

LATVIA

Implementing Local Development Strategies

Location

Madona District

Programming period

2007-2013

Axis / Priority

Axis 4 – LEADER

Measure

413 - Quality of
life/diversification

Funding*

Total budget 73 867 EUR

EAFRD 44 517 EUR

Private 24 403 EUR

Other 4 946 EUR

* Combined projects

Project duration

Autumn 2014 – May 2015

Project promoter

Association "Union of
Madona Meat Producers"

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n/a

A group of farmers in Latvia used EAFRD support to set up a mobile slaughterhouse for common use. The investment enabled farmers to respond to the increasing demand for certified slaughterhouse services at a competitive price.

Summary

A group of livestock farmers in Latvia aimed to address the challenges they faced in processing and selling their meat, including increased competition and the lack of easy access to slaughterhouse facilities. They sought new ways to diversify their business and remain competitive.



EAFRD support via LEADER enabled them to buy a mobile slaughterhouse and the necessary equipment. They set up a non-profit association to manage the service and now the farmers can choose whether to sell processed meat to retailers or slaughterhouses or meat products directly to the local markets.

Results

Thanks to EAFRD support the mobile slaughterhouse was built and meat-cutting equipment was purchased. The service itself is not provided in order to financially benefit the association but to support the business activities of its members.

One of the main outcomes of the project was greater cooperation among farmers. Members of the association became actively involved in the management of the service. Trainings and regular meetings held by the association also added to cooperative spirit generated among farmers.

Local inhabitants gained the possibility to consume locally produced meat products at competitive prices. Local catering services can also offer locally produced meat – e.g. in schools and kindergartens.

The group gained valuable experience and knowledge of complying with laws and regulations, along with other legal aspects related to processing and selling of agricultural products on the market.

Lessons & Recommendations

- ❑ Food chain laws and regulations can prevent farmers getting involved in direct selling of their meat products. Management support and possibilities to offer slaughterhouse services should be carefully considered.
- ❑ EU legal requirements for meat handling systems and slaughterhouses are complex, and similar mobile initiatives should seek the help of institutions, such as the Food and Veterinary Service, and the Latvian Rural Consultancy and Training Centre, or their equivalent, along with the aid of the municipality.

Context

In the district of Madona in Latvia there was an increase in the industry for breeding animals for meat. Increased production meant there would be a foreseeable fast-growing demand for slaughterhouse services in the future. At the same time one of the main constraints that meat producers were facing was the lack of certified slaughterhouses in the region. The services of the few existing slaughterhouses were relatively expensive and bringing animals to distant slaughterhouses substantially raised the cost of the meat which became uncompetitive in price. It was more profitable for farmers to sell their animals to buyers at a low price.

In this environment of increasing competition and shortage of affordable services, farmers needed to find ways to remain competitive. A solution was needed to enable producers to market their own meat products on higher prices rather than local markets than selling animals to slaughterhouses at a lower price. In this context the idea of a shared mobile slaughterhouse came up in a farmers meeting in November 2013.

Objectives

The project aimed to provide butchery services to the region's farmers and open up new opportunities for their businesses.

The idea was to reduce the monopoly status of slaughterhouses and to give meat producers the option to sell their meat by live weight, carcasses or refined products to the local markets.

In addition, the project aimed to ensure that the meat produced by the farmers is certified for the local market.

"The mobile slaughterhouse is a valuable asset for local farmers who are in the business of meat production. The demand for slaughterhouse services will surely increase with the higher purchasing power of buyers and the demand for local products. The mobile slaughterhouse is a good solution for small-scale production."

Local farmer

Activities

The farmers, 14 in total, established an association in March 2014 with the support and motivation of the Madona District municipality. The association developed the most appropriate technical solution for a mobile slaughterhouse in consultation with the Food and Veterinary Service and several companies and organisations that offer similar slaughterhouse services in Latvia and other countries.

In fact, the project consisted of two smaller projects. The first one funded the purchase of the mobile slaughterhouse and the second one funded the purchase of the necessary equipment. The survey on the prices was organised and the project proposals were submitted to the LAG 'Madonas District Foundation' in the summer of 2014.

Each member of the association contributed €2 000 for the implementation of the projects. The Madona District municipality also provided co-financing in recognition of the service's significance to the local economy. The project was launched in the autumn of 2014 and was finished by May 2015, when the slaughterhouse was delivered to the Union of Madona Meat Producers.

The next step was the certification of the slaughterhouse. As the meat production industry is very strictly controlled, the process was long and costly. Unfortunately, early recommendations of the Food and Veterinary Service did not lead to the fulfilment of the required quality standards and modification of the slaughterhouse were necessary.



Additional sources of information

<https://www.youtube.com/watch?v=62zJ6u13C0Q>