Republic of the Philippines  
Province of Bohol  
Municipality of Loay  

OFFICE OF THE MUNICIPAL AGRICULTURE  

PROJECT PROPOSAL  

I. PROJECT TITLE  
LOAY GOAT DEVELOPMENT PROJECT (LGDP)  

II. PROPONENT  
MUNICIPAL AGRICULTURE OFFICE  
LGU-LOAY, BOHOL  

III. PROJECT LOCATION  
CLUSTERED HILLY BARANGAYS OF  
LOAY, BOHOL  

IV. BENEFICIARIES  
GOAT RAISERS OF LOAY, BOHOL  

V. FUNDING SOURCE  

VI. IMPLEMENTING AGENCIES  

LEAD AGENCY  
LOAY LGU  

COLLABORATING AGENCIES  
OFFICE OF THE PROVINCIAL VETERINARIAN OF BOHOL 
UBAY STOCK FARM  

VII. DURATION  
FIVE YEARS  

VIII. CONTACT PERSON  
VIOLETA P. BALUCAN  
Municipal Agricultural Officer  

IX. RATIONALE  

Raising goats in the Philippines is one of the lucrative businesses for our small and big farmers. Our small farmers raised to supplement household income while big commercial raisers started to export chevon meat. We have an increasing demand for chevon, mutton and small ruminant breeders.  

Other competitive advantages of raising small ruminants compared to other domesticated animals are the following: it requires relatively small capital; women and children can easily participate because they are easier to feed and manage; short gestation period; good source of milk, meat and leather from skin; they mature and reproduce earlier, easier to manage, give multiple births; and technologies for increased productivity are available.  

Loay is an ideal place to raise goats due to its warm climate and sloping terrain. In fact, a number of farmers are presently involved in backyard goat raising activities. However, goat farmers have their own share of problems in goat raising that hindered them to commercialize. Common constraints encountered include high mortality rate at marketing, and limited skills and knowledge on latest technologies. These constraints, however, can easily be addressed with support from various stakeholders like Loay LGU, Office of the Provincial Veterinarian of Bohol, and the Ubay Stock Farm.  

With these problems being adequately addressed, productivity of Loay goat farmers will be enhanced thus increasing their income. Hence, this proposal.  

X. BRIEF DESCRIPTION OF THE PROJECT  

General Objective: To enhance the productivity of the goat enterprise in the Municipality of Loay, Bohol.  

Specific Objectives:
1. To enable the farmers to improve their animal productivity due to lesser mortality and morbidity and healthier animals;
2. To improve breed with faster growth, bigger kids due to upgrading;
3. To develop goat raising as a commercial option for goat farmers to improve their income;
4. To develop market and support mechanism for goat farmers;
5. To produce value-added products after two years;
6. To empower Loay LGU and Goat Raisers Associations in the promotion of improved goat production technology among small-hold farmers;
7. To enhance the support of other government agencies and non-government organizations in the development of doable technologies an goat.

Target Outputs/Benefits Derived:

- **By Farmers**
  - @ Farmers will gain more knowledge and skills on the recommended goat husbandry practices.
  - @ Farmers will be empowered in enriching their internal competence.
  - @ Farmers’ social competence will be widened during their educational field trips and goat production will be considered as sustainable source of income.
  - @ There will be positive changes in the over-all income of the farmers.

- **By Community**
  - @ The community will serve as key production areas of goats in the municipality of loay.
  - @ It will serve as avenue for goat production technology to neighboring communities.
  - @ It will increase sustainable livelihood to rural farm families.
  - @ It will result in lesser reports of destruction from uncontrolled goat grazing and lessened social problems arising from destructive characteristics of goats.

- **By Implementers**
  - @ There will be strong linkaging among stakeholders;
  - @ Resources and skills from the different implementing agencies will be maximized.

**Strategies of Project Implementation:**

1. **Innovative features and replication potential**

   The project is a departure from the traditional *dole out* type of projects in the sense that the beneficiaries put up equity as their stake in the project. Existing individual goat farmers in the community will be managed as a group and they will pool together their products to be marketed by their organization to command a better price.

   The success factors of the project are interest, good management, and technical expertise of the trained goat raisers-beneficiaries. Furthermore, support from the collaborating agencies will greatly increase the chances of success.

   Replication potential in the other barangays of Loay is high given the right information, preparatory trainings, and support from all collaborating agencies.

2. **Support from the Local Government Unit of Loay and Collaborating Agencies**

   The municipal LGU will support the goat farmers in the purchase of purebred stock for existing local breeds, forage seeds and materials, and training expenses among others.

   Collaborating agencies on the other hand, can be tapped with their technical expertise in training and other resources.

3. **Monitoring and Evaluation**

   A Project Management Team will be organized to ensure monitoring of the project. It will conduct bi-monthly meetings to thresh out problems, issues, needs and
concerns regarding all aspects of the project. The Project Manager shall report to the Project Management Team the project status during regular meetings.

The periodic evaluation will provide early feedback to the Project Management especially on the following concerns:

- Policies affecting the project implementation
- Attainment of goals and objectives
- Adequacy of institutional arrangements
- Appropriateness of the project design
- The level of resources of all stakeholders

The Project Management Team together with all stakeholders shall also conduct mid-year project evaluation. This will determine if the assumptions made in the business plan are still valid at the particular stage and development if the project. This will enable the project implementers to adjust to the changing socio-economic situation affecting the project.

XI. BUSINESS PLAN

A. Marketing Aspect

1. Market Potential and Product Description

There is a big demand for goat and its products in the Philippine Market today. In fact, chevon (goat meat) is the most expensive livestock meat in the market ranging from P 160- P 250 per kg. dressed weight.

Goat raising is the most progressive sector in the livestock industry as shown by the proliferating commercial goat production farms. However, we lack supply to meet the growing demand for breeder stocks. Though Central Visayas ranks 3rd in the 2005 BAS Survey in goat population, goat farmers, private and government agencies still import breeder stocks outside the country and in the Mindanao area. Thus, a great potential awaits breeder farms that can supply breeder stocks that can demand a bigger price.

Another great potential are the value-added products derived from goats particularly goat’s milk and meat. Goat’s milk is highly appreciated because of the absence of allergic reactions to people as compared to cow’s milk. Another great demand for milk is being the main ingredient in making soap known to have ideal properties for a smooth and healthy skin. Moreover, canned goat meat products such as goat kaldereta, papaitan, paklay, etc. are now becoming very popular. It has become a popular choice especially for health conscious individuals because of its low cholesterol content.

Initial goat products to be marketed are breeder stocks and culled/slaughtered animals. However, value-added products will follow if substantial goat by-products can be produced.

Both lead and collaborating agencies will help find a better price for the goat produce of farmers.

2. Promotional Activities

Promotional activities include participation in local, provincial, and regional agro-trade fairs showcasing purebred and upgraded goats produced by the farmers. Surplus forage and legume deeds produced can also be displayed for sale.

Conducting seminars on goats and a field trip to the project site is another way of promoting. The pilot areas can be open to allow visitors and lakbay-aral groups to visit the goat projects that are using different effective technologies in goat production.

B. Technical Aspect

1. Production Site Selection and Selection Criteria if Beneficiaries
The production initial pilot site will be three barangays which meet the criteria for an ideal site for goat production. The following are the most ideal criteria for choosing a good site for goat raising:

- Sloping terrain of land is highly recommended for goat production
- Clustered communities
- Need to alleviate poverty
- Local political support is present
- Accessibility
- Agricultural potential

Beneficiaries should also be selected to meet the following criteria:

- Express interest and commitment to the program
- Willingness to co-share resources like goat shed, labor, etc.
- Has existing goats or sheep. And with business inclination
- Open to innovations or new technologies
- Willing to attend trainings, regular meetings and dialogues
- Willing to collect fecal samples for laboratory test and other relevant data for the improvement of the project.
- Has leadership potential and be a model to the farmers

After undergoing all the social preparations and trainings required, buying of production inputs will follow, this will include breeding does and bucks, forage seeds and planting materials, medicines and supplies.

C. Organizational Aspect

The proposed Loay Goat Development Project (LGDP) will be managed by the Project Management Team (PMT) composed of 3 representatives from Loay LGU, 1 representative from the Office of the Provincial Veterinarian, 2 representatives from the goat raisers organization, and 3 barangay leaders (1 for each of the 3 selected barangays).

Representatives from the Loay LGU are preferably the SB Agricultural Chairman, 1 from the Municipal Agriculture Office and 1 coming from the Office of the Municipal Accountant with a total membership of three (3).

Therefore, the Project management Team (PMT) has a total membership of 9 members who will direct the whole supervision of the project. They can make policies, rules and regulations that will ensure the smooth day-to-day operation of the project.

D. Financial Aspect

Financial Assumptions:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost (Php)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing and Equipment</td>
<td>2,000.00</td>
</tr>
<tr>
<td>Cost of Stocks</td>
<td></td>
</tr>
<tr>
<td>*Purebred Doe</td>
<td>25 kgs/head at 350.00/kg</td>
</tr>
<tr>
<td>*Buck</td>
<td>35 kgs/head at 350.00/kg</td>
</tr>
<tr>
<td>Buck Service</td>
<td>50.00/service</td>
</tr>
<tr>
<td>Labor</td>
<td>25.00/day/beneficiary</td>
</tr>
<tr>
<td>Concentrate feed</td>
<td>137 g/day/head X 365 days</td>
</tr>
<tr>
<td>(2 sacks/beneficiary)</td>
<td></td>
</tr>
<tr>
<td>Veterinary Drug and Supply</td>
<td>200.00/beneficiary/yr.</td>
</tr>
<tr>
<td>Price of culled/Slaughter</td>
<td>70.00/kg</td>
</tr>
<tr>
<td>Price of Breeder</td>
<td>300.00/kg</td>
</tr>
<tr>
<td>Average Marketable Weight:</td>
<td></td>
</tr>
<tr>
<td>*Culled/Slaughter</td>
<td>16 kgs</td>
</tr>
<tr>
<td>*Breeder (Purebred)</td>
<td>20 kgs</td>
</tr>
<tr>
<td>*Upgrades</td>
<td>18 kgs</td>
</tr>
<tr>
<td>Contingency</td>
<td>10% of Operating Expenses</td>
</tr>
</tbody>
</table>

Computation on Harvest:
1st harvest, 13 months  |  100 does  |  90% conception rate  |  90 does
---|---|---|---
90 does pregnant  |  1.5 kids/doe  |  135 kids born
135 kids  |  15% mortality  |  115 kids alive

Market at 8 months
- Culled/slaughter 46 heads, 2 kgs. At birth 14 kgs. Weight gain  
  46 hds. X 16kgs/hd. X 70.00 php/kg = 51,520.00
- Breeder (purebred) 60 heads, 3 kgs. At birth 17 kgs. weight gain  
  42 hds. X 20 kgs/hd. X 300.00 php/kg = 252,000.00
- Upgraded 27 heads, 2.5 kgs. At birth 15.5 kgs. Weight gain  
  27 hds. X 18 kgs/hd. X 200.00 php/kg. = 97,200.00

Total 400,720.00

Training and Activity Expenses:

- Eight-day seminar
  No. of participants = 24 persons (15 farmers, 3 trainors, 2 facilitators, 1 para-technician, 3 BALA)
  24 pax x 8 lunch x 80.00 php/lunch = 15,360.00
  24 pax x 16 snacks x 25.00 php/snacks = 9,600.00

- Lakbay-Aral (Field Trip)
  No. of participants = 30 persons (15 farmers, 3 trainors, 2 facilitators, 1 para-technician, 3 BALA, 1 Municipal Councilor in Agriculture, 2 staff of Municipal Agriculture Office, and 3 Barangay Councilor in Agriculture from 3 pilot barangays).
  30 pax x 1,000.00/person = 30,000.00

- Honorarium
  No. of trainors = 3 persons
  3 pax x 200.00 php/trainor x 8 days seminar = 4,800.00

- Launching / Opening Program (Half day activity)
  No. of participants = 50 pax (All participants, trainors and facilitators, Barangay officials, OPV and USF Staff, and other guest)
  50 pax x 100.00 php/lunch = 5,000.00

  Graduation/Year-End Evaluation (whole day activity)
  No. of participants = 50 pax (All participants, trainors and facilitators, Barangay officials, OPV and USF Staff, and other guest)
  50 pax x 100.00 php/lunch = 5,000.00
  50 pax x 25.00 php/snacks x 2 snacks = 2,500.00

  TOTAL 72,260.00

Financial Analysis:

Projected Income Statement for 100-doe Level

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>1. Sale of:</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>• Purebreed stocks</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Upgraded</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
- Culled/Slaughtered

<table>
<thead>
<tr>
<th></th>
<th>400,720</th>
<th>801,440</th>
<th>400,720</th>
<th>801,440</th>
<th>400,720</th>
<th>2,805,040</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Inventory value of Initial breeder stocks</td>
<td>401,750</td>
<td>401,750</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>400,720</td>
<td>801,440</td>
<td>400,720</td>
<td>801,440</td>
<td>801,440</td>
<td>3,206,790</td>
</tr>
</tbody>
</table>

**B. Expenses**

1. Operating Expenses
   - Labor (15 farmers) 135,000 135,000 135,000 135,000 135,000 675,000
   - Cost of Concentrates 21,000 21,000 21,000 21,000 21,000 105,000
   - Light and Water 15,000 15,000 15,000 15,000 15,000 75,000
   - Repair and Maintenance 3,000 3,000 3,000 3,000 3,000 12,000
   - Vet. Drug and supplies 3,000 3,000 3,000 3,000 3,000 12,000
   - Forage seeds/materials 22,500 - - - - 22,500
   - Transportation Expenses 12,000 - - - - 12,000
     - purchase of breeder stocks 12,000 12,000 12,000 12,000 12,000 60,000
     - monitoring & evaluation 5,000 5,000 5,000 5,000 5,000 25,000
   - Office supplies 36,000 36,000 36,000 36,000 36,000 180,000
   - Salary (Para-technician) 72,260 - - - - 72,260
   - Training Expenses (see attached details) 33,376 23,000 23,000 23,000 23,000 125,376

   **Total Operating Expenses** 367,136 253,000 253,000 253,000 253,000 1,379,136

2. Overhead Expenses
   - Depreciation of housing, equipment, & fences. 3,000 3,000 3,000 3,000 3,000 15,000

   **TOTAL EXPENSES** 370,136 256,000 256,000 256,000 256,000 1,394,136

   **NET INCOME** 30,584 545,440 545,440 545,440 545,440 1,812,654

   **RETURN OF INVESTMENT ROI (%)** 8% 213% 213% 213% 213% 130%