

RURAL DEVELOPMENT IN PASTORAL
AREAS, ARKHANGAY PROVINCE

A RURAL POVERTY STRATEGY FOR ARKHANGAY:
REPORT ON FIELDWORK, SUMMER 1995

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Jeremy Swift

INTRODUCTION

This report summarises the results of fieldwork conducted during the summer of 1995 under the auspices of the FAO/TCP project (TCP/MON/4553) on rural development in Arkhangay province. This project, which will run until mid-1996, is working in close collaboration with the National Poverty Alleviation Programme (NPAP) and the proposed IFAD Arkhangay Livestock Project, to better understand rural poverty in Arkhangay province, and to propose solutions.

A separate volume of annexes contains detailed reports of project fieldwork, the substance of which is summarised in this general introduction. Work is continuing on many of these questions, so the conclusions are still tentative, and the report is an interim one. But we believe the strategy we propose can provide the first step towards a comprehensive rural poverty alleviation programme for Arkhangay, and perhaps other provinces.

The work summarised here was carried out mainly by Mongolian and foreign researchers working under contract to the FAO/TCP project: B. Erdenebaatar from the Research and Training Institute for Animal Husbandry, Sh. Purevtsuren of the Mongolian Agricultural University, B. Batbuyan of the Institute of Geography and Geocryology, D. Namsrai of the Institute of Economics, J. Byambadorj, T. Baasandorj and T. Turmandakh from Mongolian Consulting Services (MCS), N. Guyer and M. Fernandez-Gimenez. Stefan Baas from FAO, and R. Gantumur, Oyunbileg, Batsesheg, Tungalag, R. Ebden and J. Beauclerk from the Centre for Social Development and Save the Children Fund provided an input into aspects of the research and training. Additional support was provided by Daghbiikhurul and

Lhagyjab of the High Mountain Research Station in Ikh Tamir, and Minzhigdorj, Jigjidsuren, Tserendash and Rinchindorj from the Research and Training Institute for Animal Husbandry. The work was coordinated by J. Swift.

The FAO/TCP team liaised closely with the IFAD project appraisal team (M. Reyner, K. Lodhi, R. Blench) whose work in Arkhangay overlapped with that of the FAO/TCP team. Support was provided by D. Dorligsuren (Ministry of Agriculture Tsenedamba (Arkhangay national coordinator for the FAO/TCP and IFAD projects), and by Governor M.-O. Gurragchaа and Deputy Governor M. Nuneе of Arkhangay province.

Fieldwork was carried out in most districts of Arkhangay between 13 August and 7 September 1995. A workshop was organised by the aimag government in Tsetserleg on 24 August to discuss preliminary ideas with sum governors and deputy governors and aimag officials; the record is in the appendix to this report. The aimag governor and deputy governor were briefed in detail on initial conclusions contained in this report in Tsetserleg on 5 September 1995, and the Ministry of Agriculture were briefed on conclusions on 11 September. This interim report and its annexes, in Mongolian, have been distributed to appropriate aimag and central government officials.

CHAPTER 1. LOCAL PERCEPTIONS OF POVERTY

Most poverty analysis in Mongolia is carried out on the basis of official surveys of household income, and poverty is defined by income thresholds of poverty. In the case of herders, income is estimated mainly by using standard coefficients to estimate income from household herd size.

Herders do not necessarily see poverty in the same way as sum and aimag officials. In order to understand this perspective, we investigated herders' and poor sum centre inhabitants' own views about poverty, using a variety of participatory field methods. The results are reported in detail in Annex 2.

In a field survey and workshop discussions with herders,

sum and bag officials and others in Chuluut sum, clear views were expressed about the causes and characteristics of poverty.

Causes of poverty

Poverty has several causes. Lack of motivation, laziness, passivity, a dependency mentality, lack of skills to

handle everyday life, inadequate upbringing are one group of causes; drunkards, who squander animals in order to buy drink, are a sub-group within this category. The general feeling is that such people do not have the ability and skills to manage on their own, and need help to survive.

Lack of knowledge and herding skills was seen as sometimes the result of laziness, sometimes due to external causes; young herders at the start of their career, and people who had not been herders during the negdel period, might also lack skills.

The distribution of animals at the dissolution of the negdels was also a cause of poverty. Some people, especially those who returned to the countryside around the time of privatisation in the hope of sharing in the division of negdel assets, received too few animals for self-sufficiency; others were in debt to the negdel at that time, and these debts were settled out of their animal allocation; still others had few private animals during the negdel period, and even with their share of the negdel animals still now have a less than viable herd.

Some households are poor because of the effect of household life cycle: old people who have given most of their stock to their children at marriage, or young couples who have neither inherited enough animals from their parents or had time to build up their own herd.

Natural disasters, especially dzuud, are seen as a risk to all herders and an important cause of poverty; lack of livestock insurance compounds this risk. Lack of jobs outside the pastoral economy, and immigration of people without assets into the sum also increase local poverty.

Characteristics of poor households

Herders and sum centre poor in Chuluut identified several characteristics of poor households.

Most importantly, poor households have herds too small for self-sufficiency. A herd of around 20 bod units, made up of several species, was deemed to be the threshold of poverty. Households with smaller herds than this are especially vulnerable to dzuud, because they have no margin of safety. Poor households often lack labour, and need support from other households - in cash, food or other basic needs - just to survive.

Very poor households have few animals, little skill or interest in herding, and often come from poor families or kin groups. There is a life cycle effect: many poor households are composed of young families with high dependency ratios, large households with many dependent children, or old people without animals, labour or kin

support. At sum centres, very poor households include people with skills but without a job.

Poverty is thought to be increasing rapidly; very few households have climbed out of poverty since 1991, but many have slipped into it. In Chuluut sum, most poor households are in the countryside, not at the sum centre, although some spend the summer in the countryside, where work and food may be available, and move back to the sum centre in winter.

In the countryside there are several mechanisms providing help to poor households. These include especially support within khotails, through labour sharing and gifts of food and other basic necessities; this is especially common in khotails made up of close kin, which tend to be more stable than others throughout the year. Kin-based khotails are becoming more common, and now form the majority; this is good for poor households which belong to such kin-based khotails.

However, households which lack a kin group and do not belong to a kin-based khotail are much more vulnerable.

Such households may join together with others in a temporary, unrelated khotail, but such khotails are unstable in composition, and less support is given to poor households than in kin-based khotails, partly because all member households may be poor.

Relationships within khotails between richer and poorer households are complex, and they can easily turn into exploitation. One practice illustrating this is the herding labour contract under which poor households look after the male sheep and goats of richer herders, keeping them away from the main camp in order to prevent out-of-season mating. The herders are paid in kind, but may receive poor remuneration for an arduous task.

Categories of poor household

Herders in Chuluut sum categorised poor and very poor households into three main categories:

the very poor, in sum centres or the countryside, some of whom had the potential for employment or alternative economic opportunities; these make up some 15-25 percent of the sum population;

poor and vulnerable households, in sum centre or the countryside, below but close to the threshold of herd viability, and with the skills and motivation to make a future in herding; these make up 25-45 percent of the sum population, and should be, in local peoples' view, the main candidates for restocking;

viable households, embedded in secure and stable khotails, with adequate herds and sufficient labour, and a potential for income diversification; these make up 30-40 percent of sum households;

the rich; about 5 percent of households.

Potential remedies as perceived by herders and sum centre inhabitants

Restocking of some households is perceived to be an important poverty alleviation strategy, but not everybody would be an appropriate recipient of restocked animals; some households would be more likely to eat or sell the animals. Vegetable production would be useful, but training would be necessary, since people did not know how to do this. Small enterprises - including rope and boot making, sewing, berry picking, cashmere and skin processing - were all felt to be potentially viable enterprises which people could undertake, and some would provide year-round income.

Poor households in the countryside resist the idea of moving to the sum centre, because they find more support within their khotail or neighbourhood group than they expect in the sum centre.

Comparing poverty thresholds

The fieldwork in Chuluut sum enabled a comparison to be made between the official poverty lists and rural inhabitants' own perceptions in two bags. In one bag, the official poverty list was found accurately to reflect the way the local inhabitants themselves perceived poverty. In the other bag, two households on the official list did not perceive themselves as poor because, although they had few animals, they were well inserted into the fabric of kin-based khotails and were supported by other households. This may be a widespread phenomenon: recently many large households have split, in order to minimise tax liabilities (each household has a tax-free allowance of 2 bod of animals), but such households do not necessarily see themselves as poor.

The important difference seems to be the role played by the bag assembly. If the official poverty list is debated by a well-attended assembly, the list is likely to be accurate, since at bag level such details are known to all.

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Herders' perceptions of the best local institutions to implement a poverty strategy

Herders and sum centre inhabitants questioned in Chuluut sum had clear ideas about the most efficient institutions for delivering support to poor households: related households scored highest, followed by khotails and the social assistance fund; companies and banks had the lowest score, reflecting a lack of confidence in these formal institutions. Among government institutions, the bag, or lowest level in the administrative framework, had most support, although the sum had some advantages in terms of capacity to manage and to monitor. But it was clearly felt that khotails were a key in restocking and other types of support to the poor, especially as khotails become more cohesive kin-based groups.

CHAPTER 2. RESPONSES TO POVERTY

INTRODUCTION

A rural poverty alleviation strategy

The proposed poverty alleviation strategy for rural Arkhangay has five components:

a programme to restock poor herding households which meet stringent criteria of potential viability, to a level which will enable them to herd efficiently and live mainly from their livestock enterprise;

an expansion of vegetable growing, mainly around sum centres but also at some herding camps or winter

quarters, for any household which expresses an interest, and which meets minimum criteria; this is expected to be of particular interest to poor and very poor households, but will not be limited to them;

an expansion of small enterprises in sum centres, based on processing of livestock products and other primary materials such as wood or berries, aimed at creating employment at sum level for poor and very poor households;

a grazing and animal management strategy for the aimag, which increases the productivity and economic efficiency of livestock production and primary processing of livestock products, and makes it sustainable in the long term;

a risk management strategy for the herding economy, which reduces and spreads the risk of loss of animals from major climatic and other accidents, in order to reduce the threat which drives many households into poverty.

The success of these programmes also depends on the maintenance of the social security safety net, including pensions and social assistance funds, for very poor households unable to benefit from any of these activities.

Households

The main target of these activities is poor and very poor households, not individual people. Although sometimes a confusing concept, the household is an essential unit of analysis and action. People are generally poor because they live in poor households, and households are the primary framework within which poverty alleviation activities take place. However this focus on households must not be allowed to obscure important issues which arise within households, concerning the different roles and positions of individuals. This will be especially important in the restocking programme, where it will be essential to specify what rights women (and perhaps other household members, such as children) have in animals nominally given to the (usually) male head, on behalf of the household, through restocking.

RESTOCKING

This section summarises fieldwork results concerning who should be restocked, how many animals of which sort should be transferred, and which institutional framework should be created to handle restocking activities at the level of herders. It does not deal with issues of credit policy, repayment of restocking loans, or the procurement of animals for restocking.

Minimum viable household herd

The minimum viable household herd (MVH) is a herd of sufficient size and adequate species composition to enable a household of average size to meet its basic needs, through consumption of its own products and sufficient sales to cover necessary purchases and other expenses. MVH is necessarily an average figure: some households will need more animals, others can survive on fewer. MVH also varies with the productivity of different environments, and the prices of animals, animal products, and commodities and services herders need to purchase. It is thus at best a very rough estimate. But as long as

these shortcomings are understood, it is useful as

guide to the threshold of viability in herding households.

(i) Number of animals: income estimate

MVH is calculated in two ways here. The first is through the national household income poverty threshold of 3,700 tg/person/month. Combined with an estimated bod-income coefficient (the estimated annual income per bod unit of livestock) of 9,000 tg/bod/year, this gives an estimated herd size poverty threshold of 4.9 bod/person. With an average household size of 4.3 people (the 1994 average for all poor households in Arkhangay), the MVH is around 21 bod for an average sized household.

(ii) Number of animals: herders' perceptions

An alternative way of estimating MVH is through the herders' own perceptions. Herders have quite specific views about the herd size thresholds of poverty, although these views differ by age of herder and by ecological zone. In Chuluut sum, young herders considered households with around 15 bod to be poor, while older informants put the figure at around 10 bod; but young herders considered 35-40 bod to be a fully viable herd, while older informants felt the figure was over 50 bod. The MVH was felt by herders to be slightly

larger in the steppe than in the mountain zone. Taking these variations into account, the threshold of viability or MVH was considered by most herders to lie around 20-25 bod, with true viability requiring more animals, perhaps 35-50 bod.

(iii) Species composition

MVH calculations in bod suppose a herd of a particular species composition. Different species perform different roles. Herders have a view about the necessary proportions of each species in their herd, and this is particularly important with a small herd. Although the proportion of each species in the minimum herd varied somewhat between categories of respondent, there was general agreement on the need for a maximum of 4-6 horses (for riding), and for a mixture of cattle or yaks and smallstock, which varies according to each household's needs and ability.

Herders questioned during fieldwork about preferred species said they were mainly interested in female animals, in order to increase their herd. In mountain areas, herders expressed a strong preference for yak cows, followed by does and ewes. These preferences were shared by both men and women.

(iv) Minimum viable herd: conclusion

The minimum viable herd will vary in herders' perceptions and in fact according to contingent circumstances - life cycle stage, ecological zone, changes in prices of livestock products and commodities bought by herders - and restocking policy should be flexible enough to reflect these circumstances. But for planning purposes, based on both the government income statistics and herders' perceptions, we may estimate an order of magnitude for MVH for an average sized household in Arkhangay, to be a herd of around 20 bod, with an approximate composition of 5 horses, and a mix of cattle or yaks and small stock chosen by the restocked household to reflect its particular production strategy and household labour availabilities. Restocking should take place to a small margin above this level, say to 25 bod, with a similar herd composition.

Criteria for restocking

The restocking programme has to be selective in its application because it cannot reach all poor households, and should use its limited resources most effectively. Restocking should be targeted only to poor households, but there should be a further set of criteria to be met by all candidates for restocking. This is especially important in the first round, when procedures and rules for restocking are being developed, and staff are learning how to do it. We propose five main criteria for selection of households to be restocked in the first round.

(i) Residence

Most sum centre inhabitants, including the poor, have some animals. However we propose that restocking should be limited to rural households, away from sum centres, with a main commitment to herding. There are several reasons for this. Most importantly, sum centre inhabitants are likely to have less commitment to herding but to be involved in a range of other economic activities, and also an increase in livestock around sum centres may contribute to disorganised use of pastures and environmental degradation.

(ii) Khot ail membership

As reported in Annex 2, khot ail membership is changing and becoming more stable and increasingly based on kin groups. Khot ails are an important framework for some herding activities, especially labour sharing and small-

scale inter-household assistance to poor people. Households below the threshold of poverty are unlikely to be able to survive without the support of a strong khot ail (which means mainly strong leadership from the khot ail head or an experienced senior herder), enabling them to share labour with other households, and benefit from (and contribute to) reciprocal assistance. We propose that membership of a viable and relatively stable khot ail with strong leadership be made a condition of restocking, and that the khot ail to which the candidate for restocking belongs should provide a guarantee of the character, health and abilities of candidates. This is discussed more fully below.

(iii) Labour availability

Households to be restocked should have enough labour available to care adequately for a herd above the threshold of viability. This would normally mean two persons of working age, and access to supplementary labour, through the khot ail or other mechanism, at times of peak labour demand. However, this criteria

should be put in the context of the khot ail the household belongs to: if the household does not itself have quite enough labour, but can show that cooperative labour arrangements within the khot ail will make up the shortfall, this would be acceptable.

(iv) Present herd size

Restocking cannot, and probably should not, reach all poor herders, certainly not in the first round. Resources are not sufficient, and it is likely that some households now living in the countryside are poor because they do not have the skills or character for herding, and would therefore not benefit in the long term from restocking. The choice is broadly between targeting the poorest herders, on the grounds that their needs are greatest, or instead targeting those who are close to the poverty threshold, on the grounds that small amounts of assistance will bring them above the poverty threshold.

The argument in favour of restocking those close to the poverty threshold, estimated above at around 20 bod/household, is that they are already likely to be fully occupied with herding and are more likely to have the necessary skills and experience, and that a small number of animals will bring them above the threshold of viability; the disadvantage is that such a strategy leaves untouched the problem of very poor herding households. The advantage of targeting restocking to very poor households is that it tackles the most intractable problem; the disadvantage that many such households are likely to be those most lacking in herding skills, and that large numbers of animals are needed to bring them above the threshold. Since restocking resources are

limited, a smaller number of people will be reached by such a strategy.

Young herders questioned about this issue took the view that the poorest should be restocked first, followed by the poor, and then those close to the threshold. Older people interviewed, however, were concerned about the ability of some categories of poor household to manage a restocked herd adequately; their main criteria for restocking was the management skills of those to be restocked.

In this case, we do not accept the young herders' view, and propose that the IFAD restocking strategy should in the first place be targeted at households close to the threshold of viability, say those who own at least 15 bod of livestock. A small number of exceptions might be made, for those with more than 10 bod, if they easily meet the other criteria of eligibility proposed here. This means that households owning 15-25 bod of livestock (exceptionally 10-25 bod) would be eligible for restocking, and would receive enough animals to bring them up to 25 bod.

The statistics discussed in chapter 2 give a rough idea of how many households would potentially benefit in practice from this first round of restocking. Subsequent rounds, as repayments from the first round became available, could be progressively targeted at poorer households so that over the five year life of the IFAD project a majority of poor households could be reached.

As an example, we consider a very rough calculation based on statistics for four sums in the mountain zone (Ikh Tamir, Chuluut, Tariat and Khangay). Table 1 shows the distribution of herd size among herders in these sums. We assume that group c (which have an average household holding of 25 bod) has a range of animal holdings from about 20-30 bod/household, and that therefore about half the households in this category fall below the restocking threshold of 25 bod; we further assume that about half the households in group b (which has an average holding of 13 bod/household, and a probably range from about 8-20 bod/household) also fall into this category. In this case, 654 out of a total of 1,523 poor households (measured as all households below 25 bod), or 43 percent, would be potentially eligible for the first round of the restocking programme, if they meet the other criteria. Poorer households would be eligible for the second and later rounds of restocking, assuming they meet the other criteria, based on the level of repayments from the first round.

Table 1. Distribution of herd size, and estimated eligibility for restocking, among herders in four mountain sums, 1995

Group	Herd size (animals)	Number of households	Average bod/ household	Percentage eligible for restocking

Ca)	0-10	217	4.8	0	0
(b)	11-30	693	13.1	50	347
[c]	31-50	613	25.3	50	307
(d)	51-100	1,249	35.0	0	0
Ce]	101-200	794	51.8	0	0
(f)	201-500	200	90.0	0	0
(g)	>500	5	112.4	0	0

Note; (i) Figures for Ikh Tamir, Chuluut, Tariat, Khangay. (ii) Note herd size is by number of animals, all species together; average household figures are in bod units (1 bod unit - 0.8 camel, 1 horse or bovine, 8 sheep or goats). (iii) Eligibility for restocking based on falling within range of 12-25 bod/household present animal holdings.

(v) Herd management skills and herders' character. Households requesting restocking should be able to demonstrate adequate herd management skills and a sustained commitment to herding. This should involve in all cases a recommendation by the head or senior member of the household to which they belong that they are competent and committed herders of good and industrious character. There should also where appropriate be a record of their success as herders within the region, and a record of what has happened to the animals they were allocated at the prioritisation of regional animals. Candidates for restocking who have previously had animals (the majority of cases) should be able to provide an acceptable explanation as to why their herd has diminished to below the threshold of viability.

Restocking programme

(i) A phased programme

For reasons described above, the restocking programme should in its first round target households near the threshold of poverty, in order to have maximum potential impact and to establish the operating rules and procedures of a new programme. However as repayments are made, and new resources become available, progressively

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poorer herder households can be targeted, provided they meet the other four criteria for the restocking programme listed above. We do not know what proportion of herder households now classified as poor are likely to meet these criteria, but it is likely to be in the range of one half to three quarters. The aim should be to restock all poor households who meet the other eligibility criteria by the end of the IFAD project.

(ii) Rate of restocking

For those households who are targeted, restocking should take place to the MVH in a single tranche. Although there is a case for restocking households in several tranches, making each successive tranche dependent on how well the earlier tranches have been managed, anything less than full restocking to above the designated threshold would mean that the restocked household would not be fully viable, and would be forced to continue the same additional activities to meet its minimum income targets; unless it received additional assistance (such as food aid), it would not be able to give its full attention to herding. In effect, the return to viability would be delayed and made more difficult.

(i7 i) Procuring animals for restocking

We propose three mechanisms for procuring animals for restocking. First, there should be a possibility of leasing animals from rich to poor households within the same khota or neighbourhood community. There should be clear rules about which households are eligible for this: for example, leasing animals between parents and children should be forbidden, but between brothers or cousins would be acceptable. Such leases should probably not be permitted outside khotas or neighbourhood communities.

Second, animals could be purchased from herders willing to sell. The procedure for this should involve the

sum restocking coordinator, the bag leader, the khot ail leader and the head of the restocked household. The choice of species and age/sex composition of the animals to be handed over should as far as possible be made by the beneficiary household, as should the actual choice to particular animals to be bought. We envisage that, once a restocking operation was decided, the sum restocking coordinator and the others would visit other khot ails where they have reason to think animals are available for sale. The aimag restocking coordinator would be expected to be well-informed in general about camps and areas where animals are likely to be offered.

Third, in the few cases where companies are responsible for restocking, the company would be responsible for procuring the animals, and for leasing them to the households to be restocked.

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(iv) Repayment

As a compromise between the convenience of the herders and that of the administrators of the programme, repayment for restocking loans should be either in cash or in animals; animal products would not be acceptable. In the case of company restocking, repayment would be expected in cash.

(v) Institutions for restocking

Several formal and informal institutions operate in the countryside, which could play a role in restocking. These are discussed, with their strengths and weaknesses, in Annex 2.

No single institution has all the capabilities needed to handle restocking; indeed there is an advantage in dividing responsibilities for restocking between several institutions, as outlined in the following sections, in order to provide checks and balances against misuse or inefficient use of funds.

(vi) Restocking process

We propose that restocking be handled in the following manner:

The bag khural agrees on the list of poor households, based on information collected by the bag leader with the cooperation of khot ails (as at present);

The sum restocking coordinator tells the bag leader what the indicative restocking budget is for the year.

Khot ails propose to the bag the names of those poor member households which meet the five criteria of eligibility for restocking. No more than two or three poor households in each khot ail should be proposed in any one restocking round. The bag khural discusses these and makes a decision about which eligible households are to be restocked. The rules about allocation of this budget should stipulate that each restocked household must be brought to an agreed level above the threshold of viability, initially set at 25 bod per household, and not be divided between all households on the list unless there is enough money to do this. The final list of names is submitted to the sum khural for approval, and then to the sum restocking coordinator.

The sum restocking coordinator visits a random sample of the households selected, in order to check their circumstances, and the ability of the khot ail to provide support to them for such activities as day-to-day sharing

of herding tasks, hay cutting, constructing winter shelters, and marketing.

The bag leader and khot ail leader, or group of senior herders from the khot ail, with participation of the sum restocking coordinator, arrange to procure the animals necessary through purchase or lease arrangements, and allocate these to the households concerned. A three party contract is signed, between the beneficiary household, the khot ail leader or group of senior herders, and the bag leader, specifying the animals allocated to the household, any particular management conditions, the conditions of repayment, and other responsibilities of the household and khot ail. This contract is witnessed by the sum restocking coordinator.

Repayment of restocking loans or leases are made by the beneficiary household through the bag leader to the sum restocking coordinator.

Disputes about the restocking process or repayment are resolved in the first instance by the mediation of

the bag leader; and if this fails by the bag khural. Households who do not accept the judgement of the bag

khural may appeal to the sum leader or sum khural.

All restocked animals should be insured against loss due to unavoidable circumstances. A sum loss co-irani shon will enquire into all cases of loss, and rule on the contribution of personal negligence.

The sum restocking coordinator will supervise the restocking programme. The sum leader, through the bag leaders, will retain overall supervision and responsibility. The sum restocking coordinator will prepare six monthly narrative and financial reports on the progress of the restocking programme.

(vi i) Responsibilities We propose that restocking tasks be divided as follows:

Khot ail

The khot ail, through its accepted leader or group of senior herders, would be expected to perform the following tasks in connection with restocking:

assist the bag leader in identifying and ranking poor households;

identify within the list of poor households approved by the bag meeting those which meet the five main criteria of eligibility for restocking, and propose them to the bag leader for entry onto the restocking list; provide a guarantee of the

suitability of the candidates, and the support of the rest of the khot ail, including labour sharing and other forms of reciprocal assistance;

once households have been approved for restocking, under the supervision of the bag leader and the sum restocking coordinator, acquire suitable animals and distribute them to the households to be restocked;

sign the three-way contract, with the restocked household and the bag leader, setting out the conditions under which the restocked animals are allocated to the household;

provide day-to-day assistance to and monitoring of the restocked household; help resolve problems which arise in the management and care of the animals; advise on use and disposal of the animals; report problems to the bag leader and sum restocking coordinator;

advise the restocked household on repayment.

Bag leader

The bag leader will be responsible for the following tasks. He may appoint a small local committee of key khural members (including bag technicians, and a small number of khot ail leaders) to advise and help him.

in collaboration with khot ail leaders, prepare a list of all poor households in the bag and their existing livestock and submit it to the bag khural for discussion and approval; once approved, transmit the list to the sum authorities;

on the basis of household names proposed by khot ail leaders, assess those which meet all five criteria of eligibility for restocking; submit proposed names to bag khural for discussion and approval; once approved, submit list of candidates to sum restocking coordinator;

sign the three-way restocking contract with the restocked herder and the khot ail leader or senior herders;

receive repayment, and transmit it to the sum restocking coordinator;

make a quarterly report on the restocking to the bag khural with copies to the sum leader and sum restocking coordinator;

keep records of (i) all poor households, (ii) those eligible for restocking, (iii) those

restocked) including number of animals and other details, (iv) repayments.

Bag khural

The bag khural, meeting at least once every three months, will be responsible for the following tasks:

discuss, amend if necessary and approve the list of poor households submitted by the bag leader;

discuss, amend if necessary and approve the list of candidates for restocking, and submits it to the sum poverty alleviation council (SPAC) and sum khura 1 for approval;

receive and debate the quarterly report of the bag leader on the progress of restocking;

hear disputes and try to settle them by mutual agreement; if not, transmit them through the bag leader to the sum leader.

Sum khura1

The sum khural receives, debates and approves the list of candidates for restocking and transmits it to the sum restocking coordinator.

Sum restocking coordinator

The sum restocking coordinator, a project staff member reporting to the project director, will be responsible for the following tasks:

allocate each bag an annual indicative restocking budget;

receive the list of candidates for restocking from the bag leader;

investigate a random sample of these households, to verify the conditions of the household and the ability of the household to provide support;

participate as appropriate in the acquisition of livestock for restocking;

witness the three-way contract between restocked household, household leader or senior herders and bag leader;

report on progress of the restocking scheme to the sum khural and the aimag restocking coordinator;

keep accounts of the restocking programme;

keep records of (i) households eligible for restocking, (ii) households restocked, the number of animals received, repayments, and other information.

monitor and periodically evaluate the progress of the restocking scheme.

Sum governor

The sum governor will be responsible for the following tasks:

with the advice of the SPAC, take overall responsibility for the restocking programme, and report regularly to the sum khural on progress;

keep records of all poor households.

through the SPAC, ensure monitoring and

evaluation of the restocking scheme are carried out and reported at regular intervals to the sum khural.

(viii) Role of companies

In the proposals made above for restocking procedures and institutions, no mention is made of companies. This is because in most of the aimag, companies are weak institutions, with little capability. There are exceptions however, companies which are dynamic and able to undertake such activities; this seems especially true of the ex-state farm companies, but may also be true in a few other cases. Where the sum restocking coordinator judges that a company is able to carry out restocking effectively, it may be authorised to receive and manage restocking loans from the project, following the procedures outlined above.

Miscellaneous

(i) Three-way contracts

When households are restocked, a contract should be signed between the head of the household being restocked, the khotail leader or group of senior herders, and the bag leader; it should be witnessed by the sum restocking coordinator. This contract should name all household members and their legal successors, set out the conditions of the restocking, the animals transferred, the ways they can be used (for example under what conditions they can be sold or slaughtered for home consumption), and repayment conditions; it should also commit the khotail to provide material assistance in the

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early stages of restocking to the restocked household in managing its animals and in other feasible ways. The contract should include a statement of formal ownership or lease of the animals, as discussed in the following paragraph.

(ii) Ownership of restocked animals

The animals transferred to a household for restocking should be under the authority of the head of household, whether man or woman. In case of death of a household head during the restocking exercise, the animals will pass automatically to the survivor and the children according to the normal practice. If the married couple separate or divorce, the animals will normally stay with whichever one of the couple keeps the children, and become their property, although the other one of the couple can appeal to the bag khural to reverse this. This rule should be clearly stated in the three-way contract.

(iii) Tax relief

During the two years after a household is restocked, it is proposed that the restocked animals are not taxed. The aimag authorities should investigate how such tax relief could be extended to newly restocked households.

(iv) Livestock insurance

All restocked animals should be insured by the project through a reputable insurance company against accidental loss. The insurance premium would be an integral part of the sum loaned, and would be recovered at the time of the household repayments of the restocking credit. The aimag commission already established to investigate cases of loss should be asked to investigate all claims made against this insurance.

(v) Vital event recording

Restocked households would be expected to keep a register of vital events (births, diseases, sales, deaths) of their animals. The aimag and sum veterinary authorities should be asked to provide assistance to keep these records in a form suitable for analysis as part of wide epidemiological research in the aimag.

(v) Lessons from previous restocking

There is some previous experience of restocking in Arkhangay. Under the negdels there were occasional restocking programmes, including one in Chuluut sum in 1990, two years before the dissolution of the negdels.

The criteria for selection of households to be restocked included existing herd size, other sources of household income, and age and length of employment in the negdel.

In this case, by 1992, two years later, ten percent of restocked households had lost (through death, sales and consumption) all the restocked animals, and a further 20 percent had fewer than the number of animals they had been allocated. This suggests a success rate for restocking in this case of around 70 percent.

VEGETABLE GROWING

Background

Restocking is intended to benefit mainly poor herders, and will not reach the large number of poor households around sum centres. It is proposed that such households should benefit mainly from a programme to expand and improve small-scale vegetable and potato production.

Vegetable and potato growing, already a quite minor activity, has declined since the dissolution of the state farms and negdels in 1991, and in 1994 local production covered only 16 and 5 percent of theoretical requirements for potatoes and vegetables respectively in the aimag. But interest in vegetables has greatly increased. Many poor sum centre households, and some herding households as well, now aspire to cover at least part of their own consumption by growing vegetables.

Large scale, mechanised units are not viable. They had a poor record on the state farms, and would not be effective for poverty alleviation. Few imported inputs and machinery are available or cost-effective.

Instead, this strategy advocates small-scale, labour intensive schemes, at sum centres and some herder winter shelters, based on animal manure, no chemical sprays, and seeds multiplied within the aimag. Some small commercial operations and larger seed production enterprises should also be supported.

There are important constraints to increased production. Most poor households have no experience of growing vegetables, and are not aware of basic cultivation techniques. Climate and topography are generally hostile to cultivation, with dry springs, a short growing season and the possibility of frost in any month of the year. Fencing of vegetable plots would be expensive. Seed supply of good quality is a major constraint: existing supplies are uncertain, sometimes of poor quality) and no new potato seed has been imported into the aimag for many

years. Poor households lack capital to invest in new tools or seed.

However, sufficient land of adequate quality is available, people are eager to grow vegetables, sheep manure is abundantly available, market prices are high, and local government is ready to facilitate such a development. This provides a good economic climate to make a substantial investment in increased potato and vegetable production.

Proposed vegetable and potato strategy

We propose the following measures to increase vegetable production in the aimag, with the objective of improving nutrition, generating incomes, and providing employment for poor households.

(i) Creation of an aimag Vegetable Growers Association

This should be a Non Governmental Organisation, with members in each sum, which will provide seeds, extension and advice to both private and commercial growers.

(ii) Encourage private and small-scale commercial growers

Three types of grower should be encouraged:

small family growers, producing mainly for their own consumption, on areas of about 240 sq. metres, within existing fenced house compounds at sum or bag centres; it is expected that interested herding households will use seasonally empty corrals at their winter quarters;

small commercial growers on fenced plots of 0.5 ha around sum or bag centres; they would be expected to market their produce in the sum centre or in Tsetserleg;

a small number of larger commercial operations should be financed to produce seed for other producers, and to market produce in Tsetserleg.

(iii) Crops

The following crops should be grown: potatoes, with initial trials of several Russian and western European varieties, turnips, cabbage, Chinese cabbage, onions [grown from sets], beetroot, and green beans (below 1,400 m. altitude). Superior strains of Ribes nigrum (blackcurrant) and Vaccinium spp (bilberries) should be introduced and disseminated.

(iv) Inputs

The following inputs should be supplied through the project:

new stocks of potato seed (emphasising 90 day yield and Phytophthora resistance) will be imported from Russia, western Europe and China; cabbage and turnip seed will be procured locally; all other seeds, and onion sets,

will be produced at Tuvshurul by an existing company;

clear polythene to cover the plants in order to advance sowing date should be procured within Mongolia, and the technique introduced to Arkhangay;

existing local rakes and hoes should be made widely available; simple push hoes for early summer weeding should be imported, with a view to setting up manufacture within the aimag as a new small enterprise.

barbed wire should be procured in Russia for operations outside family compound fences, although its ability to keep out sheep needs to be tested under field conditions.

For the large commercial and seed production enterprises,

working capital should be made available in the first year to cover chemical fertiliser, machinery, spares and labour, which will be procured through the market.

(v) Markets

Small growers would produce mainly for their own consumption. Other growers would produce mainly for the sum centre (via farm gate sales) and Tsetserleg markets, which are presently under supplied, with high prices; for this reason, all proposed commercial operations would be situated near the main road into Tsetserleg. Blackcurrant and bilberries may have additional markets in Ulaanbaatar.

(vi) Extension advice

Simple printed information booklets would be made available to all cultivators for each vegetable, giving cultivation, storage and processing information. Extension advice would be supplied by a sum vegetable coordinator.

(vii) Credit

Low cost loans should be made available to all VGA members for seed, inputs and equipment.

SMALL ENTERPRISES

Introduction

The third plank of the proposed poverty alleviation strategy for Arkhangay is the development of small enterprises and the creation of jobs, mainly aimed at poor and very poor households in aimag and sum centres.

Arkhangay has abundant raw materials for the development of small enterprises for primary processing, storage and distribution. These include livestock products (milk, meat, wool, yak down and cashmere, hides and skins), agricultural products (especially vegetables), wood, wild berries and medicinal plants. In addition, there is considerable potential for the development of bakeries, small flour mills, and other simple consumer goods and handicrafts manufacture. Arkhangay dairy products have a national reputation, which is a valuable comparative advantage.

Although infrastructure is not yet well developed within the aimag, Arkhangay is connected by main road to Ulaanbaatar; some sums are connected to the national electricity grid, and telephone connections are acceptable by Mongolian standards. Three major commercial banks are represented in the aimag centre, and the Agricultural Bank is represented in many sums, even though little business is carried out due to current economic conditions.

There remain many constraints to the development of small

private enterprises. There is limited access to government or private investment and credit for small and medium enterprises, and a lack of money circulating in the countryside; barter transactions have been the norm for traders and others for the last three years. There is still a suspicious attitude on the part of many administrators to private enterprise and trading, which creates a difficult economic climate for private investment. Policies to encourage private enterprise are lacking. There is little knowledge about business methods and opportunities, and market information is lacking. There is no well-trained workforce for modern light industry. Infrastructure within the aimag, and between Tsetserleg and the rest of the country remains poor. Consumers within the aimag are spread thinly over a large area, and have little purchasing power.

Employment generation in small enterprises

The most important task is to identify potentially viable small enterprises, with the ability to create employment in sum centres. Annex 6 lists detailed business plans for small enterprises in six sample sums which, with appropriate investment, could generate new employment. These enterprises were selected on the basis of employment generation opportunities, potential markets, economic viability, availability of inputs and raw materials and quality of management available. Such enterprises should be eligible for assistance with capital and working finance through the IFAD project and the Local Development Fund of the National Poverty Alleviation Programmes.

The survey reported in Annex 6 found that there were many small entrepreneurs who want to develop local businesses. These include: processing of livestock products and natural resources, wood processing, boot and felt making, flour and feed mills, production of vegetables, bakeries, garment making, livestock equipment and accessories, collection of berries and pine nuts, jam making, services, and many others. The commonest problem is a lack of investment and working capital.

Preliminary investigations suggest that the average initial financing needs of a small enterprise, such as a boot making enterprise or a bakery, would be in the region of 200,000 tog (approximately US \$450). Clearly, initial fixed and working capital requirements will vary from enterprise to enterprise.

Annex 6 contains a detailed account of the types of small enterprise envisaged, their input and raw materials supplies, potential economic viability, and employment creation.

The IFAD project should set up a fund to make fixed and working capital available to small enterprises with a demonstrated employment creation potential.

Training and business advice

One of the main constraints to the development of small enterprise is the lack of training. Training is needed at two levels.

There is a need to train officials, at aimag and sum

level, in the most basic features of a competitive market economy, in public administration as it concerns small business, in policy formulation and evaluation, in legal aspects of manufacturing and commerce.

There is also a need to train managers and senior staff of enterprises in business planning, marketing strategy, accounting, and legal frameworks for business.

Annex 6 makes specific suggestions about the curricula of such courses.

The FAO/TCP and IFAD projects should organise such training during the next twelve months.

CHAPTER 3. RAISING LIVESTOCK PRODUCTIVITY: A GRAZING AND LIVESTOCK MANAGEMENT STRATEGY

Restocking poor herding households will provide the animal capital to allow them to become effective economic actors. But it is a redistribution of assets, not a creation of new capital and, apart from a reduction in underemployment of herding labour in poor households, will do little to increase the productivity of herding. If Arkhangay is to advance economically, ways must be found to make herding more productive.

In this section we outline the measures to do this. Activities discussed in other sections - notably economic diversification into vegetable production and small enterprise development - will contribute to the same goal.

The review of the literature underway (some aspects of which are summarised in Annex 4), and other recent research on livestock management in Mongolia, lead to the conclusion that a comprehensive and integrated grazing management and livestock development strategy should be developed for Arkhangay aimag, to be implemented as part of the general development activities of the aimag with help from the FAO/TCP and IFAD projects. This strategy should include the following activities:

GRAZING STRATEGY

(i) Clarify grazing rights

A reemergence of informal traditional arrangements for grazing resource allocation and management, as well as an increase in the number of herding households, has led recently to a disorganized redistribution of grazing land and to more pasture conflicts. Although they have general access to pastures, herders have no formal or exclusive rights to particular pasture areas as yet. Herders allocate pastures among themselves on the basis of mutual agreement, but although this is an essential mechanism of

everyday pasture management, it is not a sufficiently secure mechanism, and a legal basis for grazing rights is needed for the future. This should take the form of long leases granted under the 1994 land law. The most urgent areas for attention are winter-spring pastures, hay fields (considered in the following section) and grazing areas used in emergencies.

The government of Mongolia should rapidly decide on a detailed procedure to implement the relevant articles of the land law, and attribute pasture land leases to bags in order that they should allocate it among herding groups. Leases of 60 years, as envisaged in the Land Law, should be used. The first areas allocated in this manner should be winter-spring pastures and hay lands. The allocation of leases should be done in a manner which encourages the use of currently underused pasture, and discourage the use of pastures close to sum centres and roads. The government should consult widely with herders about the acceptability of such a scheme before it is implemented. The Arkhangay authorities should prepare to implement such a lease system rapidly when it is enacted.

Emergency grazing areas can already be designated under Article 18 of the Land Law, as "land for special needs". The Arkhangay authorities, having consulted extensively with herders, should designate such areas as soon as possible and decide how they are to be managed, including their management in non-emergency years.

The FAO/TCP and IFAD projects should facilitate the granting of such leases: by supporting the preparation, as soon as possible, of detailed maps at 1:100,000 or 1:200,000 showing the seasonal movements of households in normal and abnormal years and changes in movements since the dissolution of the *negdels*; by investigating the best procedures for granting pasture leases to herder groups, and for monitoring and evaluating pasture condition and the impact on the environment of such grazing and hay field leases; by investigating how sanctions can be applied for infringements of lease conditions; and by identifying key areas and management regimes for emergency pastures.

(ii) Allocate rights to hay land

Hay made from the existing land is far below the quantity required, and there is confusion about rights to hay fields. The allocation of all hay lands to identified groups on secure tenure is a priority activity.

At present hay land is not formally allocated to herding households. This leads to competitive cutting of hay and lack of maintenance of fields. There is an urgent need to allocate existing hay land to herders, with sufficiently secure tenure to protect it against encroachment by others and to encourage herders to maintain and conserve

it. The most suitable form of tenure is likely to be long renewable leases to individual households or to *khotails*.

Article 52 of the land law envisages special treatment of haying areas, although it is not clear whether leases will be issued, and if so for how long. The Government should give particular attention to this question, and allocate, through sums and especially bags, long renewable leases of hay fields to individual households, *khotails* or other appropriate groups. After extensive consultation with herders, the Arkhangay authorities should prepare their own proposals on this matter and be ready to act on them rapidly.

The FAO/TCP and IFAD projects should help this process by giving tenure of hay fields a prominent place in their work on grazing land tenure.

(iii) Maintain transhumant grazing systems and avoid concentrations of settled stock

The literature review shows that it is essential for seasonal movements of herds to be maintained in order to get the full benefit from the available grazing and to avoid degradation of pasture. Recently, many herders and their livestock have reduced their seasonal movements, and spend more time near aimag and sum centres and along main roads, in order to be closer to education and health services and markets; this has caused overuse of some pastures and underuse of others. Ways must be found to encourage such herders to take up seasonal movement of grazing camps again.

The land law recognises the importance of using different seasonal pastures (Article 51, paragraph 3), and gives the bag khural a special role in determining the seasonal movements of livestock (Article 24). In implementing the land law, there should be incentives to herders to maintain such movements. The most effective would be to vary grazing fees according to seasonal use, charging high fees or fines for out-of-season use. Differential fees based on pasture accessibility, with lower fees for 1 and remote from urban centres and roads, would also provide incentives for better distribution of grazing over the available pasture. Leases of winter-spring pasture land to herder groups, discussed in the previous paragraph, would contribute to maintaining seasonal movements by providing herders with an assurance that their winter pastures are not being used by others while they are absent. Some form of synchronised or coordinated movements, for which there are historical precedents in Mongolia, may be a way of ensuring that some groups of herders do not stay behind at the winter quarters during summer.

The distribution of infrastructure and service delivery points can also be used to provide incentives for the maintenance of seasonal grazing movements.

The Arkhangay aimag authorities should use available policies to provide incentives to herders to maintain seasonal movements, especially through the allocation of grazing leases, in calculating grazing fees, and in the distribution of infrastructure and services. The FAO/TCP and IFAD projects should provide a technical assessment and proposals as to how this could be done in Arkhangay.

(iv) Improve technology for private hay-making

The grazing review shows that natural hay made up over 85 percent of total, and was the best quality, of animal feed produced during the past three years in the aimag. The amount produced by companies, khoshos and other institutions has decreased, but this has been offset by a considerable increase in hay-making by private individuals, including herders. However this is of low productivity, because of the conditions in which it is cultivated and the lack of hay-making equipment. Private hay-making could be made more productive if fertilisation with animal manure and, where feasible, simple flood irrigation, were introduced and small to medium-sized equipment such as horse-drawn mowers and rakes, were used. A mechanism must be identified so that such mechanical inputs can be acquired by herding groups or small cooperatives. Training in machinery maintenance for such groups is necessary.

The FAO/TCP and IFAD projects should experiment with appropriate technology for more productive hay making, including increased fertilisation with animal manure, simple flood irrigation, and use of simple mowing and raking devices.

(v) Cultivated fodder

Little fodder has been cultivated in the aimag although one ex-state farm produces wheat, the straw, bran and sub-standard grain of which are used as fodder. Trials of annual fodders, mainly oats, rye, barley and wheat, have been undertaken but results are not encouraging, and although fodder barley is grown successfully below 1,400 m. altitude, it is not certain that the varieties under test in other areas can produce seed before the onset of frost. With the possible exception of barley, it is unlikely that cultivated fodder, which requires large inputs in mechanisation, seed and fertilizer, will be a viable option.

Low priority should in general be given to fodder cultivation; however further investigation needs to be carried out on the potential for cultivation of fodder

barley, below 1,400 m. altitude, to supply the proposed Aimag Fodder Fund.

(vi) Overgrazing and carrying capacity

There is evidence of overgrazing around settlements such as bag and sum centres and along roads and livestock trekking routes. Vehicle tracks on the open steppe may create a serious problem, leading eventually to gully erosion. However, there is no evidence for widespread overgrazing, and indeed there are many areas of undergrazed pasture, sometimes with good water supply, in the aimag. The problem is not one of total grazing pressure, so much as one of the distribution of grazing pressure, which new lease arrangements and the better distribution of services proposed in this grazing strategy should help resolve. The winter-spring feed constraint acts as an effective limit on animal numbers each year, and only those which get through this gate survive to breed the following year. Summer-autumn pasture availability is not in general a limiting factor.

In fenced paddocks, carrying capacity is a meaningful concept and a useful tool for management. But in seasonally and annually variable environments, subject to a collective grazing regime, such as Arkhangay, there is little sense in calculating a theoretical carrying capacity, since such calculations necessarily contain

in a large number of unknowns, and do not generally lead to useful practical action.

Low priority should be given to estimates of carrying capacity. Overgrazing around settlements and roads should be explicitly addressed through the allocation of grazing leases and other measures to better distribute grazing pressure and reverse recent trends towards concentration and sedentarisation of livestock. As discussed in section (i) above, there is a need to identify the best processes and criteria for monitoring, evaluating and regulating pasture condition and grazing impacts.

(vii) Remote sensing

There has been some discussion of the possible uses of

remote sensing in pasture management in Arkhangay. At present, remote sensing interpretation facilities are only being developed and little ground truthing has been carried out. Even when a fully operational system is in place, there are considerable doubts about the role it can play in day to day pasture management, and about the relative weight given to the judgement of technicians in the national or provincial capitals, and the experience of herders and pasture managers at sum or bag levels. Remote sensing may be useful in classifying pasture types and identifying over- and under-used areas, if appropriate ground truthing is available and the

information is used in combination with local knowledge. It is of limited value as a predictive management tool however, especially when used without local consultation.

Low priority should at present be given to the use of remote sensing in pasture management.

LIVESTOCK MANAGEMENT STRATEGY

(i) Move towards improved individual animal productivity

At present, livestock husbandry in Arkhangay is based principally on increased numbers of animals, of low average individual productivity. Over the medium and long-term, the overall objective should be to move towards a stabilisation (and possibly in some areas a reduction) in animal numbers, but with greater individual animal productivity.

The grazing strategy measures outlined in the previous paragraphs will help achieve this objective. Several feasible improved livestock management measures will also assist. These include:

(i i) Improve livestock breeds and provide high quality sires

Existing nucleus herds of improved stock were dispersed and distributed to herders during the dissolution of the negdels, and have been genetically diluted by breeding with unimproved animals. A continued supply of sires for breed improvement, mainly from within local breeds, is necessary if quality is to be improved; the breeds are well-known, as are the techniques for improved breeding programmes, and these previously worked well. High quality sires within individual household herds are known.

It is necessary to identify ways to maintain and manage nucleus herds at the aimag level to supply improved breeding stock, as well as to determine how to optimise the use of such animals in the possession of private herders. To do so it will be necessary to:

define criteria for selection within each species, including weight gain, killing out percentage, milk production, ability to survive poor feed availability and extreme winter conditions;

re-establish elite breeding herds, or nucleus herds, of males selected in the light of these criteria of all species, especially yak, at a central location within the aimag, which should be the High Mountain Research Centre;

provide training in livestock management, selection and breeding to livestock officers, farmers and research staff, and equip them with adequate, simple, equipment; they should also keep records of high quality sires in private ownership.

The Arkhangay provincial livestock authorities should put into effect existing policy to recreate elite herds and keep records of the best sires of all species in private ownership.

The IFAD project should support the creation of elite herds, starting with yaks, to be managed by the High Mountain Research Station in Ikh Tamiir. The FAO/TCP project should assist in the preparation of a costed

feasibility study of this option.

(iii) Improve animal health, prophylaxis and treatment

Since the introduction of payment for veterinary treatment there has been a decline in veterinary services and an increase in animal diseases and parasites. There are scarcities of both drugs and equipment, and disease control is deteriorating. An improvement in the supply and availability of veterinary drugs and equipment is urgent, since any further break-down in disease and parasite prevention could have serious consequences on livestock productivity and, therefore, on the economy of the aimag.

As a part of this strategy, it is essential that the Arkhangay provincial authorities put into effect existing national policy and activities in veterinary prophylaxis and treatment, paying special attention to the likely costs and benefits of particular treatments.

The FAO/TCP and IFAD projects should cooperate with the EU project for Strengthening the Mongolian Veterinary Services in the development of an operational system of veterinary primary health care adapted to the particular conditions of Arkhangay aimag. The restocked animals offer a useful chance for recording livestock production and disease characteristics.

(iv) Develop small-scale dairy processing

Arkhangai aimag has a national reputation for the quantity and flavour of its dairy products, and should seek to capitalise on this comparative advantage. However, following privatisation of livestock, the quantity of milk for processing now exceeds the capacity of households to handle properly during the summer months. Simple, small-scale mechanised units should be established in order to improve the efficiency of processing as well as to improve the traditional quality;

improved quality and hygiene should in turn improve marketability. In order to avoid encouraging concentrations of livestock and consequent pasture damage, these units should be developed mainly at khot ail level. Raw material supply and cost-efficiency should not be a problem. Some applied research on simple labour-saving technology is required before and during the establishment of these units.

Successful marketing is essential. The Arkhangay provincial authorities should develop an individual marketing identity for Arkhangay dairy products, establish a quality control mechanism for provincial dairy products, and implement existing provisions for the establishment of protected trade marks and place of Origin labelling. They should also seek professional assistance in developing a clear brand image and marketing campaign in Ulaanbaatar and other cities for Arkhangay dairy products.

The IFAD project should assist in the development of small-scale dairy processing units. The FAO/TCP project should help prepare a study of the economic, technical and social feasibility of such units at khot ail and other levels.

(v) Process and bulk up cashmere and yak down locally

Yaks and goats are important animals throughout Arkhangai, because they are well adapted to local conditions, and produce luxury fibre as well as meat and milk. Yaks are the economically most important animal, and yak down is of cashmere-quality. Goat numbers are small, but are increasing because of growing herder interest in cashmere. There is a large price differential between raw and primary-processed (washed and de-haired) cashmere and yak down. Producers are interested in undertaking primary processing locally so as to add value to their products. Suitable methods and equipment for local washing and de-hairing of cashmere and yak down, and appropriate enterprise structures, should be investigated.

The FAO/TCP and IFAD projects should investigate the development of a small-scale local primary processing industry for yak down and cashmere. The FAO/TCP project should assist in the preparation of a study of the economic and technical feasibility of such processing, including an investigation of the potential for international marketing of such products.

INSTITUTIONAL CAPACITY

(i) Develop the capacity of the High Mountain Research Centre

The High Mountain Research Centre in Ikh Tamir is an outpost of the National Agricultural University. At present it lacks equipment and operating funds. It is however an important resource for the aimag, and is central to the implementation of this grazing and livestock management strategy and the vegetable production strategy. It should be strengthened to act as a research, training and extension centre for the

aimag, and to provide support for the implementation of this strategy.

(ii) Develop the capacity of the aimag and sum livestock and agriculture staff

This strategy calls for an increased number and level of activities by the aimag and sum livestock and agriculture staff. The capacity of these organisations, and the calibre of their staff, needs to be built up and developed through training, better equipment and transport. No specific recommendations are made, since the IFAD project appraisal team will itself be investigating how best to achieve this.

IMPLEMENTATION

The implementation of this grazing and livestock management strategy requires action at several levels.

The government of Mongolia should:

rapidly decide on a procedure to allocate winter-spring pastures and hay lands to bags in order that they should lease it to khotails or other appropriate groups (perhaps individual households in the case of hay fields); the government should consult widely with herders about the acceptability of such a scheme before it is implemented;

through the National Agricultural University, strengthen the High Mountain Research Centre in Ikh Tamir in order to enable it to act as the key research, training and extension centre for the aimag.

The Arkhangay provincial authorities should undertake the following activities:

prepare to implement a long term (60 year) winter-spring pasture and hay land lease system rapidly when it is enacted by central government;

use available policies to provide incentives to herders to maintain seasonal movements, especially through the allocation of grazing leases, and in calculating grazing fees.

designate emergency grazing areas under Article 18 of the Land Law and implement their management;

put into effect existing policy to recreate elite herds and keep records of the best sires of all species in private ownership.

put into effect existing national policy and activities in veterinary prophylaxis and treatment, paying special attention to the likely costs and benefits of particular treatments;

develop an individual marketing identity for Arkhangay dairy products, establish a quality control mechanism for provincial dairy products, and implement existing provisions for the establishment of protected trade marks and place of origin labelling; they should also seek professional assistance in developing a clear brand image and marketing campaign in Ulaanbaatar and other cities for Arkhangay dairy products;

The FAO/TCP and IFAD projects should:

facilitate the granting of grazing leases to herder groups by supporting the preparation, as soon as possible, of detailed maps at 1:100,000 or 1:200,000 showing the seasonal movements and pasture uses by groups of households (khotails and negnutgiinhans) in normal and abnormal years, including both current use and use during the period 1950-90;

provide a technical assessment and proposals as to how long leases to winter grazing and hay fields can be allocated to herding groups in Arkhangay under the land law; investigate how sanctions can be applied for infringements of lease conditions;

identify key areas to be managed as emergency pastures under Article 18 of the land law, and propose how they should be managed;

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provide a technical assessment and proposals as to how incentives can be supplied to herders, especially in the grazing lease process and through differential grazing fees, to maintain optimal seasonal pasture movements, encourage use of underused pastures, and discourage use of pastures close to settled areas and roads;

investigating the best ways to monitor and evaluating pasture condition and the impact on the environment of grazing and hay field leases;

experiment with appropriate technology for more productive hay making, including increased fertilisation with animal manure, simple flood irrigation, and use of horse-drawn mowing and raking devices;

support the creation of elite herds, starting

with yaks, to be managed by the High Mountain

Research Station in Ikh Tamir; prepare a costed feasibility study of this scheme;

cooperate with the EU project for Strengthening the Mongolian Veterinary Services in the development of an operational system of veterinary primary health care adapted to the particular conditions of Arhangay aimag. The restocked animals offer a useful chance for recording livestock production and disease characteristics;

assist in the development of small-scale dairy processing units; help prepare a study of the economic, technical and social feasibility of such units at khot ail and other levels;

investigate the development of a small scale

local primary processing industry for yak down and

cashmere; assist in the preparation of a study of

the economic and technical feasibility of such

processing, including an investigation of the

potential for international marketing of such products;

CHAPTER 4. A STRATEGY FOR RISK MANAGEMENT

Background

Risk is a recurrent feature of pastoral economies, and Mongolia is no exception. During the negdei period, the state shouldered most risk to herders through comprehensive livestock insurance, extensive human and animal health services to herders, and a subsidised State Emergency Fodder Fund. With economic liberalisation, most of these risks have been passed onto herders: herders are

now expected to insure their own animals, but most do not; the fodder fund has been disbanded at central level, and its few assets passed to provincial operations which lack funding; and health and education services have been severely cut back and subjected to cost recovery.

The most serious risk to herders is from severe winter and spring weather, and especially dzuud. In spring, this often coincides with the period of worst feed availability for animals, and with the lambing and calving period when animals are particularly vulnerable. Other, less important, risks include drought, animal disease, predation and animal theft.

On the basis of historical records, Arkhangay falls into a medium-high risk area for dzuud, with a serious aimag-wide dzuud every seven to ten years. The winter of 1994-95 was an example, discussed in Annex 5. Eight sums were affected by the dzuud, three severely. The state emergency services donated 5 million tugrics, which were passed directly to sums and mainly spent on buying and transporting animal feed to herders: transport was about 80 percent of the total cost of relief. In addition, funds were provided by a itnag and sum government, the army, companies, private organisations and the national Red Cross. Fodder was bought from sums within the aimag, from the remaining stock of the aimag Fodder Fund (the successor to SEFF), and from neighbouring Bulgan aimag; most was distributed on credit to herders. Only one sum had emergency forage areas for animals to use.

Herders in affected areas moved their animals away:

150,000 animals were trekked to less snowy areas.

Occasionally motor vehicles were able to open up tracks

though the snow for animals to follow, but generally

herders had to do it themselves on foot or horseback.

Total livestock losses in the three affected sums ranged from 8 to 20 percent. A large proportion of the losses were newborn and young animals. Based on conservative estimates of 1995 local prices for livestock, total adult animal losses are valued at over 150 million tlg (US \$330,000).

Such losses are a major cause of poverty among herders. Annex 5 reports several case histories of herding households losing all or most of their animals during the dzuud.

Better risk management

Herders and local government have a number of responses to risks such as dzuud.

1. Responses by households. The general perception by both herders and government is that responsibility for

risk management is now mainly at the household and inter-household level; both see the main response as better preparation by households for future disasters. Such preparation includes:

cutting more hay, gathering and stockpiling more fuel and bedding for animals; building more winter shelters; fattening animals better in summer and autumn to give them better reserves to withstand winter and spring;

reserving pasture for winter and spring use; setting aside special protected areas within these pastures for use in especially bad weather;

more mobility ('otor' moves) and an ability to move rapidly away from areas of disaster;

animal insurance: at present few households insure their animals, and then a few, particularly the most valuable animals such as racing horses, draught animals and valuable breeding stock;

inter-household mutual assistance: in the wake of the dissolution of the negdels, kinship and neighbourhood groups are increasing in importance and becoming more kin-based and stable (see Annex 4). Such groups play a significant role in mitigating risks to households by providing some mutual assistance, for example in labour cooperation, food sharing, sharing of fodder and other resources.

in severe dzuud, households also share reserved winter and spring pasture with households from especially badly affected households; this applies not only to kin but even to stranger households.

2. Responses by local government and other organisations. The main role of the sum government in recent disasters has been to:

request and coordinate outside help; where sums have some reserve funds, these have been spent on buying and transporting fodder;

the sum is also responsible for health services and administrative pensions and benefits on which many people depend, especially those who suffer large dzuud losses;

in one sum, Undur-Ulaan, local government has protected emergency reserve pastures and is attempting to set targets for household hay storage.

Companies and khoshos also play a role in disasters although, given their limited resources, this was quite limited in the 1994-95 dzuud:

some companies assisted with transport, or distributed essential commodities at a discount or on credit;

two companies distributed animal feed to members during the dzuud, and companies with social funds and animals were able to assist their members; company livestock are usually insured, so herders do not have to carry losses.

The aimag authorities, through the Civil Defence Office, coordinate and keep records of emergencies, including losses, costs, aid received and distributed; it has sufficient labour to do its job, but not enough vehicles and machinery. The key components of the aimag response include:

the aimag fodder fund, the successor to the SEFF, now administered by the aimag Agricultural Exchange; it current ly lacks funds to buy new reserves of

fodder and other resources;

strengthening the Civil Defence Office as the aimag centre for emergency preparedness and coordination

clarifying the responsibilities and potentials of the army in assisting the civil authorities in an emergency;

deciding the specific responsibilities in an emergency of the different aimag and sum government services, and how to strengthen their response.

defining the role of non-governmental organisations, both at national and aimag level, during an emergency. Nationally, the Mongolian Red Cross played a small role in providing help to one sum during the 1994-95 dzuud.

Risk management strategy for Arkhangay

A major dzuud or other emergency in the next few years would not only impoverish a large number of herders again, but would destroy much of the work achieved by the Arkhangay Livestock project. It is important to plan against this danger.

The local herding economy, particularly through khotails and neighbourhood groups, provides a first line of defence for individual households against disasters and emergencies. But any large disaster affecting all households in a particular area, such as dzuud,

immediately puts too much stress on this local system, and no household has the resources to help any other. In all developed countries, management of such covariate risk is the responsibility of the public authorities.

Arkhangay should develop an aimag-wide risk management strategy to reduce and contain the impact of future disasters such as dzuud. The FAO/TCP and IFAD projects should assist the aimag to prepare and implement such a strategy.

The main elements of such a strategy should be:

(i) Clarify the role of existing organisations in an emergency. There is a need to define the roles of all concerned organisations, and how they are to be coordinated.

(ii) Early Warning. Better early weather warning should be made available at sum and aimag level.

(iii) Emergency staff. Designated staff at sum and aimag level should be given responsibilities to prepare responses in advance and coordinate local government responses during a crisis.

(iv) Livestock insurance. Livestock insurance against loss from natural emergencies should be encouraged throughout the aimag. All animals restocked through the project should be compulsorily insured. A sum level commission should be instituted to enquire into the circumstances of all losses, and ascertain possible negligence by the herder.

(iv) Sum and aimag emergency funds and transport. Sum and aimag government needs to dispose of an emergency budget, to be used mainly to buy fodder and petrol, in a designated emergency - They also need a preplanned strategy to use trucks in the aimag belong to other organisations to move herders and their animals to emergency reserve pastures.

(vi) Emergency aimag and sum grazing reserves. The aimag should plan a comprehensive system of emergency grazing areas, to be used only in a major dzuud or other emergency where fodder is needed. Some of these may be shared with neighbouring aimags. The areas concerned should be gazetted according to article 18 of the land law. Sums may also choose to reserve emergency areas of this sort.

(vi i) Aimag Fodder Fund. An operational aimag fodder fund, designated for emergency use only, but with regular turnover of fodder onto the market at market prices when no emergency call is made on reserves, should be supported. The fund should be used only in those cases where it is impossible to move households and their

animals. The size of reserves, operational rules and procedures need to be worked out.

(viii) Pasture tenure. Grazing leases need to reflect the need for herding groups for reciprocal access to each others pastures in emergency periods; such access should be permitted under the leases if negotiated by mutual consent by the two groups concerned.

(ix) Protected winter-spring grazing areas. Grazing leases need also to reflect the need for households and small groups to have securely protected areas within their winter-spring pastures set aside for their own use in very severe weather conditions.

(x) Services. The availability of human and especially animal health services is an important factor before and during emergencies. Planning new services should keep this in mind. The distribution of wells and water points is important in this respect.

(xi) Household preparations. Households and herders

should be provided with incentives to prepare for

emergencies, especially through stockpiling hay and animal feed.

(xii) Companies. Companies should be offered incentives to create or build up social funds which are available to help needy households in emergencies or for recovery afterwards.

(xiii) Recovery. Recovery after an emergency is hard, and the inability of households to recover from large animal losses is a major cause of poverty. Recovery strategies, including restocking and other forms of credit, need to be planned.

The FAO/TCP project should undertake a detailed preparatory study of a risk management strategy for Arkhangay, incorporating these and other elements, for implementation by the IFAD project.

CHAPTER 5. TRAINING

Training is an important component of the TCP project. Immediate training needs identified during fieldwork this summer are:

Training in poverty-oriented rural development

There is no experience at rural level in Mongolia in setting up and running an anti-poverty strategy. Such expertise will become very important as anti-poverty programmes under the national poverty alleviation plan start to be implemented.

A training workshop was carried out in Chuluut sum for members of the sum poverty alleviation committee (SPAC) -essentially sum officials, bag leaders, and some heads of herding camps - in order to explore the potentials and difficulties. The session was planned and managed on behalf of the TCP project by the Centre for Social Development, Institute for Administration Management and Development in Ulaanbaatar, supported by the Save the Children Fund, with the assistance of an FAO headquarters officer. The full report of this training session is in Annex 8.

Workshop participants felt that the training was a useful introduction to the design, planning and implementation of an anti-poverty strategy, and that such training should be extended widely within Arkhangay in order to prepare people at the local level for implementation of the IFAD project and other anti-poverty measures to be undertaken within the national poverty alleviation programme.

It is recommended that similar training, based on the

experience of the Chuluut workshop, be extended over the next year to all other sums in Arkhangay.

Training in vegetable growing

Training and experimentation will be essential to the success of the proposed vegetable strategy outlined above, since there is little experience within Arkhangay any aspect of vegetable production.

The main components of such training and experimentation are outlined in Annex 3 on vegetable production. They include:

preparation of training materials on vegetable production adapted to Arkhangay conditions;

short training courses for potential sum vegetable advisers on technical issues in vegetable growing and on effective communications;

small-scale experiments in the use of polythene sheeting to extend growing period, assorted vegetable seeds to test the best varieties, a range of different seed potatoes to test the best varieties, propagation of fruit bushes, experiments with imported push hoes and seed drills.

This work should be set up and carried out by an agronomist from the National Agricultural University.

Training in the development of an effective business environment

There is at present little understanding at provincial or local level of the contribution small enterprises can make to an anti-poverty strategy, and of the respective roles of local government and business in local economic development. Private traders and people wishing to start or extend small-enterprises are often hampered by attitudes of government officials.

There is a need for a short (two-day) training workshop in Arkhangay for government officials from aimag and sum level on the principles of a market economy, and the respective roles of government and private enterprise in a market economy. A possible workshop format is outlined in Annex 6.

Training in small enterprise management

The small enterprise strategy proposed in this report will require better training for potential small enterprise managers. At present there is little experience of running enterprises under market

conditions.

There is a need for a short (two-day) training workshop in Arkhangay for actual and potential enterprise managers on business management, planning, accounting and financial management. A proposal for this is made in Annex 6.

APPENDIX

WORKSHOP ON LIVESTOCK PRODUCTION AND POVERTY ALLEVIATION, TSETSERLEG, ARKHANGAY, 24 AUGUST 1995

INTRODUCTION

A workshop on livestock and poverty alleviation was held in Tsetserleg, Arkhangay aimag, on 24 August 1995. It was convened by the Deputy Governor of Arkhangay, organised by the FAO/TCP project, and attended by the governor or deputy governor of 12 (out of 19) sums in the aimag, senior aimag officials including poverty alleviation programme staff, and members of the FAO/TCP and IFAD teams working on poverty alleviation programmes in the aimag.

The agenda and participants are listed below.

PRESENTATIONS

Mr Nune, Deputy Aimag Governor, opened the workshop at 12.00, stressing that the presentations by members of the FAO/TCP team were preliminary conclusions, put forward as a basis for discussion and debate; the present round of fieldwork was still under way, and would be completed only in September, with project activities continuing until mid-1996.

Mr Tsedendamba, Secretary of the Aimag Poverty Alleviation Council, and aimag coordinator of both the IFAD and FAO/TCP projects, introduced the poverty alleviation programme activities and the two donor projects. Jeremy Swift and Roger Blench summarised the objectives and activities of the FAO/TCP and IFAD projects.

Six presentations by members of the FAO/TCP team followed. D. Namsrai outlined her preliminary conclusions about poverty in Arkhangay aimag, based on official statistics. B. Erdenebaatar presented preliminary results and conclusions of a review of the Mongolian scientific literature concerning grazing and livestock management in the mountain and steppe environments of Arkhangay. Sh. Purevtsuren described the present state of vegetable growing in the aimag, and plans to develop it. B. Erdenebaatar presented the

results of preliminary research on restocking poor households. B. Batbuyan outlined initial conclusions of a study of local institutions, and how they could help implement project activities. Gantumur described the importance of

participatory development, and some of the methods which could be used to achieve it. Detailed accounts of this work will be contained in the final reports of each researcher. The workshop was closed by the Deputy Governor at 17.45.

DISCUSSION

The discussion covered six main themes.

(i) Available poverty statistics

Although it was recognised that fully accurate statistics were impossible, there was some confidence in sum statistics, because sum governors in general had good information. Aimag level statistics were perhaps less reliable, in part because of the way they are aggregated. Statistics had to reflect a rapidly changing reality. The FAO/TCP research would show whether the figures available at sum centre were accurate. It was important to have accurate figures, but not to repeat work already done by government offices. One participant felt that sum governors knew well who was poor, and it was not necessary to try to get a sophisticated statistical definition.

(i i) The definition of poverty and poverty thresholds

Even with accurate statistics, the definition of poverty thresholds poses difficult problems. Each place differs, with different environments and different animal species, and different products. For example, yaks and cattle are counted together in the statistics, but yaks are more valuable than cattle, and households with yaks should have different poverty thresholds than households with cattle.

fiii) Causes, impact and scope of poverty

Poverty is a key issue in the aimag, and is changing rapidly. For example, in Tariat sum, the number of female-headed households almost doubled in the last year (to 70) as a result of deaths of men. Poverty is growing fast, and any delay in project implementation will mean that there are more poor people to deal with when it does start.

Households become poor for many reasons. Some are the

victims of unmanageable accidents like dzuud. But the transition to the market has highlighted the problems of a dependent or lazy mentality. The project must differentiate between such people and other categories of poor.

Natural disasters - like the big dzuud earlier this year in eastern Arkhangay - are an important cause of poverty, and managing disasters (through such measures as better communications) should be a part of an anti-poverty strategy. Poverty projects should not be limited to economic measures alone: reducing poverty also means providing education and health, better transport and communications. General human development in the aimag should be the objective.

Participatory development methods, which vary according to particular places and problems, can help local government understand how people see problems and how to implement a successful project. Participation does not only mean involving poor people, although they are the ones most often left out, but everyone with a stake in the project: this includes rich herders, company leaders and other managers.

(iv) Vegetable growing and other alternative activities

Several sums were interested in vegetable growing and had suitable conditions. Storing and preserving vegetables was a problem, although there was some existing storage capacity, including half finished buildings which should be completed. There was an urgent need to renew potato seed in the aimag, since it had not been changed for ten or 15 years; and timely organisation of seed supply to all sums in spring would be essential. Training and tool provision would also be important. Implementing such a strategy would require a well-thought out, probably nongovernmental, aimag and sum structure, with a full-time aimag coordinator. A special workshop on vegetables should be organised at the appropriate time.

Some sums had other potential activities, including wood and carpentry, and dairy processing. Mention was made of Arkhangay's national reputation for the quality of its dairy products, and it was suggested that there

should be an Arkhangay trade-mark to guarantee the origin and quality of its goods.

(v) Institutional framework

Companies were mentioned as a possible institution to implement some activities, but in general companies are not working well and have little capacity to undertake new tasks. In some places they do not exist. Khot ails or camps are an important unit for some tasks; some have strong leaders and good internal cooperation. Herders are becoming more settled, less nomadic, and the khot ail could eventually be a static unit.

Neighbourhood groupings - neg nutgiinhan - were discussed. Neighbourhood groups are made up of a small number of khot ails located in the same area, such as a

mountain valley or around the same well. There is no formal cooperation between khot ails within neighbourhood groups, but camps relate more to other camps within such groups than to camps outside; there is, for example, some simple coordination of grazing management and camp movements. Neighbourhood groups may have overlapping interests in marketing livestock products, and they have a common interest in health care and education, since they form a small community within which such common activities can be undertaken. New forms of organisation will be needed to apply for the poverty funds which will become available through the National Poverty Alleviation Programme.

(vi) Restocking

Restocking is the answer to some types of poverty, although not to all. Households must be restocked with enough animals to provide a viable herd: households restocked with a small number of animals would not have enough to live from, and would still be obliged to search for other sources of income.

The scale of poverty is too great to restock everyone, and alternatives like small enterprises and vegetables must be found. Restocking may also have to involve rich households, either through an arrangement whereby they lease animals to poor households, or through the project buying animals from them for redistribution. It is important to identify a source of animals for restocking: rich households may not necessarily agree to sell. Livestock insurance, to cover against losses, will be important for restocked animals.

LIST OF PARTICIPANTS

M. Nunee, Deputy Governor, Arkhangay aimag

T. Tsedendamba, Head, Department of Agriculture and Environment

A. Byambajav, Head, Department of Finance, Economy and Production

Bataanoov, Head, Poverty Alleviation Commission and Chairman, Presidium of sum level khurals

D. Dagvasumberel, Head, Department of Social Policy Bayanmunkh, Labour Exchange

Sukhbaatar, Inspector, Department of Demography Policy and Employment

Gerlee, Inspector, Department of Demography Policy and Employment

D. Erdenetsogt, Economist, Department of Agriculture and Environment

Lhagvaa, Economist, Department of Finance, Economy and Production, and Member, Aimag Poverty Alleviation Committee

Rentsendorj, Inspector, Department of Finance, Economy and Production

N. Sambuu, Head, Livestock Breeding Service

Dovdonnyam, Manager, Agricultural Insurance Company

Dolgor, Women's Council

Samdanmunkh, Veteran's Council

Tsevegдорж, Manager, Veterinary Health Station

Dandarvaanchig, Head, Committee of Mongolian Peoples Revolutionary Party

Davghii-Khorol, Director, High Mountain Research Station for Animal Husbandry

Gerelmaa, Head, National Association of Agricultural Cooperatives

Mukhlaash, Deputy Governor, Ikh Tamir sum Khaltar, Deputy Governor, Tariat sum Oriibi i, Deputy Governor, Undur-Ulaan sum Batdorj, Deputy Governor, Erdene-Mandal sum Oyuntan, Deputy Governor, Jargalant sum Chuluunbaatar, Governor, Tsetserleg sum Gantumur, Governor, Batsengel sum Tserensonom, Deputy Governor, Khotont sum Vandankhuu, Deputy Governor, Tsenkher sum Nyam, Deputy Governor, Tuvshruulekh sum Bat-Tsooj, Officer, Erdenebulgaan sum Ganbat, Governor, Bulgan sum

Sh. Purevtsuren, Mongolian Agricultural University, FAO/TCP team

B. Erdenebaatar, Research and Training Institute of Animal Husbandry, FAO/TCP team

B. Batbuyan, Institute of Geography and Geocryology, FAO/TCP team

B. Namsrai, Institute of Economics, FAO/TCP team

Gantumur, Centre for Sustainable Development, Institute for Administration and Management Development

Dalai, Ministry of Food and Agriculture

Tungalag, Save the Children Fund

John Beauclerk, Save the Children Fund

Stefan Baas, FAO

Nick Guyer, FAO/TCP team

Roger Blench, IFAD

Jeremy Swift, FAO/TCP team

WORKSHOP AGENDA

1. Introduction - Nune, Deputy Governor

of Arhangay province 12.00-12.05

2. Poverty alleviation programmes in

Arkhanga - Tsendendamba, ^lfmag coordinator 12.05-12.15

3. FAO and IFAD projects in Arhangay -

Swift, Blench 12.15-13.00

Lunch 13.00-14.00

4. What is the problem? Poverty in

Arhangay (Namsrai) 14.00-14.20

5. What are the solutions?

developing pasture and livestock

management (Erdenebaatar) 14.20-14.40

vegetable production (Purevtsuren) 14.40-15.00

restocking (Erdenebaatar) 15.00-15.20

6. How can this be carried out? Local

institutions (Batbuyan) 15.20-15.40

7. Training in methods for understanding

rural poverty (Gantumur) 15.40-16.00

Break 16.00-16.15

Questions and general discussion 16.15-17.30

Deputy Governor closes workshop 17.30-17.45

ANNEXES CONTAINED IN VOLUME 2

Poverty perceptions among rural herders and sum inhabitants

Local government and non-government organisations

Vegetable production

Grazing management

Risk management

S. Small enterprise development

7. Report of training workshop on poverty alleviation, Chuluut sum