Pastoralists and Stakeholders Identification

Pastoralist communities constitute large percent of rural inhabitants and should be given special consideration:

The livelihood of pastoralists is highly dependent on the cash income derived from livestock and livestock products. Alleviating constraints to marketing, improving market information and upgrading marketing infrastructures will potentially increase the welfare of producers and urban consumers and improve the national balance of payments. The more pastoralists are aware of the market demand and price, the higher will be their bargaining power that could improve their income through getting a larger share of the market margining. Market infrastructural and institutional set-ups will improve the access of producers to potential markets and raise the household income and purchasing power of producers and local traders, which in turn will create positive impacts on the local economy. On the other hand, when income of the producers increases through better access to information, market and infrastructure, they could improve production, both in terms of quantity and quality, thereby benefiting consumers.

Stakeholders

The main stakeholders are

1. National and local government who have stake in insuring sustainable management of livestock and range resource improvement;
2. Project executing agency representing the professional units who have the same objectives within their already planned actions and interventions.
3. The community beneficiaries, especially pastoralists, who continuously look to improve their livelihood through improving their land use practices and to have equitable access to national resource utilization.
4. Other communities who are not on indirect coverage with project activities expected to benefit from the umbrella shade as a result of the project activities implementation.

4.1 Credit Union Approaches

It is assumed that there would be collaboration with NGOs, and donors to reach a common understanding on the promotion of savings and credit cooperatives (credit union) in the region. It is also assumed that while cooperating with all other organizations in the area, there will be a closer relationship or partnership with a chosen local national host organization which, if possible, is already working in the region and has established a good reputation with the citizens and is trusted.

The approach is to recognize the peculiarity of the pastoralist's environment and conditions. They tend to live in small groups over a large area. Their numbers in one particular area of close proximity may not be large enough to form a viable credit union. The prospects of finding someone qualified to do basic book-keeping for the credit union in a small community of pastoralist are very small. Finding such qualified persons within a larger grouping will be much easier. The same may apply to finding members for the board of directors. Therefore it is proposed that for small pastoral settlements, a number of them be aggregated and organized in sections to form one central credit union.

Large pastoralists’ settlements can be divided into zones or sections, each zone or section grouping including as many households as are reasonably close together. This may mean putting people as far apart as three to five kilometers into one section. In some cases the distances may be smaller while in other cases they may even be wider. This is to give everyone a chance to belong to a credit union if he (or she) wants. To create a section, a minimum number of members must be set so that these sections themselves do not become too small and costly. It is suggested here that the minimum number of prospective credit
union members that should qualify for a section should be set at 30. There should equally be a maximum, and 200 are recommended.

A maximum of twelve such sections should make up one central credit union. The main office of the credit union should be located in the most central position either in the main market of the area or where the population is most dense. Each section should have its own sub-management committee of not less than five persons to coordinate the activities of the section and work with the manager when he visits the section. At least one, and at most two, of such sectional committee members should also sit on the board of directors of the central credit union. The central credit union should have a board of directors of not more than twelve. The credit union should at least employ one full-time book-keeper/manager. The book-keeper/manager should visit the sections on fixed and agreed upon days and time to transact the business of the credit union. In the very beginning, business should be done at the sections only in the presence of at least two local committee members. In addition to visiting the various sections on different days of the week, the credit union office should be opened on the major market day and possibly at the market place. In the beginning it will be preferred if such opening is done with one or two board members present. Members from all the sections are free to transact business on such market days directly. When business must be done in the presence of representatives, they must validate the transactions by signing their names or appending their special sign or mark on the original document.

Loans should be granted on the bases of small-group guarantee. Each section can organize itself into peer or family groups of about five to ten members per group. These groups should undertake to work together, to protect their individual integrity, and ensure that there is self control and discipline. The group should be able to collectively guarantee loans to members. The loan policy should take account of this system and build-in more details.