

AN OVERVIEW OF LIVESTOCK DEVELOPMENT ACTIVITIES IN NEPAL

Chakrapani Luitel*

INTRODUCTION

Livestock sector in Nepalese agriculture plays an indispensable role. It is the integral part of the Nepalese agriculture though the situation is non-specialised. Governments of various periods have tried to develop it, to support the farmers, providing various stimulating and supporting services. This article is concerned to evaluate briefly about the livestock development efforts in Nepal.

INSTITUTIONAL EFFORTS OF LIVESTOCK DEVELOPMENT

Before the establishment of separate livestock development unit in Nepal, such livestock development programmes were handled by section of Veterinary Livestock Development Branch. About 34 veterinary offices had been established in different parts of the country by the year 1966.

Pasture Development Programmes

In 1975/76, a separate pasture development office was established at Khumaltar reflecting the importance of fodder development. Its aim was to provide winter fodder for livestock but it could not satisfy the growing demands. To solve the immediate problems, the government provided pastured land to the mountain people which was leased on contract from the Chinese Government. The number of livestock herds involved was 10,000 in the first year of the agreement, but it gradually declined over the years. All these pasture development programmes were confined to the hills.

Department of Livestock Development and Animal Health (DLDAH)

In 1979 DLDAH was established at Kathmandu. This new established institution was responsible for livestock development programmes in the country. Since that time various efforts have been made regarding the health of the livestock, its genetic improvement and the institution has also facilitated the implementation of necessary policies. Initial efforts on livestock development was concentrated on health and veterinary services. Pasture and nutrition development and better livestock

* Mr. Luitel is Lecturer of Economics in Dhankuta Multiple Campus, Dhankuta, Nepal.

management aspects, however, didn't receive the attention required to improve livestock production.

Department of Livestock Services (DLS)

In 1988, DLDAH converted into Department of Livestock Services (DLS). It has tried to cover all the aspects of livestock development such as genetic improvement, pasture and fodder development and other activities. Since the reorganisation of the DLS, it has established institutional framework necessary to provide services to the livestock sector. Achievements are rather few due to various constraints.

Dairy Development Corporation

Dairy Development Corporation (DDC) is one of the important institution in Nepal, concerned with livestock produce, specially milk. Its history can be traced back to 1952 when the Dairy Development Branch was established aiming at development and improving milk supply conditions in urban areas. It was converted into Dairy Development Commission in 1954 and Dairy Development Board in 1961. All these amendments had the same objectives but were less effective due to shortcoming of technical manpower and financial resources.

In 1969, DDC was established under the corporation act. Its objectives are as follows:

- To provide systematic and secured market with reasonable price to the rural milk producers.
- To distribute processed milk at a reasonable price in urban areas.
- To sell and distribute the milk and milk products in different parts of the country.
- To establish cheese factories in the hills and mountains to guarantee secured and reasonable prices to the local producers.

The Primary operation of DDC includes the collection, processing, sale and distribution of milk and milk products. It collects milk from various farmers and milk producers associations, located in different parts of the country. At present its daily processing capacity is 1,25,000 liters at different places including Kathmandu, Hetauda, Biratnagar, Pokhara and Lumbini.

It has covered more than 35 districts in different regions of the country. Thirty-six chilling centers, 696 milk producing institutions and 668 sale agents and milk booths are operating in different parts of the country. A substantial number of job holders at different levels are currently employed by the corporation.

It collects milk from different parts of the country to distribute in the urban areas. The volume of the collection is increasing as indicated by the following table.

Table 1

Milk Collection by DDC in Different Years

Year	Collection (million liter)	year	Collection (million liter)
1974/75	1.885	1981/82	5.891
1975/76	2.983	1982/83	7.745
1976/77	4.774	1983/84	9.327
1977/78	5.551	1984/85	9.730
1978/79	5.355	1985/86	13.716
1979/80	5.041	1986/87	14.301
1980/81	6.193		

Source: DDC 1995, Kathmandu.

The increasing trend clearly indicates the significant place of DDC in dairy development activities in Nepal. During the period 1974/75 to 1986/87 it has increased by about 658 percent.

In addition to the above mentioned activities, DDC, operates seven cheese factories in the hilly region of the country. It is also producing butter, cheese, yoghurt and ice-cream in various quantities.

Though DDC has operated different branches in the country it is not free from various constraints. Lack of transportation facilities and financial scarcity have been the main obstacles in this regard. To establish chilling centres and processing plants, it requires heavy capital investment. But DDC has been facing serious shortage of these assets over the years. The investment trend of DDC gradually is increasing but it has not been enough.

Other Activities

Credit provision is another institutional support concerned with the livestock development. Banks, working in the country, are providing loans to the farmers to initiate and develop the different aspects of economic activities. Agricultural Development Bank has been providing loans for livestock development over the years. It has invested about 155 million Nepalese Rupees in the Fiscal Year 1988/89 loan through its branches and sub-branches.

In addition to these, various veterinary hospitals have been established to provide medical and genetic improvement facilities. Some commercial banks such as Nepal Bank Limited (NBL) and Rastriya Banijya Bank (RBB) are providing loans under their priority sector programmes as directed by Nepal Rastra Bank (NRB). Forestry Department is also trying to preserve the jungle under different programmes which also to some extent, benefit livestock sector.

From the side of non-governmental institutions such as Agriculture Project Services Centre (APROSC) various researches have been conducted regarding the livestock sector. Tribhuvan University (T.U.) is producing technical manpower for this sector under the institute of Agriculture and Animal Science.

LIVESTOCK DEVELOPMENT ACTIVITIES IN DIFFERENT PLANS

Prior to the period when the Five Year Plans were implemented in Nepal, no special attention was given to livestock development. After the implementation of planning in economic activities various plans have reflected the activities on livestock development.

First Five Year Plan Period (1956-61)

In the first five year plan 4 milk collection centres, 5 cheese factories and one milk processing centre were established in various parts of the country. In addition to these, some improved buffaloes were imported from abroad to raise the genetic quality of animals. For all these activities, about 4.4 million rupees were allocated.

Second Three Year Plan Period (1962-65)

In the second plan period, various tasks concerned with animal production were implemented. During this period 4 livestock development and poultry farms, 2 milk processing and collection centres, 10 cheese factories 22 veterinary hospitals and one artificial insemination centre were established. During the plan period improved breeds of cattle, pigs, sheep were produced. During the same period about 283 kilograms wool and 92,905 kilograms of milk were produced. Meanwhile 885 cattles were artificially inseminated. During this period, the production of milk products gradually increased. About 3999 kilograms of cheese 16006 kilograms of butter and 24,94,368 liters of milk were produced. For this a separate budget was not allocated and all expenses for these activities were met from budget allocated for irrigation and forest.

Fourth Five Year Plan Period (1970-75)

In the fourth plan period, genetic improvement programmes were implemented effectively. About 445 cattle calves, 694 buffalo calves, 5418 pigs, 24,000 sheep and 558960 chickens were produced and distributed to the peasants for genetic improvement purposes. Besides these, no other effective programmes related with livestock development were performed. All expenses for it were met from the budget allocated for agriculture, land reform and forestry.

Sixth Five Year Plan Period (1980-1985)

In the sixth plan period, emphasis was given to establish and build the

equipment required for livestock activities in different regions. Various livestock development and extension services were increased during the plan period. For providing animal services to the people, 370 livestock services centres and sub-centers were established in different parts of the country. About 902 thousand animals were cared at the different health centres. Vaccination and parasite control activities were increased more than what was made in the preceding plans.

During this period, 866 cattle bulls, 1472 he-buffaloes, 85 yaks, 1553 rams, 1205 he-goats, 8850 pigs and 1338 thousand chickens were distributed to improve genetic composition. Pasture development programme was implemented effectively than what was done in the preceding plan period. About 1263 hectares of land were allocated for pasture development and 1413 free fodder plants were distributed.

Various improved breeds were produced in different farms. About 743 cattle calves 471 buffalo calves 157 yak calves, 437 sheep, 1295 goat kids, 8704 pigs and 1538 thousand chickens were produced in different agriculture farms. Sixth plan gave attention to include private sector in producing improved breeds.

Seven Five Year Plan Period (1985-90)

Seventh plan had given attention to improved genetic quality of animals. For this, a substantial number of improved breeds were distributed. About 1324 he-buffaloes, 815 cattle bulls 138 yaks and 1789 thousands improved chickens were distributed.

Artificial and natural insemination programmes were implemented. In the first four years of this plan period, 55021 cattles and 8000 buffaloes were artificially inseminated. Similarly, natural insemination services were provided to 59750 cattles and 1226940 buffaloes in the same period.

More emphasis was given to the development of pasture in this plan period and about 3405 hectares of land were set aside for it. Grass seeds and sapling of tree fodders were distributed in different parts of the country. Pasture development training was provided to 126 individuals. In addition to this, 9475 individuals were involved in different training programme in the same period. Under the animal health programme, vaccination and parasite control were also implemented in various parts of the country.

CONSTRAINTS

Despite, the various efforts through institutions and periodic plans, livestock sector is not free from constraints. Few of them are:

Credit Problem

Credit availability is one of the major problem affecting the livestock

raising in Nepal. Absence of lending institutions has been a serious hindrance on farmers activities. They have to move long distance to find the credit institutions. Loan systems are based on mortgage but as most of the farmers are nearly landless, this mortgage provision for credit deprives these farmers from getting loans, so they cannot afford to purchase the improved buffaloes. In this case, either they have to accept loans at a high interest rate from local merchants or do with low yielding ruminants.

Health and Disease Problem

Health and disease problems have emerged all over the country due to poor management practices. Lack of capital, in this regard, is remarkable. Farmers are aware with treatment to some extent but lack of facilities hinder them from adopting modern treatment systems.

Fodder Problem

Fodder problem is becoming a serious problem all over the country. As the forest resources are the main sources of fodder, problems are increasing with deforestation. Plenty land is not available all over the country which can maintain supplies about 38.5 percent of fodder food requirements. Forest encroachment by adjoining villagers has further reduced the grazing site. Main report on National Farm Management Study carried out by DFAMS, indicates that there is acute fodder shortage in all ecological belts for all seasons and the gap between demand and supply is increasing over the years. If the effective measures don't abridge, this gap may widen in the year to come.

Marketing Problem

Commercial livestock products need effective marketing. In the absence of regular and stable marketing facilities, producers always have to depend upon the local traders who might exploit them severely. Moreover, in cases of small producers this is still more important.

The development of livestock products' market is inevitable for extending and development of livestock raising. Marketing facilities encourage to raise the production level. In addition to this marketing and distribution can significantly help in improving the availability of goods and services to consume and also provide a stimulus to producer. But situations are reverse. Convenient marketing facility is severely constrained because of transportation difficulties and also of the absence of market information systems. Due to large numbers of subsistence farmers, who cannot manage themselves transportation of the product to the product destinations, problems have been acute.

CONCLUSION

Realising the failure of previous plans and emerging problems, government has proposed various programmes to improve and develop the livestock sector. Breeding through artificial and natural insemination, pasture development programmes, extension of veterinary services, provision of marketing facilities and so on are the important aspects in this regard. We get hopeless pictures in evaluating the previous plans where achievements are far behind the set targets. But these are implemented under new circumstances, where the main goals of plans are sustainable developments. Successes may come into hand in the years to come.

SELECTED REFERENCES

- Gurung, Om Prasad (1987) *Interrelationship Among Pasture Animal Husbandry and Agriculture*, Natural Resource Management, Paper Series No. 2, July, Kathmandu.
- MOA (1989/90) *Annual Report*, Department of Livestock Service, Ministry of Agricultural, Kathmandu.
- MOF(1988) *Economic Survey 1987/88* Ministry of Finance, HMG/Nepal.
- NPC/HMG/N (1962) *Second Three Year Plan 1962-65*, NPC/HMG/N.
- NPC/HMG/Nepal(1961) *First Five Year Plan Progress Report*, National Planning Council, Kathmandu.
- NPC/HMG/N (1970) *Fourth Five Year Plan 1970-75*, NPC/HMG/N.
- NPC/HMG/N (1980) *Sixth Five Year Plan 1980-85*, NPC/HMG/N
- NPC/HMG/N (1985) *Seventh Five Year Plan 1985-90*, NPC/HMG/N

BOOK REVIEW

Reeja, Pusker Raj (1996) *The Principles and Techniques of Development Planning with Special References to Nepal*, Mrs Indira Reeja, Dillibazar, Kathmandu, Nepal, PP ix + 149, Price NRS 125.

No country can deny the importance of planning. Planning has been adopted by different countries and economies with varying degree. In Nepal in spite of planning over the last 40 years the country still remains to be over the poorest in the world. It is a fact that there is no controversy over the need and effectiveness of adopting planning systems. The dismal achievements made by the different plans of Nepal in no way can be levied on the science and techniques of planning.

Over the years numerous books have been written describing planning in Nepal. These books were all written with an objective to describe the different plan document and list the achievements during the different periods. The present book however, is different from other books and literature available in the country. The book has been written with an objective to "meet the requirements of the student community of the Public Administration faculty of the Tribhuvan University" Nepal. The book has nine chapters, three appendices and a bibliography. The chapters are found to be closely interwoven, and logically and systematically built. The book in general can be divided into two broad sections. The first section (chapter 1-5) deals with the subject matter on planning. The second section (chapter 6-9) deals with the tools needed in formulating an plan.

In the book the thrust has been to recognize underdevelopment. In doing so some very important and pertinent characteristics of underdevelopment are listed in chapter one of the book. Some important characteristics of under development are :

high dependence of the economy on agriculture (70-90 percent of the population), existence of disguised unemployment in the labour force, marginal savings in the economy, and above all low per-capita income. Apart from such characteristics a host of economic, social and political factors are responsible for making a country underdeveloped. Chapter two of the book deals with further elaboration of the role of socio-cultural and economic institutions in development. Investment is important to achieve development, for investment savings are essential. Savings result from mobilisation of financial resources which is discussed in chapter three of the book. Consequently, the main sources of government finance for plan financing are : government savings, borrowings, external assistance and deficit financing. In Nepal borrowing from private sector is negligible, the capital market is in embryonic stage. The country is nearly dependent on external resources for planning. Heavy dependence on indirect taxes and weak tax administration are common features of the Nepalese economy. Here the author strikes a key note by saying that it is difficult to plan with heavy dependence on uncertain flow of foreign resources/loans/grants.

The importance of economic functions, cultural differences, transportation and administrative units are discussed for considering planning in chapter 4 of the book. The use of capital-output ratio (c-o-r) in planning is brought out clearly. The different phases of the development planning are also discussed in this chapter.

Chapter five deals with plan implementation and goes into details of the reasons for plan failures. Some important reasons of plan failures are; over emphasis on investments while neglecting physical targets, lack of proper homework in project preparation, proper monitoring and evaluation of plans together with existing administrative and political problems.

Chapter six, seven, eight and nine deal with the tools used in understanding the structure of any economy and technique of planning.

Chapters six and seven concentrate on the importance of National Income Accounting Systems. National Income Accounting System is indispensable for understanding the structure of the economy of any country. The estimation of the national income is a difficult task and requires a great deal of expertise in the subject matter. The author of the book apart from discussing National Income Accounting System introduces the concept of linear programming. Linear programming is a tool used extensively to determine the allocation of scarce resources to a many competing alternatives. The use of linear programming in planning is essential in this context because resources are scarce. These chapters which deal with the tools used for planning are quite illustrative. Apart from understanding the structure of an economy, there is also the need to understand the inter-industries relations. The details of an economy is deemed important for properly planning the economy. The input-output concept discussed in chapter nine enables a planner to understand the distribution of each industries output and inputs used in the production process.

Apart from nine chapters, the appendix includes some other important concepts used in development planning. The Gini-coefficient, the old Agricultural Lag, and the organisation chart of the National Planning Commission of Nepal are included in the appendix.

Each chapters of the book are found to end abruptly. Some important details are found to be missing in chapter one and two. The earlier chapters are too dependent on the contributors of individual and isolated authors. The book although makes references of the planning system of Nepal, there is hardly and detailed discussion on the procedure followed by the National Planning Commission. The author makes cursory remarks of planning process in Nepal only in his preface writing. Here he is too critical and blames too easily the people in the planning process without taking into consideration other factors like the rotten bureaucracy within the planning system. The author fails to give concrete, workable suggestions for making the future planning more logical and workable.

In spite of these few short comings the book is well written, very illustrative and serves well the purpose for which the book is written. The book is not expensive and fortunately is within the reach of the Nepalese readers.