

Van rental service provides relief for Bangladeshi livestock farmers and communities

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Products being collected from the doorsteps of farmers

At the start of the COVID-19 pandemic last year, livestock farmers in Bangladesh received a [major hit when they could not market their products during the first countrywide lockdown](#). During that time, the Bangladesh government's District Livestock Officers (DLOs) in a few districts of Bangladesh came together to create an initiative that entailed buying milk, eggs, and meat from livestock farmers. This resulted in free delivery charges to designated distribution centers under the banner of the Department of Livestock Services (DLS) for cheap and easy access by consumers. Eventually, the shutdown ended in June 2020, and it was expected that the pandemic would then be under control.

LDDP's The Van Rental Scheme

In April 2021, when the country went into its second lockdown as a new wave of coronavirus struck the nation, [a van rental scheme was initiated by the Ministry of Fisheries & Livestock \(MoFL\) which was supported by the World Bank's Livestock & Dairy Development Project](#).

Transportation costs are one of the major expenses that farmers incur while delivering their products to the market. [Transport costs shot up to new heights because the lockdown disrupted the forward market distribution channel, hampering both farmers' own delivery and middlemen activities](#). The demand-side also suffered since many consumers chose to stay at home amidst the pandemic, while others experienced financial shortage while buying food.

The LDDP's van rental scheme would tackle both demand and the supply-side issues through a single strategy: the DLOs hired vehicles to collect animal-sourced products directly from the

doorsteps of the livestock farmers and distribute them to designated distribution centers. [Farmers were readily paid at the farmgate and at distribution centers, customers would come in queues to collect the products at a discounted farmgate price.](#)

[Funds were directly disbursed at the district level to hire various vehicles such as pick-up trucks, mini-vans, bikes, rickshaws along with drivers. The DLOs paid out average 3,343 Bangladesh Taka \(BDT\), or approximately \\$40, per vehicle per day, or according to specific local transportation expenses. The officers formed a three-member local committee to assess the local cost of transportation at the regional level. Farmers' associations also came forward to help, providing lists of livestock farmers and contributing to foot the van rental bill whenever it exceeded the ceiling set by the project.](#)

The initiative took place in 61 districts and over 465 sub-districts across the country. Guidelines were set up to be followed across all districts to ensure systematic flow of services, and the monitoring units oversaw that only quality-assured products were collected.

Eventually, the government decided to extend the van rental service and reach out to any area where there was demand for the vans.

[Kobotoolbox](#) was deployed to monitor the program digitally and efficiently develop a stakeholder database to track the number of farmers and consumers served. It also kept records of the vehicle numbers, models, and locations.

The Impact

The scheme continued till May 15, 2021, which included the month of Ramadan when commodity prices generally skyrocket. [The initiative ensured that the products were available to customers at a subsidized price by eliminating transportation costs, given that they were sold exactly at the same prices that they were bought from the farmers.](#)

[A total of 5.65 million consumers were served countrywide, while about 63,550 poultry farmers and 22,300 dairy farmers benefitted from the service.](#) For example, farmers benefitted from direct marketing of their products at a good price. Milk was paid 60 BDT /liter at the farmgate to the farmer, which is the same price that the consumers would also pay, as compared to paying approximately 80 BDT at normal market rates.

As the lockdown lifted, the government initiative to connect producers and consumers directly with one another came to its natural end. The impact of the initiative based on nimble local operations, with the benefit of a user-friendly digital database for quick expansion, has provided us with good lessons on agility and thinking on our feet. We hope to carry this forward in our other projects, too.

The pandemic has taken an unforeseen toll on the lives and livelihoods of rural farmers of Bangladesh. However, [enterprising initiatives such as this can ensure continuity and ensure the farmers are able to make reasonable profits without hurting the consumers.](#)

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