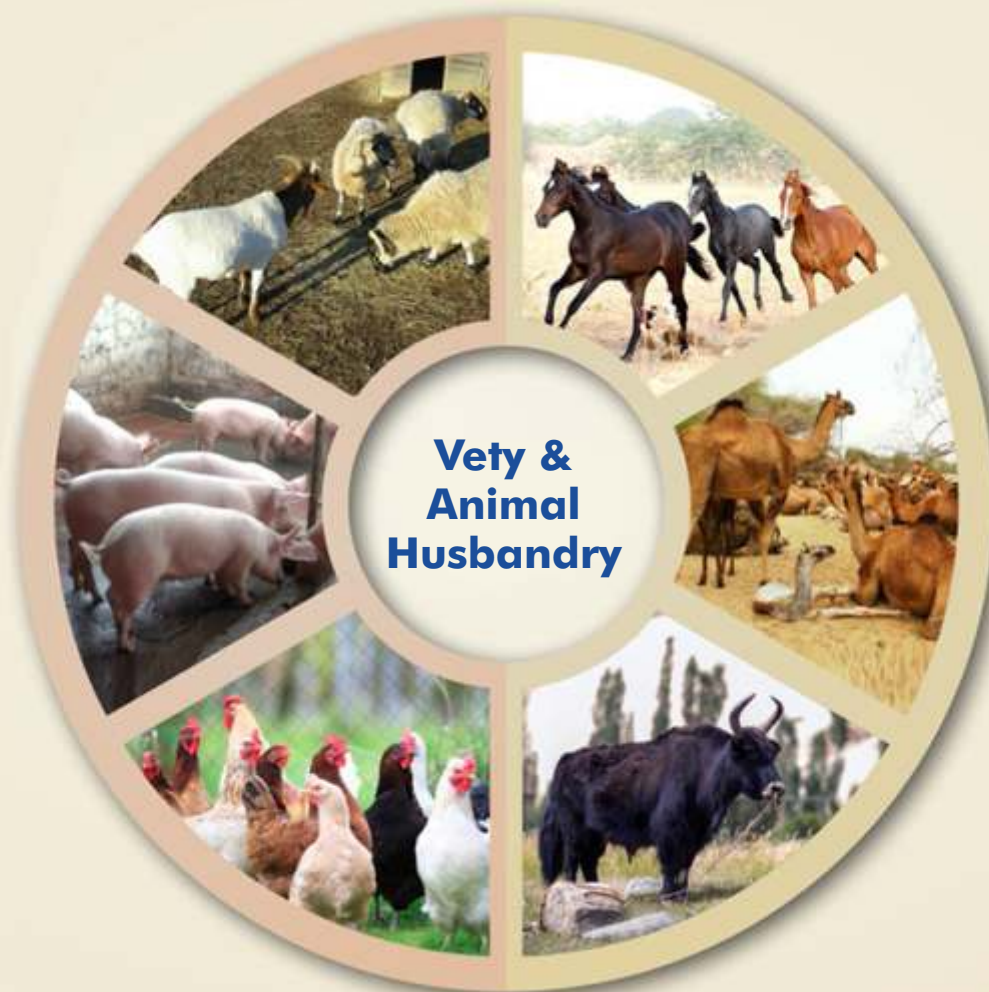




Sector Specific Report (Vety & Animal Husbandry)

December 2021 Edition



Policies Covered In The Edition

**1. Animal Husbandry Infrastructure
Development Fund**

2. National Livestock Mission

3. National Dairy Plan

Animal Husbandry Infrastructure Development Fund

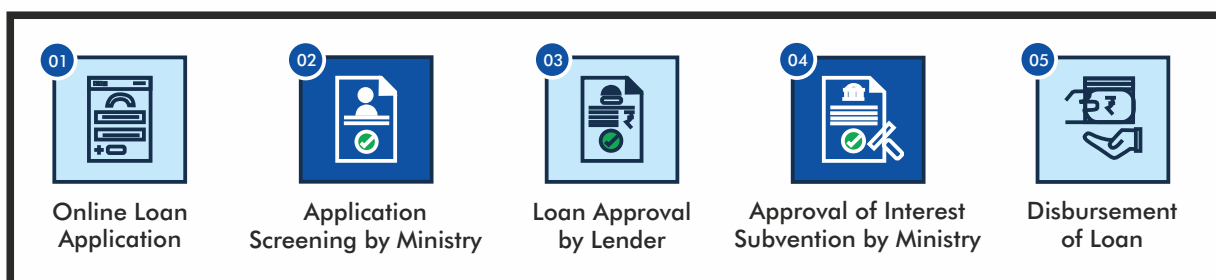
The Rs 15000 Crore Animal Husbandry Infrastructure Development Fund was set up by the Government of India under the stimulus package of Atma Nirbhar Bharat Abhiyan which is launched to provide incentives for infrastructure development and value up-gradation in the dairy and meat processing sector in the country. This is the first of its kind scheme for the private sector. The scheme is designed for increasing milk and meat production and thus it will help in increasing the export of dairy products for India. As per the Ministry of Fisheries, Animal Husbandry & Dairying, the total term loan sanctioned under this fund till 9 December 2021 is Rs 11 Crore.

The fund was set up with the major objective of improving the breed quality and bringing around 40% of milk under the organized processing sector so that millions of farmers will get benefited.

Increase in milk and meat processing capacity and product diversification through increasing market access to unorganized rural producers in the category and develop organized milk and meat market
Realization of increasing prices for producers
Availability of quality milk and meat products for household consumers
Fulfilling the requirement of protein rich diet for growing population of the country to prevent malnutrition
Develop enterprenurial mindset and increase employment opportunities in the milk and meat market
Increase export contribution in the milk and meat sector through export promotion
Increasing the availability of quality animal feed at affordable prices to the cattle, buffalo, goat, pig, and poultry in form of balanced ration

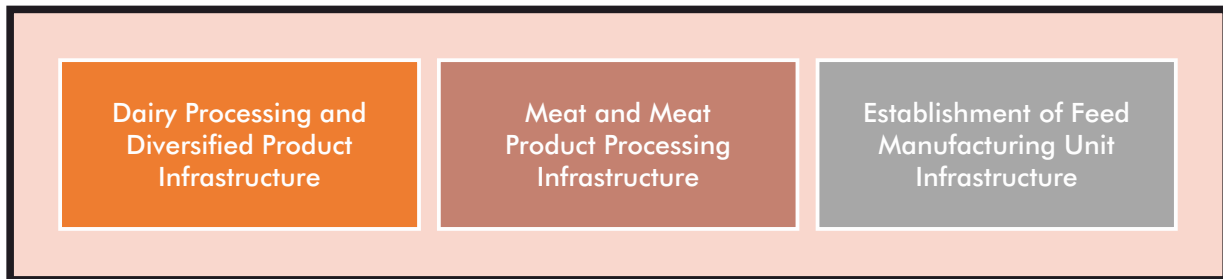
Objectives of the Fund

The process of applying for this fund constitutes an easy 5 step procedure, which is as under:



Procedure to avail the fund


The Fund is set up to support Farmer Producer Organization(FPO), Private companies or firms, Individual entrepreneurs, any company registered under Section 8, and Micro Small and Medium Enterprises (MSMEs). It is available to the beneficiaries to incentivize the activities in the milk and meat sector.



Activities covered under the scheme

The implementing agency for the implementation of this fund is the Department of Animal Husbandry and Dairying under the Ministry of Fisheries, Animal Husbandry and Dairying. Under this scheme, up to 90% of the estimated or actual cost of the project is sanctioned to the eligible beneficiaries through scheduled banks. For MSMEs, this contribution goes up to 10% -15% from beneficiaries and in the case of other categories of the beneficiary, the contribution goes around 25%. The government has also setup the Credit Guarantee Fund of Rs 750 Crore for MSMEs, which was taken care of by NABARD.

These major investments through government and private players in the dairy and meat industry will bring value infrastructure updates and promote exports in the sector through value-added products and commodities. As around 60% of the total value of dairy products goes back to the farmers, this fund is contributing towards doubling the farmer's income in the country and thus pushing for higher participation from the farmer community. As an estimate, the fund is expected to create a direct or indirect impact on the lives of 35 Lakh individuals so far and also fulfilling the capital requirement for the infrastructure upgrade in the sector and benefit the dairy cooperative sector in the country.



Animal Husbandry Infrastructure Development Fund

- Many areas in country with high milk production having great potential for private investment in dairy
- Aim to support private investment in dairy processing, value addition and cattle feed infrastructure
- **An Animal Husbandry Infrastructure Development Fund of Rs. 15,000 crore will be set up**
- Incentives to be given for establishing plants for export of niche products

National Livestock Mission

Recently, the government of India has realigned the National Livestock Mission in the financial year 2021-22. The realignment of the scheme is launched around employment generation, entrepreneurship development, and an increase in animal productivity which will in turn, increase the production of meat, egg, wool, and goat milk. It will help sustainably grow the livestock sector in India.

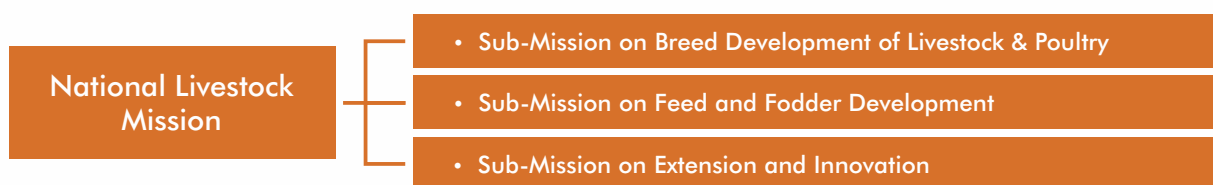
Initially, the mission was launched in 2014 under the Ministry of Agriculture and Farmer's Welfare with the objectives of creating Poultry Venture Capital Fund, Pig Development including the integrated development of small ruminants. Except this, the mission was also planned to provide a solution for effective animal waste management, capacity building for the storage of feed and fodder, and rearing of male buffalo calves.

Currently, the Department of Animal Husbandry & Dairying is responsible for the implementation of the scheme and the realignment of the mission is done to achieve new heights.

Generation of new employment opportunities through entrepreneurship in poultry, piggery, small ruminants, and fodder sector
Breed Improvement to achieve higher per animal productivity
Higher production of meat, egg, wool, goat milk, and fodder
Strengthen the availability of fodder seed supply chain and increase the availability of certified fodder seeds to reduce the demand of fodder and feed in sustainable manner
Push to establish new fodder processing units to narrow down the demand and supply gap
Promotion of risk management methods among farmers like livestock insurance
Promotion of applied research in the priority areas like poultry, sheep, goat, feed, and fodder
Capacity creation of state level functionaries and livestock owners that can provide quality extension services to farmers
Promotion of skill based training and use of the technology to reduce cost and improve the productivity in the sector

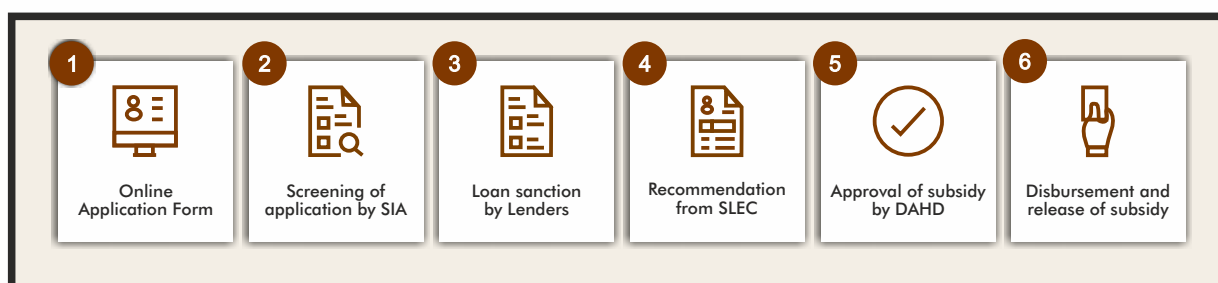
Objective of the scheme

The mission will develop entrepreneurs in the sector and ensure the increase in production through the creation of the forward and backward linkages that will help in connecting the unorganized livestock sector to the organized market. This scheme is going to be implemented at the pan India level during 2021-22. To prioritize the breed improvement and entrepreneurship development in the sector the mission is realigned in three following sub-missions.



Sub-missions

The scheme is designed to provide incentives to Individual Entrepreneurs, Farmer Producing Organizations (FPOs), Self Help Groups (SHGs), Companies created under Section 8, and State Governments for creating the breed improvement infrastructure. The beneficiaries can apply for the loan from any Commercial Banks, Regional Rural Banks, State Cooperative Banks, State Cooperative Agriculture, and Rural Development Banks along with other institutions that are eligible for refinancing from NABARD. The beneficiaries can avail of benefits of the scheme through the following process:



The implementation of the program is governed through an empowered committee under the chairmanship of the secretary of the Department of Animal Husbandry and Dairying. Along with the other members, there will be a representative from each selected state representing the respective region i.e., East, West, North, South, and North- East. This committee will monitor the progress of the scheme and provide policy-related directions and approvals as per requirement except allocation and pattern of funding under the scheme.

The government has also launched the National Livestock Mission portal for systematic workflow and monitoring of the scheme among Ministry, State implementing Agencies, and lenders. The portal is developed with the collaboration of SIDBI (Small Industries Development Bank of India) and the Department of Animal Husbandry and Dairying.

The timely implementation of the scheme will upgrade the sector's infrastructure through the promotion of research and innovation. Thus, it will also encourage community participation in the field of animal husbandry and breed conservation with the help of sustainable practices. This will create additional resources and employment opportunities for the states and help in increasing the farmer's participation that will result in their higher income. The mission will altogether help India to walk towards food safety in long run.



National Dairy Plan

In December 2021, the Department of Animal Husbandry and Dairying under the Ministry of Fisheries, Animal Husbandry and Dairying, Government of India has shared the implementation details of the National Dairy Plan I. The 1st phase of the scheme is already completed in March 2020 due to the financial shutdown but it laid the foundation stone of a science-backed integrated planning approach to develop the dairy sector in India. The Department has implemented the National Dairy Plan-I between 2012 to 2019 with a total financial outlay of Rs 2242 Crore. The scheme was implemented across the 18 Indian states like Andhra Pradesh, Gujarat, Haryana, etc which constitutes the majority of the dairy sector and contributes to 90% of milk production in India.

Project Outlay - Phase I		
Component	Activity	Outlay (Rs. in crore)
Component A	Breed Improvement	715
	Animal Nutrition	425
Component B	Village Based Milk Procurement Systems	488
Component C	Project Management and Learning	132
	Sub Total*	1760
	EIA Contribution	282
	NDDDB's Contribution	200
	Grand Total	2242
<i>*Source of Funds:</i> World Bank - IDA: Rs 1584 crore Govt: Rs 176 crore		

Phase I of the scheme constitutes various initiatives to increase the milk productivity in the country by providing scientific breeding methods like Progeny Testing and Pedigree Selection, import of embryos or semen of Jersey breed and HF Bulls, etc.



The twin objective of this plan was to increase the milk production of milch animals in the country to meet out the rising demands of milk and to develop and intensify the access to organized milk processing sector for rural milk producers. The implementation is bagged with great success as it made the availability of 2,456 High Genetic Merit Bulls to A and B-

grade semen stations and this creates capacity for the production of disease-free quality semen in the country. The 1st phase of the National Dairy Plan also included cooperative development in the dairy sector. It has benefitted the tribal dairy farmers in these states to generate additional and reliable income.



The scheme has upgraded the social-economic conditions of the beneficiaries of the marginalized and vulnerable section of the society through transparent procurement procedures and payment methodologies. The implementation of the scheme is taken care of by the National Dairy Development Board with the help of End Implementing Agencies selected on the criteria of Institution, Governance, and financial eligibility.

The End implementing Agencies identified by the National Dairy Development Board included various stakeholders from State Cooperative Dairy Federations, District Cooperative Milk Producers Unions, Cooperative Enterprises, State Livestock Development Boards, Central Cattle Breeding Farms, Central Frozen Semen Production and Training Institute, Regional Stations for Forage Production and Demonstration, Registered Societies, Trusts, NGOs, Section 25 Companies, Subsidiary of statutory bodies, and other veterinary and research institutes and universities.

The systematic implementation of this plan has significantly increased milk production in the country with an approximate growth rate of 6.62% between 2016 and 2018. Through the plan, it is expected that the per capita milk availability in the country will reach 592 Gram/ Day which was in 2017 was recorded to 375Gram/Day. Being the first rank holder in global milk production, India also needs to increase the per capita availability of milk for its rising population, and this only is achieved through capacity creation and genetic breed improvement.

The National Dairy Development Board is now planning to launch the second phase of the National Dairy Plan with the help of the World Bank after successfully achieving the major targets stated in the 1st phase of the plan. It is expected that the National Dairy Plane II will be focusing on creating milk processing and quality testing infrastructure and establishing the infrastructure support at critical points. All these measures taken under the Plan will help upgrade the dairy infrastructure in the country through the use of science and technology, and help grow the sector more naturally. This will also scale up the contribution of small milk producers of the country and provide them better livelihood by connecting them through the organized sector of milk processing.



Resources

1. <https://dahd.nic.in/ahdf>
2. <https://ahidf.udyamimitra.in/>
3. <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1781383>
4. <https://pib.gov.in/PressReleasePage.aspx?PRID=1633918>
5. <https://static.pib.gov.in/WriteReadData/userfiles/Implementation%20Guidelines%20for%20AH%20Infrastructure%20Development%20Fund%20-%20Copy%201.pdf>
6. <https://pib.gov.in/PressReleasePage.aspx?PRID=1639069>
7. https://dahd.nic.in/national_livestock_mission
8. <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1781374>
9. <https://www.nlm.udyamimitra.in/>
10. <https://vikaspedia.in/agriculture/policies-and-schemes/livestock-poultry-related/national-livestock-mission>
11. <https://pib.gov.in/PressReleasePage.aspx?PRID=1752636>
12. <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1778929>
13. <https://pib.gov.in/PressReleasePage.aspx?PRID=1575279>
14. <https://www.nddb.coop/ndpi/about/brief>

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