Women as Inclusive Business partners

NSPDT: India’s largest cooperative business of female smallholder poultry farmers successful in the market

“As one of the initial buyers from the cooperative, I now buy 20-25 ton birds a day. I will always continue with them as I get very good quality birds throughout the year and absolutely hassle free. I don’t mind paying a little extra.”

Mohammad Raseed
Poultry trader
Petarbar block, Jharkhand

ENGAGEMENT IN THE VALUE CHAIN


Business focus: Development of an innovative cooperative business model for broiler poultry for and with women smallholder farmers.

Started: 1988, from 2012 on in its 4th phase: roll out the model

Results for women
8000+ women in 19 cooperatives, earn an annual additional income between INR 25,000 – INR 50,000; a 70 % increase for their household. They own a poultry-shed, are skilled in high tech poultry rearing for the market and well versed in business operations. Through collective organizing the women have access to the market in a sustainable way.

Results for business
The Trust, consisting of 19 cooperatives, is the largest conglomerate of smallholder poultry in India. In 2014, annual sales amounted to 21.629 MT tons of live birds with a sales turnover of INR 2.34 billion, and a producer income of INR 146 million.

‘Women as Inclusive Business Partners’ is an initiative by BoP Innovation Center and ICCO Cooperation
Poultry – booming business; also for small holders

The Indian poultry sector has grown expansively in the last decades with a current growth rate of 25% per annum, thanks to sustained domestic economic growth. The market is dominated by large commercial firms based on contract farming. To give small holders an opportunity to take advantage of the rising demand and maximize their sustainable livelihood opportunities, the NGO Pradan developed a Smallholder Poultry Enterprise Model. It builds on the combined advantages of decentralized units (400 - 1000 birds) in a modern backyard shed (leading to better efficiency, faster and better disease control), the use of technologies similar to industrial poultry and economies of scale. It is governed through cooperatives for collective procurement of inputs and sales of birds, training and veterinary services. Cooperatives sell to larger wholesalers and traders. 70-80% of the sales meet local (rural) market demand. Together they are market leader in the two states where they operate. Backward integration is emerging: the two federations operate a feed mill and own three hatcheries that supply day old chicks to the cooperatives.

Ideal women centered activity

Traditionally, poultry rearing is seen as a woman’s activity, with low capital investment (no agricultural land required) and low economic return. Also with little complexity: it takes 3 to 4 hours/day and is thus easy to combine with households tasks. For Pradan this was an ideal starting point to improve the lives of mainly tribal, poor women, while their men are increasingly migrating for non-farm activities.

As producers, the women have essential skills incl. eye for detail, organization, hygiene and work ethics. The fact that they can manage two systems simultaneously: high tech broiler rearing for income and traditional backyard poultry for home consumption, offers an excellent basis for them to become broiler rearing entrepreneurs.

Empowered rural entrepreneurs

A mature cooperative typically has 250-300 members with 20-25 farmers in a village. The board, who takes prime economic decisions, has 11 persons, 9 of them women producers. The federation consists of (female) chairpersons of the primary co-operatives, under the guidance of a CEO. They share knowledge, issues related to access to finance, etc. Pradan exited from the operations; their staffs only maintain informal relations with the federations and cooperatives.

Due to socio-cultural issues (women’s illiteracy, lack of mobility) the CEOs and most paid employees -from cooperative to trust level- are still men. In the cooperatives more and more educated daughters take over paid jobs. Board members, also illiterate ones, influence decisions, e.g. related to new breeds and capacity expansion. In jobs supporting the production, the majority of micro-entrepreneurs are men. E.g. lifting birds is mostly done at night in public places. Gradually more women join as para-vets, hatchery staff and trainers.

Among top five broiler producers in India

NSPDT aims to scale up and replicate its business model targeting 20,000 female farmers, 50 cooperatives, a producer income of INR 350 million and a turnover of INR 5 billion by 2020. The cooperative model would then become one of the top five broiler producers in India and make it the largest such producer based business network globally.

For more information on the NSPDT and Pradan visit the websites nspdt.org and pradan.net