

IMPACT SHEET • SWITCH-ASIA PROJECT
**PROMOTING SUSTAINABLE CONSUMPTION
AND PRODUCTION OF JUTE DIVERSIFIED PRODUCTS**

Strengthening the value chain of jute diversified products in Bangladesh



**The project reaches out to 16 000 smallholding farmers,
2 000 jute workers and 20 SMEs**



The Challenge

Bangladesh is the largest exporter, the second largest producer of jute in the world, and with the highest quality of jute fibre. However, the jute industry lost its momentum in the 1980s due to inadequate policy strategies, such as trade and export policies, as well as wide scale production and use of plastic commodities. Little has been done until now in terms of investment and diversification of this sector, which provides an income to many rural poor communities. Empowerment of jute producer groups and development of cluster-based and semi-industrial based jute diversified products (JDPs) are the major tasks to be addressed in order to develop this sector. Issues include inadequate and untimely supply of quality jute seeds, scarcity of water, flood, the retting process, weak direct linkages between jute millers and farmers, lack of knowledge by and low capability of SMEs.

Objective

The project seeks to contribute to pro-poor economic growth through social business promotion, with an emphasis on sustainable agricultural sector and poverty reduction in the Northwest and Southwest regions of Bangladesh. Specifically, it aims in strengthening the export competitiveness of Bangladesh through the promotion of environmentally friendly JDPs. The specific objectives include:

- To increase income levels of targeted jute growers, producers of organic fertilizer and JDP workers;
- To increase the market share by selected SMEs of green and environment friendly JDPs;
- To improve social and gender positions of female producers and JDP workers;
- To increase purchase orders of eco-friendly JDPs from international buyers;
- To increase production of JDPs by the SMEs;
- To adopt action plans and regulatory instruments in favour of eco-friendly JDP production and export.

TARGET GROUPS

- 16 000 smallholder farmers from the poorest communities in four targeted districts in the Northwest (Rangpur, Kurigram) and Southwest (Jessore, Satkhira) regions of Bangladesh
- 2 000 semi-skilled jute workers (500 workers in each targeted district)
- 60 producers of organic fertilizer (15 producers in each targeted district)
- 20 SMEs engaged in the JDP production and marketing
- 3 jute millers

Activities / Strategy

The project aims at promoting environmentally friendly and sustainable use of low cost green products through sustainable production and consumption of JDPs. Working from the bottom to the top level within the jute value chain, activities start from the cultivation of jute through the production of jute diversified products and end with linkages with local, national and export markets.



Strengthening the Jute Value Chain

Along the JDP value chain, supply of quality fibre leads to the production of quality fabric and yarn, which are in turn essential for high-quality jute diversified product production. Hence, the project targets jute producer groups – to begin with organising them, developing farmer leaders and building their capacity to undertake group development activities and value chain facilitation. This project also targets JDP workers through trainings to produce high quality jute diversified products meeting the requirements of local, national and international markets.



Empowering Female Workers

Throughout the project, crosscutting issues like gender and women's empowerment are key not only in engaging women in JDP production, but also for them to have a voice and to reflect women's and men's differing needs within the increased productivity. Currently, the project has empowered JDP workers, of whom 99% were female, 100% within organic fertilizer producers, 80% in the respective SMEs, and 23% of the jute producers.



Developing Skills in JDP Production

Ensuring that 2 000 poor male and female jute workers are skilled in making JDPs is undertaken through structured six-month training sessions, which were managed by local SMEs who are already producing and marketing JDPs. These skilled workers are now linked with local and national level SMEs for their JDP marketing as well as exploring other types of cooperation in producing export-oriented eco-friendly JDPs. To realise their short term

capital needs, the project encourages jute producer groups to have “self-help” savings which is practised and managed by the groups themselves.

Scaling-up Strategy



Establishing Linkages within the Value Chain

Collaboration among public and private suppliers with the jute producer groups has been established to ensure high quality seeds and relevant technical know-how. The public institutions are encouraged to develop farmers' capacity for identifying quality seeds and production of local seeds to meet their own demand as well as sell their excess seeds. The jute producer groups are now linked with local jute millers, which results in better market prices through selling their fibres directly to the jute mills. This empowers the producers and encourages other to follow their lead.



Instituting Eco-Friendly Practices

The project has already developed 640 jute producer groups, providing them with training on modern jute cultivation, and seasonal retting and harvesting. Value chain facilitation training for group leaders helps their capacity building, which in turn leads them to conduct monthly meetings on jute cultivation, retting and harvesting for others. Already the project has trained 60 women from poor communities to produce organic fertilizer, using household waste and cattle manure. Their empowerment sends out a message to other women in the same position.



Creating Demand for JDPs

The project enables representation and participation in international trade fairs and fashion events by the selected SMEs to promote JDPs from Bangladesh. The trade fairs result in not just the promotion and sales of Bangladeshi JDPs, but also act as a hub for information on market designs, specification and demand trends. Leveraging international experience and expertise in promoting JDPs creates a long-term demand and benefits the local market.



Farmers harvesting jute



When I first met our project beneficiaries around eighteen months ago, I saw some sort of confusion among them, but today I see confidence and commitment in their faces. They are proud to move forward and they see positive aspects in our project activities.



Mr. Mahbub Ullah,
Team Leader,
CARE Bangladesh



Creating Enabling Policy Environment

The project has already completed sub-district level learning and sharing workshops, and is currently preparing district and national level workshops to address key issues, explore favourable policies, and make policy recommendations favouring the jute and JDP sector. The workshops involve participation from industry associations, private sector, entrepreneurs, NGOs, local governments, and civil society organisations.



Jute producers

Results



Built Capacities of Jute Producer and Worker Groups

The project has mobilised 16 000 smallholding jute producers and 2 000 JDP workers to form 640 jute producer groups and 80 JDP worker groups respectively. Training sessions have been organised for smallholding jute producer groups on modern jute cultivation, retting, and harvesting techniques. In order to enhance JDP workers capacity for better production techniques and to develop in-community 'Master trainer' skills, a number of workplace orientation and technical skill development trainings have been held. Through multiple avenues of cooperation, SMEs are now responding to the skilled JDP workers. Self-help saving strategies are being fostered among the jute producer groups and JDP workers groups and results in a potential saving of BDT 3 192 390 (EUR 37 558) by August 2015.



Compiled Training Materials and Producer Database

The project prepared and published jute training modules consisting of 700 sets of flip chart on modern jute cultivation, retting and harvesting techniques. A manual for organic fertilizer production has also been developed. Database profiling of targeted 16 000 jute producers were compiled covering their livelihoods and other socio-economic state of affairs.



Trained JDP workers



Established Linkages in Jute Supply Chain

Twelve workshops were conducted at the project's locations, bringing together producer groups, jute mills and local traders. This has developed and strengthened the linkage between jute producer groups, local intermediaries and jute mills. Now farmers directly sell jute fibers and thus receive an increased price. In order to empower the least favoured women's groups, enhanced linkages have been created between local organic fertilizer producers and the jute producer groups.



Through this project, major changes are occurring in the jute sector. Farmers have benefitted directly through trainings and practical advices. The poor were trained on JDPs, which provides an entirely new income source for them and exposes their products to local and international markets. This evidently contributes to enhancing the demand for Bangladeshi JDPs in the global market.



Md. Julficker Islam,
PM, ESDO, Kurigram



Factory processing jute



Jute mill

Impact in Numbers

Economic Impact



- Achieved savings of BDT 3 192 390 (EUR 37558) by the jute producers and JDP workers through the self-help savings practice.
- Improved farmers' livelihood through:
 - 2 368 ha of land which is currently under cultivation (334 ha more than in project inception year 2013).
 - An increased jute price due to a direct linkage with local traders and jute mills.
- Improved jute production:
 - In 2015 farmers produced 4 972 tonnes of fibres, which is 1 769 tonnes more than the project inception year 2013.
 - In 2015, 1 516 jute farmers used line sowing methods compared to 879 jute farmers in 2014.
 - Line sowing contributes to seed cost saving of BDT 99 per hectare and BDT 2 766 (EUR 31) from the labour cost, and produces 321 kg more fibres and 173 kg more jute sticks.
- Increased income of organic fertilizer producers: each could earn BDT 27 850 (EUR 290). Farmers also benefitted from the increased use of organic fertilizers which cost less than commercial fertilizers.
- Increased competitiveness in jute fibre production and reduction of dependency on imported jute seed from neighbouring countries.

Environmental Impact



- Promoted environmentally friendly jute cultivation processes and the use of organic fertilizers over chemical alternatives.

Social Impact



- Around 20 000 poor people (at least 35% of whom are women) from rural and urban areas will have improved employment and income opportunities in the jute supply chain.
- Empowered women in the jute sector through the involvement of 99% female JDP workers, 100% female organic fertilizer producers, 80% female SME workers, and 23% female jute producers.
- Self-help savings increased the jute producer and worker groups' sense of ownership. This helped realise their short term capital needs.
- Built the capacity of 2 000 poor female and male workers through six-month training sessions managed by local jute SMEs.

Climate Benefits



- Contributed to the absorption of 98 000 tonnes of CO₂ through jute cultivation under the project (during production seasons of 2013 – 2015). There was an increased trend of CO₂ absorption since 2013 due to more efficient jute cultivation processes.

Target group Engagement



- Engaged 20 SMEs and 18 060 people through project activities.
- Mobilised 10 000 farmers to form 400 producer groups in 2013 and a further of 6 000 farmers and 240 groups in 2014.
- Trained 60 female organic fertilizer producers
- Conducted workshops and trainings: 9 lesson learnt workshops in sub-district areas, 2 three-day Training of Trainers (ToT) courses for 60 participants, 4 refresher sessions for 100 jute producer leaders.
- Engaged stakeholders from industry associations, private sector, entrepreneurs, NGOs, local governments, and civil society organisations.
- Improved the supply chain by:
 - establishing direct linkages among farmers, jute mills, public/private agro-dealers and extension service providers (via 12 workshops);
 - introducing local jute workers and SMEs to exporter SMEs to improve their market access
 - establishing linkages with village community groups (via 40 workshops)
 - linking JDP workers with SMEs, where 80 worker groups formed and 2 000 workers orientated.
- Improved JDP marketing via 1 000 project brochures; training modules and 700 sets of flip chart on modern jute cultivation, retting and harvesting techniques; manual for organic fertilizer; and database of 16 000 jute producers.

Policy Development



- Conducted 9 policy workshops in sub-districts
- Provided policy recommendations: four at district level and one at national level
- Increased the export competitiveness of Bangladeshi jute sector through promotion of environmentally friendly JDPs:
 - Four memoranda of understanding (MoUs) in the North-West region;
 - Three MoUs signed with SMEs – Golden Handicrafts (BD) Limited (Rangpur), Charushi Satranji & Crafts (Rangpur) and Anek Asha Kutir Shilpa (Rangpur);
 - One MoU in the South-West region, with RRF Product (Jessore).



Legend

- Eligible countries for the SWITCH-Asia Programme
- Non-eligible Asian countries for the SWITCH-Asia Programme

Project implementation area

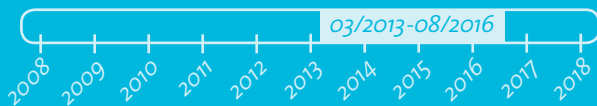
- City
- Region
- Country

The boundaries shown on this map do not imply on the part of the European Union any judgment on the legal status of any territory or the endorsement or acceptance of such boundaries.

OBJECTIVES

The project seeks to contribute to pro-poor economic growth through social business promotion, with an emphasis on sustainable agricultural sector growth and poverty reduction in the Northwest and South-west regions of Bangladesh. Specifically, it aims in strengthening the export competitiveness of Bangladesh through the promotion of environmentally friendly JDPs.

DURATION



PROJECT TOTAL BUDGET

EUR 2 222 170 (EU contribution: 90%)

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