



The Sustainability of CLP-1 Livestock Services Providers on the Chars

Background

The first phase of the Chars Livelihoods Programme (CLP-1) worked to eliminate extreme poverty on the island *chars* of North West Bangladesh. CLP-1 ended in March 2010 and the withdrawal of support provides the opportunity to see how activities are progressing without support from CLP, the findings of which could influence programme design of CLP-2. The study outlined in this brief examined the sustainability of CLP trained Livestock Service Providers (LSPs) in CLP-1 working areas.

CLP-1 trained 387 LSPs to maintain the health of the core and non-core participants' cattle and strengthen livestock productivity on the *chars*. The LSP initiative aimed to encourage micro-entrepreneurship to support sustainable livelihoods of the LSPs and develop small business skills to facilitate movement out of poverty.

Methodology

The study examines LSPs' performance, it attempts to gain a better understanding of their market environment, gauge the level of existing competition and identify the constraints that LSPs face, as well as their future aspirations. This will inform and assist the CLP Market Development team to plan LSP activities under CLP-2. In December 2010, 62 of the active LSPs were still receiving support from CLP and were therefore excluded from the survey¹. 252 LSPs were not receiving support from CLP at the time of the survey and were therefore eligible for this survey. A representative sample of 108 LSPs was drawn. Among the total population of LSPs no longer receiving support, the 35 LSPs who were selected to house a CLP solar or AC fridge as part of the LSP project were identified from the 252 LSPs and a representative sample of 12 were included in the survey. Several case studies were recorded to supplement the quantitative findings with more qualitative information.

Who are the practicing LSPs?

All of the LSPs sampled that were still working as LSPs at the end of CLP-1 are still practicing and 96.1% of LSPs are earning over Tk 3,000 profit per month. However, 93.2% of the LSPs surveyed supplement this income with another source of income, mainly from sharecropping their own land. Only 38.8% of LSPs reported that livestock services provision was their primary source of income prior to receiving the LSP training from CLP. LSPs with previous experience in livestock services provision visited on average more households/ clients than those LSPs who did not have previous experience in this work.

¹ 73 LSPs were not active at the end of CLP-1 and were interviewed in a small secondary survey to supplement the findings of the main survey.

Key Findings:

- All of the LSPs sampled that were still working as LSPs at the end of CLP-1 are still practicing, the mean monthly profit is Tk 8806 and 96.1% are earning over Tk 3,000 profit per month;
- Most of the LSPs visit between 101-300 households per month and 75.3% of LSPs' clients are from non CPHHs, therefore LSPs are not dependent upon clients who have received cattle from CLP;
- LSPs who earned the largest profit were those who maintained contact with CLP's District Livestock Services Officers (DLSOs), have their own shop (58.3%), had previous experience as a LSP, hosted a fridge and maintained financial bookkeeping (15.5%);
- The most profitable and most requested services reported were primary treatment, de-worming of cows and livestock vaccinations;
- 72.8% of LSPs have access to a fridge, which is vital to maintain the vaccine-cool-chain.

What services are LSPs providing?

Approximately 75.3% of households served by LSPs are non-core participant households, indicating that LSPs are not dependent upon clients who have benefited from CLP's asset transfer project (ATP). The mean number of households visited by LSPs is 309.7 per month. The most requested service is primary treatment, followed by de-worming and livestock vaccinations. The least requested services are fodder sale, commercial livestock feed sale, poultry vaccinations, cattle-fattening and artificial insemination (AI).



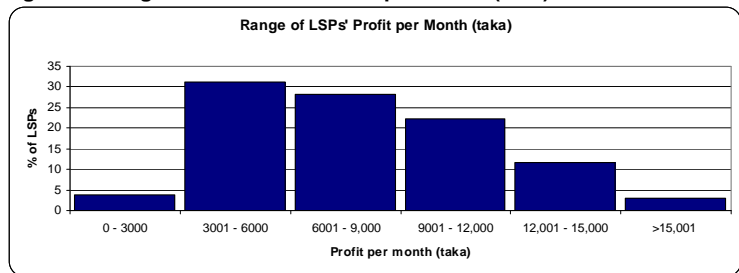
A LSP in Kurigram prepares a vaccine

What are LSPs earning?

The mean profit of LSPs per month is Tk 8,806 and the most common mean profit brackets are Tk 3,001-6,000 and Tk 6001-9000 (as shown in figure 1). The results revealed that LSPs who earned the largest profit were those who reportedly continue to maintain relations with District Livestock Services Officers (DLSOs), had previous experience in livestock services provision, have their own shop, host a fridge and practice bookkeeping. Surprisingly there was no statistically significant difference between the profits of LSPs who are in an association and those who are not.



Figure 1: Range of LSPs' Mean Profit per Month (taka)



Associations

Whilst LSPs who belong to an association (89.3%) earn marginally more profit than those who do not, the difference was not statistically significant. These findings should not rule out the potential benefits of strong collective capacity, coordination and information sharing through associations of LSPs.

Publicity

Publicising LSP activities is likely to increase the demand for services and contribute to the sustainability of the occupation. The most popular form of awareness raising regarding LSPs' services was through distribution of the LSPs' mobile phone numbers (91.3%). LSPs reported *char* dwellers to be more aware of the necessity to take care of their livestock compared with the period before the CLP LSPs began to work on the *chars*.

Maintaining the vaccine-cool-chain

A vital component of the LSPs' work is to vaccinate livestock, however this requires the ability to store and transport the vaccines in a cold environment. 72.8% of LSPs reported that they have access to a fridge, of these only 52.0% had access to a fridge provided by the CLP.

Relations with District Livestock Services Officers

The findings revealed that LSPs who maintained relations with CLP's DLSOs (72.8%) earn the highest profit. Contact was mainly to seek advice on treatment. Improving LSPs' linkages with government livestock services such as Upazila Livestock Officers (ULOs) could provide a long-term support mechanism to enhance the sustainability of LSPs.

Assets

Investment in productive assets may contribute to the self-sustaining approach². Encouragingly the survey found that 35% of LSPs rented a shop after they began working as CLP LSPs, 40% invested in land, 33% purchased bicycles and 22.3% purchased motorcycles. The LSP project also supported asset building in the less tangible form of social capital; LSPs reported to have a higher social status within the community than before and are relatively more influential, engaging in local decision making³. More respect among the community will potentially increase the likelihood that LSPs will maintain their livelihood security and clientele.

² Investment in productive assets such as those listed help enable LSP businesses to continue to operate without external assistance, thereby reducing dependency and enabling self-sustenance.

³ There are no baseline data available to report against.

Market competition

Over one third of CLP LSPs (34.5%) work in partnership with non-CLP LSPs and only 18.4% of LSPs reported that no other LSPs operate in the same area as them. This indicates the existence of a supply of LSPs beyond those trained by CLP. More qualitative discussions pertain to the gradual change in the market environment for livestock over the past 4-5 years, which has brought a growing demand for livestock services.

Constraints and challenges

The main challenges that LSPs reportedly face are communication with other livestock physicians, the ability to provide the appropriate treatment and the correct identification of diseases and health problems. Some LSPs reported that they have stopped buying vaccines from government outlets because they refuse to pay the demanded price for vaccines, which are above the official sale price. Additionally the sandy terrain and annual flooding present mobility problems for LSPs on the *chars*.

The future of livestock services on the *chars*

In CLP-2, a further 307 LSPs will be trained and additional poultry vaccinators will be introduced to the programme's new working areas. In contrast to CLP-1, which selected all male LSPs, CLP-2 will include female LSPs. By putting women in a position of responsibility with high social capital attached encourages more equal gender relations and could contribute to making a sustainable impact on the extreme poor⁴.



A LSP in Gaibandha with his CLP cool box

Conclusion and recommendations

Overall the results show that the LSPs have been successful and are running sustainable businesses on the *chars*; the mean profit of those still practicing is Tk 8806 per month. Quantitative and qualitative data reveal that there is a large and growing demand for livestock services, as more *char* dwellers are aware of the importance of livestock rearing and the cattle population is increasing with NGOs' investment in cattle and lower cattle mortality. Among the recommendations CLP could:

- Provide refresher training to overcome dissatisfaction with the extent of training and to better equip LSPs;
- Deliver business-centered training to encourage bookkeeping, enhance communication with suppliers, government livestock offices and between LSPs;
- Provide more subsidised solar and AC fridges to ensure that all LSPs have access to a fridge;
- Improve LSP selection to reduce early drop out rates;
- Conduct research on non-core and CPHHs' satisfaction and willingness to pay for LSP services.

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⁴ Other key revisions include CLP's direct recruitment of Livestock Services Officers to increase transparency, the quality of vaccines and drugs supplied by LSPs will be explicitly monitored by implementing organisations' Livestock Officers.