

Promoting Agricultural Commercialization and Enterprises (PACE) Project

Extension of Native Chicken and Market Development Value Chain Development Project



Gram Unnayan Karma (GUK) GUK Tower, Banani, Bogura

Background of GUK:

Gram Unnayan Karma (GUK) as a national level development organization has been working since last 26 years. As a poor friendly organization having its roots links with the people living in remote and hard to reach areas, around three decades, the development programs/projects of GUK including its microfinance program covered 6 lakhs households of 35 districts under 6 Divisions of Bangladesh. All functions & programs are running under the approved policies and guidelines of GUK maintaining compliance of the Development Partners and contribute to achieving the Sustainable Development Goals (SDGs). GUK has been implementing different activities like Non – Formal Primary Education, Primary Health Care and Family Planning including Eye Hospital, Green Energy, Climate Change and Resilience, Disaster Management, Social Development & Women Empowerment, Agriculture & Livestock Development and Microfinance along with Micro Enterprises deploying skilled manpower.

Vision: GUK aspires that empowered communities overcoming poverty through access to employment opportunities, income generation and education in rural areas of Bangladesh.

Mission: Gram Unnayan Karma (GUK) upholds an august mission to address poverty issues for enhancing and sustaining the lives and livelihoods of the poor & disadvantaged group of people through interventions of different socio-economic development activities towards establishing a gender balanced society. The organization strives to accomplish this by implementing integrated development projects/programs through participation of community people in bottom up planning & ensuring quality implementation of demand driven development activities.

Goal: Economic empowerment of the poor communities through integrated household development approaches.

Objective: The prime objective of GUK is to develop and enhance the existing socio-economic conditions of the targeted beneficiaries through utilization of their own resources and leveraging resources from outside along with financial and technical assistance.

Major Activities: The organization has been implementing multi sectoral diverse activities including automation based Microfinance, Agriculture, Livestock, Fisheries, Market linkage and Value Chain development, Non-Formal Primary Education, Food Security for the Ultra-Poor under Social Safety Net Program, Primary Health Care, Nutrition, Adolescent Reproductive Health Care, Family Planning, Safe Motherhood, Youth Development, Beggar Rehabilitation, Housing for the Poor, Homestead Plinths Raised in Island Chars , Improvement of Livelihoods of Elderly People, Climate Resilient Activities, Disaster Preparedness, Food & Non-Food Support during Disaster, Post Disaster Rehabilitation, Financial Inclusion and technical support for the char & island char dwellers etc. GUK has established Pro-poor Specialized Eye Hospital for prevention of needless blindness of the poor people with affordable cost and even free of cost along with outdoor service by specialist eye surgeons.

The Project: Extension of Native Chicken and Market Development. (Value Chain Development Project)

Background of Project:

The production of Native Chicken is very low in Bangladesh, though to our national production, livestock has at 15% contribution. Out of total poultry production we get 40% from backyard poultry. It could have been pace up the rate. Producers are failure to have expected production as though massive demands of native chickens are found in market of Bangladesh. Prime causes like getting fewer chicks from eggs, high mortality of chicks, disease attack, and low rate egg production and so on are responsible for this.

Local farmers don't have chickens suitable coop/house. Most of them like to keep chicken at clay made house. So many chickens are died for don't having hygienic housing. No chicken is taken under deworming though 1/2 numbers of farmers have used vaccination for chicken but they are not informed which vaccine used for what types disease in fact.

Scavenging is main feeding system of about 70 percent chickens. Some farmers provide feed at house but very few proteins are found among feed. Most of farmers don't know about the ratio of protein and its importance. As it is found fewer proteins in feed what they provide in a resulting got less weight of chicken, less hatching rate and so on.

After having chicks, chickens are moved here and there and reared chicks up to two months as because of it takes two or three months getting egg production again. Annual egg production is found fewer as because of this practice. As chickens keep chicks two or three months with her that's why get less time to come again in egg production.

The growth of native chicken is slow as because of don't having genetic potentiality. The weight of six month old chicken is about 200-250. The chicken of Bangladesh is basically caste of little size. Native chickens can be reared who have genetic potentiality to increase the weight within short period. Hilly caste of chicken is compatible to our weather and its growth is so fast. It may be 6-8 kg within quick time bound. It is needed collecting egg of hilly caste and providing to local poultry producers so that they will get chickens having genetic potentiality.

There are some local dealers who sell commercially poultry feed. If producers buy layer starter feed from them so that productivity will be increased. Moreover, the outbreak of diseases will be less if ensured vaccination and deworming following schedule and for this skill development of local service providers is needed.

Early and late winter in every year at project area about 50-100% chicken is died of New Castle. Moreover, the rate of mortality is seen up to 50-100 after getting chicken from

egg. It is possible to get 0.5 Kg weight from six month old chicken through developed rearing system but it is seen 300-400 gm at project area. If it is possible to launch high genetically capable chickens castes like Hilly, naked neck and common native and ensuring developed rearing system so that chances are still alive to get more egg and meat.

There are very few service providers for vaccination and medication of chicken contrary found local doctor for cow, goat etc. Vaccination and deworming for chicken is never been experienced by farmers and it is got after having chat with local stakeholders. Every year in winter around 50-100 percent chicken is died of New Castle. Services of livestock may be available through making local service providers.

As local farmers never provide extra feed or ready feed to chicken they suffered scarcity of protein resulting didn't get more egg and meat from them. Few people keep chicken in wooden made cage/house and rest of don't have developed housing system for chicken. As hatching pot is not experienced by all, though very few using it launched by NGOs, get less chicks from egg. Producers don't practice the early separation method as a result it takes times for a chicken giving egg again. Very few producers use cage for separation and also for protecting chicks from predators like cats, dogs, fox etc. It is possible to ensure ready feed, vaccination, deworming, housing/cage promoters, feeder and drinkers, hatching pots, equipment etc. at project area through generating service providers locally.

Selling to neighbors is an oldest practice among producers which is still remain at project area. There are some Paikers/Bepari who collect egg and chicken from producers and sell it in upazila and district market. As producers sell egg and chicken to Paikers /Bepari (informal buyers) that's why didn't get market rate and in resulting being deprived getting expected price. There's needed establishing linkage between formal and informal bazar for marketing of locally produced chicken and selling processed products to formal market through experimenting.

There is no linkage between local service providers and livestock officials. Implementation of vaccination activities in field level can be possible easily if the linkage is established. Low ranked companies medicine and feeds are sold by local vendors. No weighing machine is used for selling chicken at local market. It is possible to change the practices/scenarios through communication and advocacy with livestock office, BLRI, Haat Isarader, Paikers and related responsible.

Expansion of business according to entrepreneurs is not possible as lack of capital. Banks are not interested to provide loan as because of not having land/places for mortgage. Developing business for entrepreneurs can be easier through loan scheme of Gram Unnayan Karma.

Goal of Project:

Uplifting living standard of local community through sustainable native chicken rearing extension and market development (Through self – employment making more earnings, more profit in business, creating wage based employment and food security)



Photo: Rearing Native Chicken (Farm & Household Level)

Objectives of Project:

- a) Ensuring availabilities of Poultry equipment, machineries and services in project area through strengthening supply chain of service providers
- b) Ensuring more egg and meat through the practice of extension developed Native Chicken rearing management
- c) Establishing linkage between formal and informal market in developing the market of consumers product
- d) Developing business of Entrepreneurs through loan expansion and ensuring business friendly environment

Identified Knot in Value Chain

Access to Inputs and Services:

There are some numbers of feed sellers, medicine sellers, equipment sellers who sell low ranked companies' low quality feed to the farmers in the project area but they don't have enough native poultry friendly feed or medicine.



Photo: Feed Seller



Photo: Equipment Seller



Photo: Medicine Seller



Photo: Medicine Seller

Very Poor linkage between is found livestock office officials and local service providers. Some producers go to office for getting livestock services but it's not regular at all. Some renowned companies are interested to develop their small dealership of ready feed/medicine for promoting inputs and services. There are so many existing poultry farmers are doing business in project area, among them six numbers of poultry farmers are likely to be model farmers as they are going to fulfilled the requirements to get model farmers status.

Production of Native Poultry Producers:

Over 2 lakhs farmers are involved in producing & selling of egg and chickens in project area that don't practice developed native rearing system. They need to be trained up to rear native poultry with improved practices.



Photo: Producers Caring Chicken at Homestead



Photo: Producers Selling Chicken to Local Bepari/Paiker

Access to Market:

There are some markets found in project area but these are not structured and don't have business enable environments like poultry wastage management, shading for poultry selling, minimum rate of Khajna/Tax for selling chicken, weighing machine for selling chicken etc. Producers face difficulties in selling chicken in rainy season and get low price from consumers.



Photo: Input & Output Market Actors while selling

Accesses to Finance:

Entrepreneurs are facing problems to get loan from banks or NGOs as they are unable to fulfill the given requirement so that lacking of financial access to entrepreneurs is found in project area.

Project Budget:

| Source of Funding | Percentage | Total Expenditure |
|---------------------|----------------|-------------------|
| Grants of PKSF | 90.31% | 16,210,000 |
| Grants of GUK | 9.69% | 1,740,000 |
| Total Budget | 100.00% | 17,950,000 |

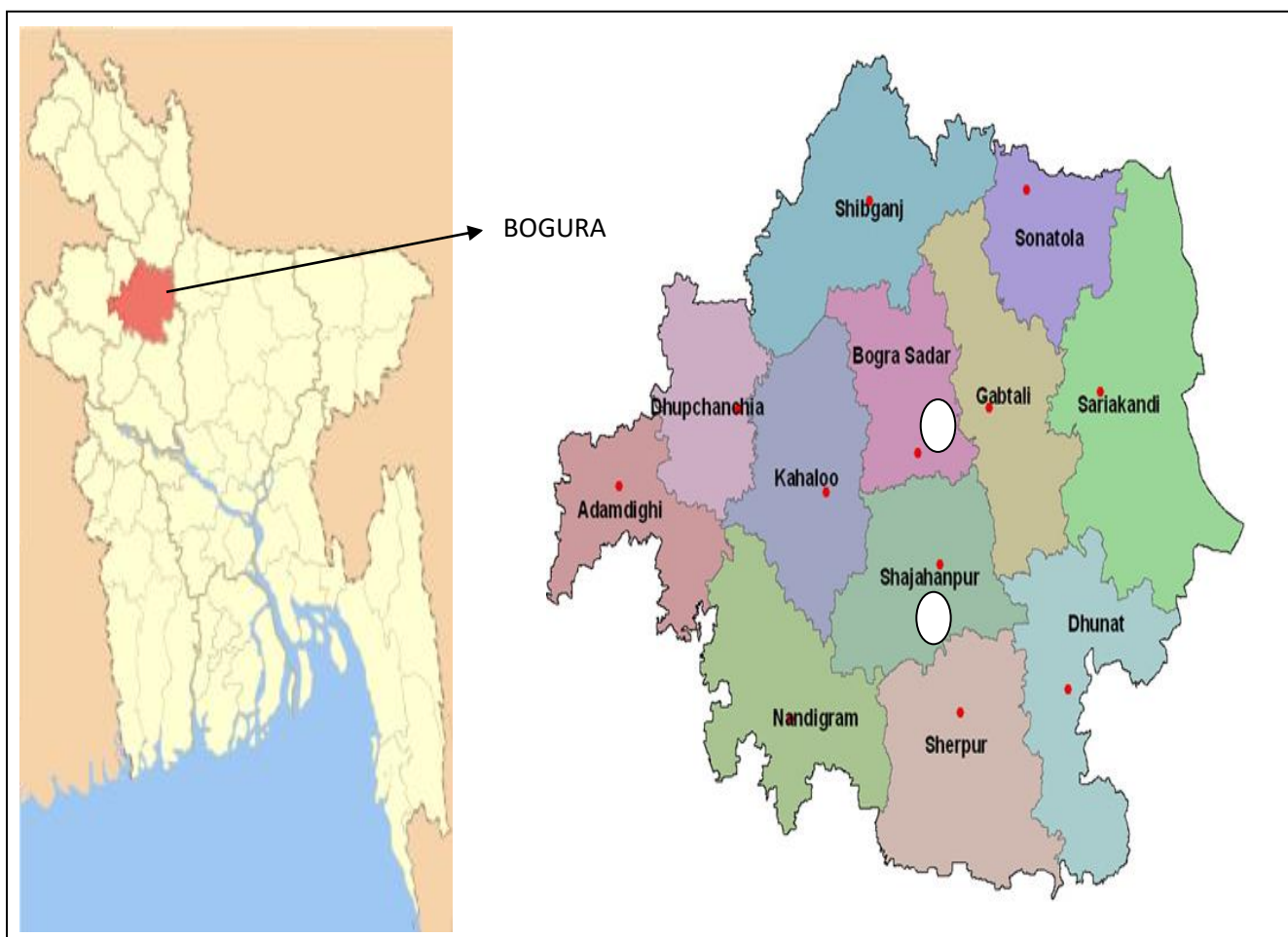
Project Duration: This is a two - year long project which has started from October 04, 2018 and tentatively it will be ended September 31, 2020.

Project Participant:

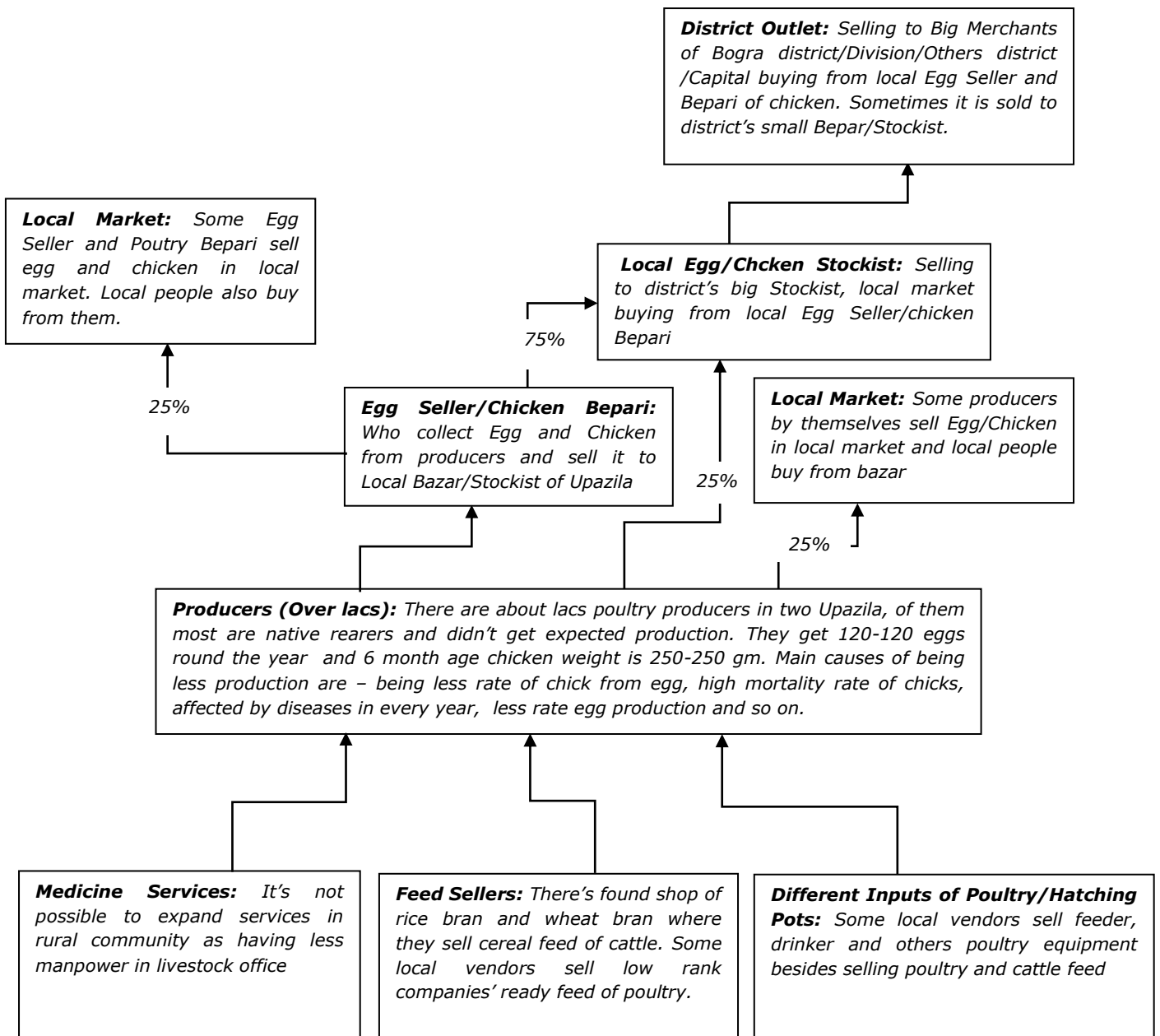
| District | Upazila | Union | Categories of Participants | Numbers |
|--------------|--------------|---------------------------|----------------------------|--------------|
| Bogura | Bogura Sadar | 1. Fapore 2. Shabgram | Native Poultry Producers | 2,000 |
| | | | Service Providers | 50 |
| Bogura | Shajahanpur | 1. Madla 2. Khottapara | Native Poultry Producers | 2,000 |
| | | | Service Providers | 50 |
| Total | | | | 4,100 |

Area Coverage:

| District | Upazila | Union |
|----------|--------------|---------------------------|
| Bogura | Bogura Sadar | 1. Fapore 2. Shabgram |
| | Shajahanpur | 1. Madla 2. Khottapara |



Value Chain Map of Native Chicken (Core Market Map):



Uplifting living standard of local community through market development of unique/distinctive native chicken (Creating self – employment, more profit in business, and food security of women)

IMPACT

OUTPUT

OUTPUT

ACTIVITIES

The income of Service providers and Producers has increased at least 50% as for happening self-employment, food security of at least 50% participant of project has been ensured

- 1. The Outbreak of diseases Native Chicken has decreased 50%
- 2. Chicken mortality rate has step- downed below 20%
- 3. Production of Meat & Egg has increased 50%

- 1. The Price of Chicken/Meat and Egg has increased 10%
- 2. Business scope of Entrepreneurs has increased at least 50%
- 3. 1% Meat and Egg of total production of project is selling experimentally in Processing and formal Market

Quality Equipment, Machineries and supply chain of services has strengthen and ensured in project area

- 1. As the capacity of service providers has achieved to Equipment, Machineries, service selling and expansion in project area that's why now they are selling at least 10 types of service. E- Platform in business, scale up and crowding in are found.
- 2. Skill of Native Chicken rearer has increase in buying standard equipment and quality service as a result at least 50% households are buying 10 types of service

Exercising the developed practice of Distinctive Native Chicken Rearing and Expansion

- 1. At least 50% households are rearing pure Native Chicken
- 2. At least 50% households are following the developed rearing practice and keeping the account of income and expenditure
- 3. At least 50% households are taking services regularly according to the planning

Linkage of producers with Formal and Informal markets has been established

- 1. Two collection point cum business school has been established, producers selling Chicken & Egg collectively
- 2. Informal market has developed, producers can sell Egg & Chicken at fair rate
- 3. E –platform has begun
- 4. One Processor is invented/found/created who selling Egg & Meat in formal market having processed

Ensured business friendly environment

- 1. Unmate – demand of equipment, service and products has been created
- 2. The problem regarding fair tax in chicken selling by weighting and others has been resolved
- 3. Loan of different organizations is expensing among entrepreneurs

Ensuring Poultry equipment, machineries and services at reachable to producers through strengthening supply chain

- 1. Training on Service Provider development
- 2. Inception workshop Execution
- 3. Linkage Workshop (Input Market) Execution
- 4. Executing Health Camp following schedule (at least 4 in a year)
- 5. Livestock week Observation, participate in Fair and National activities
- 6. Incentives of service providers (100)
- 7. Logistic Assistance to service providers
- 8. E – Platform (strengthening supply chain)
- 9. Understanding Agreement Execution (Input Market)

Expansion and development of the practice chicken rearing of Open neck, Hilly and Common Native Chicken among local community

- 1. Training on skill development of producers
- 2. Establishing Model Farmers (2 of 3 categories chicken)
- 3. Fertile Egg distribution among Farmers (1000)
- 4. Demonstration of Native Chicken rearing at house yard
- 5. Field day (10)
- 6. Arrangement of issue based Meeting
- 7. Making & distribution of training module (4000)
- 8. Linkage Coordination Meeting (Input & Output Market)
- 9. Assistance in buying Hatching Machine (02)
- 10. Demonstration on Insect

Establishing linkage with formal and informal Market for marketing of produced Egg & Meat

- 1. Linkage Workshop Execution (Output Market – Formal & Informal)
- 2. Observation/Participate in National activities, Field Day, Livestock Service Week, Fair etc.
- 3. Establishing collection point cum village business school (02)
- 4. Establishing plant of Egg & Meat Processing (1)
- 5. E – Platform (Product Marketing)
- 6. Understanding Agreement Execution (Output Market)

Identification of women friendly policy gap, policy development and creating convenient environment for business

- 1. Coordination meeting with relevant personalities and development of local business friendly policy
- 2. Establishing linkage and workshop with different financial organization and development in softening financial accessibility

Business Model:

Key Constraints to VC Growth:

Unavailability improved native poultry breed, unavailability of quality inputs & services and disorganized market system



Key constraints are addressed

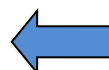
Project Facilitation Activities to address the Challenges of Market Actors

- a) Ensuring Poultry equipment, machineries and services at reachable to producers through strengthening supply chain
- b) Expansion and development of the practice chicken rearing of Open neck, Hilly and Common Native Chicken among local community
- c) Identification of women friendly policy gap, policy development and creating convenient environment for business
- d) Ensured business friendly environment



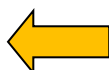
Challenges of Market Actors

- a) Availabilities of input and services along with make those functioning
- b) Skill development of farmers and local service providers
- c) Selling products to institutional buyers and linkage with forwarding markets
- d) Access to finance for business growth



Inefficiency/Market Gap

- a) Less availability of quality inputs and services
- b) Limited access to Govt. extension services
- c) Business enabling environments are absent
- d) Markets are disorganized

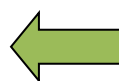


Root Causes

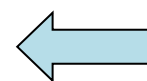
- a) Poor access to inputs (vaccination, deworming, equipment, housing, cage, feeder & drinker, hatching pot etc. and services)
- b) Farmers have poor knowledge on rearing native chicken scientifically and developed practices are absent



Root causes are addressed



Market gaps are minimized



Challenges are addressed

Project Management:

There is a technical committee consist of 5 Senior GUK Officials for providing technical support and guidelines. 8 project staff members are directly deployed in developing value chain. PKSR is providing overall guidance and backstopping support to achieve goal of the project for implementing project activities at field level.



Photo: Members of Technical Committee



Photo: Project Staffs on a training session



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