

# Improving milk supply, competitiveness and livelihoods in smallholder dairy chains in Indonesia



## Key details

### Location

Indonesia

### Duration

**Start** Jun 2016

**End** May 2022

### Budget

AUD 2,052,310

### Commissioned organisation

The University of Adelaide

### Partners

Australasian Dairy Corporation; Bogor Agricultural University; Department of Economic Development; Department of Economic Development, Jobs, Transport and Resources; Indonesia Centre for Animal Research and Development; Indonesian Centre for Agriculture Socio Economic and Policy Studies; The University of Adelaide

### Project Leader

Prof Wendy Umberger

### Program

Agribusiness

### Project code

AGB/2012/099



## Overview

**This project aimed to increase milk supply (quantity and quality) by 25% and net-household incomes for at least 3,000 dairy producers in West Java and North Sumatra, Indonesia.**

In 2012, Indonesia produced less than one-third of its domestic dairy demand, and even less in recent years.

Most dairy production takes place in Java. However, several constraints challenge its growth. Although the Government identified 12 provinces for dairy development outside of Java including North Sumatra, North Sumatra's dairy industry is still in its infancy. An integrated approach to capacity building and supply chain analyses is essential.

This project aimed to identify and recommend strategies and policies to support development of sustainable, profitable and smallholder-inclusive dairy supply chains in North Sumatra and West Java; identify

barriers to adoption of profitable management practices and develop strategies to inform development of extension programmes in West Java and North Sumatra; and develop, pilot and evaluate best-bet dissemination to improve adoption of innovative dairy management practices by smallholder farmers in West Java.

## Expected project outcomes

- Increased domestic milk supply and quality, helping to meet domestic demand.
- Improved productivity and efficiency of smallholders in the dairy value chain and higher returns to smallholder dairy farmers, with increased cash flows being used to cover food, health and education expenses.
- Increased availability and access to local fresh milk, providing health and nutrition benefits.
- Greater capacity at all levels of the dairy industry, including in dairy production, marketing and market analysis.
- Greater capacity among partner institutions in terms of research and extension.

