

Micro-credit, livelihood diversification and community-based resource management in Hakaluki Haor:



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Context

- The UPCD-CIDA partnership between University of Manitoba, North South University and CNRS.
- A key aspect of this project involves future NSU master's student in the NRM program doing an internship with CNRS to work in the creation of micro-green enterprise for livelihood diversification, women empowerment and sustainable resource management.
- At this stage, during my internship I sought to understand the role and inner workings of the current micro-credit program to report to UM team on the context of the project
- Focus on activities in Hakaluki haor, especially Boroleka and Juri

Brief summary

- The report is far from completed, but here are some of my findings for discussion purpose.
- These elements will contribute to two outputs:
 - A presentation to the UM team in Winnipeg preceding the delegation and CIDA workshop in Dhaka in Feb 08
 - A working paper for the UPCD project, to be built upon, focusing on the link between NRM, livelihood divers and micro-credit



Microcredit in Boroleka and Juri, Hakaluki Haor

- How does the credit program work?
- How does it tie to the mandate of CNRS?
- How does it help the beneficiaries?
- What do beneficiaries think about how the program could be improved?
- What are the implications for gender development?



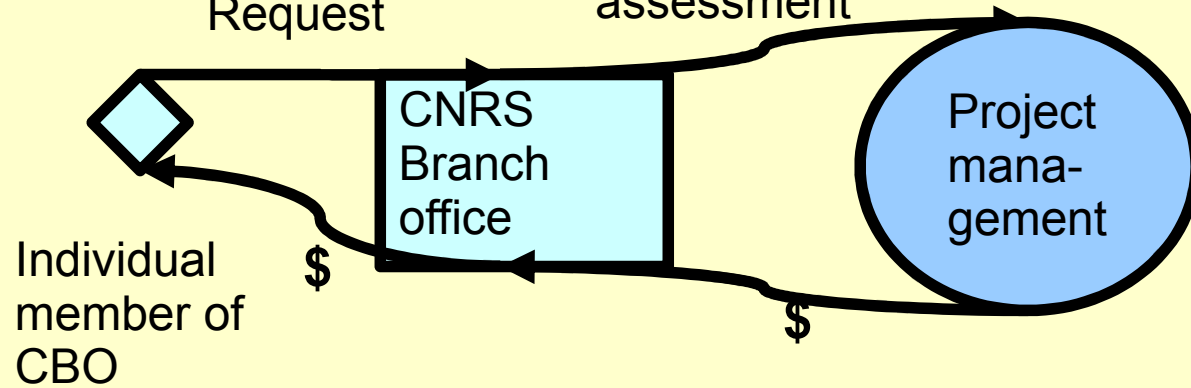
CNRS projects

- Many of these projects share important similarities:
- Financed and designed by international agencies
Implemented by the Bangladesh government
- Partnership with non-governmental organizations (NGOs) for community mobilization and facilitation
- Central role for community-based management committees composed of resource-users themselves
- Link between poverty alleviation, participation in decision-making, and sustainable resource management
- Both have strong emphasis on restoration and conservation of resources and livelihood diversification

Path 1 – Active project program (SEMP, CBFM-2)

a) Individual loan
Request

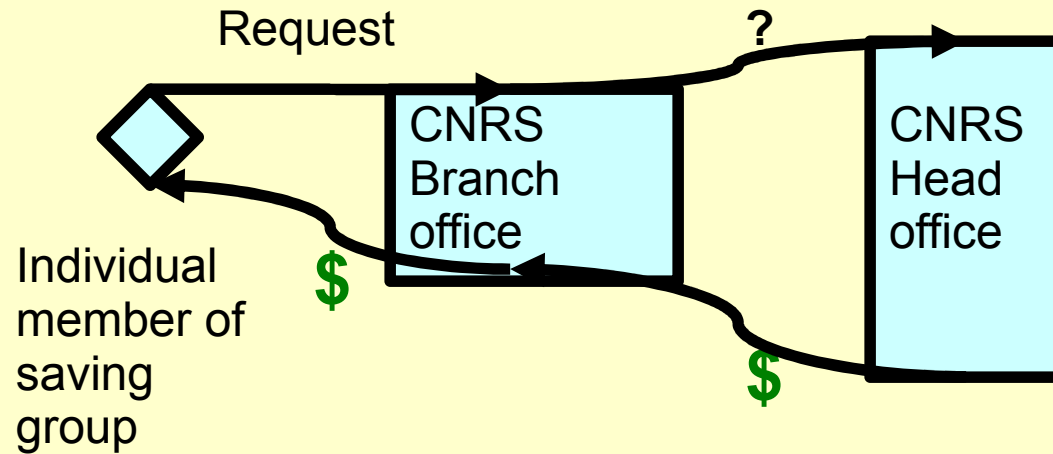
Operational
assessment



5,000 to 12,000 tk
per year. Max in first
year is 6,000tk by
member.

How does it works?

Path 1 - Traditional loan



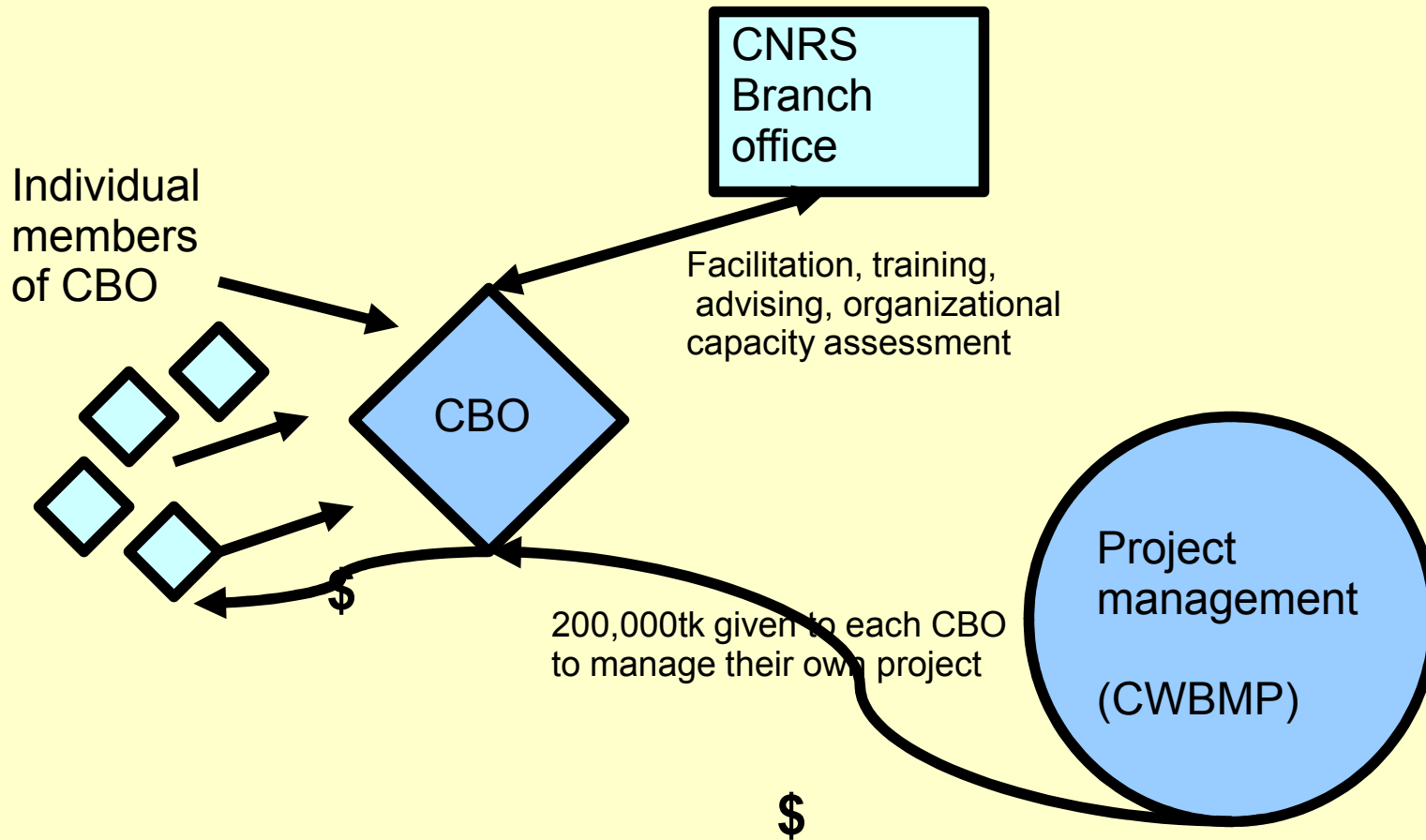
5,000 to 12,000 tk per year. Max in first year is 6,000tk by member.

Microcredit in Boroleka and Juri, Hakaluki Haor

- As SEMP and CBFM are completed, these funds are now maintained for regular loans; these are with well established groups (especially CBFM) who continue borrowing money, but no special training anymore



Path 3 – New arrangement under CWBMP



Funds transferred in December 2007, too early to evaluate

How does it works (continued)

- The program loans had some training and incentives for specific initiatives
- Regular loan is mostly as a service, and less directly tied to NRM work.
- Orientation session, interest rates, weekly installment. Duration of the loans and installment rates.



How does it works (continued)

- Group members are free to use their loan for any purpose within certain guidelines.
- Follow-up (investing in what they say they would) influences possibility of new loans.
- Staff encourage environment-friendly (and lawful) initiatives.



Ties to CNRS work

- Part of good relationship, providing service to community
- Helps with community mobilization and capacity
- A good way of reaching out to women, otherwise excluded from CBRM activities
- Income alternative generation may contribute to reduction of pressure on haor resources
- Potential source of revenue to the organization?

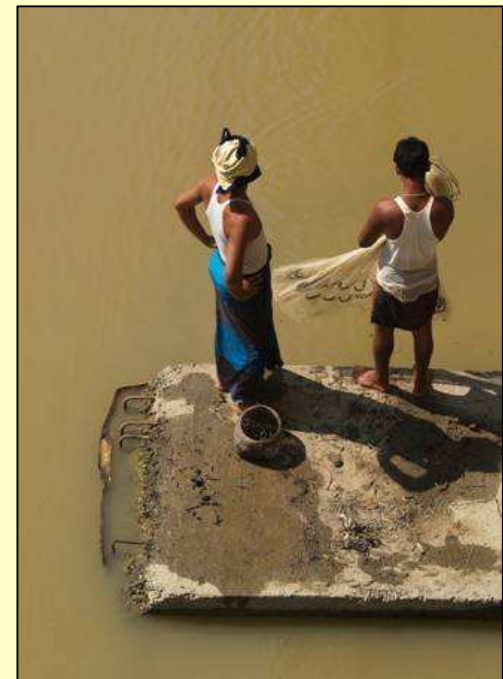


How does it help the group members?

- Some additional source of capital for livelihood enhancement
- Opportunity to diversify sources of income
- Part of the 'constellation' of opportunities and sources of livelihood with which households have to compose
- Help with organizational capacity, especially group meetings, book keeping, etc
- Meetings provide a good context for discussion, training, problem-solving

What are the loans for?

- Small loans, up to BDT 12,000 after some years of participation
- Used for various investments initiatives
- Livelihood enhancement at a very general level
- Direct link with natural resource management is not straightforward



What are the loans for?

Name	yr s	Other loans	Purpose	#	Amou nt	Install ment	Village	Family membe rs	Childr en
Hasia	2	No	Fish business	1	5000	150	Kutaura	7	5
Raya	2	No	--	1	--	--	Kutaura	5	3
Moni	4	No	Grocery	4	10000	300	Jaifarpur	7	5
Parvin	2	No	Firewood	3	8000	220	Chutalauka	4	2
Shuja	4	No	Firewood	2	10000	270	Chatal	7	5
Hasarun	1	No	Betel	2	10000	210	Kutaura	4	2
Niestira ni	1	No	Rice	1	7000	150	Pabijuri	3	2

What do beneficiaries think about how the program could be improved?

- Rather general answers
- Larger loans, especially longer groups, BDT10,000 micro-loans are not enough to truly start something new, especially with inflation
- Insurance in case of illness
- Special loans for child education
- More and better training focusing on business investment, natural resource management and also health and household economy (like CBFM)
- Long term support from experts on these issues

What implications for gender development?

- Gender development issues a critical challenge at least in this part of Hakaluki
- Meaningful participation in natural resource CBOs has not been achieved despite the imposition of quotas and other awareness campaigns (25% female participation objective only reached in some CBOs, and appears to be token participation)
- On the other hand, saving groups are composed 100% of women
- These groups provide a good opportunity for women forum and for organizing

What implications for gender development? (continued)

- The importance of woman friendly environment for these initiatives is crucial
- Gender development must be taken as a serious issue
- While this may be difficult, the importance of female staff for these activities must not be overstated
- Perhaps a resource-person on gender issues could be a welcome addition to the activities



Conclusions

- Micro-credit is not a central theme of CNRS activities (only in 13 branches out of 31)
- But it is still a relatively large-scale organization
- Thousands of participants in 3 districts, millions of takas
- Indirect link with NRM, but contributes to poverty alleviation, livelihood diversification and community mobilization
- Great potential for synergy with more focused programs
- Most important, great potential for addressing gender development issues through women forums and capacity building