



HOW FEEDING COWS MAKES IT EASIER FOR PRODUCERS TO FACE CRISIS



Dairy producers in Bangladesh are seeing an impressive result of having stronger market access. When they work as producer groups and have good ties to input and output markets, *political crisis hurts them less, and they bounce back faster.*

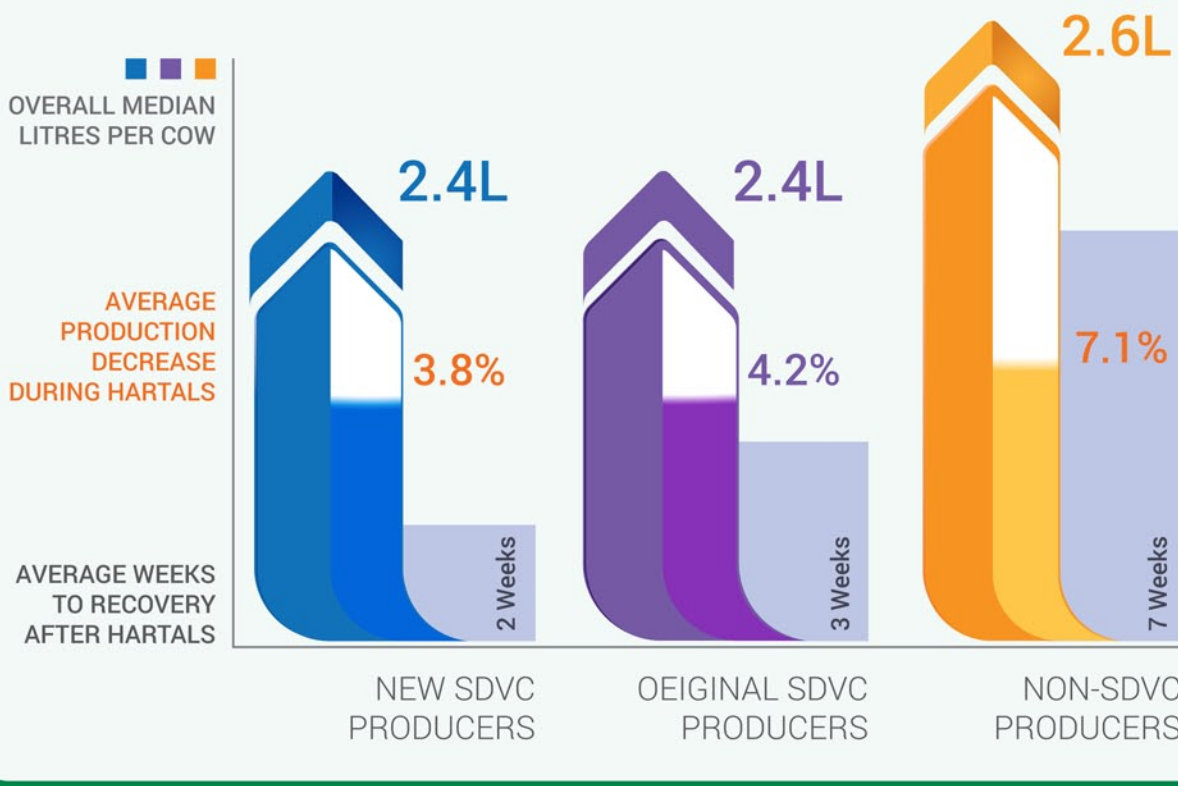
Find out how it works.

Strengthening the Dairy Value Chain is a CARE project funded by the Bill & Melinda Gates Foundation that works not only create a more pro-poor market system in Bangladesh that offers advantages to the poorest dairy producers, but also to create sustainable links to markets by building business incentives. The project works through providing training to producers, building market access, and working with input suppliers and product buyers to make products more easily available and cheaper for producers.

One impact of the program has been to make the market system more resilient. During SDVC implementation, Bangladesh faced a series of political disruptions (hartals) that blocked access to markets and broke value chains across the country. In the project area alone, as of January 18, 2015 with 14 days of blockade, a total of 83,470 liters of milk has not been collected from 40 DFT milk collection points. This incurred a potential economic loss of BDT 3,171,860 (USD\$39,648).

To examine how project participants were handling the crisis, CARE and Datassist explored findings from our online monitoring and evaluation platforms. The results were impressive.¹

HARTAL RESILIENCY



¹The differences in resiliency during political shocks between the types of producers is statistically significant at a p < .001 level.

Project participants are 75-100% more productive during a crisis

In general, in the week during and following a national hartal, non-SDVC producers drop in productivity by 30 to 35%. And it takes the non-SDVC producers around a full month to regain their lost productivity and sales. In contrast, the SDVC producers see an average decrease in productivity and sales of 15 to 20% during national hartals.

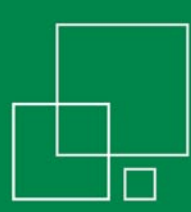
SDVC producers rebound 3.5 times faster

Producers in SDVC—especially in newly formed groups—are able to bounce back to their original production levels in 2 weeks. Producers outside the program take 7 weeks to recover from political shocks.

How does it work?

The data at hand cannot prove causality, but some factors of the SDVC program that influence this finding are:

- **Reduced distance traveled:** One of SDVC's key interventions is to use a combination of innovative dairy hubs and GIS mapping to ensure that input suppliers and sales points for producers are close to home. They reduce travel time for producers by 58%. Political crisis in Bangladesh seriously disrupts travel, so reducing distances minimizes these effects.
- **Creating networks:** Dairy hubs and collection points in the SDVC system worked to share supplies and resources—such as the chemicals needed to test milk quality—when national supply chains were cut off. That meant that local services didn't have to stop entirely.
- **Better access to information:** SDVC producers have both strong producer groups and ties to markets that help them access information from multiple sources. The SDVC-created dairy collection points serve as hubs to distribute relevant market and extension information.



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For Further Query or Technical Assistance

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