

Research, Network and Support Facility (RNSF)

“Support to enhance livelihoods per people dependent on informal economy
and improve social inclusion of marginalised and vulnerable persons”

Good Practices and Lessons Learned

RESEARCH QUESTION	3 - Direct actions in communities
SUB-TOPICS (Research matrix)	<u>Improving coordination and collaboration between organisations to develop informal economy enterprises (3.4; 4.1)</u>
REGION - COUNTRY OF IMPLEMENTATION	CentralAsia - Mongolia
RESUME OF GOOD PRACTICES	By contributing to the strengthening of agricultural livestock and horticulture sectors in Arkhangai, the project gave to herders' organizations the means to increase their incomes and encouraged job opportunities in rural areas
PROJECT NAME	<i>Building the Productive, Organizational and Commercial Capacities of the Agricultural Sector in ArkhangaiAimag</i>
YEAR	2012 -2015
FUNDING AGENCY	European Commission
IMPLEMENTING AGENCY	Vétérinaires sans Frontières - Centre International de Coopération pour le Développement Agricole
KEY TARGET GROUPS	Livestock producing households, cooperative, association, network 25 Grass-root groups of livestock producers (GGLP), a cooperative and its members, provincial animal health network, 45 vulnerable sedentary households in small rural centres, provincial federation of herders
SUMMARY OF THE ACTION	<p>The overall objective of the project is to promote an inclusive and empowered rural society facilitating the participation of the local Non-State Actors in poverty reduction and sustainable development strategies in Arkhangai. The specific objectives are (i) to contribute to income generation and the creation of employment opportunities in agriculture, including both animal and horticultural sectors in rural areas, thus limiting rural exodus, and (ii) to build capacity of human resources in the agricultural sector in rural areas.</p> <p>The project was focused on supporting enabling environment in horticulture in general, not explicitly for the informal economy enterprises. However, given that the target group included grass-root groups of livestock producers and 45 vulnerable sedentary households in small rural centres, it is clear that a substantial part of the direct beneficiaries of the project was involved in the informal economy. The main tools and activities included training, provision of advisory services, and support to market access and association building among the horticultural businesses. Support was provided to livestock producers mainly in the field of grazing, veterinary hygiene and medical issues (diagnostics of animal diseases), as well as environmental issues (preservation of pastures). The project was based on value chain approach in the</p>

	field of livestock production, processing and trade. The main focus was on rural areas.
GOOD PRACTICES	<p>As stated in the project Final Report, since the end of the collectivist system 20 years ago, nomadic livestock producers were developing new links with the modern economy and looking for solutions to generate more income, in order to ensure the sustainability of their activity. To achieve this goal, livestock producers' strategy has been focused on increasing their herd size, while seeking to specialize in breeding goats for cashmere. This overall strategy now generates serious issues related to natural resources management. The Mongolian rural sector is also characterized by a lack of employment opportunities and poor diversification skills, especially for sedentary people and rural populations.</p> <p>The final narrative report stated that the project accomplished a real step forward for targeted herders and gave them the means for a better empowerment and an increase of their income. Regarding the project sustainability, the future of the Federation of Arkhangai Herders is not certain as the activities performed by this entity can only be funded with difficulty in Mongolia and the organization is still very dependent from the implementing organisation (Veterinaires Sans Frontiers). Whilst the cooperative ArArvirhinDelgerekh is still dependent from the project, the strategy implemented and the efforts made during the project period gave this organization the possibility to survive by itself within the next following years.</p> <p>By contributing to the strengthening of agricultural livestock and horticulture sectors in Arkhangai, the project gave to herders' organizations the means to increase their incomes and encouraged job opportunities in rural areas. More specifically, although the project did not succeed in setting-up a reliable meat value chain for cooperative members supported by the project, the yak down value chain, which started one year before the project, has improved a lot during the last three years. By diversifying their production and promoting their product at an international level the established cooperative is now on the right track to financial autonomy.</p>
LESSONS LEARNED	<p>Generally after 40 months working on the project, the AVSF learned 3 important things to be taken into account for its next projects:</p> <p>The area of implementation shall be smaller as it is too difficult for the field team to travel in Mongolia due to weather or natural conditions.</p> <p>The local government shall be more involved at the beginning and before the project. Many Soum Governors didn't want to be involved in the project because they were lacking information at the beginning of the project. This may have an impact for the diffusion of the activities at the end of the project. Consequently, local authorities shall be involved before the project for activities like brucellosis in order to be more supportive during the project.</p> <p>Collective natural resources management approaches, including pastureland management, need to be implemented at a larger scale to ensure real impact and coherence (e.g. a single GGLP can implement sustainable pasture management practices, but these could easily be jeopardized by a neighbouring group of families</p>

	<p>which would not have adopted the same approach, and would then compete for the same pastureland).</p> <p>On another hand, AVSF and CAAD learned a great deal on local and international textile industry during those 40 months. This experience will be capitalized without any doubt in new projects and shared with local authorities in due time. During this project, the Action also enabled a better understanding of group mobilization and linkage with the market for horticultural products, but also an involvement of schools and hospitals for a better diet spreading. This cross-cutting approach will be used and promoted in future actions and projects.</p> <p>A lesson learned was related the lack of cooperation and participation from the local and national authorities. In particular, as regards animal disease (brucellosis) control, the Federation of Arkhangai Herders worked consistently on awareness raising for the targeted population but didn't succeed in bringing the results of the project at a national level due to a lack of will from national authorities. The lack of participation of local and national authorities before and at the beginning of the project made some activities more difficult to implement and lessons have been learnt for the next project.</p> <p>Another lesson learned was related to the establishment of meat value chain. The intention of the project was to identify and support the direct value chain from the meat producers to retailers. Several surveys and workshops were organized on this topic. While herders were still interested by the meat value chain, they explained their concern regarding the availability of their animals. Most of them were not sure they would be able to provide enough animals in a regular way. It seems that they would be able to match the meat industry requirements, only if they could sell their meat at a higher price – which was not the case yet. Because the project partners never succeeded in finding a real partner to support the meat value chain, no further workshops have been organized in the framework of this project. The problem was related to the economies of scale and the limitations of production due to the small volumes. Although the first steps were successfully made towards overcoming these limitations by setting up associations/groups and boosting the cooperation among the herders, the extent was of sufficient to enable access to regular meat at a higher price – which was not the case yet. Because the project partners never succeeded in finding a real partner to support the meat value chain, no further workshops have been organized in the framework of this project. The problem was related to the economies of scale and the limitations of production due to the small volumes. Although the first steps were successfully made towards overcoming these limitations by setting up associations/groups and boosting the cooperation among the herders, the extent was of sufficient to enable access to regular meat industry value chain.</p>
<p>CONCLUSIONS AND RECOMMENDATIONS</p>	<p>The project used approaches that are suitable for supporting the people whose livelihoods depend on the informal economy. For example, the project attempted to overcome the isolation and lock-in effects by assisting producers in organizing</p>

	<p>themselves in groups and establishing linkages with local markets. In particular, each horticultural unit supported by the project was run by members from several households. The organisation into groups allowed for joining forces when purchasing the inputs, to pool yields, labour and other resources, to market the production, to share the costs for market access and marketing (transport, private shop rent, participation to annual fairs, etc.) .</p> <p>The project also supported the establishment of market linkages to the local markets based on the short supply chain approach: Potential customers or retailers were identified through surveys and local advertising, and linked to the beneficiaries who established a supply mechanism with the help of the project. Technical assistance was provided to the beneficiaries in terms of packaging, pricing and promotion support.</p> <p>The project included innovative practices based on the use of Passive Solar Greenhouses in agriculture and other environment-saving approaches. Given the fragility of the Mongolian pastureland under climatic changes and the dependence of the local population on natural resources to sustain their income, the preservation of environment is of great importance. Therefore the project included activities focused on the co-management of pastures, development of horticultural production in “3 seasons” model based on the use of passive solar greenhouses, organic farming pest control, soil fertilization and efficient use of water.</p> <p>The project provided valuable leads for bottom-up approach to organisation of fragmented producers. For example, the individual herders were organised into groups that included siblings, neighbours, or individuals working already together for other activities (small animal husbandry, felt factory, etc.). It must be noted that 14 groups out of 16 were led by women. Most of the groups gathered 3 to 5 households, and in most cases, households were joining the group in couple (the wife and the husband), often with one child if the couple is relatively old. In 2015, there were 100 active members, with whom 137 people were living (of them 109 children). Those people were often former herders; some of them still kept few animals.</p> <p>Although the above-mentioned volume limitations did not allow for establishing a viable meat value chain, the project activities successfully supported the yak down value chain that existed already before the project start and in the framework of the project it became sustainable.</p>
<p>FURTHER TAGS</p>	<ul style="list-style-type: none"> ▪ Organising informal economy entrepreneurs into (trade) associations (3.4; 4.1), ▪ Informal Economy enterprise start-up guidance - training and technical support (3.2) ▪ Production management (improved production techniques) training for informal economy entrepreneurs (3.6) ▪ Supply chain management training for informal economy entrepreneurs (3.6) ▪ Linkages of informal enterprise owners with trade associations, cooperatives (1.10; 4.1)

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	<ul style="list-style-type: none"> Environmental and sustainable informal economy enterprises (green jobs, reducing impact on the environment of the IE) (2.4) Environmental protection, green jobs and the IE development, (2.4)
SOURCE(s)	RNSF Research Volume 4.3: https://europa.eu/capacity4dev/iesf/documents/rnsf-research-volume-43-gp-ii-15-ec-funded-projects
REFERENCE(s)	EuropeAid project page: https://ec.europa.eu/europeaid/projects/building-productive-organizational-and-commercial-capacities-agricultural-sector-arkhangai_en

