

# **Enhancing Economic Opportunities the Resource Poor in Meherpur**

**Draft Report**

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## List of Acronyms

|               |   |
|---------------|---|
| ADB           | : Asian Development Bank                              |
| BAPA          | : Bangladesh Agro - Processing Association            |
| BBS           | : Bangladesh Bureau of Statistics                     |
| BKB           | : Bangladesh Krishi Bank                              |
| BSCIC         | : Bangladesh Small and Cottage Industries Corporation |
| DAE           | : Department of Agricultural Extension                |
| DFID          | : Department for International Development            |
| DLS           | : Department of Livestock Services                    |
| DOF           | : Department of Fisheries                             |
| FGD           | : Focus Group Discussion                              |
| FI            | : Financial Institution                               |
| GB            | : Grameen Bank  |
| GDP           | : Gross Domestic Product                              |
| GoB           | : Government of Bangladesh                            |
| HVC           | : Higher Value Added Crop                             |
| HKI           | : Helen Keller International                          |
| IFAD          | : International Fund for Agricultural Development     |
| IFC           | : International Finance Corporation                   |
| JBIC          | : Japan Bank for International Cooperation            |
| JOBS          | : Job Opportunities and Business Support              |
| LSP           | : Lead Service Providers                              |
| LGED          | : Local Government Engineering Department             |
| MFI           | : Micro Finance Institution                           |
| MOI           | : Ministry of Industries                              |
| MSME          | : Micro, Small and Medium Enterprises                 |
| NGO           | : Non-Governmental Organizations                      |
| PRSP          | : Poverty Reduction Strategy Paper                    |
| PSD           | : Private Sector Development                          |
| SC            | : Save the Children                                   |
| SEDF          | : South Asia Enterprise Development Facility          |
| SME           | : Small and Medium Enterprise                         |
| Tk, BDT, Taka | : Official currency of Bangladesh                     |
| TMSS          | : Thengamara Mohila Sabuj Sangha                      |
| USAID         | : US Agency for International Development             |
| WB            | : The World Bank                                      |

## **Glossary**

- Beel* : Low land seasonal water body  
*Chira* : Puffed rice  
*Dal* : Pulse  
*Monga* : A famine-like situation in the Bengali months of Ashwin and Kartik in Rangpur district and surrounding areas.  
*Upazilla* : Sub-district

## Executive Summary

Meherpur district has been selected as an Impact Area by Save the Children due to its relatively low performance according to national statistics. Save the Children conducted a situational analysis to examine and document the needs and contexts of the communities in the Sponsorship Impact Area, as well as to identify the local capacity necessary to implement core programs. The situation analysis also put forward the need to help people in strengthening their livelihood security so that they could better support their children's well-being, in accordance with efforts to achieve Save the Children's priority results.

To better support its development objectives and benefits to children in this area, Save the Children seeks to: (1) examine the existing engagements of the poor in economic activities; (2) investigate potential opportunities for further development, and; (3) identify gaps that impede development of various sectors. Ultimately, Save the Children seeks to devise strategies/programs that will assist targeted communities/HH in improving their economic and overall livelihood security. These program areas include: Early Childhood Development (ECD), Primary Education (PE), School Health and Nutrition (SHN) and Adolescent development programs. Therefore, Save the Children would like to enhance its understanding and to strategize its missions to support the existing economic practices by setting up long term economical interventions, creating the employment opportunity and minimizing the existing gaps.

At the request of Save the Children, JOBS International and its local affiliate JOBS Trust conducted an initial assessment of the current home-based and agriculture-based activities that households, particularly women/girls, are involved in to determine the potential for demand-driven livelihoods initiatives and stronger market linkages. At the same time, JOBS assessed the potential for connections to private sector entities in the Meherpur region as well as the demand for labor and new products.

As part of the assessment JOBS identified 13 different activities which can be undertaken in the Meherpur district. These activities are listed below:

1. Village Based Agro-Processing
2. Household Processing using Solar Dryers
3. Puffed Rice Cakes
4. Horticulture Nursery
5. Technical Support to Prevent Fruit and Vegetable Diseases
6. Mango Tree Plantation in cooperation with LGED Roadside Plantation
7. Seed Cultivation and Processing
8. Cold Storage, including Seed Storage Support
9. Enterprise Development
10. Wage-Based Employment
11. IT Education
12. Handmade Paper
13. Rearing of Bengal Goat

It is important to note that JOBS does not advocate that all of the interventions should be implemented concurrently; instead the activities in this report represent a menu of potential interventions which build upon earlier interventions in accordance with a long-term plan to improve livelihood security in Meherpur. Based on the resources and time frame available, JOBS

recommends that Save the Children choose one or two interventions to implement initially. Other initiatives can be phased in over time, and JOBS will continue to search for alternative opportunities in the region which will benefit Save the Children's beneficiaries.

For the activities chosen, JOBS will work to link the producing clusters into the value chain of the appropriate market. There are four potential markets in which the products may provide benefit:

1. Self-consumption within the household
2. Local market, including regional markets
3. National market
4. International market

It is important to note that marketability of the products is dependent on the quantity and quality of the products. This in turn is dependent on the amount of resources available. When linking producers to markets, JOBS will identify which of the 4 markets is most appropriate for the producers based on the resources and time frame available in order to ensure the sustainability of the intervention.

## 1.0 INTRODUCTION

Economic insecurity severely limits a family's ability to fulfill children's basic needs and rights, including protection, education, health, and food security. It particularly affects young women and adolescent girls in rural Bangladesh, who are often ill equipped, due to social exclusions and restrictions, to take advantage of the employment options that exist or can exist in their communities. Those who remain in their villages are often frustrated by their inability to lead productive lives which can better provide for their children, and those who leave often migrate to urban centers where they are exploited and underpaid.

Income diversification and pragmatic production based on the realities of local and international market opportunities are most likely to achieve sustainable results in reducing economic insecurity. Improved income generation opportunities and ensured asset growth / protection are critical steps necessary to help families ensure longer-term economic security.

With these goals in mind, JOBS International, and its local affiliate JOBS Trust Bangladesh carried out an assessment in late 2007 for Save the Children US. As part of this assessment JOBS identified a number of interventions which will be appropriate for Save the Children's beneficiaries in the Meherpur region. However, JOBS does not advocate that all the proposed **interventions be implemented concurrently**; instead the activities in this report represent a range of potential interventions which build upon earlier interventions in accordance with a long-term plan to improve livelihood security in Meherpur. Based on the resources and time frame available, JOBS recommends that Save the Children choose one or two interventions to implement initially. Other initiatives can be phased in over time, and JOBS will continue to search for alternative opportunities in the region which will benefit Save the Children's beneficiaries.

### 1.1 Background

Meherpur district has been selected as an Impact Area by Save the Children due to its relatively low performance according to national statistics. The needs in which children live in Meherpur have straightforward linkages to the Priority Results (PRs) as set in Save the Children's 2008-2012 Strategic Directions, "Going from Good to Great". As the agency's work in Meherpur Impact Area includes, but is not limited to, a sponsorship-funded program, the Common Approach to Sponsorship-funded Programming (CASP) is the other prime reference involved in program design for the area. CASP will be contributed by additional program components, in reference to PRs, in order to enrich Save the Children-USA's contributions in bringing about positive changes in the lives of children in Meherpur.

Meherpur is one district of Khulna Division, located in the south-west part of Bangladesh. It is smallest district of Bangladesh. Administratively, Meherpur represents a district of 'E' type which consists of 3 upazilas/sub-districts. It is an agrarian society; the majority of the workforce is reliant on seasonal agricultural activities. Besides agriculture, day labor, off-farm activities include rural transport such as rickshaw pulling, and small business activities are common. However, unplanned production and the consequent over-supply of agricultural products often contribute to falling product prices, leading to diminished farmers' incomes and unstable financial footing.

NGOs provide small business training to clients or credit recipients, including tailors, cane and bamboo crafters, food processors and cattle fatteners. Micro-credit is generally easily available and accessible to most rural families except confirmed defaulters and the hardcore poor. The majority of credit recipients are women of lower middleclass families, who use the credit either themselves in traditional business schemes, such as gardening, poultry, livestock (goat and cows) rearing, beef fattening, and small shops, or hand it to sons or husbands to run old or new businesses. Repayments are satisfactory, as indicated by those NGOs currently providing credit.

Save the Children conducted a situational analysis to examine and document the needs and contexts of the communities in the Sponsorship Impact Area, as well as to identify the local capacity necessary to implement core programs. The situation analysis also put forward the need to help people strengthen their livelihood security so that they could better support their children's well-being, in accordance with the agency's priority results. To better support its development objectives and benefit the children in this area, Save the Children seeks to: (1) examine the existing engagements of the poor in economic activities; (2) investigate potential opportunities for further development, and; (3) identify gaps that impede development of various sectors. Ultimately, Save the Children seeks to devise strategies/programs that will assist targeted communities/HH in improving their economic and overall livelihood security. These program areas include: Early Childhood Development (ECD), Primary Education (PE), School Health and Nutrition (SHN) and adolescent development programs.

Therefore, Save the Children would like to enhance its understanding and strategize its missions to support the existing economic practices through setting up long term economic interventions, creating the employment opportunity and minimizing the existing gaps.

## **1.2 Objective and Scope**

The main objective of this assignment was to source JOBS International and their local affiliate, JOBS Trust Bangladesh (hereinafter referred to collectively as JOBS) to undertake the following:

- Assess the economic opportunity context in selected areas of Meherpur. Take into account social, political, cultural factors
- Identify specific constraints to market access and employment opportunities
- Explore options to maximize the income generating impact of potential employment opportunities
- Define the economic opportunities for young women, adolescents and their families of Meherpur
- Determine the potential impact of these activities
- Explore the potential to start non-traditional manufacturing and/or agro-based production activities
- Identify private sector linkage and investment opportunities targeting Save the Children's communities and their households
- Identify feasible economic opportunities in the untapped market places for products produced by young women and adolescents
- Determine whether other capacity building training such as JOBS-established Basic Business Management, Entrepreneurship Development and Business Management, etc. could be useful for the beneficiaries
- Based on the above findings, make recommendations specific to Save the Children's engagement in DFID's upcoming Challenge Fund, which is focused on economic empowerment of the poorest

JOBS conducted an initial assessment of current home-based and agriculture-based activities that parents of children in Meherpur are involved in to determine the potential for demand-driven livelihood initiatives and stronger market linkages. At the same time, JOBS assessed the potential for connections to private sector entities in the Meherpur region as well as the demand for labor and new products.

### **1.3 Methodology of the Assessment**

During the course of the assessment JOBS collected information from primary sources, directly conducting interviews with existing and prospective Save the Children clients to understand the status of current activities, household consumption and income level, household production, sales and marketing strategies, current skills, as well as future assistance needs required to improve their earning potential. Both qualitative and quantitative techniques were utilized to collect data from the clients, mostly women and heads of households. In the initial stages, the Questionnaire Survey Team pre-tested the questionnaire in the Savar slum area before using it in the field. Members of the questionnaire survey team were properly trained on the questionnaire and data collection procedures before starting questionnaire administration. A total of 111 households and enterprise were selected for the quantitative survey covering 4 unions of Sadar upazilla of Meherpur. A database was developed for conducting the data analysis through primary sources.

In addition to the questionnaire surveys, a second JOBS team conducted participatory rural appraisals (PRAs) and organizational assessments in participation with two international consultants. These assessments included focus group discussions (FGDs) and in-depth interviews with various groups including Save the Children partner organizations, various departments of the Government of Bangladesh (GoB), Bangladesh Small and Cottage Industries (BSCI), local entrepreneurs, and civil society. The Department of Agricultural Extension (DAE) which is the largest public sector extension service provider in Bangladesh provides need-based extension services to all categories of farmers, enabling the farmers to optimize their use of resources. The Department of Livestock, Office (DLO) provided to JOBS recent district-based livestock production information and the banana and vegetable producers' and marketing associations provided production information and prospects of agro-processing for the Save the Children clients. Local entrepreneurs provided information about specific enterprises including manufacturing and agro-based production and processing. To gain greater access to the enterprises which are actively involved in provision of inputs in agriculture and also involved in services and trading of the agro supplies/inputs, the survey team met with relevant groups including traders associations, business people and Chamber of Commerce and Industry.

These activities provided JOBS with an understanding of the current economic and livelihood situation, existing constraints for economic activities, and particular interests expressed by participants for future livelihoods activities.

## **2.0 LIVELIHOODS ACTIVITIES FOR THE POOR HOUSEHOLDS/ULTRA-POOR: LITERATURE REVIEW**

Bangladesh is a land of abject poverty mitigated by hope, challenges and opportunities. The only real way out for the poor of the country is through the creation of employment and income generation at all stages of the value chain – the chain that culminates in domestic and international sales (trade). This literature review focuses on the poorest of the poor – the sub groups who are most affected by problems in regards to livelihood and trade. It discusses constraints as well as opportunities, with a focus on what Save the Children can do to assist the marginalized communities.

It should be noted that the two link with trade opportunities are: a) too many resources focused on too few beneficiaries; and b) too many unqualified NGOs and well-meaning donors seemingly tripping over each other in an uncoordinated manner, yet expending large amounts of resources on communities which are unable to utilize these resources effectively. The result has been the creation of an “entitlement” mentality among the population. For any successful intervention, this mentality has to be reversed through actions and advocacy, and Save the Children should focus its resources on partners, sectors, and communities that are eager to “help themselves”.

## 2.1 Core Problems

The Meherpur region is in a vulnerable and poor economic condition. Furthermore, poor households suffer from food insecurity for more than 2-3 months of the year. These high levels of food insecurity and vulnerability mean that remittance-dependent households are the most secure, followed by those households directly involved in agricultural production. Those most insecure are households dependent on wage labor, both in the agricultural and non-agricultural sectors.

There are numerous problems that impact the economic well being of the communities in the area of livelihoods and trade. In the experience of JOBS, the biggest obstacle to the development of the poor is large-scale involvement of unqualified NGOs and micro finance institutions. Our extensive experience (JOBS has worked in over 70 percent of the districts in Bangladesh) shows that most NGOs involved in promoting livelihood programs and grassroots entrepreneurship development usually have no one within their own team who understands the basic concepts of entrepreneurship. However, they do provide substantial supply-side training, and the training becomes the “end goal”.

In a similar vein, an excess of poorly-targeted micro financing has created an entitlement mentality among all strata of society. JOBS independent experience working with over 100 NGOs and over 50,000 micro enterprises has confirmed that, despite claims to the contrary, the products offered by MFIs are very expensive and rarely lead to the successes claimed by microfinance proponents. However, well targeted micro credit programs and credit from moneylenders and informal sources have helped to finance demand-driven purchases, such as that of land and agriculture inputs have created an avenue for livelihood development, especially for the poorest of the poor and women.

Given the breadth of the core problems facing the communities, we have broken them down into sectoral indicators which can be seen in the table below.

| Indicators      | Variables  |  |
|-----------------|--|--|
|                 | Rural  | Urban  |
| <b>Physical</b> | <ul style="list-style-type: none"> <li>• Lack of access to land, infrastructure (market, schools, health clinics, transport),</li> <li>• Lack of shelter</li> </ul>  | <ul style="list-style-type: none"> <li>• Lack of access to land, infrastructure, health clinics,</li> <li>• Lack of shelter</li> <li>• Poor unhygienic environmental conditions.</li> </ul>  |
| <b>Human</b>    | <ul style="list-style-type: none"> <li>• Low literacy &amp; education levels (adults and children), school enrolment by sex,</li> <li>• Disease episodes, nutrition, illness,</li> <li>• Lack of skills, occupations (primary &amp; secondary), low wage status,</li> <li>• Socio-cultural constraints in women’s</li> </ul> | <ul style="list-style-type: none"> <li>• Lack of skills, habitat, occupation (primary &amp; secondary),</li> <li>• Disease episodes, nutrition,</li> <li>• Low wage status</li> <li>• Limited women’s mobility, human rights violations</li> </ul> |
| <b>Social</b>   | <ul style="list-style-type: none"> <li>• Less participation in community initiatives,</li> <li>• Absence of Union Parishad membership,</li> <li>• Limited access to VGD cards</li> </ul>   | <ul style="list-style-type: none"> <li>• Unequal access to institutional support services</li> </ul>   |

|                              |  |  |
|------------------------------|--|--|
| Financial & Economic         | <ul style="list-style-type: none"> <li>• Limited income sources</li> <li>• Seasonal migration</li> <li>• Lack of access to finance, savings (kinds &amp; money) &amp; investment,</li> </ul>   | <ul style="list-style-type: none"> <li>• Unstable and insufficient income</li> <li>• Limited access to finance</li> </ul>  |
| Income Generating Activities | <ul style="list-style-type: none"> <li>• Unavailability of appropriate raw materials</li> <li>• Lack of skills and technology</li> <li>• Inadequate market linkages and interaction with the private sectors</li> <li>• Lack of easy and affordable cost of</li> </ul> | <ul style="list-style-type: none"> <li>• High cost of appropriate raw materials</li> <li>• Lack of skills and appropriate technology</li> <li>• Costly market linkages, interaction with the private sectors,</li> </ul> |

*Agriculture labor households are the most vulnerable households in the study area. These households have a lower level of education, poor asset bases, weak social networks, severe food insecurity, and often miss workdays due to illness. Secondary income sources for non-poor households often involve farming while the ultra poor depend on selling labor in the agricultural and non agricultural sectors. The demand for agricultural labor does not remain constant. There is a seasonal fluctuation, which sometimes turns abruptly downward, pushing down labor demand. The wage rate varies from Tk 50 to Tk 100. Women get a lower wage rate than their male counterparts for the same amount of work. Sharecropping is declining in the southeast. Based on their net asset value, the ultra poor households annually spend more than their net asset value on healthcare. The third highest expenditure for poor households is loan repayment. Ultra poor households spend 146% of their net asset value in repaying loans.*

**Problems in income generating activities:** The above situation shows that it is very difficult to succinctly list the root causes of the problems since each sub-group has different issues contributing to their under-development. However, common themes among all groups include: a) Lack of market access which is caused by physical isolation and high transaction costs associated with traders' monopoly power; b) Income generators cannot benefit from adequate supply of raw materials, technology and skilled manpower; c) Lack of demand-driven business skills and training, and when the training is available, sometimes the training organizations are no more qualified than the trainees d) Lack of proper facilitators – although NGOs abound, they are mostly unqualified to promote trade or livelihoods, e) Cultural constraints particularly relating to gender inequality, as women are often unable to use public places such as markets and are consequently unable to actively participate in development processes due to societal norms.

Furthermore, rural areas lack access to affordable finance for all segments of the needy people. A recent survey by the Japan Bank for International Cooperation reveals that 23.44 percent of MSMEs pay high interest rates to informal lenders because they cannot benefit from the services of formal lending institutions<sup>1</sup>. Though some MFIs are providing micro credit to rural livelihood programs, the cost of loans is very high (25 – 100% effective rate), and they often do not benefit developing entrepreneurs. However, it is important to note that when MFIs strategically target their micro credit lending, they can play an important role in the development of rural livelihoods.

## 2.2 Main effects of the problem for the poor and marginalized

Poverty and miserable living conditions, lack of education and discrimination affects the self-image of the rural population. Many feel excluded from essential services and changes in society, particularly regarding economic development. They are considerably isolated from government development processes and program activities, private sector services, markets and NGO support,

<sup>1</sup> Identified the Constraints and Needs of Micro, Small and Medium enterprises (MSMEs) in Access to Finance- JBIC- 2007

and in many cases, households are isolated from each other due to poor/non-existent transport and communications links.

The combination of extreme environmental conditions and large numbers of functionally landless households has resulted in an extreme dependence on daily labor for part or all of the year (Bird et al, 2002). The ill health of productive family members (especially males who make up the bulk of the day laborer workforce), therefore, is seen as one of the most serious risks to the livelihoods of many rural communities (Sultan, 2002).

Unless poor households develop relationships with landlords / patrons in order to access the limited seasonal opportunities for agricultural employment, they must generally depend upon the labour market for their livelihoods. Migration of members of poor rural households is, therefore, a common response to environmental shocks and a shortage of local employment (Sultan, 2002). Consequently, the performance of the labor market in rural areas is highly subject to the environment and household income is highly dependent on individuals living outside the household.

In this region of Bangladesh girls particularly suffer from a lack of economic security. Demand for education is low, education for girls is especially undervalued, and absenteeism and dropout rates are high, even at early ages. These educational issues reflect poverty (i.e. need to pay fees, buy books and ensure proper clothing), lack of accessibility, irregularity and low quality of supply, discrimination by teachers, and the fact that the teaching is not done in indigenous local languages but in Bangla (Samad, 2005; Stutter 2001).

The char lands, vulnerability to poverty is exacerbated by social and political exclusion from public institutions which deliver services such as welfare relief, health, education, justice, policing and transport. Entrenched patron-client relationships, consistent denial of rights and lack of accountability means the poorest and most vulnerable are also the least able to take part in social decision-making processes in any meaningful way. High levels of risk and social exclusion are compounded by physical remoteness – char communities are very poorly connected to mainland services, markets, NGO support, and even to one another due to poor transport and communication links.

### **2.3 Economic trends**

GDP growth for Bangladesh in FY2006 was roughly 6.71%, a remarkable achievement considering the severe floods that affected about 38% of the country extensively damaging standing crops, infrastructure, and livelihoods of 36 million people across 39 of the country's 64 districts<sup>2</sup>. Private sector led growth remained buoyant, despite shocks resulting from US dollar depreciation, higher oil prices, and increased frequency of strikes and violence.

Arguably, in recent years micro credit and credit from moneylenders and informal sources have helped to finance the purchase of land and agriculture inputs, and contributed to improved human resources. Furthermore, investment in irrigation, research and extension, together with more liberal agriculture input and output markets, have triggered a rise in productivity, especially in rice cultivation and fisheries. Pro-poor public expenditures directed at rural infrastructure have significantly increased non-farm activities, employment, and incomes for the poor.

The private sector is also playing a significant role in the expansion of the livelihoods. Bengal Meat in Pabna, for example, has established a project on meat processing through linkages with a local livelihood program on cow fattening and cow rearing. The contract farming activities of PRAN, Square and Energypac in the agricultural sector are generating income for rural farmers and households. Major rural economic indicators are improving gradually, particularly with

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<sup>2</sup> Country Strategy and Program 2006-2010, ADB

regard to crop technology, intensive and semi-intensive livestock and fish production, improved varieties of crops and livestock, irrigation, fertilizers and mechanization (including irrigation pumps and power tillers).

Technical change has increased demand for labor, particularly in the livestock and fisheries sub-sectors. This growth has supported the development of the rural non-farm economy as providers of services for agriculture (irrigation, power tillers, transport, marketing, processing etc) have created further employment. NGOs and MFIs should target their micro credit lending to improve productive capacity and income earning potential by supporting increased access to technology and services for the rural poor including women.

## **2.4 Technical trends**

Technological advances are relatively slow and unable to benefit most livelihood sectors in Bangladesh. Improvements in technology are essential for increased income-generation from activities in agriculture, livestock and small and cottage-based industries, so rural economic activities are not reaching their full potential. The Government of Bangladesh has provided little assistance to agriculture and manufacturing industries, and it has not coordinated seasonal and time-based support. Technical experts are generally absent in rural areas, but some private companies (e.g. Auto Equipment, PRAN, Square, BD Food), donors and NGOs are filling this gap.

The government is providing the following technical support with the assistance of donors and NGOs and its further development could create positive impact of this sector.

- Application of recommended fertilizers, dosage and mix, and appropriate and efficient use of irrigation methods (saving more than half the water compared to standard practice of fertilizer application);
- Proper inputs access and technical practices to high yield variety (HYV) crop production;
- Livestock insemination and proper medication support;
- Accommodating more crops in the same field through mixed cropping or sharecropping and introducing contract growers or contract farming approach to ensure sustainable market and fair prices;
- Modernize the extension services to enhance farmers' capacity to participate in an increasingly open economy;
- Capacity development and provision of technical training to the farmers on agriculture, livestock, poultry and fisheries;
- Address farm-level production and technical efficiency, measurement of yield losses from inefficiencies, assessment of post harvest losses;
- Increase technical efficiency in production;
- Growth of equipment manufacturing and support services for farm sector; and
- Agricultural product processing and diversification i.e. poultry, fishery, plant nurseries, etc (manufacturing & trading in poultry feeds, feeding & rearing equipment etc.).

While all of the above points positively impact this sector, it is also becoming increasingly evident that backward linkages between the private sector and the poor are yielding great results in increasing livelihoods by increasing “trade” between the rural and urban communities and the

private sector. An increasing number of programs are working to create these linkages and will continue to impact this sector.

## **2.5 National and local government policy priorities in addressing this issue**

In the light of Millennium Development Goals (MDGs) set by the United Nations in 2000, the government has approved the Poverty Reduction Strategy Paper (PRSP) titled '*Unlocking the Potential: National Strategy for Accelerated Poverty Reduction*'. The Government of Bangladesh has been implementing the three-year Rolling Plan as outlined in the PRSP. The vision, road map, strategy and monitoring and evaluation system identified in the PRSP have been discussed below in brief:

**PRSP Vision:** The PRSP is meant to unveil the latent probability of the nation and to accelerate economic growth and reduce poverty by using economic and social strengths and full initiative. An eight-point strategic agenda has been built on three policies of pro-poor economic growth, human development and governance for attaining this vision. The important activities are: employment generation, ensuring nutrition, quality education in primary, secondary and vocational levels, establishment of local governance, development of maternal health, ensuring sanitation and safe water, and ensuring criminal justice and monitoring. An action plan for the PRSP has been designed on the basis of these activities.

**Road Map for Accelerated Poverty Reduction:** In order to attain the vision of poverty reduction, four strategic blocks and four supporting strategies have been identified in the PRSP. The four strategic blocks are (1) macroeconomic environment for pro-poor economic growth, (2) critical sectors for pro-poor economic growth, (3) effective social safety nets and targeted programs and (4) human development

- To create macroeconomic environment for pro-poor economic growth the PRSP describes the need for: accelerating growth for poverty reduction, economic growth, investment and savings, private sector investment; promoting foreign direct investment, macroeconomic stability; facilitating fair and competitive business; promoting employment; promoting trade and technological advancement.
- For attaining pro-poor economic growth, important sectors described in the PRSP are: agricultural and rural development; water resources development and management, small and medium size enterprises, the informal sector, infrastructure development, tourism, and development of the ICT sector.
- Social safety nets are based on the government's policy to (a) reduce income uncertainty and variability; (b) maintain a minimum standard of living; and (c) redistribute income from the rich to the poor. During the last two decades, the government has been pursuing a number of social safety net programs.

Under the social safety net programs government has taken initiatives a special poverty alleviation program that is focused on the following issues:

### **Special Poverty Alleviation Programs**

- Poverty Alleviation and Goat Development Project;
- Providing Incentives and Financial Assistance to Poultry and Livestock Sector;
- Poverty Alleviation and Micro-Credit Programs Undertaken by Department of Fisheries;
- Fund for Housing for the Homeless;
- Program for generating employment for the unemployed youth by the Karmasangsthan Bank;

- Abashan (Poverty Alleviation and Rehabilitation) Project;
- Funds for mitigating risks due to natural disaster;
- Program for Mitigating Economic Shocks; and
- Funds to meet sudden natural disaster.

The education and health sectors have been accorded the highest priorities for human development. Education sector consists of five sub-sectors: (1) early childhood development, pre-school and primary education; (2) secondary and higher secondary education; (3) technical and vocational education and training; (4) tertiary education; (5) literacy and non-formal adult education. Health and related issues are presented under four headings. These are: (1) various categories of health including children's health and maternal and reproductive health (2) nutrition (3) food safety and (4) water and sanitation.

To ensure participation, social inclusion and empowerment, the PRSP has identified women, children, indigenous people, physically and mentally challenged people and other disadvantaged people. Special policy, strategy and programmes have been taken for them. The broad agenda on good governance covers six areas: (1) reform of judicial system; (2) public administration reform; (3) anti-corruption; (4) decentralization; (5) strengthening accountability and participation; and (6) public expenditure management.

## 2.6 Funding trends

More and more donors are recognizing the importance of investing in livelihoods, linkage development, and trade promotion initiatives. Bangladesh is the largest recipient of foreign assistance from both the British and the Japanese governments, but the attention and expansion of activities without proper focus has resulted in a number of behemoth "failed" projects, which none-the-less continue to expend large resources with minimal results. Some of the donors active in Bangladesh are:

| <b>Donors</b>   | <b>Program</b>   |
|---|--|
| a) South Asian Enterprise Development Facility (SEDF) | a) Market and sector development of agro (poultry, vegetable, seed, agro machinery, organic fertilizer), light engineering (foundry, machine shops, auto components, machinery), RMG   |
| b) Asian Development Bank (ADB)                       | a) SME sector development Programme<br>b) Market and sector development (agro – livestock, fishery, crops)   |
| c) Care Bangladesh                                    | a) Livelihoods Program<br>b) Market and sector development ( agro, handicrafts)  |
| d) Canadian International Development Agency (CIDA)   | a) Business development services for the rural poor<br>b) Rural maintenance program<br>c) Business development services with credit facilities<br>d) Challenging the Frontiers of Poverty Reduction (CFPR)<br>Phase-1 ( agro products such as cattle and livestock, horticulture and vegetables)<br>e) Challenging the Frontiers of Poverty Reduction (CFPR) |

|   |  |
|---|--|
| c) Department for International Development (DFID)        | a) Chars Livelihood Projects<br>b) Financial market development for marginal, small and medium farmers and workers and owners of micro and small enterprises   |
| d) Government of Japan                                    | a) Capacity building ( agriculture and fisheries)<br>b) SME finance (agribusiness)   |
| e) International Fund for Agricultural Development (IFAD) | a) Credit facilities for agro (livestock)<br>b) Credit facilities for small and marginal farmers   |
| f) Royal Netherlands Embassy                              | a) Infrastructure, market and sector development for agro business and microfinance for rural producers  |
| h) Swiss Agency for Development and Cooperation (SDC)     | a) Microfinance for extreme poor<br>b) Financial services for extreme poor and very poor tribal groups<br>c) Sustainable land use (extreme poor, poor, women, small farmers and entrepreneurs)<br>d) Micro enterprise lending and market linkage support |
| i) The Asia Foundation                                    | a) Local economic governance program for agriculture. (poultry, vegetables, maize etc.)  |
| j) United Nations Development Program (UNDP)              | a) Employment and empowerment of women and youth (32000 under/unemployed women and youth including marginalized groups)<br>b) Chittagong Hill Tracts Development Facility (CHTDF)  |
| k) US Agency for International Development (USAID)        | a) Livelihood creation and sector focused business development<br>b) Greater access to trade expansion   |

The trends of local funding sources are positive. The Government of Bangladesh with the assistance of donors and NGOs has several programs to fund this sector. Examples include:

**Poverty Alleviation and Goat Development Project:** Under this Programme, Tk. 7.5 crore was disbursed as micro credit for purchasing goats to 12,980 beneficiaries selected from 440 upazillas of 64 districts during FY 2004-05. Additionally, in FY 2005-06 Tk.3.75 crore was disbursed among 6,620 selected beneficiaries as micro credit for purchasing goats. The beneficiaries also receive free services including medicine, vaccines, etc.

**Providing Incentives and Financial Assistance to Poultry and Livestock Sector:** This program aims to resolve the complexity involved in taking bank credit and reducing the rate of interest etc. The amount of credit disbursed to these sectors increased from Tk. 79.77 crore in FY 2000-2001 to Tk. 347.8 crore in FY 2005-06.

**Poverty Alleviation and Micro-Credit Programmes of the Department of Fisheries:** The government disbursed Tk.3.86 crore as credit to small and marginal fish-farmers during FY 2005-06. An amount of Tk. 57.61 crore was disbursed as credit through 7 development projects for poverty alleviation among 3 lakh 90 thousand beneficiaries during the last 5 years.

**Programmes of the Karmasangsthan Bank for Generating Employment for the Unemployed Youth:** To utilize the unemployed, especially the educated unemployed youth of the country, in different production-oriented and income-generating activities Karmasangsthan Bank distributed Tk.283.06 crore. The recovery of loan stood at Tk. 173.72 crore against Tk. 213.64 crore as recoverable loans (recovery rate is 81 percent). The number of beneficiaries in 64 districts of the country stood at 84,422 and the number of employed is 1,14,969.

**Poverty Reduction and Employment Generation Activities under Ministry of Women and Children Affairs:** Under the “Development of Food Insecure Poor Women Project” the largest poverty reduction program of the ministry, 17,61,000 women received 30 kilograms of wheat each as food assistance per month and received training on 25 trade courses during 2001 to 2005.

**Micro credit Programmes of NGOs<sup>15</sup>:** According to Credit and Development Foundation (CDF) statistics, through December 2004 as many as 721 NGOs were operating micro credit programs in Bangladesh. The total number of beneficiaries during this period was 1.62 crore of whom 0.24 crore were male and 1.38 crore were female. During the period the cumulative disbursement of micro-credit among members was Tk. 33,863.56 crore with the rate of recovery being 98.79 percent. Of the total amount disbursed, 40.61 percent was invested in small business, 10.25 percent in crops, 14.06 percent in livestock and 3.63 percent in fisheries. Nine NGOs namely BRAC, ASA, PROSHIKA, Swanivar Bangladesh, TMSS, Caritas Bangladesh, RDRS, BEURO and Shakti Foundation disbursed major share of the total (88.76%) micro-credit. Palli Karma Sahayak Foundation was the source of 24.84 percent of this micro-credit.

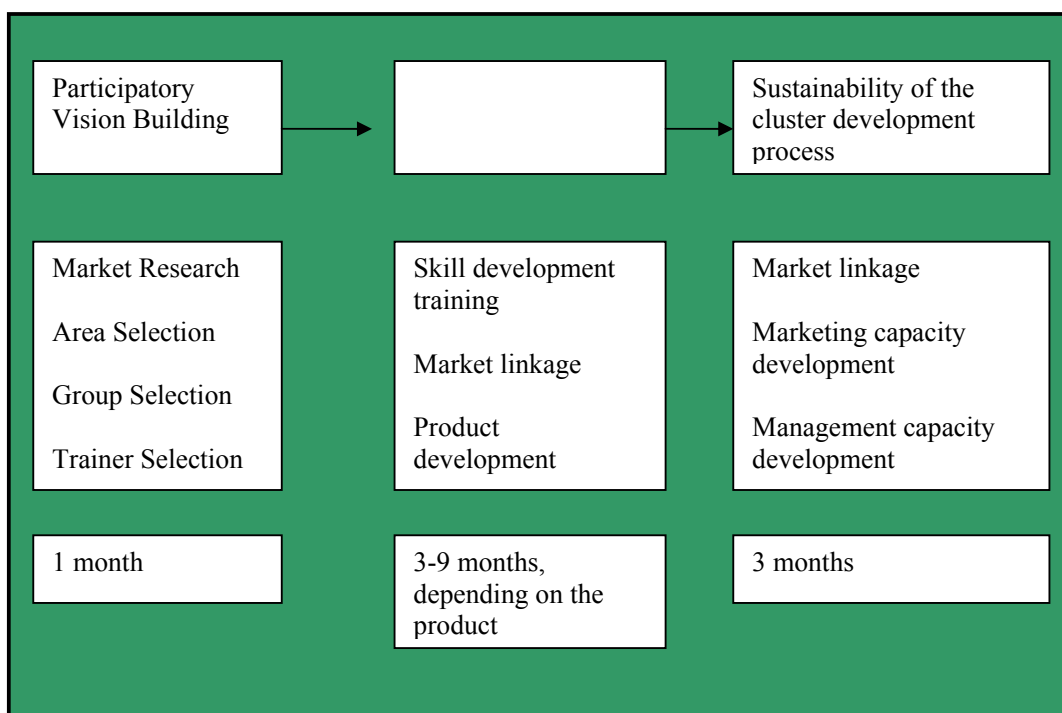
### **3.0 FINDINGS**

Population density, wealth status and living expenses in Meherpur are comparatively lower than in other parts of the country. The entire district is characterized with extremely fertile land. The majority of the population is occupied in the agricultural sector. Crops are produced 3-4 times in a year. Common crops include vegetables, spices, and fruits including bananas and mangoes. Meherpur is one of the poorest districts and is among the districts with the least developed infrastructures, service facilities and markets in Bangladesh. All of this means that there are tremendous opportunities for economic development in Meherpur including sponsorship programming focused on health, education and economic support.

Out of three upazillas in Meherpur, at present Save the Children is working in the Meherpur Sadar upazilla comprising 5 unions and which includes the project area of Save the Children’s current Early Child Hood Program (ECD), Basic Education (BE), Adolescent Reproductive and Sexual Health (ARSH) and School Health and Nutrition (SHN) projects. The original goal of the assessment included identifying areas in which to enhance the livelihoods of the Save the Children targeted clients.

The recommended activities, many of which are targeted towards household of the Meherpur, are focused based on the current activities of the beneficiaries as well as the prospective opportunities in this region. Many of the recommended activities for the project area rely on the cluster-based, market-driven business development model which has successfully been implemented by JOBS throughout Bangladesh. A cluster is a geographic concentration of enterprises which are closely connected, along a value chain including a network settling around a lead buyer or industrial company. It is a producer group comprised of homogeneous micro enterprises or a group of skilled workers taking advantage of market opportunities that require large production quantities and regular supplies according to the need of markets and lead buyers. The cluster model helps small, medium and micro enterprises (SMMEs) to meet market demand while creating employment and generating income for micro enterprise workers. Under this program, cluster members are linked to markets and financial institutions. Through linking lead buyers with producer clusters at the outset, mutually beneficial relationships are fostered, and embedded services such as skills training courses become available to the local producers, thereby ensuring sustainability and a reliable supply base allowing the producers to confidently accept larger orders

**Figure 3.1: JOBS’ established cluster development model.**



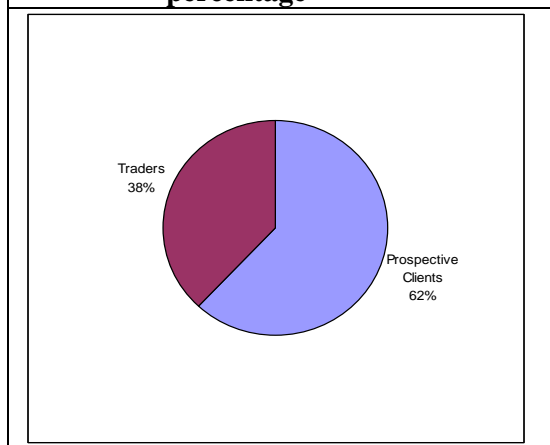
For the proposed activities with Save the Children, JOBS Bangladesh will form clusters, utilizing established groups in the prospective sector, providing skill training and capacity development training according to market requirements. This demand-driven approach transfers appropriate knowledge, including market information, to the cluster to make them competent in the market. The clusters will then link with potential private sector enterprises for sustainable business linkages.

### 3.1 Identification and Client Status

#### 3.1.1 Category and types of respondents:

Ultimately, Save the Children seeks to devise strategies/programs that will assist targeted communities/HH in improving their economic and overall livelihood security. Prospective clients of Save the Children in Meherpur are not categorized according to economic activities. But the survey data revealed that out of total 111 (One hundred eleven) respondents: 62% are prospective clients and 38% are traders (Figure 3.2). Of the respondents which are traders, 56% maintain contractual agreements with growers. They give money or essentials to the growers while the growers are bound to sell their products through these traders. Most of the prospective clients are landless and involved with cultivation as day labor or farming land which they have leased but do not own.

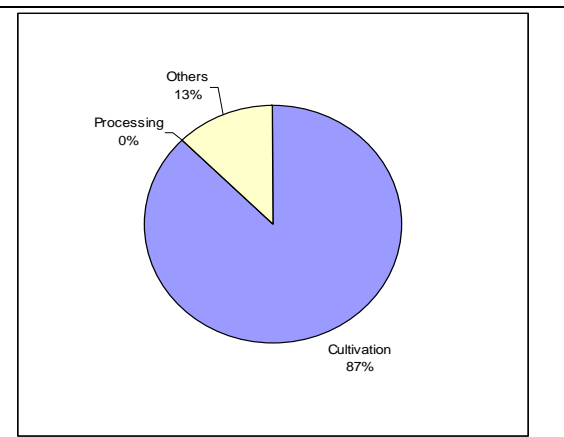
**Figure 3.2 Distribution of respondents in percentage**



### 3.1.2 Activity:

Meherpur is an agrarian society; and the majority of the workforce is reliant on seasonal agricultural activities. Besides agriculture, day labor, off-farm activities including rural transport such as rickshaw pulling, and small business activities are common. Though the traditional businesses of Meherpur are cultivation and goat rearing, some clients are involved in other activities including vegetable marketing, shopkeeping, poultry rearing, etc. Of the surveyed clients, 87% are involved in cultivation while only 13% operated some marketing or other off-farm activity. None of the respondents were found to be involved in any agro-processing activities (Figure 3.3).

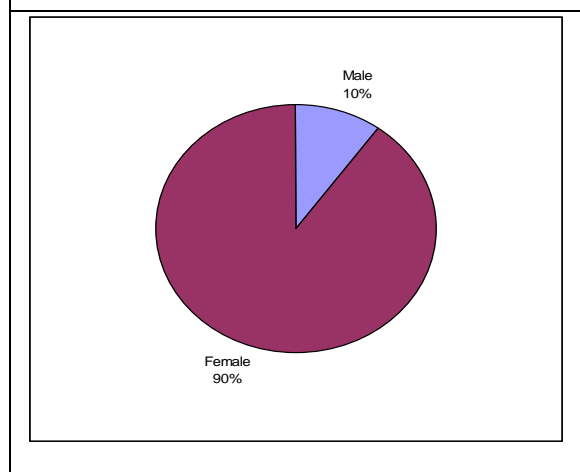
**Figure 3.3 Distribution of prospective clients by activity in percentage**



### 3.1.3 Gender

Targeted respondents/HH have been selected from the ongoing programs of Save the Children, in particular Early Childhood Development (ECD), Primary Education (PE), School Health and Nutrition (SHN) and adolescent development programs operating in Meherpur. Out of all respondents, 90% are female and 10% are male (Figure 3.4).

**Figure 3.4 Distribution of prospective clients by gender in percentage**



### 3.1.4 Traditional earning sectors

Out of a total of 111 respondents, 69 were prospective clients who will be linked with the sponsorship program of Save the Children. 86% of the prospective clients are involved in cultivation (Table 3.1) particularly growing vegetables, seeds, spices, bananas and mangoes. The remaining 7% depend on other livelihood or wage-based earning opportunities including agriculture produce marketing, day labor, grocery shop, poling van and rickshaw. It was clear that most clients

have do not own land while some of them produce vegetables and bananas cultivating leased land.

**Table 3.1. Distribution of prospective clients by traditional sectors (percentage)**

| Sectors    | Cultivation | Marketing | Day Labor | Others | Total |
|------------|-------------|-----------|-----------|--------|-------|
| Percentage | 86          | 1         | 6         | 7      | 100   |

### 3.1.5 Earning Person and girls involvement with the livelihood activities

Most of the families consist of 5 to 9 members, and the head of the household is generally the husband. Survey data revealed that 90% of families depend on only 1 earning person which 6%

have 2 individuals earning income for the household. This fact illustrates that most households surveyed have very little alternative income earning opportunities.

| Table 3.2 Allocation of clients by range of earning person (percentage) |                   |                   |                   |                   |       |
|---|-------------------|-------------------|-------------------|-------------------|-------|
| 1 earning person  | 2 earning persons | 3 earning persons | 4 earning persons | 5 earning persons | Total |
| 90  | 6                 | 2                 | 1                 | 1                 | 100   |

In the surveyed area, girls typically married between ages of 15 to 20 years. It is not possible to classify girls' economic activities by age limit because they are involved in all household activities in any age.

### 3.2 Consumption and Income

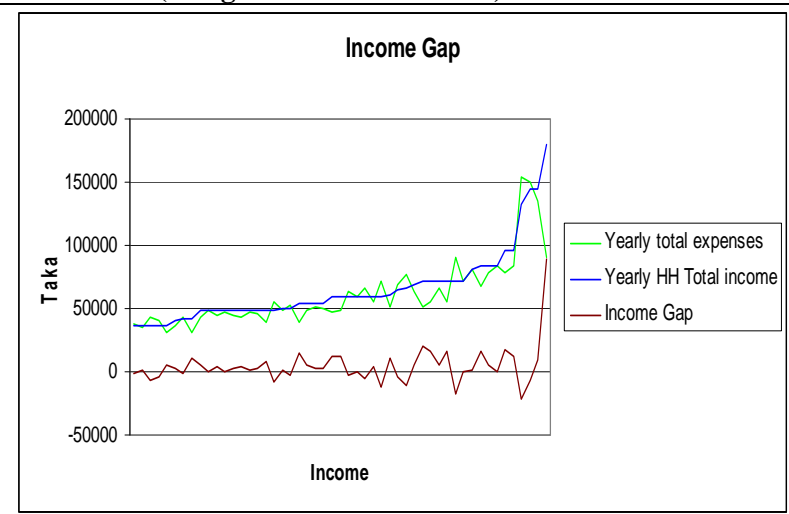
#### 3.2.1 Status of living costs

Most of the prospective clients are marginal farmers and live in rural areas of Meherpur district. They have limited knowledge about budgets but each family has its own internal expenditure format based on their earnings. Survey data shows that 32% of clients' annual living costs lie below 50,000 taka, 33% earn between 50,000 and 70,000 taka, and 25 percent earn between 70,000 and 90,000 taka.

| Table 3.3 Distribution of annual living cost by range in percentage |          |          |          |           |           |       |
|---|----------|----------|----------|-----------|-----------|-------|
| Range ('000s taka)  | up to 50 | 50 to 70 | 70 to 90 | 90 to 120 | 120 above | Total |
| Percentage  | 32       | 33       | 25       | 3         | 7         | 100   |

Figure 3.5 shows the income gap of the surveyed clients. As can be seen in the figure, many clients are able to cover their living costs through their earnings, but many more cannot. While the phenomenon of a household deficit occurs across all income groups, the poorest households are more vulnerable to loss of income and inflation, especially food price inflation. This can be seen in the fact that the

**Figure 3.5: Comparison between Income and Living cost (Range is in thousand TK.)**



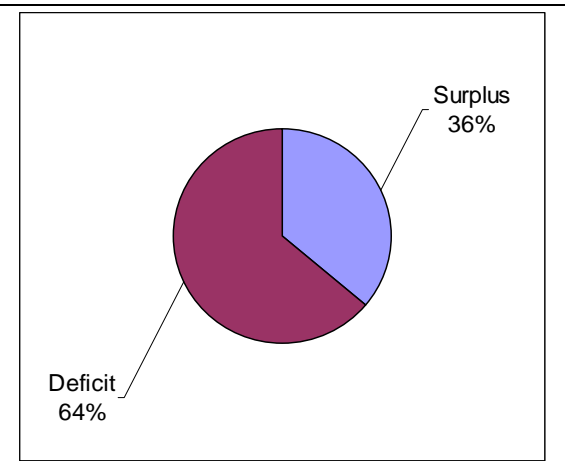
average surplus for households earning less than 50,000 taka per year is 1,461 taka (or only about 122 taka per month). The average surplus among households earning more than 50,000 taka annually is more than 4 times higher, on average 6,022 taka per year.

### 3.3 Surplus, Sales and Storage

#### 3.3.1 Surplus and deficiency

While on average, as was discussed above, some clients have a slight income surplus there are many households in deficit who supplement their income through loans. Similarly, production deficit is a huge problem among the respondents 64% of whom are not capable to produce based on their consumption or demand (Figure 3.7). To meet their demand they have to buy their produce from the local market. The remaining 36% have surplus production but often due to lack of storage and processing facilities oversupply in the market reduces the market price forcing the producers groups to sell their supply for a minimal profit or even for a loss.

**Figure 3.6: Production surplus and deficiency (percentage)**



#### 3.3.2 Deficiency recovers:

Clients usually make up for their income and production gaps by obtaining loans. Survey data shows that 42% of respondents took loans from NGOs (Table 3.4) and 32% took loans from family members and relatives.

**Table 3.4 Distribution of prospective clients by deficiency recovers in percentage**

| Sources           | Loan from Bank | Loan from NGO | Loan from family members and relatives | Loan from money lenders |
|-------------------|----------------|---------------|--|-------------------------|
| <b>Percentage</b> | <b>14</b>      | <b>42</b>     | <b>32</b>                              | <b>17</b>               |

**Note – Multiple responses.**

Micro-credit is generally easily available and accessible to most rural families except the confirmed defaulters and the ‘hardcore poor’. The majority of micro credit recipients are women of lower middleclass, not poor, families.

#### 3.3.3 Surplus produces of vegetables and fruits:

A wide variety of products are grown in Meherpur, and the amount of surplus produced depends on the product grown. Of the surplus, 30% is cauliflower; potato and mixed vegetable are both 17% and 16% of the surplus are bananas (Table 3.5). The marginal farmers can sell surplus mixed vegetable, spice, cauliflower in the market and are also able store potatoes for 3-4 months. However marginal farmers face difficulty in selling surplus bananas, tomatoes and mangoes. These three products are also among the most easily processed. Due to lack of the cold storage in Meherpur, producers group are very much interested in establishing processing plants to reduce their losses and diversify or add value to their products.

**Table 3.5 Distribution of surplus products (percentage)**

| Products          | Banana    | Cauliflower | Spice    | Mixed vegetable | Mango    | Tomato    | Potato    |
|-------------------|-----------|-------------|----------|-----------------|----------|-----------|-----------|
| <b>Percentage</b> | <b>16</b> | <b>30</b>   | <b>4</b> | <b>17</b>       | <b>7</b> | <b>13</b> | <b>17</b> |

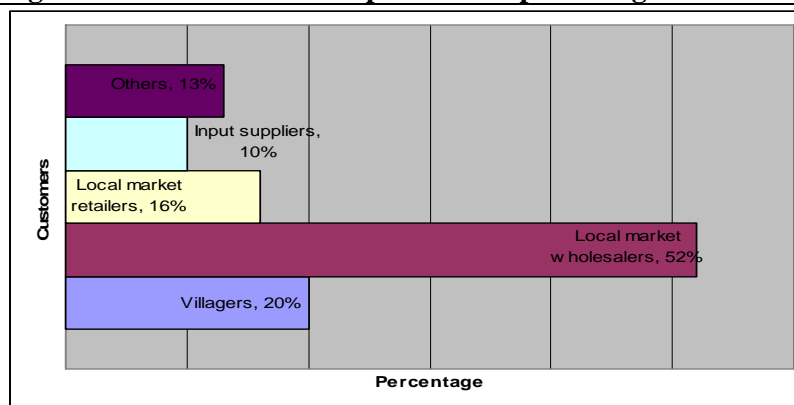
**Note – Multiple responses**

### 3.4 Products sale and Market Linkage

#### 3.4.1 Customers

Farmers usually sell their products to the local traders directly from their fields or bring their products to the markets for wholesale and retail sale. 52% of their total produce is sold to the wholesalers or traders groups, 16% is sold to the retailers and 20% are directly sold to villagers (Figure 3.7). Wholesalers or

**Figure 3.7 Customers of the products in percentage**



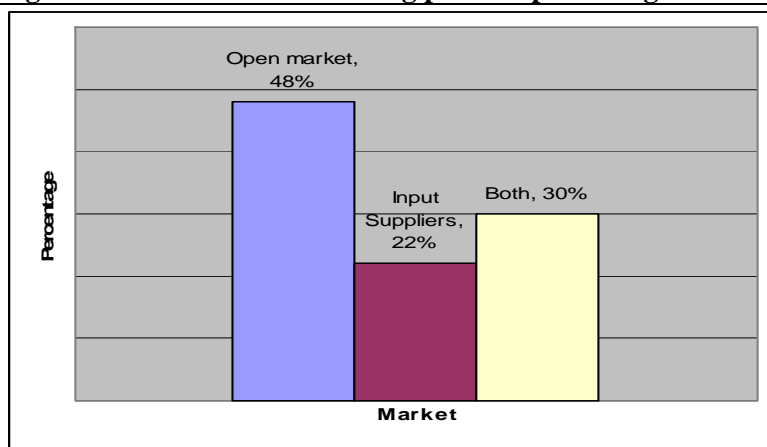
**Note – Multiple responses.**

traders groups provide input supply and some working capital to the producers groups during the harvesting period. This means that the farmers are obliged to sell their products to the wholesalers or traders group with commission provided to the traders.

#### 3.4.2 Profit status of selling point:

Producers group are not encouraged to sell their products to input suppliers or the traders groups. In the name of commission a significant amount of profit is shared with the traders group under this mechanism. Survey data reveals that (Figure 3.9) selling to the open market bears the

**Figure 3.8 Profit status of selling point in percentage**

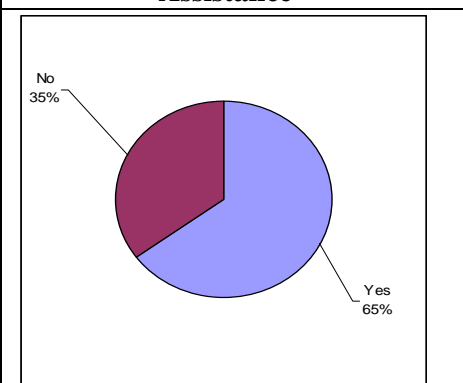


maximum amount of profit. Producer groups gets 48% profit if they can sell directly to the buyers, 30% profit if they can sell in the open market and traders but only 22% profit if they have to sell their products to the traders or wholesalers. The wholesalers are directly linked with the regional- and national-level buyers.

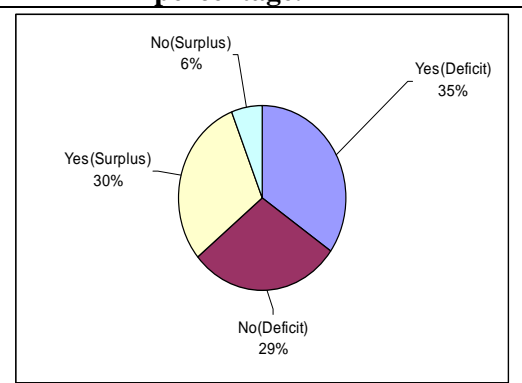
### 3.4.3 Market Linkage Agent:

There is not any proper marketing assistance or market linkage support available for the producers' group in Meherpur. Survey data revealed that 65% of the producers demanded marketing assistance or market linkage support to sell their product in the regional or national market (Figure 5.3). The clients are familiar with selling their produce to traders because they receive input supply from them; however, in order to maximize their profit they would like to sell directly to the buyers with the assistance of market linkage agents. Among the clients requesting market linkage agent support, 30% are surplus producers (Figure 5.4) and 35% are deficit producers who want to increase their production by the support of input suppliers and sale by the help of market

**Figure 3.9 Demand for Marketing Assistance**



**Figure 3.10 Demand for Market Linkage Agent (MLA) in percentage.**



linkage agents. Of the remaining clients, 29% are deficit producers who don't require any market linkage support and 6% are surplus producers not interested in working with an MLA because they don't have any knowledge about this support.

### 3.5 Skill development training

Out of the total survey respondents, 97% didn't receive any type of training or skill development assistance. 62% of clients demanded different types of training. 28% demand skill development training, 16% demanded vegetable and fruit processing training, 30% demanded agro machine operating training, and 19% demanded nursery development training. The survey team

observed that though bananas and mangoes are promising sectors in Meherpur, there is not any quality nursery yet established at either the farmer or private sector level. Skill development training on nursery development is required to provide necessary input supply to the producers group.

**Table 3.6 Demand for different types of training in percentage**

| Type | Skill development | Vegetable processing | Mango processing | Agro Machine operating | Nursery | Seed preservation | Farming (Poultry/Goat) | Others |
|------|-------------------|----------------------|------------------|------------------------|---------|-------------------|------------------------|--------|
| %    | 28                | 9                    | 7                | 30                     | 19      | 16                | 10                     | 4      |

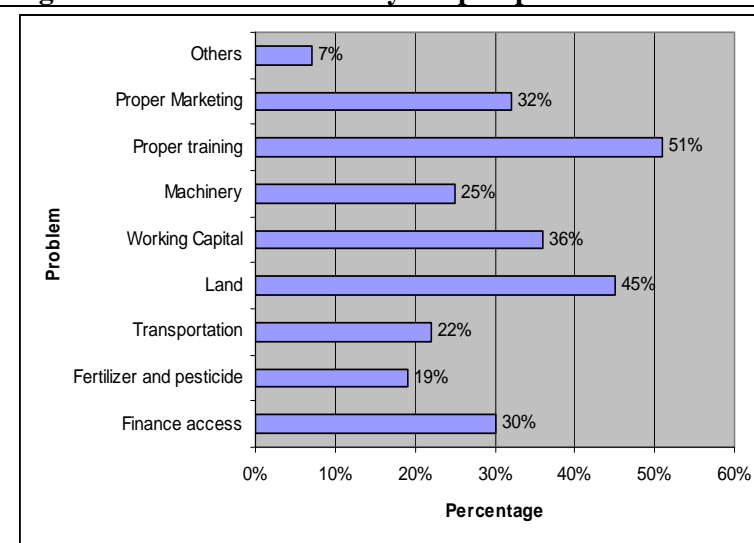
**Note – Multiple responses.**

### 3.6 Future needs:

#### 3.6.1 Identify the problems:

Most of the respondents expressed their experiences with different kinds of business problems they are facing while running and attempting to expand their activities or businesses. Lack of training is the most common problem with a total of 51% of respondents stating that they lack of skill to develop or expand their businesses and require proper training to scale up (Figure 5.5) their operations. 45% of the respondents are facing the crises of land, 36% lack working capital, 32% require marketing assistance and 30 % lack of access to finance.

**Figure 3.11 Problems faced by the prospective clients in %**



**Note – Multiple responses.**

#### 3.6.2 Demand for assistance:

The following future needs were demanded by the survey respondents. 55% demand training and technical assistance to run and expand their business, 37% demanded to establish agro and fruits processing unit to diversify their products and markets because of the lack of any storage facilities in Meherpur. 32% of respondents have cited market linkages or going to contract farming with lead buyers or the retail shops in the regional or national markets. More than 90% of respondents suggested cottage and wage-based activities for the adolescents.

**Table 3.7 Future demand (percentage)**

| Sectors | Agro and fruit processing | Training and technical assistance | Market linkage | Land | Finance | Others |
|---------|---------------------------|-----------------------------------|----------------|------|---------|--------|
| %       | 37                        | 55                                | 32             | 28   | 33      | 13     |

**Note – Multiple responses.**

### 3.7 Observation

1. Meherpur is an agrarian society; and the majority of the workforce is reliant on seasonal agricultural activities. Different types of vegetables, such as cauliflower, potato, tomato, spices and fruits particularly banana and mango are abundantly grow in Meherpur. Producers group lack a significant profit margin due to surplus production during the season and a lack of cold storage or any other storage facilities in Meherpur. Establishment of the processing centre or unit is highly demand in Meherpur to get proper price, value addition of the product and minimize the loss of the produces.

2. The prospective clients are hard workers and have a positive outlook. They require some assistance on technology development, irrigation support, good quality seeds and skill development on farm and off farm activities etc.
3. Proper marketing assistance, linkages with lead buyers or the private sector and contract buying will assist to expand their activities and business.
4. Cottage industry would be better for women and adolescents. More than 90% of surveyed clients demand for cottage industries for the adolescents.
5. Skill based training, land and access to finance are the three major business problems faced by marginal farmers.

#### **4.0 RECOMMENDED ACTIVITIES**

JOBS has identified 13 activities suitable to implement as part of the ongoing activities of the Save the Children existing and prospective clients based on the economic opportunity existing in Meherpur. Following matrix lists the recommended projects and provides estimates of the cost, number of households, and the resulting household income.

**JOBS' PROPOSED ACTIVITIES FOR SAVE THE CHILDREN US' SPONSORSHIP  
MEHERPUR**

| <b>SI No</b> | <b>Proposed Activity</b>                       | <b>Time Period</b>  | <b>Description</b>   | <b>SC Strategy</b> | <b>Cost Per Unit \$</b> | <b>HH Per Unit</b> | <b>Estimated Income \$ (Per month)</b> |
|--------------|--|---|--|--------------------|-------------------------|--------------------|--|
| <b>1</b>     | <b>Village Based Agro-Processing</b>           | <b>Short Term (Starting time 1<sup>st</sup> year, resulting period 2<sup>nd</sup> year)</b> | Meherpur is a very productive agricultural area which exports many agricultural products throughout Bangladesh. Save the Children beneficiaries can benefit from thorough technical trainings and starting of a "Community Marketing Agent" (CMA) program as has been developed and implemented by JOBS in the Concern "Nodi O Jibon" project in the char regions of Lalmonirhat District. The CMA will be responsible for procuring inputs for the farmer and marketing the produce to wholesalers. JOBS will hire a household food processing expert from Thailand to conduct an assessment on potential processing activities which can be undertaken by the beneficiaries to add value and shelf life to the vegetables and/or spices produced as part of the project. Participants will benefit economically from livelihood diversification and nutritionally through the increased consumption of the produce. These activities can be started and will show results in a relatively short time period while longer term interventions are being prepared | *PR-4<br>PR-5      | 6,500                   | 100                | 55                                     |
| <b>2</b>     | <b>Household Processing Using Solar Dryers</b> | <b>Short Term (Starting time 1<sup>st</sup> year, resulting period 2<sup>nd</sup> year)</b> | In addition to establishing small scale village level processing plants, many products including fruit, tomatoes, can also be processed using solar dryers at a household level. While many of the solar dryers will be linked to village level processing plants, due to the lower investment costs solar dryers may be more widely distributed than village level processing units. Due to the large number of households in Meherpur are at the marginal level, the relatively low investment cost means that solar dryers are an appropriate. One particular group of affected individuals which may benefit from solar dryers are vegetables and fruits producers, many of whom have lost their profits due to surplus production during the harvest season.  | PR-4<br>PR-5       | 200                     | 1                  | 55                                     |

**JOBS' PROPOSED ACTIVITIES FOR SAVE THE CHILDREN US' SPONSORSHIP  
MEHERPUR**

| <b>SI No</b> | <b>Proposed Activity</b>     | <b>Time Period</b>  | <b>Description</b>  | <b>SC Strategy</b> | <b>Cost Per Unit \$</b> | <b>HH Per Unit</b> | <b>Estimated Income \$ (Per month)</b> |
|--------------|------------------------------|---|---|--------------------|-------------------------|--------------------|--|
| 3            | <b>Puffed Rice Cakes</b>     | <b>Short Term (Starting time 1<sup>st</sup> year, resulting period 1st year)</b>            | Puffed Rice (Muri) is made by heating rice in a sand-filled oven. JOBS will help to establish production capacity in the household level, utilizing home-based production units. Clusters of home-based production units can be formed, with technical and business training provided by JOBS. Local entrepreneur and seller will be linked with this cluster. The entrepreneur would provide the inputs and would pay the women based on their production. Additionally the women can sell these cakes in the local market, where demand for these items is already high. The fact that the production is home-based makes this activity appropriate for women and adolescents, especially girls.  | PR-4<br>PR-5       | 5,000                   | 15                 | 55                                     |
| 4            | <b>Horticultural nursery</b> | <b>Short Term (Starting time 1<sup>st</sup> year, resulting period 2<sup>nd</sup> year)</b> | Over the last 5-10 years mango plantations have begun to be planted in Meherpur. The mangoes produced in Meherpur bear fruit about one month earlier than mangoes in other parts of the country, including Rajshahi and Chapai Nawabganj. This means that the Meherpur mangoes are some of the first mangoes available in the marketplace every year. The early cultivation period of Meherpur mangoes means there is great demand for Meherpur mangoes and that Meherpur producers do not compete directly with more established producers in other districts. JOBS proposes to set up a horticultural nursery specifically to supply good quality mango trees to Save the Children beneficiaries (see 5 below) so that they can participate in the growing mango market. Participants will benefit through livelihood diversification and increased consumption of fruit during mango season. Other types of trees may also be grown in the nursery depending on the local conditions and demand. | PR-5               | 300                     | 1                  | 100                                    |

**JOBS' PROPOSED ACTIVITIES FOR SAVE THE CHILDREN US' SPONSORSHIP  
MEHERPUR**

| <b>SI No</b> | <b>Proposed Activity</b>  | <b>Time Period</b>  | <b>Description</b>  | <b>SC Strategy</b> | <b>Cost Per Unit \$</b> | <b>HH Per Unit</b> | <b>Estimated Income \$ (Per month)</b> |
|--------------|---|---|---|--------------------|-------------------------|--------------------|--|
| 5            | <b>Technical support for fruit and vegetable disease</b>  | <b>Short Term (Starting time 1<sup>st</sup> year, resulting period 2<sup>nd</sup> year)</b> | Banana production is an important economic activity in Meherpur district. Unfortunately many of the banana plants are currently suffering from a virus. Through providing technical support in the short term to producers of bananas, and other fruits and vegetables suffering from disease, JOBS and Save the Children will improve the economic efficiency of these activities. This technical support will also allow JOBS and Save the Children to begin building trust and establishing relationships with suppliers, producers, and wholesalers. This trust and these relationships will be important foundations on which the success of subsequent projects will rest including horticultural gardens (see 2 and 4 above) and mango plantations (see 5 and 6 above) as well as any value-added fruit processing activities (see 7 below). Beneficiary households will benefit from livelihood diversification as well as increased consumption of fruits and vegetables.  | PR-4<br>PR-5       | 1,500                   | 25                 | 200                                    |
| 6            | <b>Mango tree plantations potentially in conjunction with a contract with the LGED for roadside plantations</b> | <b>Long Term (Starting time 2<sup>nd</sup> year, resulting period 5<sup>th</sup> year)</b>  | Mango production in Meherpur is a relatively new economic activity which benefits from a number of comparative advantages. With the recent improvement in transport infrastructure it is now much cheaper and easier to transport production to districts with large markets. Mangoes produced in Meherpur bear fruit about one month before other districts, such as Rajshahi and Chapai Nawabganj, thus allowing producers to avoid direct competition with more established producers. Save the Children beneficiaries can take advantage of the economic opportunity in this new market through cultivation of mango plantations. JOBS will help beneficiaries establish plantations by providing inputs (see 4 above) and technical training. Plantations are unproductive for about 3-4 years until the trees mature, making this a longer term intervention, albeit one with a lot of economic potential. Poorer and landless households without land can also participate in this economic activity through a contract with the LGED for roadside plantations. Following negotiations with the LGED mango and other trees will be planted along roadsides in Meherpur. The fruit and timber | PR-4<br>PR-5       | 3,500                   | 100                | 100                                    |

**JOBS' PROPOSED ACTIVITIES FOR SAVE THE CHILDREN US' SPONSORSHIP  
MEHERPUR**

| <b>SI No</b> | <b>Proposed Activity</b>                           | <b>Time Period</b>   | <b>Description</b>  | <b>SC Strategy</b> | <b>Cost Per Unit \$</b>     | <b>HH Per Unit</b> | <b>Estimated Income \$ (Per month)</b> |
|--------------|--|--|---|--------------------|-----------------------------|--------------------|--|
|              |  |  | from these trees will be harvested by Save the Children beneficiaries. JOBS will work to identify private sector buyers, such as Meena Bazaar, for fruit and processed products (see 7 below), allowing the beneficiaries to avoid middle-men and therefore capture a greater portion of the profit. Participants will benefit through livelihood diversification and increased consumption of fruit during mango season.   |                    |                             |                    |  |
| 7            | <b>Seed cultivation and processing</b>             | <b>Medium Term (Starting time 2<sup>nd</sup> year, resulting period 3<sup>rd</sup> year)</b> | Agricultural production is a very important economic activity in Meherpur. However, the JOBS team has observed that the government is undertaking seed cultivation in Meherpur, but all seeds are sent to Dhaka for processing, increasing the cost of the seeds for local farmers. High quality seeds are a very expensive input for producers of many crops. JOBS proposes to start a seed cultivation and processing center in Meherpur district with a private sector partner such as Energypac. Having locally produced high quality seeds available will enable the beneficiaries to purchase these important inputs at a lower cost than is currently available increasing their economic gains. These seed cultivation and processing center will also be linked to a seed storage center (see 10 below) and the horticultural nursery (see 2 above). Beneficiaries will benefit both economically through the lower cost of inputs and through increased access and availability of food which will lead to lower household food insecurity. | PR-4<br>PR-5       | 3,000                       | 20                 | 200                                    |
| 8            | <b>Cold storage including seed storage support</b> | <b>Long Term (Starting time 3<sup>rd</sup> year, resulting period 5<sup>th</sup> year)</b>   | Currently there are no cold storage facilities in Meherpur. Following conversations with the Meherpur Chamber of Commerce the JOBS team discovered that a group of Korean investors approached the Chamber to invest in a cold storage, but at the time there was little interest on the part of the local business community to make the required investment. JOBS will work with the Korean investors and the local business community to establish a cold storage including seed storage support. During meetings with members of the Chamber of Commerce and  | PR-4<br>PR-5       | Subject to the project size |                    |  |

**JOBS' PROPOSED ACTIVITIES FOR SAVE THE CHILDREN US' SPONSORSHIP  
MEHERPUR**

| <b>SI No</b> | <b>Proposed Activity</b>      | <b>Time Period</b>  | <b>Description</b>   | <b>SC Strategy</b> | <b>Cost Per Unit \$</b> | <b>HH Per Unit</b> | <b>Estimated Income \$ (Per month)</b> |
|--------------|-------------------------------|---|--|--------------------|-------------------------|--------------------|--|
|              |                               |   | Vegetable Sellers Association, the JOBS team learned that due to the lack of cold storage facilities, many vegetables produced during the peak growing seasons either have to be sold at very low prices or left in the field, leading to a large loss for the farmers. This storage center will allow stockpiles of vegetables, potatoes, onions, spices and seeds to be available year round, lowering the cost of the seeds in peak demand periods. The storage center will be linked with the cultivation and processing center (see 9 above) and the horticultural garden (see 2 above). Save the Children beneficiaries will benefit both economically through the lower cost of inputs and through increased access and availability of food year-round which will lead to lower household food insecurity. |                    |                         |                    |  |
| <b>9</b>     | <b>Enterprise Development</b> | <b>Short Term (Starting time 1<sup>st</sup> year, resulting period 2<sup>nd</sup> year)</b> | A number of opportunities exist for developing micro-enterprises, especially for the vulnerable and ultra-poor people of the Save the Children beneficiaries. Potential activities include local production of chanachur snacks, pita cakes, candles, handmade boxes, nuts and dhal snacks, mini-garments, as well as grass and reed mats are all possibilities. JOBS will organize producers into clusters based on market demand and the interests of the cluster members. Many of the cluster members will be women and adolescents because the products can be produced in the home.   | PR-4<br>PR-5       | 7,000                   | 15                 | 65                                     |
| <b>10</b>    | <b>Wage Based Employment</b>  | <b>Medium Term (Starting time 2<sup>nd</sup> year, resulting</b>                            | Apex Leather Craft Limited, a private sector partner of JOBS has expressed interest in establishing a production network of home-based workers producing leather goods for export. Apex will provide training to 5 people in the production of specific leather goods. These individuals will be responsible for providing   | PR-4<br>PR-5       | 20,000                  | 100                | 65                                     |

**JOBS' PROPOSED ACTIVITIES FOR SAVE THE CHILDREN US' SPONSORSHIP  
MEHERPUR**

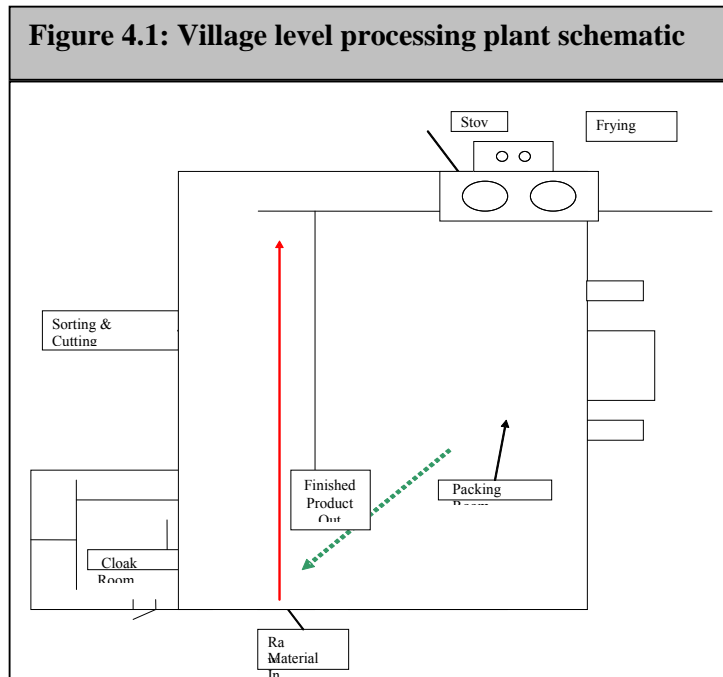
| SI No | Proposed Activity                                 | Time Period  | Description  | SC Strategy  | Cost Per Unit \$   | HH Per Unit | Estimated Income \$ (Per month) |
|-------|---|--|--|--------------|--|-------------|---------------------------------|
|       |   | period 3 <sup>rd</sup> year)   | training to clusters of producers. Apex will supply the inputs and will pay the producers based the quantity and quality of their production. JOBS will assist in facilitating the trainings and in the formation of production clusters.  |              |  |             |                                 |
| 11    | IT Education                                      | Long Term (Starting time 3 <sup>rd</sup> year, resulting period 5 <sup>th</sup> year)  | Save the Children US' Strategic Direction 2008-12 calls for Save the Children to become an aspiring player in adolescent learning and education. IT education is an important and currently underdeveloped area of adolescent learning. JOBS has extensive experience in IT education initiatives. JOBS proposes to either establish a basic IT training center or partner with existing Technical Training Centers (TTC) in Meherpur to arrange access to IT education opportunities for youth and adolescents. This approach is similar to the assessment JOBS has already carried out for the Department of Youth Development. This intervention will complementary to Save the Children youth and adolescent (KK) oriented education programs.   | PR-5 Youth   | Subject to quality of the participants, Tools & Curriculum |             |                                 |
| 12    | Rearing of Black Bengal Goat for marginal farmers | Short Term (Starting time 1 <sup>st</sup> year, resulting period 2 <sup>nd</sup> year) | Black Bengal Goats are a breed of goat native to the Meherpur area. These goats are renowned for their large size (up to 20-30 kg) and the quality of their meat. The JOBS team observed a number of small commercial goat farms in Meherpur. Following discussion with the District Livestock Officer, the JOBS team found that small scale commercial rearing of these Black Bengal Goats is an intervention that can be successfully carried out in a relatively short period of time, which will create sustainable income sources for marginal farmers and households. The goats can be sold to private sector partners with whom JOBS has established long-term ongoing relationships, such as Bengal Meats or Meena Bazaar. This intervention can be started and can show results immediately, while longer term interventions are being set up. Participants will benefit from the diversification of their livelihoods and through diversification of their diet through increased consumption of meat. | PR-4<br>PR-5 | 300  | 1           | 50                              |

\*PR = Priority Results according to Save the Children Country Strategy Documents

JOBS does not advocate that all the interventions be implemented concurrently; instead the activities in this report represent a menu of potential interventions which build upon earlier interventions in accordance with a long-term plan to improve livelihood security in Meherpur. Based on the resources and time frame available, JOBS recommends that Save the Children choose one or two interventions to implement initially. Other initiatives can be phased in over time, and JOBS will continue to search for alternative opportunities in the region which will benefit Save the Children's beneficiaries. A short description of the recommended activities is presented below. Note that all costs are estimates of the cost of physical infrastructure; capacity building, training, and overhead costs are not included. Detailed description of all the recommended activities are given below.

## 4.1 Village Based Agro-Processing

'Agro processing' describes the transformation of agricultural produce into a different physical state. It describes the numerous activities that take place between harvest or slaughter of the raw product and production of the final product. Agro processing businesses plays an important role in the economy of all countries. It is a dynamic and fast growing sector and therefore has the potential to provide opportunities for income generation and employment. This is particularly important because agriculture and the formal sector are unable to



absorb growing labor forces in many countries. The UN Food and Agriculture Organization has pointed out that value added through marketing and processing raw products can be much greater than the value of primary production itself. More than 60% of the labor force of Sub-Saharan Africa finds work in small-scale food processing<sup>3</sup> and between one and two thirds of value added manufacturing is based on agricultural raw materials. Agro processing plays a number of vital roles beyond income generation. It can reduce the food insecurity of the people who do not have enough to eat, by reducing losses, increasing the range of food products, making food safe to eat, and preserving food for 'lean periods' when food is not readily available in the marketplace.

Processing can preserve food for longer than its fresh shelf-life, and can salvage waste food. Small-scale agro processing is particularly suited to poverty eradication as it builds on the assets of poor women and men (such as indigenous knowledge and skills as well as local natural resources) and is not dependant on assets that are in short supply such as finance. It can be practiced and promoted on a wide scale and involve 100s of families and individuals.

Meherpur is a very productive agricultural area which exports many agricultural products throughout Bangladesh. Different types of vegetables, such as cauliflower, potato, tomato, spices and fruits particularly banana and mango are abundantly grown there. Agro-processing for value-addition has tremendous potential for success in Meherpur. Banana chips, mango bars and pickles, tomatoes, spices (turmeric, ginger), taro and many other projects can easily be produced under hygienic conditions through the development of small agro-processing units located in close proximity to a targeted village. The products will vary depending on market demand and seasonal availability. Depending on the situation in each district, technical and entrepreneurship training can benefit a wide range of individuals including women, youth, or adolescents of the KK. The village processing units will be owned by the members, and profits will be shared based on the amount of raw materials provided by members as well as the number of their shares. In addition to establishing new clusters focused on agro-processing, JOBS can also link small scale

<sup>3</sup> The status of the agro-processing industry in Zimbabwe; Norman Mhazo<sup>1</sup>, Brighton m. Mvumi<sup>2</sup>, Raymond m. Nazare<sup>2</sup> and Elijah Nyakudya<sup>2</sup>

village processing plants. A schematic of a village level processing plant can be seen in Figure 4.1

During the field survey JOBS team with the assistance of an International Food Processing Expert from Thailand demonstrated banana chips at the village level. It is widely accepted by the villagers and they are very much interested to produce and market this product. The JOBS team also discussed with the Banana Producers and Marketing Association. They are also interested to launch a banana and mango processing units in Meherpur if they get proper technical and marketing support.

### Box – 1 – Ruchi Banana Chips



Recently, Square has launched a brand of Ruchi Banana Chips in Bangladesh, and is currently conducting a marketing campaign including television commercials to promote these chips. The decision of Square represents recognition of the potential of processed foods in the country. It also represents an opportunity for producers to participate in an agro-processing revolution in which Meherpur is uniquely suited to participate. Marketing costs will be reduced because Square's marketing campaign will raise awareness in the marketplace about this new type of product. A large number of bananas are produced in Meherpur, many of which are suitable for banana chip production. JOBS has held preliminary talks with Meena Bazaar, a retail supermarket chain based in Dhaka. Meena Bazaar has expressed willingness to partner with JOBS and Save the Children in order to produce a line of organic banana chips. Technical support in production of organic bananas, packaging, and marketing will be supplied by Meena Bazaar in order to ensure that the products meet its high standards. This partnership can also be extended into other products besides banana chips.

JOBS is also planning to establish another related project which will provide minimal help to the families of the ECD pupils for micro-level processing of products to provide nutritious snacks to the children participating in ECD activities. JOBS will train the teacher, who will act as the point person. Inputs will be provided by the households but she will get the mothers to come to prepare the snacks on a rotational basis. This initiative will provide better nutrition to the children and also develop a local market indirectly in the house hold level. Some of households may even start micro level commercial production which can be linked with the processing unit to tap in regional and national market.

JOBS will also provide technical trainings and will start a "Community Marketing Agent" (CMA) program as at present which has been developed and implemented by JOBS in the Concern "Nodi O Jibon" project in the char regions of Lalmonirhat District. The CMA will be responsible for procuring inputs for the farmer and marketing the produce to wholesalers. Participants will benefit economically from livelihood diversification and nutritionally through the increased consumption of the produce. These activities can be started and will show results in a relatively short time period while longer term interventions are being prepared

The specific activities and budget involved with starting a village level processing unit are detailed below.

**Activity 4.1.1:** Build small-scale agro-processing unit in Meherpur

**Activity 4.1.2:** Provide technical training to women and youth along with basic skill development and product development process and packaging program

**Activity 4.1.3:** Assist to establish micro level processing from the household level and link with the processing unit to market those products.

**Activity 4.1.4:** Establish linkages between producers and local retailers and restaurants.

**Tentative budget:** Cost per unit \$6500 for the 100 HH per unit

## 4.2 Household Processing Using Solar Dryers



In addition to establishing small scale village level processing plants, many products including fruit, tomatoes, can also be processed using solar dryers at a household level, similar to the one pictured left. While many of the solar dryers will be linked to village level processing plants, due to the lower investment costs solar dryers may be more widely distributed than village level processing units. Due to the large number of households in Meherpur are at the marginal level, the relatively low investment cost means that solar dryers are an appropriate. One particular group of affected individuals

which may benefit from solar dryers is vegetables and fruits producers, many of whom have lost their profits due to surplus production during the harvest season. JOBS will work to establish clusters, some of which will be linked to agro-processing units. Technical and business training will be provided by JOBS to members of the clusters to prepare them to operate the solar dryers. Furthermore, access to dried food which can be kept for a period of months will reduce the food insecurity of households in the aftermath of disasters such as droughts, as well as in the 'lean periods' between harvests.

The specific activities and budget involved with implementing the solar dryer project are detailed below.

**Activity 4.2.1:** Build small-scale solar dryer per households

**Activity 4.2.2:** Provide technical and basic skill development training to the households to process the products

**Activity 4.2.3:** Establish linkages between producers and local retailers, supermarkets both local and regional as well as local and regional restaurants.

**Tentative budget:** Cost per unit \$200 for the 1 HH per unit

## 4.3 Puffed Rice Cake (Moa & Chira Cake)

Puffed Rice (Muri) is made by heating rice in a sand-filled oven. Muri is to rice just like popcorn is to corn. The processing involved makes rice less perishable. Muri is a staple food in many parts of Bangladesh.

The production of Moa (puffed rice mixed with molasses) puffed rice cakes (also known as chira cakes/khaja) represents a very promising sector in the country. JOBS will help to establish

production capacity in the household level, utilizing home-based production units. Clusters of home-based production units can be formed, with technical and business training provided by JOBS. Local entrepreneur and seller will be linked with this cluster. The entrepreneur would provide the inputs and would pay the women based on their production. Additionally the women can sell these cakes in the local market, where demand for these items is already high. The fact

### **Box – 2: Puffed Rice – Not Only for Domestic Consumption**

Puffed rice and puffed rice cakes have traditionally been sold only in the domestic market within Bangladesh. However, there is a growing international demand for puffed rice products and in fact puffed rice is the 7<sup>th</sup> largest processed food export from Bangladesh. Processed food exports are estimated to earn over \$25 million in FY 2007-08. For details please see Attachment 2.

that the production is home-based makes this activity appropriate for women and adolescents, especially girls. The cost of a production unit for these products is very low because much of the work needed to produce puffed rice cakes involves manual labor. A small locally-produced machine, which costs about Tk 8000, can be used to quickly produce Moa.

The specific activities and budget involved with implementing the puffed rice cake project are detailed below.

**Activity 4.3.1:** Participating households will be organized into small clusters of households and trained them about the production process

**Activity 4.3.2:** Create the linkages with the reliable sources of inputs and initial capital can be provided as seed money through a subsidized no-cost loan

**Activity 4.3.3:** Establish backward and forward linkages between the Al-Amin Flower Group, other puffed rice cake producing company, suppliers and customers.

**Activity 4.3.4:** Private sector investors in the region who expressed interest will be linked for developing clusters or home-based production units.

**Tentative budget:** Cost per unit \$5,000 for the 15 HH per unit

## **4.4 Horticultural Nursery, Especially for Mango Trees and other Fruits**

According to a generally accepted definition, horticulture includes the range of fruits, and vegetables and spices that are grown locally and sold to the final consumer at various stages of processed conditions. Over the last 5-10 years mango plantations have begun to be planted in Meherpur. The mangoes produced in Meherpur bear fruit about one month earlier than mangoes in other parts of the country, including Rajshahi and Chapai Nawabganj. This means that the Meherpur mangoes are some of the first mangoes available in the marketplace every year. The early cultivation period of Meherpur mangoes means there is great demand for Meherpur mangoes and that Meherpur producers do not compete directly with more established producers in other districts. JOBS proposes to set up a horticultural nursery specifically to supply good quality mango trees to Save the Children beneficiaries so that they can participate in the growing mango market.

Local people at Meherpur are very much interested to buy seedlings of fruits, but there are no available nurseries in their local areas. Nursery businesses facilitate economic growth in the medium term through more productive inputs. Group nurseries can be raised through the participation of local stakeholders. Considering demand, market size, economic return and

sustainability; fruit nurseries followed by aromatic spices and then timber tree species all represent potential profitable ventures. Local market and forest department represent potential consumers of the seedlings. Within a very short time it should return the necessary investment and generate profit for its operators. Nurseries would be the source (sub sector) of the integrated plantation through a participatory approach and it will provide both backward and forward linkages. Participants will benefit through livelihood diversification and increased consumption of fruit during mango season.

The specific activities and budget involved with implementing the puffed rice cake project are detailed below.

**Activity 4.4.1:** Participating households will be organized into small clusters of households and trained them about the production process.

**Activity 4.4.2:** Create the linkages with the reliable sources of inputs and initial capital can be provided as seed money through a subsidized no-cost loan

**Activity 4.4.3:** Establish backward and forward linkages between the producers group, villagers, association members, government nursery other suppliers and customers.

**Tentative budget:** Cost per unit \$300 for the 1 HH per unit

#### **4.5 Technical support for fruit and vegetable disease (especially bananas)**

Banana production is an important economic activity in Meherpur district. Unfortunately many of the banana plants are currently suffering from a virus. Through providing technical support in the short term to producers of bananas, and other fruits and vegetables suffering from disease, JOBS and Save the Children will improve the economic efficiency of these activities. This technical support will also allow JOBS and Save the Children to begin building trust and establishing relationships with suppliers, producers, and wholesalers. This trust and these relationships will be important foundations on which the success of subsequent projects will rest including horticultural gardens (see 4.4 above) and mango plantations (see 4.6 below) as well as any value-added fruit processing activities (see 4.1 above). Beneficiary households will benefit from livelihood diversification as well as increased consumption of fruits and vegetables.

The specific activities and budget involved with implementing the puffed rice cake project are detailed below.

**Activity 4.5.1:** Participating producers group will be trained on precautions and disease management process.

**Activity 4.5.2:** Provide ToT to the selected producers so that they can organize this training for the village level producers group

**Activity 4.5.3:** Create the linkages with the reliable sources of inputs and suppliers

**Tentative budget:** Cost per unit \$1500 for the 25 direct producers and 400 indirect producers in the village level.

#### **4.6 Mango Tree Plantations Potentially in Conjunction with a Contract with the LGED for Roadside Plantations**

Roadside tree plantation and caretaking of the planted trees is a popular program of the Local Government Engineering Department (LGED). At present the road side of the Meherpur is almost blank and not filled with any important trees. In order to prevent deterioration and to ensure

durability of the road, as well as to increase the forest resources for maintaining ecological balance, tree plantations and caretaking being implemented simultaneously at the road side of Meherpur. According to the LGED policy, those important roads where tree plantation have not yet been implemented under any road improvement projects of LGED, routine maintenance fund from rural roads and culvert maintenance program could be used for plantation and caretaking in such cases. Besides, if the road side trees of previous plantation projects did not survive for want of care taking, in that case re-plantation can also be done from district's routine maintenance allocation and care taking of all such plant being ensured through length-persons engaged for off-pavement maintenance.

Mango production in Meherpur is a relatively new economic activity which benefits from a number of comparative advantages. Mango plantations provide the cool, shady conditions which is even feasible to produce ginger and turmeric production. With the recent improvement in transport infrastructure it is now much cheaper and easier to transport production to districts with large markets. Plantations are unproductive for about 3-4 years until the trees mature, making this a longer term intervention, albeit one with a lot of economic potential. Poorer and landless households without land can also participate in this economic activity through a contract with the LGED for roadside plantations. Following negotiations with the LGED mango and other trees will be planted along roadsides in Meherpur. The fruit and timber from these trees will be harvested by Save the Children beneficiaries. JOBS will create the link the Save the Children beneficiaries to the LGED concern desk to establish the relationship and run this project. Participants will benefit through livelihood diversification and increased consumption of fruit during mango season.

The specific activities and budget involved with implementing the puffed rice cake project are detailed below.

**Activity 4.6.1:** Participating households will be organized into small clusters of households and trained them about the rules, regulations, procedures and production process of this intervention.

**Activity 4.6.2:** Create linkages with the horticulture nursery of the Save the Children beneficiaries.

**Activity 4.6.3:** Establish backward and forward linkages between the producers group, villagers, association members, suppliers and customers.

**Tentative budget:** Cost per unit \$3,500 for the 100 HH per unit

#### **4.7 Seed Cultivation and Processing**

Seed is the foundation of agriculture. With the use of certified quality seeds in the normal cultivation practices, yield of crops may be increased up to 10-15%. In order to coordinate the use of increased quality seed and ensure its production, proper supply and distribution of seeds should be ensured. At present, only a small portion of the required quality seeds for different crops is supplied by the Bangladesh Agricultural Development Corporation (BADC). The remaining seeds are produced, preserved and used under private management, especially at the farmers' level. In light of the prevailing Seed Act and Seed Rules, the government will retain the opportunities already provided to the private sector for production, import and marketing of seeds side by side with the public sector. Appropriate mechanisms will be devised to improve the technical skill of the private sector with regards to seed treatment, seed preservation at specific moisture level and seed storage management so as to ensure the highest quality of seeds.

Though agricultural production is a very important economic activity in Meherpur but according to the field survey farmers' lack of seed is hampering their regular production. However, the JOBS team has also observed that the government is undertaking seed cultivation in Meherpur, but all seeds are sent to Dhaka for processing, increasing the cost of the seeds for local farmers.

High quality seeds are a very expensive input for producers of many crops. JOBS proposes to start a seed cultivation and processing center in Meherpur district with a private sector partner such as Energypac. Having locally produced high quality seeds available will enable the beneficiaries to purchase these important inputs at a lower cost than is currently available increasing their economic gains. These seed cultivation and processing centers will also be linked to a seed storage center (see 4.8 below) and the horticultural nursery (see 4.4 above). Through this process beneficiaries will be benefited both economically through the lower cost of inputs and through increased access and availability of food which will lead to lower household food insecurity.

The specific activities and budget involved with implementing the puffed rice cake project are detailed below.

**Activity 4.7.1:** Participating households will be organized into small clusters of households and trained them about the seed production process, collection and processing.

**Activity 4.7.2:** Create the linkages with the reliable sources of inputs and initial capital can be provided as seed money through a subsidized no-cost loan

**Activity 4.4.3:** Establish backward and forward linkages between the producers group, villagers, association members, government nursery other suppliers and customers.

**Tentative budget:** Cost per unit \$3,000 for the 20 HH per unit

#### **4.8 Cold Storage including Seed Storage Support**

Currently there are no cold storage facilities in Meherpur. Following conversations with the Meherpur Chamber of Commerce the JOBS team discovered that a group of Korean investors approached the Chamber to invest in a cold storage, but at the time there was little interest on the part of the local business community to make the required investment. JOBS will work with the Korean investors and the local business community to establish a cold storage including seed storage support. During meetings with members of the Chamber of Commerce and Vegetable Sellers Association, the JOBS team learned that due to the lack of cold storage facilities, many vegetables produced during the peak growing seasons either has to be sold at very low prices or left in the field, leading to a large loss for the farmers. This storage center will allow stockpiles of vegetables, potatoes, onions, spices and seeds to be available year round, lowering the cost of the seeds in peak demand periods. The storage center will be linked with the cultivation and processing center (see 4.1 above) and the horticultural garden (see 4.4 above). Save the Children beneficiaries will benefit both economically through the lower cost of inputs and through increased access and availability of food year-round which will lead to lower household food insecurity.

The specific activities and budget involved with implementing the puffed rice cake project are detailed below.

**Activity 4.8.1:** Participating businessman including private sector will be organized to venture the capital investment with the prospective donor's to establish a cold storage in Meherpur.

**Activity 4.7.2:** Contact with the donor's community for delivering grants or fund and create linkages with the local business people or private sector.

**Activity 4.4.3:** Establish backward and forward linkages between the producers group, villagers, association members, other suppliers and customers.

**Tentative budget:** contribution of the Save the Children will be determined subject to the need of this project

#### **4.9 Enterprise Development**

A number of opportunities exist for developing micro-enterprises, especially for the vulnerable and ultra-poor people of the Save the Children beneficiaries. Potential activities include local production of chanachur snacks, pita cakes, candles, handmade boxes, nuts and dhal snacks, mini-garments, as well as grass and reed mats are all possibilities. JOBS will organize producers into clusters based on market demand and the interests of the cluster members. Many of the cluster members will be women and adolescents because the products can be produced in the home. Strict measures will be taken to mitigate the risk of child labor and ensure that children are not involved in these economic opportunities at the household level are not subjected to hazardous activities or prevented from going to school. Additionally these activities can be scaled up in poor areas throughout Bangladesh.

JOBS will provide this training through its developed training modules which has been used to train more than 70,000 individuals directly and indirectly and created over 40,000 jobs. On the basis of our experience and the anticipated need of its Development Partners (DPs), JOBS has developed a 7-day needs-based Entrepreneurship Development and Business Management (EDBM) training module, along with supporting materials, and provides training to grass-roots level literate and semi-literate entrepreneurs. The course is widely appreciated and accepted by the local, national and international DPs for their grassroots entrepreneurs. This module has been used to establish entrepreneurs for the USAID, CARE, ILO, UNICEF, UNDP, Practical Action, USAID, PKSF funded 10 NGOs, BRAC, TMSS, YPSA and many other local NGO's

This has been designed with an aim to develop the capacity of entrepreneurs regarding business cycles, business selection, market survey, business planning, management, production, establishing alternative market linkages, effective utilization of loans, maintaining accounts and record keeping, as well as calculation of costing and pricing. The course also helps empower the entrepreneurs though providing enterprise related information, techniques, descriptions and analysis of marketing strategies, alternative markets, dealing with customers as well as salesmanship.

The specific activities and budget involved with implementing the puffed rice cake project are detailed below.

**Activity 4.9.1:** Participants group selection

**Activity 4.9.2:** Capacity building on identified the business selection, market survey, business planning, management, production

**Activity 4.9.3:** Capacity building on establishing alternative market linkages, effective utilization of loans, maintaining accounts and record keeping, as well as calculation of costing and pricing.

**Activity 4.9.4:** Develop the work plan and run their business. Follow activities will be taken care of in the secondary stages

**Tentative budget:** For the ToT \$7,000 for the 15 participants. Beneficiaries level \$6,000 for the 15-20 participants

#### **4.10 Wage Based Employment**

Apex Leather Craft Limited, a private sector partner of JOBS has expressed interest in establishing a production network of home-based workers producing leather goods for export.

Apex will provide training to 5 people in the production of specific leather goods. These individuals will be responsible for providing training to clusters of producers. Apex will supply the inputs and will pay the producers based the quantity and quality of their production. JOBS will assist in facilitating the trainings and in the formation of production clusters.

JOBS will also continue to search for other private sector partners wishing to take advantage of the relatively low labor costs in Meherpur.

The specific activities and budget involved with implementing the puffed rice cake project are detailed below.

**Activity 4.10.1:** Participating households will be selected and develop small clusters of households/adolescents

**Activity 4.10.2:** Apex will provide training to 5 people in the production of specific leather goods. These individuals will be responsible for providing training to clusters of producers.

**Activity 4.10.3:** Create the linkages with the Apex Leather Craft Limited to source inputs and sell as contract buying process. Apex will supply the inputs and will pay the producers based the quantity and quality of their production.

**Activity 4.10.4:** Establish backward and forward linkages between the Apex Leather Craft Limited and other shoe and leather based company, suppliers and customers.

**Tentative budget:** Primarily the budgeted cost per unit is estimated \$20,000 for the 25 HH per unit. (Subject to the size and product line item actual cost may be varied)

#### 4.11 IT Education

Save the Children US' Strategic Direction 2008-12 calls for Save the Children to become an aspiring player in adolescent learning and education. IT education is an important and currently underdeveloped area of adolescent learning. JOBS has extensive experience in IT education initiatives. JOBS proposes to either establish a basic IT training center or partner with existing Technical Training Centers (TTC) in Meherpur to arrange access to IT education opportunities for youth and adolescents. This approach is similar to the assessment JOBS has already carried out for the Department of Youth Development. This intervention will complement Save the Children's ongoing and future youth and adolescent (KK) oriented education programs

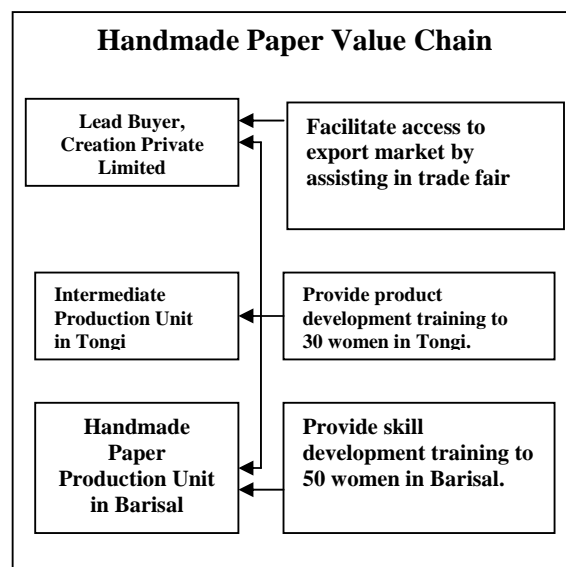
The specific activities and budget involved with implementing the puffed rice cake project are detailed below.

**Activity 4.11.1:** Participants group selection

**Activity 4.11.2:** Capacity building on the basic IT education and develop practical computer skill

**Activity 4.11.3:** Develop knowledge centre for the adolescent in the community or union level

**Tentative budget:** Subject to quality of the participants, tools and course curriculum.



## 4.12 Handmade Paper

Handmade paper (HMP) products are made using no electronic equipment. The process involves collecting pulp on a flat board and removing excess water by hand before leaving the paper to dry in the sun. This product can then be crafted into notebooks, photo frames, boxes, bags and more, or it can simply be sold as decorative paper. The raw materials used to make the pulp represent a wide range of natural fibers and waste products, including straw, jute, water hyacinth and mulberry fibers.

There is enormous potential in the handmade paper sector in Bangladesh. It has a large international market for handmade paper products including cards, notebooks, and stationary as well as local markets like restaurants, shops and sales centers for boxes made of handmade paper. JOBS, with the possible collaboration of Creation Pvt.



Ltd. and other private sector partners, will form a cluster of women to produce handmade paper products in Meherpur. Initially, the production will be aimed at the local market; however, in the medium term JOBS will work with the cluster to develop more sophisticated products for sale in the international market. This will allow the members to increase their earnings over time. The project will take around 6-9 months to achieve impact and will lead to employment for approximately 100 women in production and 200-300 in product assembly, most of them adolescent.

The specific activities and budget involved with implementing the handmade paper project are detailed below.

**Activity 4.12.1:** Build small processing units in targeted communities where women can be trained on appropriate techniques for handmade paper production using locally available banana leaves, and other agro-based materials.

**Activity 4.12.2:** Create clusters for handmade paper product assembly and train women on product development methods and designs. Assembly clusters will be linked with paper processing units.

### Box - 4

#### Bangladesh's Handmade Paper Industry Benefits from a Multi-Level Cluster Approach

Unlike its neighbours, Nepal and Thailand, Bangladesh never formally developed its indigenous handmade paper industry beyond the efforts of a few individual artisans – until a donor recognized the potential of the sector, fuelled by the growing demand for handmade paper and paper products around the world.

At the top of the three-tier cluster developed in this sector, linkage was created with Creation Private Limited, the leading exporter of handmade paper from Bangladesh. At present almost 150 people are employed in Creation's two production units, many of them underprivileged women. Another 100 are expected join this work force by the end of 2006. Women working in the cluster now earn up to Tk 4,500 a month, depending on their skill level.

Besides creating job opportunities, Creation's production techniques protect the environment by using industrial and natural waste products, further reduce poverty by using traditional, labor intensive technologies, and take advantage of indigenous resources, including jute and plant-based dyes.

The bottom tier of the cluster is the primary raw material production unit in the remote village of Shirajgonj, where 50 women are being trained on the craft of handmade paper. Part of the paper they produce goes directly to the export market through Creation. The rest goes to Tongi, the middle tier of the cluster, where 30 women are being trained to craft a variety of products, including holiday cards, notebooks, picture frames, gift wrap, photo albums, and writing paper.

To consolidate the whole linkage, Creation was assisted in participating in major international trade fairs, such as the Birmingham Gift Fair, and provides expertise in the development of the firm's promotional brochures and digital catalogue.

After this intervention and assistance, Creation Private Limited exported US\$ 200,000 worth of handmade paper and paper products, while local sales amounted to almost US\$ 80,000 during Jan-Oct 2007.

**Activity 4.12.3:** Facilitate sale of final products to a lead buyer in Dhaka and Chittagong. Ideally, lead buyers will finance training and provide design specifications based on domestic and export orders.

**Activity 4.12.4:** Ensure backward linkage support and embedded service for the cluster members.

**Tentative budget:** Primarily the budgeted cost per unit is estimated \$10,000 for the 25 HH per unit. (Subject to the size and product line item actual cost may be varied)

### **4.13 Rearing of Bengal Goat**

Black Bengal Goats are a breed of goat native to the Meherpur area. These goats are renowned for their large size (up to 20-30 kg) and the quality of their meat. The JOBS team observed a number of small commercial goat farms in Meherpur. Following discussion with the District Livestock Officer, the JOBS team found that small scale commercial rearing of these Black Bengal Goats is an intervention that can be successfully carried out in a relatively short period of time, which will create sustainable income sources for marginal farmers and households. The goats can be sold to private sector partners with whom JOBS has established long-term ongoing relationships, such as Bengal Meats or Meena Bazaar. This intervention can be started and can show results immediately, while longer term interventions are being set up. Participants will benefit from the diversification of their livelihoods and through diversification of their diet through increased consumption of meat.

The specific activities and budget involved with implementing the puffed rice cake project are detailed below.

**Activity 4.13.1:** Participating households will be organized into small clusters of households and trained them about the rearing process.

**Activity 4.3.2:** Create the linkages with the reliable sources of inputs and initial capital can be provided as seed money through a subsidized no-cost loan

**Activity 4.3.3:** Establish backward and forward linkages between DFO, suppliers and customers.

**Tentative budget:** Cost per unit \$100 for the 1 HH per unit

### **4.14 Recommended Trainings**

JOBS has developed a Basic Business Management (BBM) and Entrepreneurial Development and Business Management (EDBM) training modules in order to prepare entrepreneurs and business people with the tools necessary to be successful. These training modules will be used to prepare the members of any clusters formed as part of activities recommended under Section 4. The producers group would also benefit from EDBM training, especially as they take on more responsibility for marketing their produce and surplus production.

Additionally, after consulting with Save the Children field staff, JOBS became aware of the high level of indebtedness to microfinance institutions among the households. While in many cases microfinance is a boon to poor households when used for investment, many of these households used micro credit to finance consumption. By financing consumption rather than investment, many households are massively in debt and are unable to pay back their loans. In fact many households are unable to calculate exactly how much money they owe. In order to help these households escape from this debt trap, JOBS proposes adapting its BBM and EDBM modules. These altered modules could be delivered to poor indebted households, teaching them how to identify reputable local sources of micro credit, calculate interest, and develop payment plans.

## 4.15 Markets

JOBS has identified 4 different potential markets for the intervention:

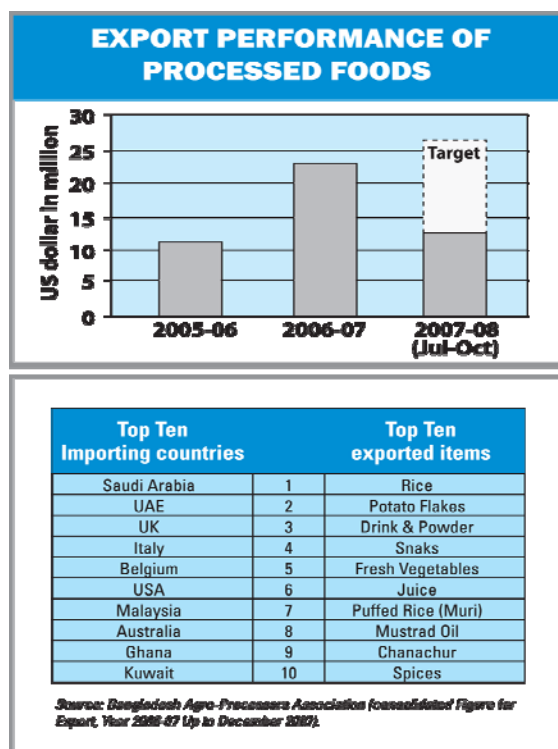
1. Self-consumption within the household
2. Local market, including regional markets
3. National market
4. International market

The first market, consumption within the household, is the primary market for most products. Targeting this market allows the household to increase its nutritional intake through dietary diversification and through the increased shelf-life of processed foods. Local and regional markets are the second potential market. Focusing on sales in local and regional markets allows producers to learn as they go, making improvements to the production processes and quality of the products as well as slowly increasing the quantity of product produced.

Once the quantity of product produced reaches a certain level, and the processes and quality of the product are sufficient, JOBS can link the producer clusters with the third market identified – the national market.

JOBS has established relationships with large national buyers including Pran and most of the main supermarket chains. Linking to the national market increases the earning potential of the producers and allows for producers to continue improving the quantity and quality of their product. The international market demands the highest level of product quantity and quality. As can be seen in Table right, many of the products that we recommend have significant potential in the international market.

It is important to note that the market for the products is dependent on the quantity and quality of the products. This in turn is dependent on the amount of resources available. When linking producers to markets, JOBS will identify which of the 4 markets is most appropriate for the producers based on the resources and time frame available in order to ensure the sustainability of the intervention.



## 5.0 RECOMMENDATIONS SPECIFIC FOR DFID CHALLENGE FUND

Due to the unique nature of the agro-processing activities (Activities 4.1 & 4.2) recommended in section 4.1 in the context of Bangladesh, these activities are suitable for Save the Children's engagement in DFID's Challenge Fund. Through agro-processing, including the use of solar dryers, poor households benefit in 4 ways. 1) These households will be able preserve food longer

for their own consumption, which will be especially helpful to minimize their loss during harvesting period. 2) Poor farmers will add value to the food they produce, and by developing an alternative market poor households will no longer be forced to sell their products to selling to middle-men or in the local markets. This alternative is especially helpful when the market is glutted and prices are at their nadir. 3) Poor individuals, especially women, can be employed at small agro-processing units an additional source of income. 4) Members of the cluster will also be able to share in the profits from the sales of processed food based on the inputs provided by the members as well as their shares in the processing unit.

## **6.0 CONCLUSION**

Economic insecurity is a major cause of food insecurity, which means that fighting food insecurity, the goal of the sponsorship project, depends also on fighting economic insecurity. Economic insecurity is high in Meherpur, as is shown by the relatively large number of people facing income or production shortages, and the small amount of excess capital available to poor households.

During the course of this assessment JOBS identified 13 separate activities which can be implemented to fight economic insecurity in the region through the formation of clusters. While all of these activities are possible to implement, JOBS does not recommend implementing all the activities concurrently. Instead the activities presented in this report represent a menu of possible interventions should be concurrently; instead the activities in this report represent a menu of potential interventions which build upon earlier interventions in accordance with a long-term plan to improve livelihood security in Meherpur. Based on the resources and time frame available, JOBS recommends that Save the Children choose one or two interventions to implement initially. Other initiatives can be phased in over time, and JOBS will continue to search for alternative opportunities in the region which will benefit Save the Children's beneficiaries. It is important that the specific activities chosen to be implemented be tailored for the local conditions on the ground.

Due to the unique nature of the agro-processing initiatives, these initiatives are suitable for the DFID Challenge Fund. These opportunities will link with and build upon other initiatives including the nurseries and plantations making all of the initiatives more sustainable.

For each product, JOBS will work to link producers to the appropriate market. It is important to note that the appropriate market for the products is dependent on the quantity and quality of the products as well as the amount of available resources. When linking producers to markets, JOBS will identify which of the 4 markets, household consumption, the local and regional market, the national market, or the international market is most appropriate for the producers in order to ensure the sustainability of the intervention.

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## Appendix 1: Committed to People's Right To Know

*The Daily Star Article*

### **Committed to PEOPLE'S RIGHT TO KNOW**

Published On: 2008-01-13

Processed food export up on high demand from expats

Sohel Parvez



**Processed foods are on display at a shop in the capital. The export of processed foods has risen sharply in recent years boosted by Bangladeshis living abroad and new markets in Africa. Photo: STAR**

The export of processed foods has risen sharply in recent years as Bangladeshis abroad try to satisfy their craving for a taste of their homeland by stocking up on pickles, spices and snacks imported from Bangladesh.

While traditional exports such as rice and potato flakes remain the country's largest food exports, drinks and snacks now exceed fresh vegetables as foreign currency earners, according to figures from the Bangladesh Agro-Processors Association.

"A large number of expatriate Bangladeshis want to have the taste of deshi food. And the demand for food items such as chanachur, puffed rice, aromatic rice, mustard oil, fried pulses and pickles are on the rise," said Khurshid Ahmad Farhad, manager (export) of Square Consumer Products.

Bangladeshi foods are being sold from Australia to the USA, although Saudi Arabia and the Gulf states, with their hundreds of thousands of immigrant workers, are the largest markets.

Almost \$2.9 million worth of food was exported to Saudi Arabia alone in the fiscal year 2006-07.

In total export earnings in the sector grew about 119 percent to \$ 22.94 million in FY 2006-07 and rose 64 percent to \$12.39 million in the first four months of the current fiscal year.

Cash incentive facilities offered by the government are also behind the sharp export growth of processed food products, according to Farhad.

Agricultural Marketing Company Limited (Pran), Eurasia Food Processing (BD), BD Foods and Arku are the leading exporters along with the Square Consumer Products.

It is not just non-resident Bangladeshis that are driving the growth. New markets are emerging in Africa, industry sources said. For example Ghana imported almost US\$400,000 dollars worth of juice last fiscal year.

Kamruzzaman Kamal, PRAN's executive director for marketing said the successes in Africa were due to the improvements in product quality and the competitive price of Bangladeshi goods.

“We are trying to expand our coverage throughout the world,” he said, adding that the company has around 30 officials in different countries helping importers promote the company's products.

There are some areas where exports can be easily increased, industry leaders said. Square's Farhad pointed to Bangladeshi restaurants in the UK as a sector where sales could be boosted. Around 11,000 restaurants in the UK are operated by Bangladeshis, according to media reports.

However there are hurdles. Farhad said the lack of international standard quality and testing facilities for food products made things difficult.

“This is of paramount importance for boosting exports of food products throughout the world. It should be remedied as urgently as possible,” he said.

The agro processors' figures show that processed foods are now being exported to about 70 countries and they reveal some oddities. The UK is the largest buyer of Bangladeshi biscuits, and spent more than \$1m on the country's snacks, while Ethiopia is the second largest importer of Bangladeshi candy. Italy was by far the largest buyer of Bangladeshi rice, importing \$1.6 million worth in FY 2006-07.

## Appendix 2: Questionnaire of the field survey

### Needs Assessment – Meherpur District

#### Key Informant Interview (KII)

##### A. Identification:

|   |
|---|
| <b>Questionnaire No</b> : ME _____  |
| <b>Type</b> ( <i>Please Circle</i> ) : 1. Cultivation      2. Processing      3. Others |
| <b>Date of Interview</b> : MM____DD____ 2007 <b>Interviewer</b> : _____                 |

**Name of respondent** : \_\_\_\_\_      **Cluster** : \_\_\_\_\_

**Sex** :  Male       Female      **Age** : \_\_\_\_\_

**Level of education** : \_\_\_\_\_      **Cell number** : \_\_\_\_\_

**District** : Meherpur

**Upazilla** : \_\_\_\_\_      **Union**: \_\_\_\_\_      **village**: \_\_\_\_\_

##### B. Sectors

**What current activities are members of your household involved in?**

###### **1. Cultivation:** (*Please Circle*)

1.1 Vegetable Production      1.2 Spice Production      1.3 Nursery and plant production

1.4 Seed Production      1.5 Fruit Production (Mango, Banana etc.)

1.6 Road side plantation (Mango or Timber trees)

1.7 Turmeric and Ginger cultivation in mango plantation      1.8 Others \_\_\_\_\_

###### **Processing:** (*Please Circle*)

2.1 Vegetables & spice processing      2.2 Seed processing      2.3 Fruit processing

2.4 Technical Support for fruit and vegetable diseases

###### **Others:** (*Please Circle*)

3.1 Rearing of Black Bengal Goat / Ox fattening

3.2 Seed storage      3.3 Fruit Marketing      3.4 Vegetable Marketing

3.4 Fruit Marketing      3.5 Spice Marketing      3.6 Others \_\_\_\_\_

## C. Activity Identification

### 1. Current Activities:

| SL  | Particulars      | Name of the Business |
|-----|------------------|----------------------|
| 1.1 | Cultivation      |                      |
| 1.2 | Processing       |                      |
| 1.3 | Farming          |                      |
| 1.4 | Cottage industry |                      |
| 1.5 | Storage          |                      |
| 1.6 | Marketing        |                      |
| 1.7 | Day Labor        |                      |
| 1.8 | Others           |                      |

2. How many members are in your household? \_\_\_\_\_

3. How are they related to you? \_\_\_\_\_

4. How many members are generating income? \_\_\_\_\_

5. Who earns the largest share of the HH income? \_\_\_\_\_

6. What livelihood activities are girl members of the household participating in?

6.1 Girls aged 12-14

\_\_\_\_\_

6.2 Girls aged 14-16

\_\_\_\_\_

6.6 Girls aged above 16

\_\_\_\_\_

7. At what age do girls in this village typically get married? \_\_\_\_\_

## D. Consumption and Income

### 1. Estimated cost of living (at market price)

| SL  | Particulars                               | Monthly Cost Value (TK.) | Yearly Cost Value (TK.) |
|-----|---|--------------------------|-------------------------|
| 1.1 | Food                                      |                          |                         |
| 1.2 | House repair and maintenances cost        |                          |                         |
| 1.3 | Cloth                                     |                          |                         |
| 1.4 | Children education Expenses               |                          |                         |
| 1.5 | Medical & Medicine Expenses               |                          |                         |
| 1.6 | Fuel Expenses                             |                          |                         |
| 1.7 | Festival and guest entertainment Expenses |                          |                         |
| 1.8 | <b>Other</b>                              |                          |                         |
|     | Total                                     |                          |                         |

### 2. Estimated Household Income

| SL  | Source of HH Income           | Monthly Income | Yearly Income |
|-----|-------------------------------|----------------|---------------|
| 2.1 | Prospective Client Activities |                |               |
| 2.2 | Other HH Members              |                |               |
|     | Total HH Income               |                |               |

### 3. Client contribution to the total expenditure (For interviewer to calculate)

| Total Cost of Living | Cost of living supported by the client income (%) | Additional income that needed to fulfill remaining demand from alternative source (%) |
|----------------------|---|---|
|                      |   |   |

## E. Surplus, Sales and Storage

### 1. What do you produce in the field?

(See FFQ list from Chen 2004)

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### 2. Do you capable to fulfill your demand by your production or is there any deficit between your production and demand?

2.1 Yes

2.2 No

**3 If deficit, how you recover that?**

- 3.1 Borrowing loan from Bank
- 3.2 Borrowing loan from NGO
- 3.3 Borrowing loan from family members or relatives
- 3.4 Borrowing money from lenders in interest high rate

**4. Of your production what (%) do you consume, sale and store?  
(See FFQ list from Chen 2004)**

Consumption and surplus

| <b>% of Current consumption</b> | <b>% of present sale</b> | <b>% of safety stock for future needs (consumption or sale)</b> | <b>% of storage for seeds</b> |
|---------------------------------|--------------------------|---|-------------------------------|
|                                 |                          |   |                               |

**5. what crops do you have a surplus of?  
(See FFQ list from Chen 2003)**

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**6 What do you do with the surplus?**

- 6.1 Sale for fulfillment of financing needs
- 6.2 Safety stock for future HH needs
- 6.3 Storage for seeds
- 6.4 Others, specify \_\_\_\_\_

**7. How much do you earn by sell your surplus production?**

Value Tk. \_\_\_\_\_

**8. What is your suggestion to improve your production?**

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**E. Product Sales and Market Linkage**

**1. Who are the consumers/purchasers of your produce?**

- 1.1 Villager
- 1.2 Local market wholesalers
- 1.3 Local market retailers
- 1.4 Input suppliers \_\_\_\_\_
- 1.5 Other, Please specify \_\_\_\_\_

**2. What are the earning potentials of the following selling points?**

| SL  | Selling point                        | Earning Categories |        |         |
|-----|--------------------------------------|--------------------|--------|---------|
|     |                                      | Minimum            | Medium | Maximum |
| 2.1 | Open Market (Local)                  |                    |        |         |
| 2.2 | Input Suppliers                      |                    |        |         |
| 2.2 | Both (Open Market & Input suppliers) |                    |        |         |

**3. Is there a market linkage agent assisting from any NGO or any source in marketing your produce?**

3.1 Yes

3.2 No

**4. If 3 = Yes, what services do you receive from the market linkage agent? Please specify.**

a) \_\_\_\_\_  
\_\_\_\_\_

**5. If 3 = Yes, is the market linkage agent effective?**

3.4.1 Yes

3.4.2 No

**6. What are the constraints you face to market your produce?**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### F. Skill Development Initiatives

**1. Did you receive any technical/other training from any local or international NGO or Govt. in the last 3 years?**

1.1 Yes

1.2 No

**If yes, please mention.**

a) \_\_\_\_\_  
Where \_\_\_\_\_  
b) \_\_\_\_\_  
Where \_\_\_\_\_

**2. Would you benefit from any technical/other training?**

2.1 Yes

2.2 No

**3. If 2 = Yes, What type of training would you be interested in?**

a) \_\_\_\_\_  
\_\_\_\_\_

## H. Future Needs

**1. What do you consider your most important problem in your current activities?**

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**2. Which areas do you need assistance to improve the earning potential of your current activities?**

| Sl  | Particulars                                     | Please explain (How) |
|-----|---|----------------------|
| 2.1 | Assistance in new crop/livestock identification |                      |
| 2.2 | Technical assistance                            |                      |
| 2.3 | Proper marketing and sales                      |                      |
| 2.4 | Market linkage<br>Local/District)               |                      |
| 2.5 | Finance   |                      |
| 2.6 | Others  |                      |

**3. Other than your current activities, what activities would are you interested in pursuing?**

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**4. What kind of raw materials are available in the area?**

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**5. What are non-traditional activities or opportunities available?**

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**6. What kind of activities can you suggest for the adolescents to support their family?**

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## **I. Observations**

**Observation of the respondent (attitudes towards prospective sectors/activities)**

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