

Transforming the Food System by Empowering Algerian Smallholder Farmers



The H'lib Dzair project
Since 2014



The Algerian Milk Market at a Glance



Algerian smallholder dairy farmers play a central role when it comes to securing **FOOD AUTONOMY** and **RURAL LIVELIHOODS**

Indeed...

85%

of Algerian dairy producers are smallholder farmers



60%

of the milk volume collected by Danone in Algeria comes from smallholder farmers

~40%

of Algerian milk consumption is not covered by local production

The Algerian Government is now prioritizing domestic **dairy production** to reduce reliance on milk powder imports and improve its food security



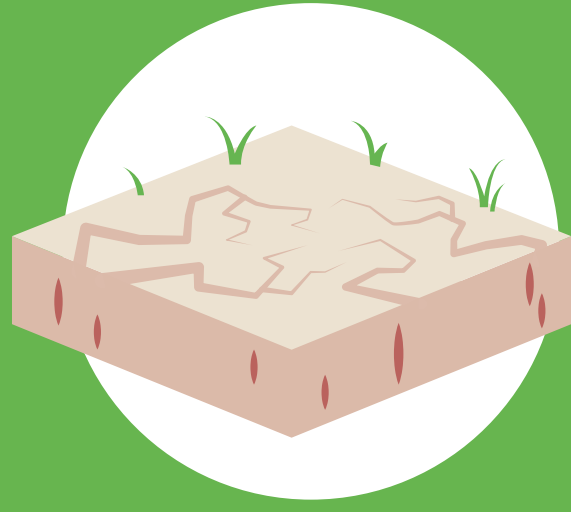
Yet...



Dairy smallholders are faced with a range of **intertwined environmental, economic and social challenges**

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Increasing environmental challenges



Pressure on natural resources

- **Soil degradation:** Intensive land use for agriculture and livestock farming reduce soil fertility and its capacity to produce fodder
- **Biodiversity loss:** Intensive livestock farming and overgrazing can reduce local biodiversity
- **Waste management:** Organic waste from dairy farms must be managed appropriately to avoid water and soil pollution



Impacts of climate change

- **Rising temperatures and more frequent heat waves:** Extreme heatwaves have become more frequent and intense
- **Water scarcity:** The different regions of the country face a rainfall deficit between 12% and 20%

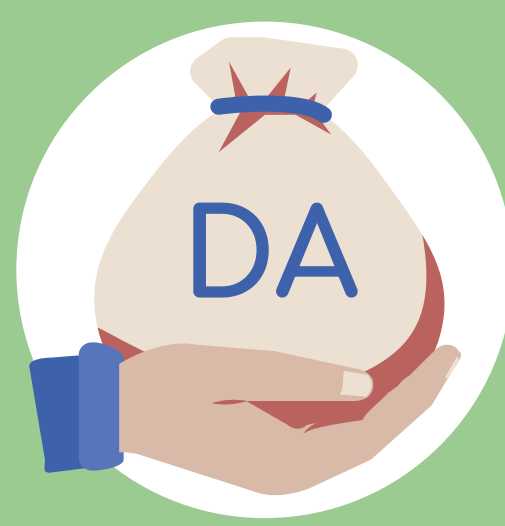
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Coping with complex social & economic realities



Insufficient training on sustainable practices

- **Knowledge to be reinforced:** Limited access to training and education on sustainable farming practices can hinder development and innovation
- **Gender-based barriers:** Women often face stronger difficulties in accessing knowledge impacting their productivity, 2.7% of farmers have received agricultural training and among them only 1.5% are women



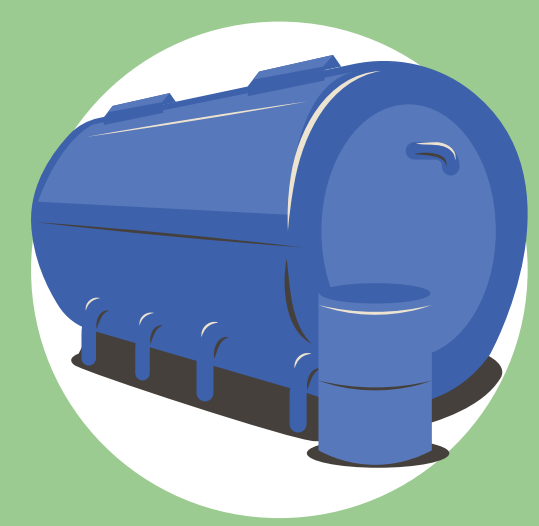
Difficult access to needed resources

- **Access to finance:** Difficulties accessing affordable credit limits farmers' ability to invest in their farms
- **Access to inputs:** Difficulty accessing good quality inputs, including seeds, impacts yield quantity and quality



Challenging social realities

- **Family role:** Dairy farming is often a family activity, each family member has a specific role, which influences animal management and care practices
- **Generational renewal:** Farmers over 60 years old represent 37% of farmers



Difficult access to higher markets

- **Limited structuration of the supply chain:** Lack or inadequate infrastructures for milk collection and to assure the cold chain
- **Difficulties to access market:** Low livestock productivity and low milk quality hinders farmers' capacity to sell their milk

To address some of these challenges...

...a coalition of public and private partners joined forces in 2010 to empower Algerian smallholder dairy farmers

The H'lib Dzair project was born

How it Works at Farm Level



Algerian smallholder farmers join the project and receive comprehensive support through 3 pillars at farm level:



Training

- Monthly training to enhance livestock productivity and milk quality covering: sanitation, cow welfare, nutrition, feed autonomy and reproduction
- Vets and technicians are also trained to effectively support farmers



Mentoring

- Technicians perform monthly farm visits to emphasize best practices learned in trainings, but specifically applied to the context of each farm to boost productivity and improve milk quality
- Support for testing and deploying circular initiatives with environment benefits: manure management through bio-digesters and feed byproducts



Finance

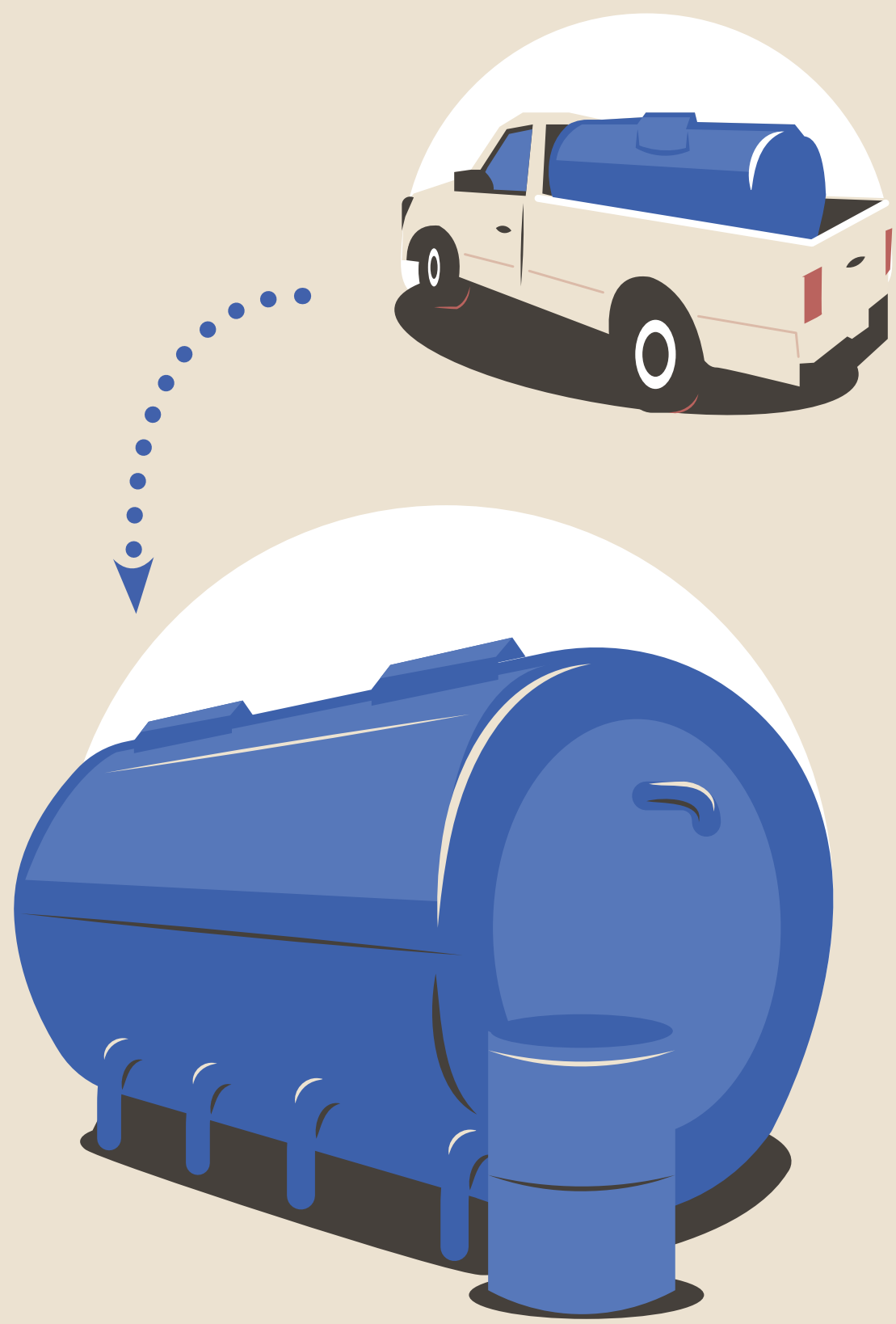
- Conduct trials on how to reduce feed costs: enhanced feed autonomy, local byproducts
- Credit advances on government subsidies secured by projects
- Exploring new income streams for farmers (e.g., by selling manure)



Enabling 2,700+ Algerian dairy farmers to adopt:
Better farming practices resulting in increased production
Business skills resulting in financial resilience of farms
Improved herd management resulting in carbon intensity reduction

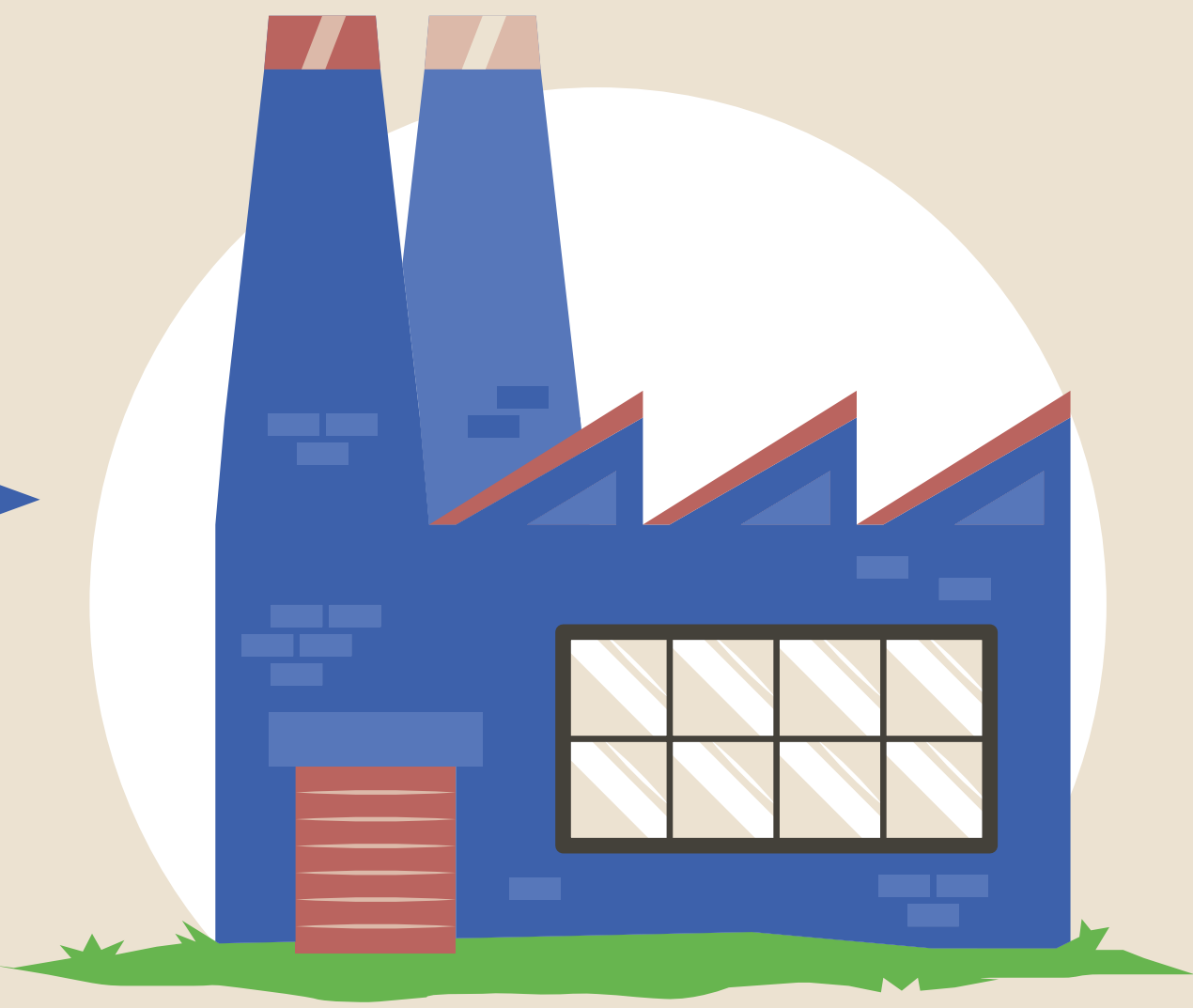
Key Pillars to Support Smallholder Farmers Activities at Distribution Level

H'lib Dzair develops the Algerian small dairy sector by working with actors across the entire farm ecosystem



15 refrigeration trucks upgraded

- Collectors pick up milk from hundreds of participating farms
- Helps to improve milk quality and decrease losses



46 Milk Collection Centers (MCCs)

- MCCs aggregate milk from farmers in the region
- Employees from 46 MCCs have been trained

Milk Transformation

Danone processes milk and pays all actors in the value chain

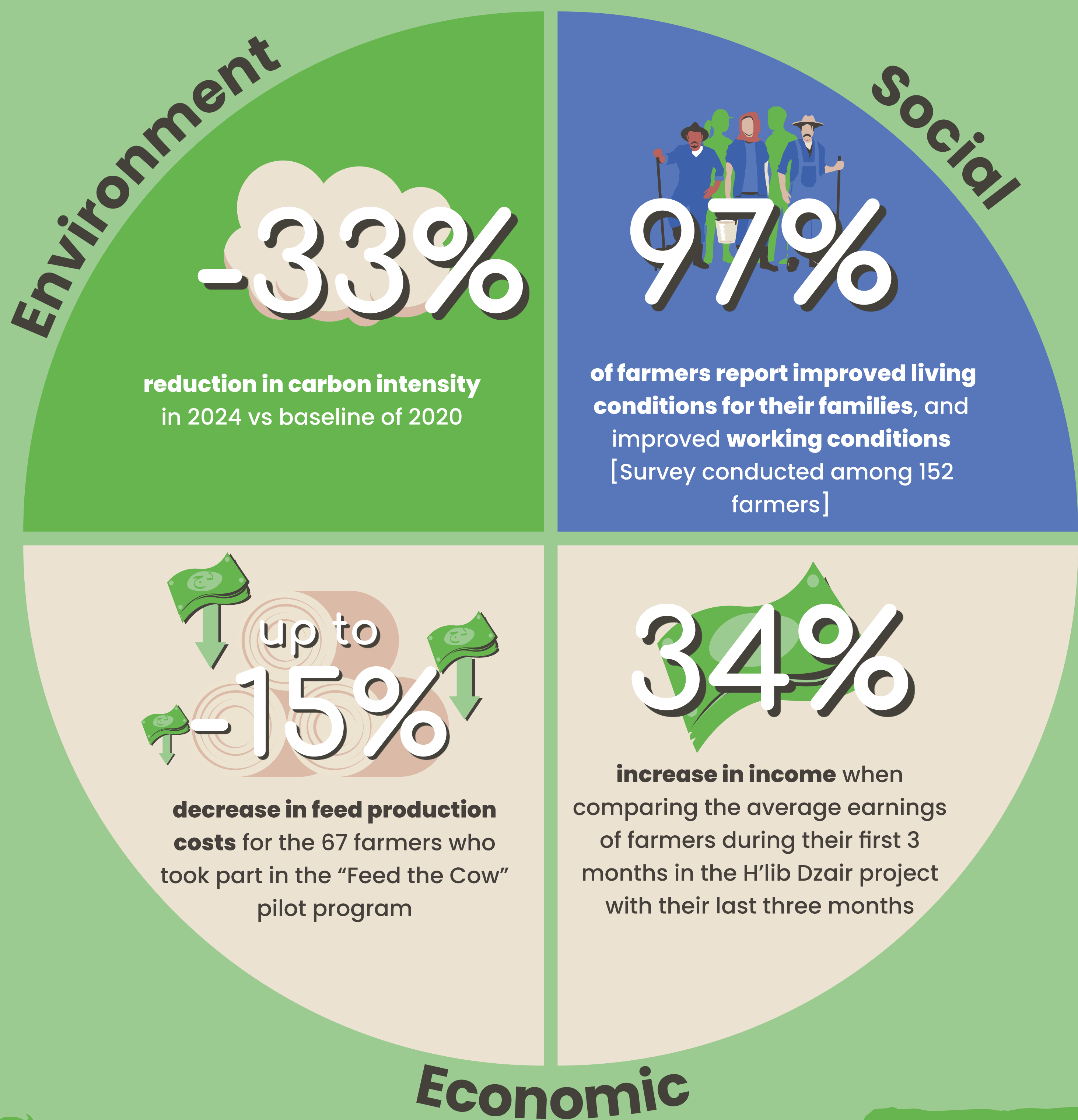


Helping to secure farmers' revenues and access to higher markets



Higher incomes **improve farmers' livelihoods** and positively impact their families
Money is also reinvested into farms to further **enhance growth**

Leading to a Positive Impact on the Whole Ecosystem



The H’lib Dzair project is now **fully managed and financed by the Danone Algerian entity** – putting smallholder farmers at the core of their strategy



“Since I was little, I’ve always been close to animals. Before, my husband and I used to have two lambs and two cows. Then we decided to try livestock farming: we started with two cows, we saved money and now we have seven beautiful cows. We joined the project, and many new ideas were presented to us! We have a lot of hope for the future despite the difficult local context. We hope to see our farm grow bigger and bigger, with all the means to increase milk quality and quantity.”

– Ghanima, Algerian Dairy Farmer, H’lib Dzair Project