



## *Market access to rural milk producers*

### *Strengthening village level infrastructure through village based milk procurement system*

**T**he Village-Based Milk Procurement System (VBMPS) has provided rural milk producers with greater access to the organised milk-processing sector by forming and strengthening dairy cooperatives and producer companies. Under this activity, new societies/pooling points were formed and existing societies/ pooling points strengthened by providing village level capital items like Bulk Milk Coolers, Automated Milk Collection Units (AMCU), Data Processor based Milk Collection Units (DPMCU), milk cans, etc. While installation of DPMcus and AMcus has resulted in increased transparency and fairness in milk procurement operations, installation of BMCs has given farmers more flexibility in pouring milk as well as improvement in quality of milk. All these activities have direct relation in increasing farmers' income.

Milk collection and bulking component accounted for 51 per cent of the total project costs and included creating new Dairy Cooperative Societies (DCSs) and Dairy Producer

*VBMPS is a fully integrated & innovative approach to institutional dairy development, serving the full gamut of requirements. Effective implementation support by NDDDB and the benefits accrued led to increased mobilisation of resources by EIAs and their financial contribution increased significantly.*



Companies (DPCs), strengthening existing DCSs, investment in bulk milk coolers and automated milk collection systems.

VBMPS aimed at ensuring improved access to markets by investing in village-level milk collection and bulking facilities and supporting the institutional development of DPCs and DCSs, including increased producer membership in these institutions. VBMPS covered 52,509 villages and reached 1.7 million dairy producers. By end-project, installed bulk milk cooler (BMC) capacity reached 12.49 million litres per day against a target of 1.36 million litres per day