

FFTP FOOD FOR THE POOR

United in God's Work

STRENGTHENING LIVESTOCK FARMERS IN DAIRY PRODUCTION



**Santa Rosa Tambo and Ayavi,
Peru**

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Project Snapshot

Project Name: Strengthening Livestock Farmers in Dairy Production

Location: Santa Rosa Tambo and Ayavi, Peru

Beneficiaries: 152 livestock farmers

Timeline: 6 months

Budget: \$59,030.78

Project Goal: Increase income by improving production for 152 vulnerable livestock farmers in the Andean mountains of Peru.

Main Activities: Through this project, Food For The Poor (FFTP) will partner with Caritas del Peru, which will provide the necessary inputs, training and equipment for 152 livestock farmers to increase their gross revenue from selling milk or other dairy products by 10%. The project will help shorten technological gaps, strengthen skills and increase production. Activities include improving milk production through growing 12 hectares of forage grasses, improving genetics and health of cattle, training on good agricultural and manufacturing practices, improving two processing plants, implementing six dairy production workshops, and improving the certified supply of dairy products. Also, the project aims to improve the marketing of dairy products through participation in market fairs, label printing and obtaining sanitary registrations.

Total Project Costs: \$59,030.78

General Overview - Peru

Peru is the 19th largest country in the world and the third largest in South America, with a population of 31 million people. It is divided into 25 regions, and the main economic activities include mining, manufacturing, agriculture and fishing, along with new sectors such as telecommunications and biotechnology. Peru ranks high in social freedom and has positive economic growth and an improved government.

According to the World Bank, Peru was one of the countries most affected by the pandemic, with large economic and health impacts and reduced social gains in the previous decade. In 2020, the economy contracted by 11%, and extreme poverty increased to comparable levels in 2013 (5.1%).¹ According to the World Food Program, 22% of the population lives in poverty, and 13.1% of children under 5 are chronically malnourished (33.4% in rural areas)². In the past decade, stunting rates among indigenous people have not decreased. Issues include limited access to nutritious food, anemia and stunting.

Tambo and Ayavi

The districts of Tambo and Ayavi are part of the province of Huaytara in the Huancavelica region of Peru. Both sit over 3,000 meters above sea level, making the climate a challenge. Families in these districts have an average monthly income of approximately 600 soles (about \$164). With such low wages, living standards for the population are relatively low. About 70% of the inhabitants have only completed primary school, and 75% have houses made of rustic material. The migration of young people to the large cities of Ica and Lima is a major social and economic problem.

Employment primarily consists of informal labor on- and off-farm. Most families have small plots of crops, including potatoes, beans, barley and corn, intended for self-consumption within the family. There is a lack of oversight or assistance from the agricultural sector to improve yields with FONCODES (Peru Social Development and Compensation Fund Project) only once supporting them technically.

Livestock production is a community-scale endeavor. One livestock type is the vicuna, a wild animal used as a source of protein. There are many wild vicunas in the upper part of the districts, ranging from 3,000 to 5,000 vicunas. Additionally, small amounts of alpacas and guinea pigs

¹ World Bank Publication "Rising Strong: Peru Poverty and Equity Assessment", 2023

² <https://www.wfp.org/countries/peru>

are raised due to a lack of demand for their meat locally since most of its trade is in Ica. On average, a family might have about 10 guinea pigs.

Producers of both districts are primarily engaged in cattle raising and dairy production. Most of these cattle are of Creole descent, and many suffer from poor genetics. This breed was developed over five centuries of breeding with resistance to diseases and adapted to higher elevations, but currently, they are not genetically diverse or yield-producing.

There is some potential space in the area to plant improved pastures. Currently, there are alfalfa fields with irrigation. Producers have an average of 10 heads, with an average production of 5 liters of milk per day per cow. The producers dedicate only 40% of the products to processing dairy products like cheeses. These cheeses are sold in Ica without labeling or sanitary registration, receiving 6.00 to 10.00 soles per kilogram (or \$1.65 to \$2.74 per kilogram), depending on the time of year.

While the livestock farmers in Tambo and Ayavi have potential in dairy farming, they have little capital and income from this activity due to their lack of productive and commercial capacities. Farmers suffer from a lack of technical assistance and training, artificial insemination services or animal health services, poor areas of pasture cultivated for animal feed, a lack of primary product processors, and a lack of market information services. With your gracious gift, we can turn the tide for farmers in Peru.

Testimonial

Herlinda is a dairy farmer who works with her family in Ayavi. She is excited for your collaboration in this project, which would help improve her family's dairy products. This project will help continue what a local Peruvian company, Peru LNG, had initiated, which has already helped increase their income and provide more work to make their cheeses. Her family's dream is to take their products to different places where they can sell them at a better price. Challenges they faced included not having a physical location to make their products and lacking the equipment for product processing. Now, they have equipment that helps improve the quality and scale of dairy products while allowing them to take the products to local markets. To help her family's business grow even more, this project will help improve the processing plant, equipment and business capacity.

Rosa lives in Tambo, and her family also works as dairy farmers. She views this project as a great support for them, and it has already helped her improve in preparing her dairy products. She dreams of having a large

plant with the proper equipment to work and make her cheeses. Her greatest challenge is to have appropriate packaging and sanitary registration so she can take them to the market and get a higher price. She hopes this project will help provide further training to improve their products.

Local Partner

Caritas del Peru (Caritas) is a non-profit founded in 1955. It currently has a network of 48 diocesan Caritas and focuses its efforts on seven programmatic areas, including:

- Promotion of integral social development via improvement of nutrition and health of families, social inclusion programs for vulnerable groups like the disabled and elderly, and promotion of high-quality education.
- Productive economic development via promotion of production activities and chains, sustainable entrepreneurship, building capacities and skills, and development of local markets, agricultural diversification and partnerships.
- Emergencies: raising people's awareness and contact with the government to identify areas of risk and thus prevent, mitigate and respond to national disasters while coordinating campaigns to handle emergencies and reconstruction.
- Integral management of the environment via reforestation, soil conservation, appropriate water management and treatment of solid waste and effluents.

Caritas del Peru maintains close ties with national and international organizations and other members of the Caritas network in the United States and Europe.

Project Goal and Description

This project aims to help increase the income of vulnerable families living high in the Andean mountains in the Ayavi and Santa Rosa de Tambo districts. These districts were assessed in 2021, and the company Peru LNG began a livestock pilot project, helping identify technological gaps in livestock farming. During 2022, the project extended to new sectors, but the resources were insufficient to help close the identified technological gaps. This triggered the need for an extension of the project to close those gaps, strengthen skills, increase participant numbers and increase income in families involved in livestock production.

The intended results for this project, made possible through your loving gift, include the following:

a) Livestock Families Improve Milk Production

Improving milk production will increase milk quality and yield, increasing products available for farmers to sell. The following initiatives will take place to make this a reality:

- Improvement of Cattle Feed: Installation of improved associated pastures
- Improvement of Animal Health: Animal dosage campaigns for each locality



An example of a deworming campaign in the districts of Ayavi and Santa Rosa de Tambo.

- Improvement of Cattle Genetics: Acquisition of national bull straws, sexed straws and liquid nitrogen refill

b) Improved Processing and Marketing of Dairy Products

Enhanced processing will expand the variety of product types, ranging from cheeses to yogurt, while ensuring food safety through good manufacturing/hygiene practices. Furthermore, improved marketing will help farmers increase the number of customers, meet consumer demand, innovate new products, provide a more stable market and generate more

income. Various activities will be implemented to accomplish these outcomes, as seen in the list below:

- Improvement of the Production and Processing of Dairy Products: Technical assistance for the production of dairy products, improvement of the infrastructure of dairy products, implementation of six traditional working spaces for dairy products
- Improvement in the Certified Supply of Traditional Dairy Products: Obtaining sanitary registrations and label printing
- Improvement of Dairy Product Commercialization and Marketing: Participation in fairs
- Strengthening Entrepreneurial Management



With your generous contribution, farmers will receive training in producing dairy products such as yogurt, cheese and butter at the different dairy plants.

c) Families Obtain Other Resources (Public and Private Institutions) and Access to Capital for their Development

We will leverage funds and resources through project design and presentation.

Monitoring, Evaluation and Learning (MEL) Plan

Including a MEL plan is key for the project's success. This plan is a crucial tool for assessing progress and drawing insights from our interventions. To effectively track the project's outcomes, Cáritas Perú monitors closely every indicator and outcome designed for the project.

This evaluation plan aims to gauge the extent to which the project has achieved its desired outcomes. The table below provides an overview of the intended outcomes, their corresponding indicators and their means of verification, which will be assessed upon project completion.

Outcome	Indicator	Means of verification
Goal: To improve the income of families engaged in livestock activity in the Districts of Ayavi and Santa Rosa de Tambo	Increase in the average monthly gross income, valued by milk sales, of 1,570.2 soles to 1,727.2 soles (10% increase) of producers engaged in livestock activity in the districts of Ayavi and Santa Rosa de Tambo at the end of the project.	Baseline and endline evaluation
Outcome 1: Livestock Families Improve Milk Production	120 families on average increase milk productivity from 6.65 liters/animal/day to 8 liters/animal/day at the end of the project.	Baseline Production records
Outcome 2: Improved Processing and Marketing of Dairy Products	Eight families dedicated to producing dairy products improve the quality of their production at the end of the project.	Follow up reports
	One cheese production plant with sanitary registration and vacuum packing, offering on average 300 kilograms per month from the first quarter of 2023.	Sales report in endline evaluation
	One yogurt production plant with sanitary registration and packaging, offering on average 1,500 liters per month from the 1st quarter of 2023.	
Outcome 3: Families Obtain Other Resources (Public and Private Institutions) and Access to Capital for Their Development	Two projects formulated and presented to public and/or private competitive funds.	Project proposals and presentation documents

In addition to the indicators previously mentioned, other monitoring or process indicators will be measured and presented in the quarterly activity reports.

Monitoring and Evaluation Reporting

At each data collection intervention, a report will be provided. It will contain a project snapshot and key information on progress toward project outcomes and indicators.



With your generous contribution, farmers will receive training in producing dairy products such as yogurt, cheese and butter at the different dairy plants.

Potential Risks

It should be noted that the completion date of this project may be extended for issues related to weather, natural disaster, COVID-19, or civil unrest to the extent that such events exceed normal conditions and impede the project's progress.

Another difficulty encountered is the financing and resources necessary for the design, development and implementation of interventions. Some risks can be mitigated by including an amount for possible contingencies in the budget, as well as by hiring local personnel who can live and work in the area.

In general, risks can be reduced by making the process flexible and adapting the project's strategy according to the needs and changes that occur each year of implementation.

On the following pages are photos from previous dairy production improvement projects.

Meetings have been held to integrate new families who will participate in the second phase of the project, sensitizing producers in the different localities to the area of intervention.



New beneficiaries interested in participating registered for the project.



Farmers activated the EM-COMPOST to use the product in producing organic fertilizers and utilize it in the stables to reduce bad odors and the presence of flies.



The third dosage campaign against external and internal parasites was carried out according to the sanitary calendar in Ayavi and Santa Rosa de Tambo.



In this third dosing campaign, local promoters were identified who are being trained to achieve the sustainability of the project.



Technical assistance was given to producers on different issues related to livestock production.



Personalized technical assistance on genetic improvement was carried out, and farmers were taught heat detection and insemination techniques.



Artificial inseminations continued to be carried out with imported toros and training in heat detection.



Farmers previously achieved, via artificial insemination, offspring of both the Holstein and Brown Swiss breed of national bulls.



Pictured below is the successful offspring of the Brown Swiss breed in the town of Chaulisma in Ayavi.



This project would continue to offer training in the elaboration of dairy products such as yogurt, cheese and butter.



Herlinda Enciso Manchego's dairy plant is also being implemented with its own resources.



***Your support would help improve the production quality of cheeses:
in pressing, labeling and packaging.***



***Production and sales records will continue to be implemented in the
different dairy plants.***



Budget

QTY	UNIT	DESCRIPTION	AMOUNT	TOTAL
1	Sum	Visibility equipment (vest, hat, jacket, polo shirt, glasses, sunscreen, boots, etc.)	\$1,564.16	\$1,564.16
1	Each	Laptop	\$1,193.63	\$1,193.63
1	Sum	Final project assessment	\$4,774.54	\$4,774.54
1	Sum	Media and communications	\$981.43	\$981.43
1	Sum	Installation of improved pastures	\$8,798.14	\$8,798.14
1	Each	Animal dosing campaigns for each locality	\$4,244.03	\$4,244.03
6	Months	Artificial insemination program (acquisition of straws from national bulls and liquid nitrogen recharge)	\$265.25	\$1,591.50
1	Month	Artificial insemination program (acquisition of sexed bovine straws)	\$477.45	\$477.45
4	Months	Training materials	\$530.50	\$2,122.00
6	Months	Technical assistance for the production of dairy products	\$1,167.11	\$7,002.66
2	Each	Improvement of the infrastructure for dairy products	\$663.13	\$1,326.26
6	Each	Implementation of six traditional workshops for dairy products	\$928.38	\$5,570.28

QTY	UNIT	DESCRIPTION	AMOUNT	TOTAL
6	Each	Obtaining sanitary registrations	\$397.88	\$2,387.28
6,000	Each	Label printing	\$0.23	\$1,380.00
2	Each	Participation in market fairs	\$742.71	\$1,485.42
6	Months	Travel for technical team (Lima-Huaytara-Ayavi-Tambo)	\$986.75	\$5,920.50
Total Direct Costs				\$50,819.28

Indirect Costs Corporate, Network, & Field Operation	
In-country project management expenses	\$3,129.57
Food For The Poor fulfillment, project management and monitoring expenses	\$5,081.93
Total Indirect Costs	\$8,211.50
TOTAL PROJECT COSTS	\$59,030.78

The funds you generously contribute to Food For The Poor will be used toward completion of your project of choice. If any of your donation exceeds budget cost, rest assured that it will be used to fund other Food For The Poor programs and organizational support to meet the urgent needs of the poor.

Contributions are tax-deductible under Internal Revenue Code Section 501(c)(3).

About Food For The Poor

Food For The Poor, one of the largest international relief and development organizations in the nation, does much more than feed millions of hungry children and families primarily in 17 countries of the Caribbean and Latin America. This interdenominational Christian ministry provides emergency relief assistance, water, medicine, educational materials, homes, support for vulnerable children, care for the aged, skills training and micro-enterprise development assistance. For more information, please visit www.FoodForThePoor.org.