



Final Seminar



Small ruminant local breeds and sustainable regional development: the challenges in the Mediterranean area Experiences from the DOMESTIC project

Assessing the main characteristics of sheep
and goat milk supply chains:
Results from the DoMEsTic Project

Dr Irene Tzouramani

Agricultural Economics Research Institute, Athens Greece

Institut Agronomique Vétérinaire Hassan II, Rabat, Morocco
16– 17 December 2014



Objectives

- Define and evaluate the existing milk **supply chains**
- Define the relevant **farmers' profile** and related factors
- Leverage points for designing and implementing appropriate **development programs and policies**

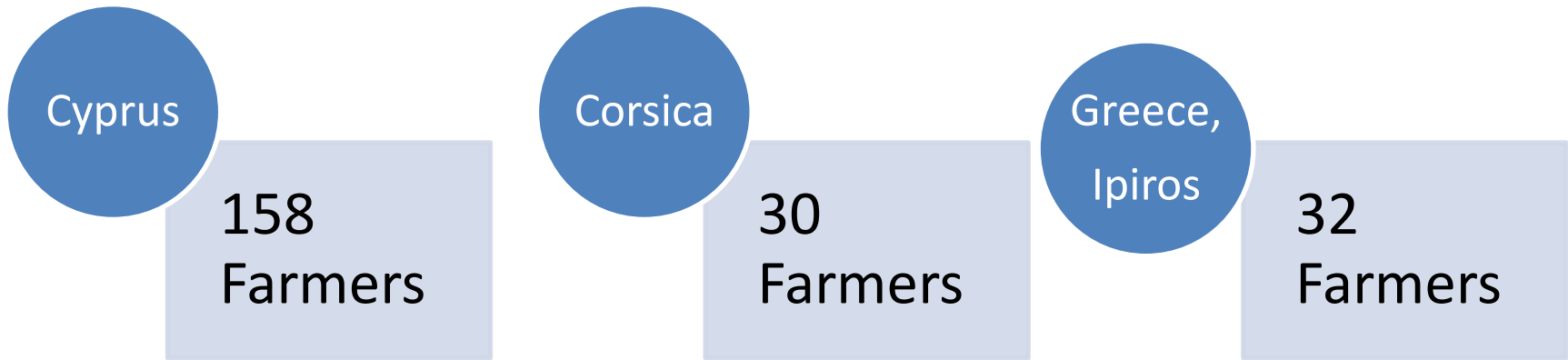


Milk Marketing Channels

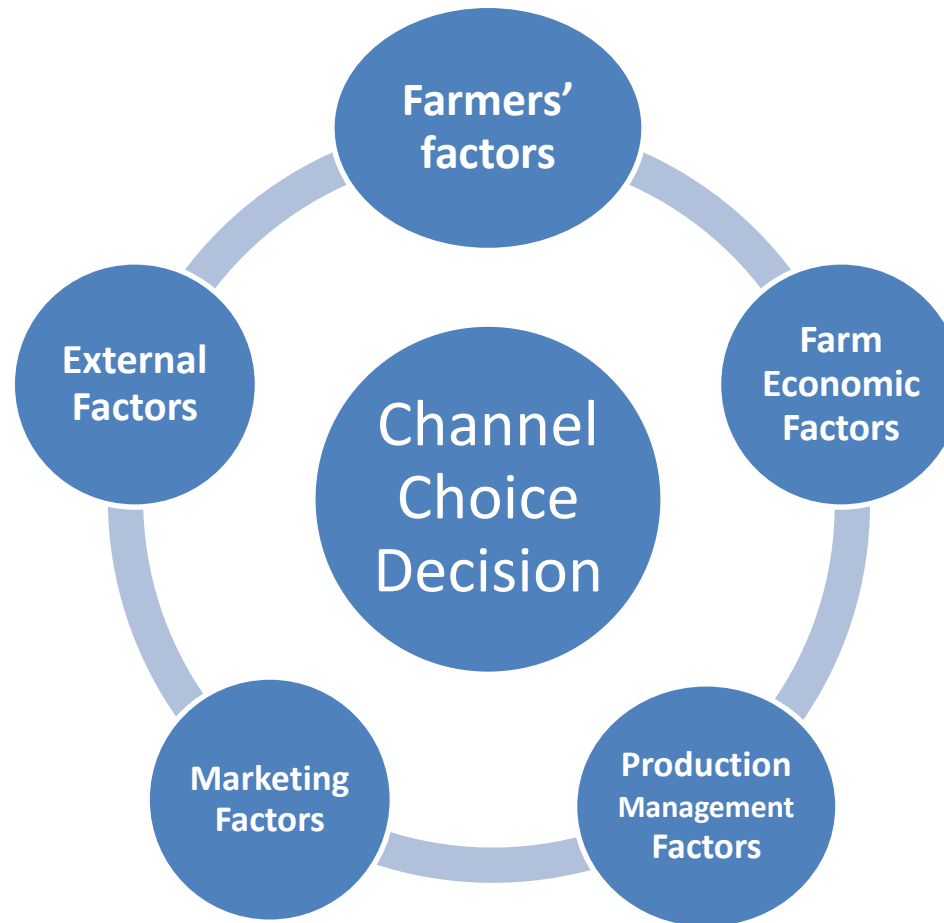
- Which are the main milk marketing channels?
- What factors affect their channel choice decisions?
- Identify constraints
- Suggest improvement options



Sampling



Framework of the study

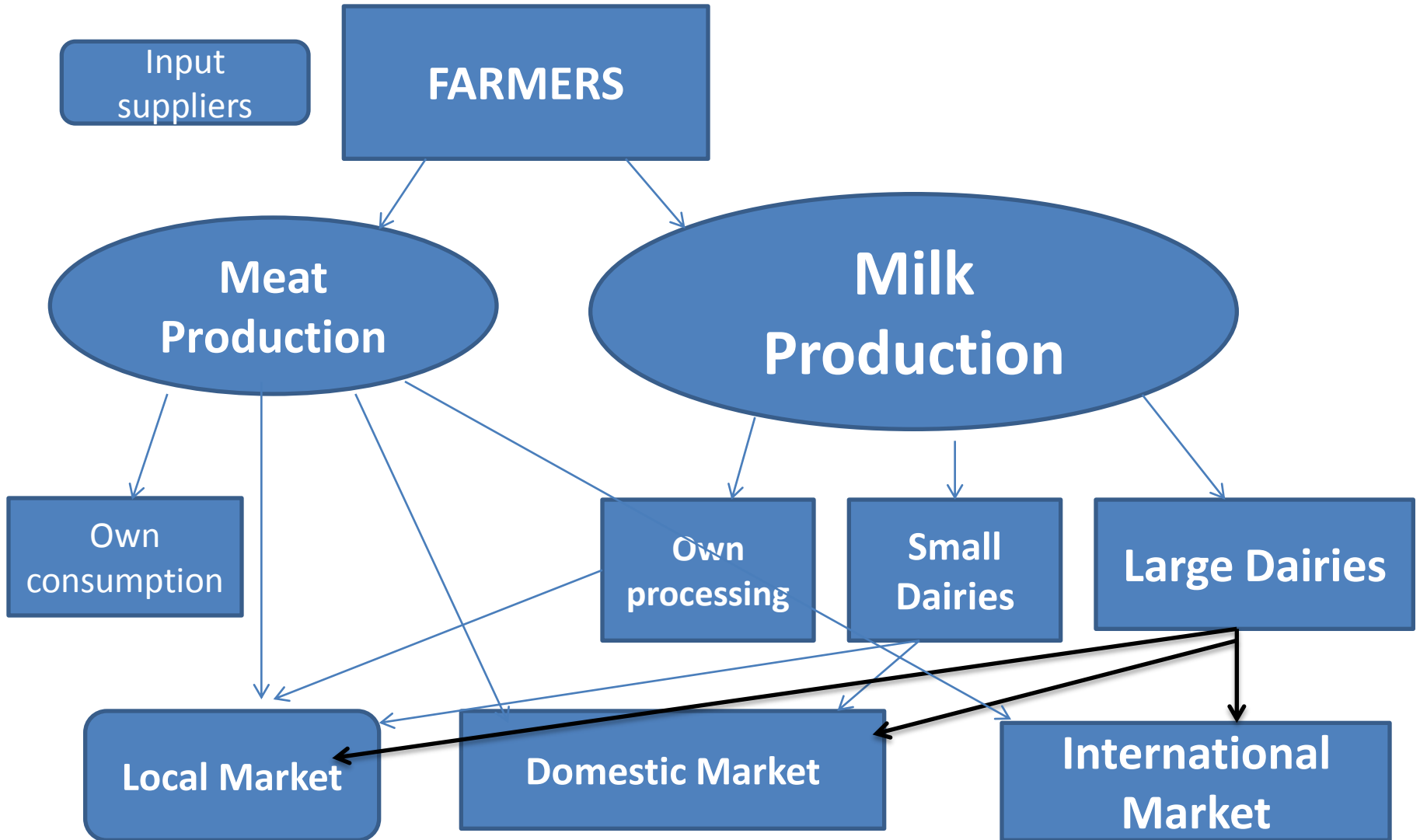


Factors affecting distribution channels

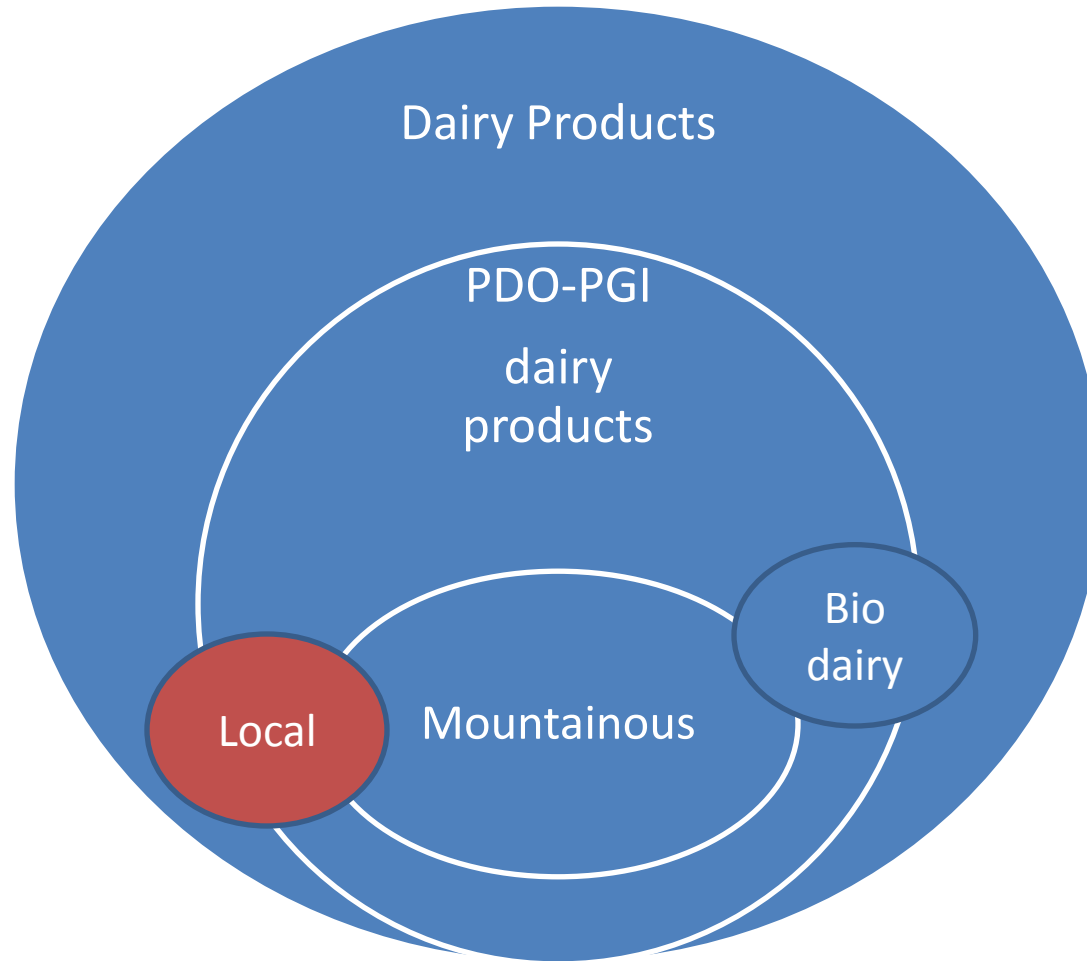
- Production scale and size
- Price, Price satisfaction
- Farm house hold characteristics [age, education]
- Behavioral aspects [trust, risk, experience]
- Market context [distance, purchase condition]
- Farm profit, Farm activities
- Contracts
- Mode of payment
- Long standing relationship with the buyer
- Market and transportation conditions
- Processing industry



Map of Small Ruminant Supply chain



Relevant Dairy Market



Product Differentiation

Cyprus

- Haloumi cheese
- Anari cheese
- Yogurt
- Kefalotiri

France, Corsica

- PDO Fresh and cured cheese Brocciu

Greece, Epirus

- PDO Feta cheese
- PDO kefalografiera
- Kefalotiri
- Galotiri
- Yogurt



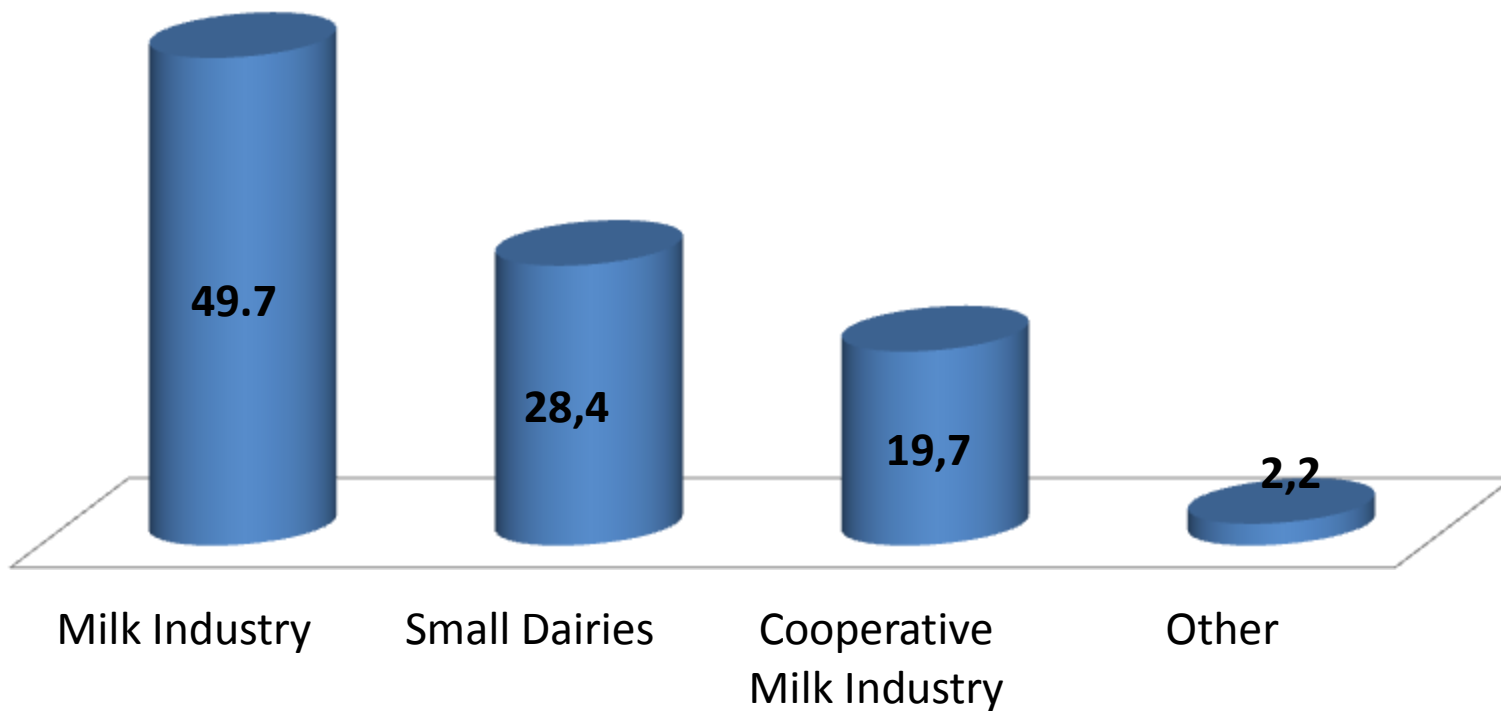
Product/market matrix for cases

Market	Product	
	Existing	New
Existing	Market penetration Cyprus Corsica Epirus	Product Development Ipiros PDO dairy products
New	Market Development Cyprus PDO Haloumi France PDO Brocciu Ipiros PDO dairy products	Diversification Local, Breed specific??



Sheep and Goat Milk Channels

DoMEsTic Project



Sheep and Goat Milk Channels

Sheep Goat Milk Channels	Percent	Cases	Average Sheep Goat Milk Quantity (kgr)
Milk Industry	49.7%	91	83,571
Small Dairies	28.4%	52	50,832
Cooperative Milk Industry*	19.7%	36	59,925
Other	2.2%	4	7,5



Sheep Milk Channels

Sheep Milk Channels	Percent	Cases	Mean Sheep Milk Price (€/kgr)	Mean Sheep Milk Quantity (kgr)
Milk Industry	60.8%	93	0.9723 (±0.1845)	59,165
Small Dairies	17.0%	26	0.9496 (±0.1202)	46,118
Cooperative Milk Industry*	20.2%	31	0.9928 (±0.1107)	48,382
Other	2.0%	3	0.9667 (±0.0577)	-
Total	100%	153		



Goat Milk Channels

Goat Milk Channels	Percent	Cases	Average Goat Milk Price (€/kgr)	Average Goat Milk Quantity (kgr)
Milk Industry	68.3%	54	0.5635 (±0.06617)	57,812
Small Dairies	17.7%	14	0.5736 (±0.04986)	42,690
Cooperative Milk Industry*	11.3%	9	0.5378 (±0.04738)	38,000
Other	2.7%	2	-	-
Total	100.0%	79		

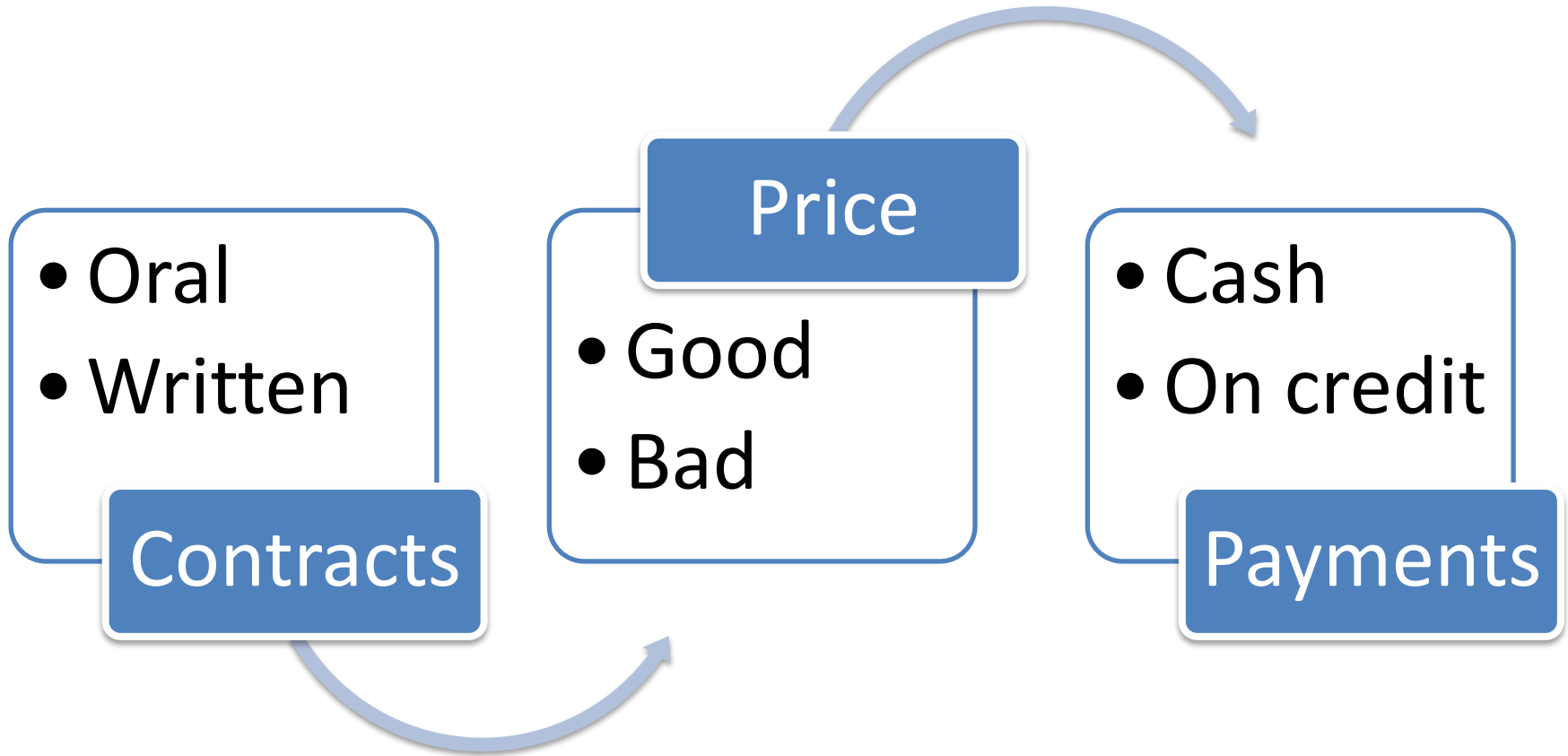


Sheep Goat milk channels per country

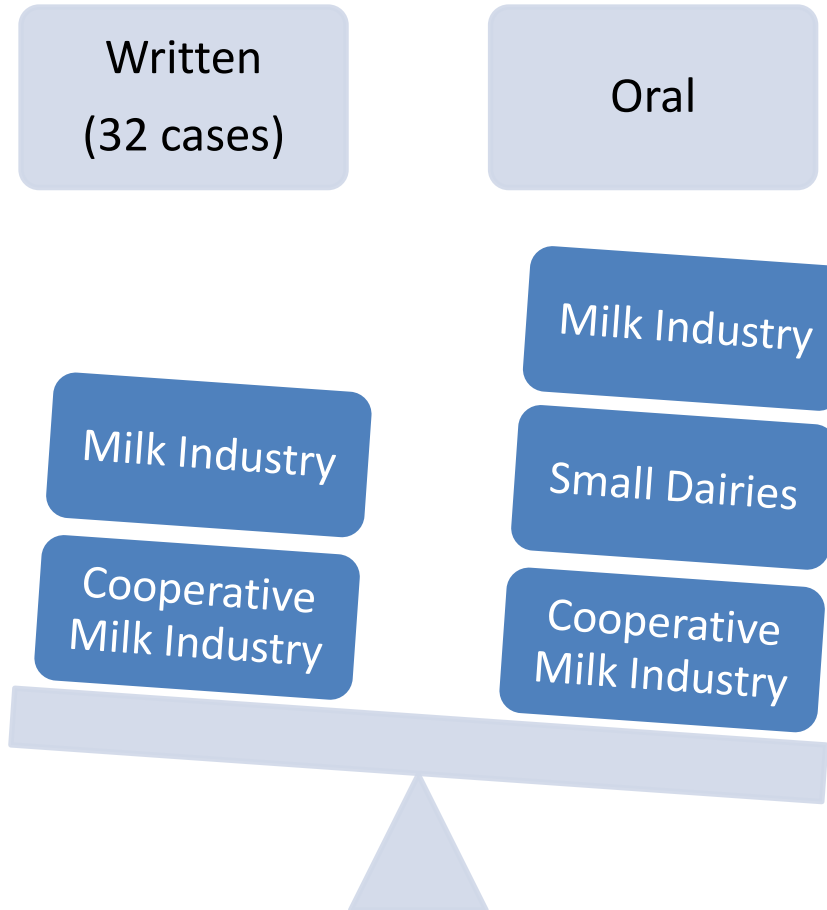
Country	Private Milk Industry	Small Dairies	Cooperative Milk Industry	Other
Cyprus	First Choice	Second Choice	Minor Choice	Minor Choice
Greece, Ipiros		Second Choice	*First Choice	
France	First Choice		Minor Choice	



Specific Principles and channel choice decision



Contracts



Price Satisfaction

Good

- Milk Industry (**20 cases**)
- Small Dairies (5 cases)

Average

- Milk Industry (29 cases)
- Small Dairies (7 cases)
- Cooperatives (**14 cases**)

Bad

- Milk Industry (**36 cases**)
- Small Dairies (13 cases)
- Cooperatives (6 cases)



Mode of Payment

CASH

- Milk Industry (4 cases)
- Small Dairies (6 cases)
- Coop (**13 cases**)
- Other (2 cases)

On Credit

- Milk Industry (**31 cases**)
- Small Dairies (2 cases)
- Coop (2 cases)

Cheque

- Milk Industry (**55 cases**)
- Small Dairies (17 cases)
- Coop (5 cases)



Profile of Farmers

Milk Industry

50.3 years

38.5% Technical Education

31.5% - Successor

36% - Training

86% Married

Small Dairies

46.4 years

30.8% Technical Education

36% - Successor

30.8% - Training

77% Married

Cooperative Milk Industry

51.8 years

12.9% - Technical Education*

26.9% - Successor

48.4% - Training

93% - Married



Profile of Farmers

Milk Industry

496 animals*

65 tons sheep milk

35 ha own Land

250 ha land rented

261 animal/herder

Small Dairies

404 animals

48 tons sheep milk

14.9 ha own land

206 ha land rented

201 animal/herder

Cooperative Milk Industry

398 animals

43 tons sheep milk

18.1 ha own land

159 ha land rented

257 animal/herder



Profile of Farmers

Milk Industry

63% Breeding
experience >20 years

80% Experience
from Parents

60% Heritage

20% Other Activities

88% Full Time Work

Small Dairies

73% Breeding
experience >20 years

92% Experience
from Parents*

50% Heritage

19% Other Activities

**96% Full Time
Work***

Cooperative Milk Industry

**77% Breeding
experience >20 years**

**97% Experience
from Parents***

68% Heritage*

22% Other Activities

90% Full Time Work



Profile of Farmers

Milk Industry

79% Technical Supervision

8% Record Keeping*

11.5% Computer use*

86% Milking Machine

91% Agro-pastoralist Livestock Production system*

Small Dairies

56% Technical Supervision*

5.2% Record Keeping*

0% Computer use*

96% Milking Machine

73% Agro-pastoralist Livestock Production system

Cooperative Milk Industry

78% Technical Supervision

1.4% Record Keeping*

0% Computer use

Milking Machine

60% Agro-pastoralist Livestock Production system*



Profile of Farmers

Milk Industry

54% Know of outlet of products

11% Sell with certification

56% Share of Information with farmers

56% Credit Access

Small Dairies

67% Know of outlet of products

5% Sell with certification

54% Share of Information with farmers

56% Credit Access

Cooperative Milk Industry

90% Know of the outlet of products

5% Sell with certification

90% Share of Information with farmers about quality aspects

43% Credit Access



Constraints affecting the efficiency of livestock marketing

Milk Industry

Transportation cost*

Poor market infrastructure*

Low promotion*

Small Dairies

Rational management of grazing lands *

Low promotion*

Poor market infrastructure*

Cooperative Milk Industry

Changes on CAP*

Long distances to markets*

Low infrastructure in slaughter houses*



Strategies

Milk Industry

Improve the infrastructures in mountainous areas

Support other activities (agro tourism, etc)

Small Dairies

Market Oriented policy

Cooperative Milk Industry

Promotion of the extensive farming

Improve the infrastructures in mountainous areas



Thank You!



Mediterranean biodiversity as a tool for the sustainable development of the small ruminant sector: from traditional knowledge to innovation



Thank you!



Cooperative Milk Industry

Oral

58 tons average milk quantity

0.92 average sheep milk price

20 ha own hand

44 ha rented land

392 mean number of animals

Written

45 tons average milk quantity

1.14 average sheep milk price

26 ha own land

75 ha rented land

418 mean number of animals



Milk Industry

Oral

56 tons average milk quantity

0.88 average sheep milk price

28 ha own hand

289 ha rented land

452 mean number of animals

Written

66 tons average milk quantity

1.19 average sheep milk price

30 ha own land

97 ha rented land

634 mean number of animals

