

 Early Warning System

IFC-593887

Pakistan Dairy



## Quick Facts

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|-------------------------|---|
| Countries               | Pakistan                                |
| Financial Institutions  | International Finance Corporation (IFC) |
| Status                  | Active                                  |
| Bank Risk Rating        | U                                       |
| Voting Date             | 2015-01-16                              |
| Borrower                | Pakistan                                |
| Sectors                 | Industry and Trade                      |
| Investment Amount (USD) | \$ 1.17 million                         |



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## Project Description

The project will be implemented in Punjab Province, Pakistan over three years, and will consist of four components as follows:

**First Component: Nestle Capacity Building on Agricultural Practices.** This component is aimed at improving the capacity of Nestle field staff in extension techniques, agricultural practices, and financial aspects of any agricultural practices. The topics will include communication skills, adult education, young stock rearing, feeding, fodder production, farm recording, technical and economical farm analysis and farm expansion, milking, breeding and fertility techniques. Activities of the component will include: (1) Capacity Assessment of Nestle Extension & Farmer Agricultural Practices; (2) Development of Dairy farming guidelines handbook; (3) Training of Nestle Extension Staff on Agricultural Practices; and (4) Development of Centralized Data Management System.

**Second Component: Farmer Capacity Building on Agricultural Practices.** This component is aimed at improving skills of the farmers in agricultural practices and financial aspects of any agricultural practices. It is anticipated that the 200 Commercial Dairy Farmers are to be trained by Nestle extension workers in this project.

Activities of the component will include: (1) Classroom training for the farmers (CDFs) on agricultural practices; (2) Individual Farmer Assessment and Customization of the Standard Dairy Expansion Guidelines (Action Plan) per Individual Farmer (CDF); & (3) In-depth advisory services (farm visits) per individual CDF. The project will tailor the content of the standard Dairy Expansion Guide, to the specific conditions of each of the CDFs, considering available resources and their own plans for growth. CDFs will receive technical support in the implementation of these tailored expansion guidelines at the farm level. An on-ground specialized team will be contracted by the project, to work closely with the selected CDFs on areas needing improvement.

**Third Component: Nestle Capacity Building on Food Safety.** Considering the importance of compliance with food safety standards in the dairy sector and its economic consequences, the project will develop a pilot on food safety advisory support on a farm level. This component is aimed at improving the capacity of Nestle in managing food safety aspects in its dairy supply chains, specifically in reducing bacteria level, antibiotic failure level and aflatoxin level within their suppliers. Activities of this component will include: (1) Conduct of Good Agricultural Practices (GAP) Assessment on a number of commercial dairy farmers (CDFs) selected by the client for the project;

(2) Training Nestle Field Staff in managing food safety aspects within its supply chains.

The project will conduct assessment of current practices that the Nestle extension workers have during their appraisal of the CDFs food safety practices that may have an impact on the quality of milk produced. A report will be produced with the findings and recommended actions of improvement to be undertaken. Different output documents and training modules will be produced which cover some specific issues of significant importance to the dairy sector in Pakistan

**Fourth Component: Farmer Capacity Building on Food Safety.** This component is aimed at improving skills of the farmers in managing food safety aspects in milk production and logistics. Activities of this component will include: (1) Nestle extension workers will conduct on-farm training for commercial dairy farmers in managing food safety aspects. (2) Introduce farmers with some tools and equipment for ensuring food safety in milk production, such as a Quality Belt, Black Mastitis Strip Paddle, and Triers (Tool for Milking Machine Plant Hygiene Assessment).; Train the farmers to the specific aspects of the SSAFE Food Safety Dairy Framework where needed.



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## People Affected By This Project

The project is expected to increase the quantity and quality of milk produced by farmers and integrate the farmers into Nestle Pakistan Milk Supply Chains. . This will be achieved by building the extension capacity of Nestle Pakistan and thereby providing technical assistance to farmers in order to support the adoption of modern dairy farming practices, expected to lead to additional high quality milk sold to Nestle and additional sales revenues earned by farmers.



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## Investment Description

- International Finance Corporation (IFC)

Advisory Services Project



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## Contact Information

### Accountability Mechanism of the IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at [CAO@worldbankgroup.org](mailto:CAO@worldbankgroup.org). You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>