DFCC Bank Unveils 500 million rupees Fund to Support Smallholder Dairy Farmers



Chandana Wanigasena, Vice President – MSME at DFCC Bank.

DFCC Bank has allocated 500 million rupees to finance smallholder dairy farmers, which aligns with its commitment to supporting sustainable development. This dedicated initiative by DFCC Bank is the brainchild of the bank's MSME (Micro, Small, and Medium Enterprises) Unit. It is built upon the successful experience of lending to the beneficiary farmers of the USDA-backed Market- Oriented Dairy (MOD) Program. This particular credit line, made available entirely by DFCC Bank, aims to provide crucial support to the sector under concessionary interest rates, fostering growth at the grassroots level, particularly amongst smallholder dairies, which form a significant part of Sri Lanka's dairy industry.

Chandana Wanigasena, Vice President – MSME, DFCC Bank, announced the closeout

event of the Market-Oriented Dairy (MOD) program.

At the event, Chandana highlighted the remarkable progress made by DFCC Bank's MSME Unit, which has successfully financed over 2,500 dairy farmers through a value chain financing model supporting MOD's efforts to transform dairy farmers into entrepreneurs. This model has significantly contributed to the industry's growth, exemplifying an effective and scalable approach to agricultural financing.

Chandana said, "DFCC Bank allocating this substantial fund underscores the Bank's unwavering commitment to the dairy sector. By supporting the proposed DFCC-MOD Dairy Farmer Loyalty Program and the MOD's proven model of creating a pool of dairy entrepreneurs producing 100 liters daily, we are taking concrete steps to enhance smallholder dairy farmers' financial sustainability and growth prospects."

The initiative demonstrates a substantial financial investment into the dairy sector. It highlights the bank's strategic focus on critical industries with the potential for significant economic and social impact in Sri Lanka. Offering financing under concessionary interest rates makes the initiative highly attractive and beneficial for smallholder farmers. The focus on value chain development, the adoption of ten Key Performance Indicators (KPIs), and support for MOD's Climate-Smart Dairy (CSD) initiative further emphasize the bank's commitment to sustainable agricultural practices. Through targeted support to drive sustainable development within critical industries in the island and a strong emphasis on value chain financing, DFCC Bank plays a pivotal role in transforming the dairy sector and ensuring its long-term sustainability and prosperity.

DFCC Bank is ranked among Business Today's Top 40 Corporates in Sri Lanka.