



Generating better jobs along the wool value chain in Pakistan

What is decent rural employment?

Decent rural employment refers to any activity, occupation, work, business or service performed by women and men, adults and youth, in rural areas that: (i) respects the core labour standards as defined in ILO Conventions; (ii) provides an adequate living income; (iii) entails an adequate degree of employment security and stability; (iv) adopts minimum occupational safety and health (OSH) measures adapted to address sector-specific risks and hazards; (v) avoids excessive working hours and allows sufficient time for rest; and (vi) promotes access to adapted technical and vocational training.

THE SITUATION

Many of the people living in Pakistan's Balochistan Province suffer from high levels of under-employment and poverty. Balochistan is one of the poorest provinces in Pakistan. About 80 percent of its population live in rural areas. Herding of goats and sheep forms the backbone of the local economy. The wool value chain is particularly vital for the employment and incomes of many of the province's inhabitants. Lack of access to modern technology is keeping labour productivity and incomes very low.

For rural women living in Balochistan, opportunities to engage in productive and decent work are even more limited than they are for men. Due to cultural norms, women rarely have the opportunity to leave the house to engage in off-farm economic activities of their own. As a result, women's involvement in the value chain tends to be limited to home-based activities. This constrains their productivity, commercial orientation and incomes.



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PROJECT DETAILS

Title: *Balochistan Agriculture Project* (wool value chain component)

Date: 2011-2015

Location: Balochistan Province, Pakistan

Responsible institution(s): FAO (implementing agency); USAID (funding agency)

Sub-sector: Livestock

Budget: US\$27.7 million

HOW THE ISSUES WERE ADDRESSED

Chronic underemployment was addressed by promoting productivity increases along the value chain. The so-called "production, marketing and bit in the middle approach" was applied. Accordingly, the project identified productivity bottlenecks along the *entire* value chain. Workers were given and trained to use labour-saving and productivity-enhancing technologies. Workers were also trained in methods – e.g. sorting and grading of sheared wool – to increase the income they earn from their labour. In short, the main focus of the project was on enhancing income-earning capacities. The creation of new employment is expected to follow from there.

Women were empowered by addressing the social and economic hurdles that prevent them from engaging in more productive work. Female extension officers were trained, allowing women herders and producers to access support in a socially acceptable manner. Women engaging in higher value added activities – e.g. pre-washing, grading, spooling and dyeing – were trained to use better technologies for wool production and to market their produce. Furthermore, a Wool Farmers' Marketing Collective was set up to support and adequately represent all those working along the value chain, especially women.

Criteria used to identify good practices

To be considered a good practice in promoting decent employment in agriculture and rural areas, a programme/project must:

1. Have been directly **relevant** to promoting decent rural employment;
2. Have had a **positive effect on employment issues** among target beneficiaries;
3. Have included measures that will ensure the **sustainability of its effects and/or support**, and;
4. Be **replicable** by other organizations, in other contexts and/or for the benefit of other groups.

IMPACT

SUSTAINABILITY



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Incomes of workers along the wool value chain in Balochistan have increased fourfold. These income gains have reached all of the project's 6,720 beneficiaries, whether they rear and shear the sheep, or wash, grade, dye and/or market the wool. About 40 percent of beneficiaries were women. Some of these women experienced

particularly large productivity growth. For instance, women who received and were trained to use foot peddle spinning wheels reported an average tenfold increase in their daily output of processed wool products. If the support is extended throughout Balochistan, total income generated along this value chain could rise fourfold from US\$5 million to US\$20 million per year.

The income gains are expected to be sustained over time. Three factors justify this claim. First, by intervening across the entire wool value chain, the productivity and income gains are more likely to be sustained, as (for instance) increased demand for processed wool products provides a larger market for the output of weavers and dyers, which in turn sustains the increased output of those rearing the sheep. Second, the project trained 52 master trainers. These trainers will continue to support skills development among workers and producers during shearing season. Productivity-enhancing support will thus be sustained, and expanded to additional beneficiaries in the coming years. Third, by supporting the formation of the Wool Farmers' Marketing Collective and encouraging the establishment of similar collectives elsewhere in Balochistan, the project improved the way in which workers and producers are organized. This has also promoted greater integration among activities along the value chain.

REPLICABILITY

There is great potential to scale up this experience throughout Balochistan. About 90 percent of the territory in the province is rangeland, much of which is suitable for sheep grazing. Other UN agencies and locally active NGOs have already indicated great interest in replicating the experience.

The "production, marketing and bit in the middle approach" can be used to support value chain development that focuses first and foremost on the productivity of value chains and value chain workers. Their enhanced incomes and output will subsequently stimulate growth of the local economy. This in turn will create more employment opportunities for the population at large.



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