

## **Mini Series: From the Small Window of a Nomadic Society (2)**

### **Nomadic Livestock Farmers in Mongolia and the Market Economy**

Following our report in AAI News Vol. 47, we would like to provide an update on our support to dairy product shipments targeting nomadic livestock farmers in Mongolia. In the previous report, we introduced, as a case study, a project to develop a product distribution base for the Burdene retreat for kidney ailment sufferers. The challenge in Burdene was achieving the effective utilization of grasslands which were either not utilized or were poorly utilized. This second case study is on an effort of the farmers to ship and sell their products on their own under the current market economy with no cooperative system in place for collecting milk. Making good use of the existing rail infrastructure, they directly sell the products without using the wholesaler called “Change”. In this way, we could aim to maximize the benefits to the livestock farmers without them losing a margin to the wholesaler. In addition, it is also an important point that the dairy product sales can create a third source of cash income to the nomadic farmers. This could in turn help in solving the problems of on-going income generation activities such as cashmere production and meat sales. For example, the income from cashmere and meat has large seasonal variations, and the strong emphasis on goat meat production also places a large amount of environmental pressure on grassland vegetation.

Moreover, much of the milk and dairy products sold in markets in Ulan Bator, the capital city of Mongolia, and other cities, is imported from other countries. This is despite the fact that there are more than 30 million livestock with a national human population standing at approximately 2.8 million and that there is abundant production and consumption of milk and dairy products in rural homes located in the Ger grassland areas. It is very likely that this is because collection, storage and distribution of domestic milk is difficult due to a lack of social infrastructure. The imported milk products brought in by air or railway can better withstand the long-distance transport process. However, I believe that “Tsagaan Idee” or “white food” (the traditional milk and milk products produced in Ger) can create definite demand in urban areas as long as a certain level of hygiene and quality control is assured. Even if mass transport may be difficult, it should be very possible to deliver the taste of traditional food, which many urban consumers remember as the taste of their mothers, competing well with the imported milk whose taste is difficult to praise. Traditional food possesses scarcity value and it is expected that additional value is added at markets. We expect that Gobi camel products would be at a premium and therefore traded at even higher prices. The challenge is how to transport the camel milk economically, effectively and safely, when only 1-2 liters per day (per camel) is milked by highly limited labour available within livestock farming households.



**Processed fermented camel milk produced in Erdene County (Photo by the Erdene County Office)**



**Camel Festival held each January in Dornogobi Prefecture (Photo by the Erdene County Office)**

Fortunately, through JICA’s development study work, we have met a number of livestock farmers in Erdene County of the Dornogobi Prefecture who are highly enthusiastic about shipping and selling camel milk and dairy products by themselves. Officials at the County Office are bent on establishing a camel milk brand as part of a movement to develop one brand product per county. Responding to our Mongolian friends’ enthusiasm, we hope to continue to visit Gobi at a grassroots level, in order to join them in their efforts to solve the complicated production and distribution related problems.