

নদী ও জীবন
NODI O JIBON



Progress Report

October 2006 – March 2007

Submitted by

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1.0 Note from the desk of the Country Representative



Over the past two quarters, JOBS has worked very closely with the private sector and the *Nodi o Jibon* partner NGOs to implement its market linkage activities in the targeted char areas. Following the sub-sector analysis conducted by JOBS in late 2006, several interventions have been identified in different sectors throughout the project area which are currently being implemented.

Despite certain periods of political instability throughout the country, JOBS has remained productive throughout the reporting period and has invested substantial time and effort to contribute to the economy of the targeted *Nodi o Jibon* beneficiaries.

Interventions in both the livestock and agriculture sectors are currently underway and several clusters among the char-based households have been developed. In the livestock sector, JOBS has teamed up with Bengal Meat Ltd. to design a short term pilot project where selected households are taking part in a cow fattening and subsequent market linkage program that will ultimately generate a monthly income for them. In the agriculture sector, JOBS has joined forces with Energypac Agro Ltd to implement a pilot program that aims to increase the quality and yield of various cash crops produced by the char dwellers. Energypac Agro is a producer and supplier of different types of crops to both local and foreign consumers. In partnership with Energypac Agro, JOBS plans to launch a contract farming program with selected *Nodi o Jibon* households in the Lalmonirhat chars. This particular initiative has the potential to provide the targeted char dwellers with new technology that will increase the quality and yield of their produce and subsequently create a marked increase in their incomes.

As sector specialists, we believe that interventions that aim to improve the livelihoods of the poorest achieve the most success when implemented in direct coordination with the private sector. As JOBS' income generation activities in the chars continue, we look forward to seeing significant improvement in the livelihoods of all participating *Nodi o Jibon* project beneficiaries.

A. Imran Shauket
Country Representative

2.0 Highlights of JOBS Activities

(Oct. 2006 – March 2007)

Over the past two quarters, JOBS has been actively involved in identifying lead enterprises operating in the mainland that demonstrate a sincere desire to establish market linkages with selected households in the char lands. JOBS' primary goal of working with the private sector in its initiatives is to provide the char dwellers with not only an ensured market for their products, but also to secure various technical and financial services for them that are not available from any governmental or non-governmental program. Over the last reporting period, JOBS has accomplished this objective in both the livestock and agriculture sectors. In the livestock sector, a cow-fattening program is now running with the assistance of Bengal Meat and the *Nodi o Jibon* partner NGOs. The char dwellers have received technical training on cattle fattening and cow shed construction. They've also received the first round of subsidized medicines and vaccines for their cows. To ensure thorough monitoring and evaluation, representatives of JOBS, Bengal Meat and the Pabna-based PNGOs have been visiting the clusters intermittently to solve technical problems and answer all questions raised by the households.



Over the past two quarters, JOBS, Bengal Meat and the Pabna-based PNGOs have worked jointly to accomplish the following: JOBS and its partners have;

- *Gathered advice and technical direction from institutions that have successfully demonstrated the Cow Fattening program in other areas;*
- *Finalized the implementation strategy for the Cow Fattening pilot project in collaboration with the Nodi o Jibon partner NGOs and the private sector;*
- *Managed to secure an alternative source of financing for the pilot project;*
- *Developed three producer groups/ clusters, comprising of 15 households that are willing to participate in the Cow Fattening program; and,*
- *Negotiated with private sector enterprises to provide technical assistance to the selected households.*

In the agriculture sector, JOBS has been working closely with Energypac Agro Ltd. to assess the feasibility of forming *contract farming*¹ relationships with certain selected households in the Hatibandha chars of Lalmonirhat. Recently, JOBS and Energypac traveled to several potential chars together and held Focus Group Discussions with selected households to gain an understanding of the current market scenario and farming trends among the community. Energypac also conducted soil analyses to measure the potential for introducing different varieties of high-yield cash crops.



Representatives of Energypac Agro Ltd. and JOBS conducting a cost/benefit analysis on maize production in Poschim Holdibari char, Lalmonirhat



A boy feeding a recently purchased cow in Akbakshoha—one of the Pabna-based chars participating in the pilot project

Despite these successes, however, the project experienced a critical and unavoidable delay during the reporting period. The recent political situation and certain financial constraints among JOBS' implementing partners had driven back the JOBS agenda. Because of the low financial capacity of its partners, JOBS was obliged to leverage credit assistance for the clients from a different source, which caused JOBS to lose precious time in order to put together a new innovative approach to project implementation. Additionally, the selection of

inappropriate beneficiaries for the pilot project and the postponed collection of pertinent baseline information created a cloud of confusion among both the private sector and the project beneficiaries.

Pilot Project: Cow Fattening



Representatives of JOBS, Concern, BOSS, JSKS and UDPS at the MoU signing event to launch the first phase of the cow fattening pilot project in Pabna.

JOBS, in collaboration with the partner organizations of the *Nodi O Jibon* project and Concern Bangladesh, has developed a pilot project that links selected, Pabna-based, *Nodi o Jibon* project clients with Bengal Meat, a large scale meat processing facility in Shathia upazilla, Pabna. This linkage will serve to increase the incomes of the targeted households and to create new, sustainable employment.

The length of the pilot project is for one year and is being implemented collaboratively by JOBS, Bengal Meat and the relevant *Nodi o Jibon* partner NGOs.

The pilot can be described as an NGO-led approach that will demonstrate the effectiveness of using the *Nodi o Jibon* partner organizations as the primary technical and financial facilitators of the producer groups/clusters. This approach will not only test how the pre-existing relationship between the partners and their clients benefits the project, but will also help identify the constraints and opportunities associated with extending micro finance to the targeted chars. Minimizing logistical risks and maximizing effective communication between the clusters and their lead buyer are key elements to the success of the pilot. If successfully implemented, this pilot may lead towards an increase in direct private sector involvement/investment in the char islands.

“This pilot initiative will create a marked increase in the incomes of the targeted households and create new, sustainable employment.”

¹ Contract farming refers to a contractual agreement between a farmer or farmer group and a buyer where the buyer adds value to the raw commodity in some way (Processing, storage, seed distribution, etc.) in order to ensure product quality and the commitment of the farmer or farmer group to the buyer.

Participating stakeholders Roles and Responsibilities



Representatives of JOBS and UDPS conducting a survey of potential households for the pilot project in Dhalarchar, Pabna

Household Selection:

In preparing to implement the pilot, JOBS worked closely with its partner NGOs and Bengal Meat to finalize the selection of households in each of the three targeted chars. The following criteria were followed in the initial selection of each household:

- Each household demonstrates a significant need for increased household income;
- Each household demonstrates the manpower capacity to rear three cows;
- Each household can manage sufficient space to construct both night and day sheds for the cows;
- Each household demonstrates motivation and a willingness to participate in the project;



A group meeting with the Akbakshoha char cluster, facilitated by JOBS, Bengal Meat and JSKS.

Cluster Formation and Awareness Raising:

Once the households were selected, JOBS worked in

collaboration with Concern, the partner NGOs and Bengal Meat to;

- Organize the selected households into three separate production clusters that will train and work together to fatten locally procured cattle;
- Raise the awareness of the selected households about the potential benefits of the project;
- Organize and deliver intensive technical skill development training to the households in order to raise the quality of their cattle to the standards of Bengal Meat;
- Develop the resources of the Nodi o Jibon partner organizations to ensure that continued advisory, counseling and financial services are provided to the producer groups throughout the pilot project period; and,
- Prepare training curricula and materials for the delivery of Basic Business Management training in the field.

The ultimate goals of this pilot project are to increase the level of investment of the private sector and local donor agencies and to increase access to micro finance and government services throughout the selected chars.



Representatives of JOBS, Bengal Meat and UDPS conducting and awareness raising session with members of the selected households in Dhalarchar, Pabna..

Market Development effort:

During the reporting period, JOBS has invested substantial time and effort to identify and create new markets for the products available in the chars. In addition to the several potential private sector partners that JOBS identified during its initial period of sector identification, several others have been identified. Among them, Energypac Agro Ltd. is one that has particular potential for partnership. Energypac Agro is a processor/supplier of various crops to local and foreign markets. They have expressed an interest to work with JOBS in raising the quality and yield of various cash

crops produced by the char dwellers. Currently, the quality of seeds and the agricultural technology being used in the chars prevents the char-based farmers from maximizing their profit. The technology that Energypac can offer to the farmers has the potential to revolutionize the current farming methodologies used in the targeted chars and effectively improve the lives of many char dwellers in addition to those originally selected for direct intervention.



Representatives of JOBS, ASOD and Energypac holding an FGD with Nodi o Jibon selected households in Poschim Holdibari char, Lalmonirhat.

Organizing Meetings with PNGOs:

The *Nodi o Jibon* team members paid several visits to the project sites and met with the staff of several partner NGOs in order to streamline some of the critical issues such as credit operations for the cluster members, program implementation strategy, and the roles and responsibilities of all partners. In the case of the cow fattening pilot project, JOBS, Concern and all of the Pabna-based PNGOs managed to find a workable solution to the above issues. After much deliberation, all partners joined together to sign a Memorandum of Understanding that outlines in detail all of the mutually agreed upon technical and financial roles and responsibilities of each partner.

The signing of this MoU was a huge step forward and has laid the foundation for future collaborations with the *Nodi o Jibon* partner NGOs. The process of deliberation led up to the signing of the MoU helped JOBS and all of the PNGOs involved better understand each other's constraints and available resources. Future negotiations will no doubt be conducted with greater ease and efficiency as a result of this achievement.

Problems Encountered:

Over the past two quarters, JOBS was faced with a series of technical and financial hurdles which caused a significant delay in implementing its project activities.



The JOBS team discussing the pilot project implementation strategy with the Concern field staff and all Pabna-based partner NGOs as the JSKS office in Kashinathpur, Pabna.

The recent political situation and certain financial constraints among JOBS' implementing partners had driven back the JOBS agenda. Because of the low financial capacity of its partners, JOBS was obliged to leverage credit assistance for the clients from a different source, which caused JOBS to lose precious time and forced the JOBS team to put together a new innovative approach to project implementation. Furthermore, the selection of inappropriate beneficiaries for the pilot project and the postponed collection of pertinent baseline information created a cloud of confusion among both the private sector and the project beneficiaries.

It was found that most of the partner organizations have limited resources, which restrict them from extending some of the necessary technical and especially financial services to the selected beneficiaries.

Despite these constraints, however, JOBS and the Pabna-based partner NGOs have made considerable headway in improving the efficiency with which they jointly coordinate their project activities.

Lessons Learned:

All of the problems that JOBS encountered over the last reporting period provided a great opportunity to learn new ways to overcome obstacles and how to avoid potential set backs in the future. The following bulleted list outlines the lessons that JOBS learned over the past two quarters:

- *Private sector enterprises are eager to increase their geographical parameters with regard to financial assistance, while the NGO sector is content with focusing solely on development interventions that have fewer risk factors. This reduces the potential for char-based entrepreneurship and precludes them from getting involved in economic activity equal to what is available on the mainland;*

- *The cluster approach encourages outreach activities and enables lead firms to expand their businesses to previously 'unattractive' areas;*
- *Ensured markets encourage producers to undertake risks and establish sustainable business relationships with new lead buyers;*
- *It has been observed that working with lead firms reduces the dependency of the clusters on government and non-governmental resources plus it increases their motivation to be more efficient and productive;*
- *Effective marketing and support mechanisms for product development and production are a huge priority for the char dwellers.*

Planned Activities in the Next Quarter (April – June 2007):

JOBS expects the next quarter to be full of new and interesting challenges. With the cow-fattening pilot now in motion, monitoring and evaluation will be given the utmost priority as we strive to achieve the goals of the project. In a separate intervention that is being planned and prepared in coordination with Energypac Agro Ltd., JOBS looks forward to making substantial progress towards the finalization of potential contract farming arrangements with selected households in Lalmonirhat.

Moreover, after having achieved success in overcoming several technical and financial constraints over the past two quarters, JOBS expects full cooperation from the PNGOs and greater ease in streamlining its activities in order to achieve the project objectives. The specific planned activities for the next quarter are as follows:

Pilot Project Implementation

- *Advancement of the pilot project implementation schedule*
- *Follow-on technical trainings delivered to the households in separate batches.*
- *Technical support services and monitoring provided on a continuous basis to each cluster;*
- *Three rounds of cattle purchasing and distribution.*

New Producer Group/Cluster Development

- *Identification and selection of new NoJ project beneficiaries (households) for forming new producer groups/ clusters on traditional and non traditional sectors;*
- *Data collection on the selected beneficiaries.*
- *Formation of cluster(s) with the selected beneficiaries.*

Business Development Services and Technology Transfer

- *Business Development Services provided to the producer groups;*
- *Skill and Capacity Development training provided to the producer groups;*
- *Market promotion for traditional and non-traditional products;*
- *Counseling to producer groups by JOBS and the partner organizations;*
- *Identification of potential markets and new lead buyers for the products produced by the producer groups;*
- *Introduction of High Yield Variety seeds for various cash crops to selected households in Lalmonirhat.*



Conclusion:

Overall, JOBS has experienced both substantial as well as considerable set backs in implementing its project activities throughout the last reporting period. The long-awaited cow-fattening pilot program is now underway and all Pabna-based NGOs along with Concern Worldwide are working closely together to make the program a success. A memorandum of understanding was signed by all parties whereby each implementing partner has agreed to carry out specific roles and responsibilities. Furthermore, with the help of Concern Worldwide, several 'partnering' constraints have been overcome, which have strengthened the commitment of the partner NGOs to work more closely with JOBS in its project interventions. In coordination with Energypac Agro Ltd., JOBS has identified new prospects for market linkage in the agriculture sector for the Lalmonirhat-based beneficiaries. Over the next quarter, JOBS expects to finalize the necessary assessments leading toward potential contract farming relationships for both landless and near-landless households in the region.



However, the issue of low micro finance lending capacity and the unwillingness of several key *Nodi O Jibon* partner NGOs to distribute loans to the project beneficiaries continues to be a serious constraint. This particular issue is one that should have been considered at the first stage of the project design. The impact of strategic development will always be limited without the contribution of financial assistance to the project beneficiaries.

There are challenging situations ahead for establishing private sector presence in the char islands. More funds may be required to successfully demonstrate the sector development approach and to reap the benefits of the private sector's involvement and contribution in the char lands.

Furthermore, all development agencies including the *Nodi o Jibon* partner NGOs/MFI's should address the economic needs of the people living in the char islands more closely. Without significant effort on that front, it may not be possible to create sustainable sources of income for a significant number of char dwellers.

In closing, the project continues to advance toward a positive result. Despite the existing constraints, JOBS is confident that significant economic development in the targeted char areas is absolutely within reach. As the communication and coordination among JOBS, Concern and the partner NGOs continues to improve, we can look forward to more rapid success in the coming months.



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² Micro-Finance Institution