



# Success Case Replication (SCR) for rural food, livelihood and energy security

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## PART I

# Success Case Replication



## Success Case Replication for rural food, livelihood and energy security

### BACKGROUND

- Success case replication (SCR) is a farmer to farmer or group to group led approach to improved production and marketing for rural poverty alleviation.
- It has its origin in an FAO pilot project in southern Thailand aimed at farm produce value addition and improving marketing skills of small-scale rubber producers for added household income.
- A unique lesson from the project was that many successful rubber producers demonstrated a strong social commitment by voluntarily sharing technical and marketing skills within their community, which became the core of FAO training activities and a driving force for livelihood improvement in the region.
- In 1994, with funding from the Netherlands, FAO RAP and UN ESCAP jointly initiated a regional SCR project for improved rural livelihood and food security at household level through market-generated employment in Nepal, Bhutan, Mongolia, Laos, Philippines, Sri Lanka, Thailand and Vietnam in collaboration with 18 partner agencies including Governments, NGOs and Agricultural Banks.



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### SCR METHODOLOGY

- Local-level successful entrepreneurs are often envied by less successful neighbors who are motivated to learn the skills and, of course, the business secrets behind the formers' success.
- The SCR methodology tries to locally facilitate farmer to farmer and or group to group sharing of successful experiences in production and marketing, by turning successful entrepreneurs into respected trainers who speak the same local language and are fully familiar with local social and cultural inhibitions and overcoming market barriers.

#### Step 1

Field workers acting as “catalysts”, identify in consultation with the village head, school teachers, police, etc, small farmers/farmers' groups who have developed successful farm or non-farm based small-scale enterprises.

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- To ensure necessary credibility and respect, the field workers identify successful local entrepreneurs within the same social, cultural or ethnic groups in their local community.
- The selection of trainees is based upon their motivation and readiness.
- The compensation for the trainer entrepreneur varies from case to case depending on the type of training, the judgment of the trainer, as well the capacity and motivation of trainees.

### Step 2

To ensure replication potential in terms of profitability and marketability, field workers assess carefully in each specific case local access to raw materials production technology and make a cost-benefit and market analysis.

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- Sometimes this leads to advising on setting limits on the total number of trainees or changing the type of products for marketing in view of local market conditions.

### Step 3

The SCR training has to be practical and participatory, and tailored to address individual/group production and marketing constraints and capacity building needs. The following questions need to be answered:

(i) How to access raw materials, land, water (where, what, when and how, and at what price)

(ii) How to access tools, develop skills to overcome production problems and add value

(iii) How to design and implement solutions to overcome local marketing constraints (where, what, how, at what price to sell, etc)

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- The SCR training activities are supervised by the field workers to ensure complete information transfer (including business secrets) and to facilitate follow-up support services by the local trainer for “trouble-shooting” during the first phase of replication of the successful enterprises
- Other support services are delivered by local organisations and partner agencies.
- After a first success is achieved the replication process goes on for several generations. (e.g. one SCR trainer takes five trainees, each trainee becomes an SCR trainer and takes five trainees and so on).
- During the pilot phase of the project in Sri Lanka, one woman SCR trainer on brick-making, initiated 90 successful brick-making enterprises. The SCR replication process can expand from village to village, from province to province, etc.

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### Final Step

- The final step of SCR is to monitor the cost-effectiveness of the SCR project on the basis of a cost-benefit analysis at the start of the project
- This takes into account the time spent by the field worker, training costs and increased net income of the successful trainee in the first year of marketing of his/her improved or new product.



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## Overview of Key Components of SCR Methodology

- Locate success cases
- Ascertain if the success is “replicable”
- Assess trainers “willingness” to train
- Identify and select trainees
- Match trainer to the trainees
- Establish practical “hands-on” training program
- Supervise training
- Plan the business with the COOP
- Access credit
- Arrange follow-up with business development services
- Achieve secondary “multiplications



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## STRENGTHS & WEAKNESSES

[Key words: *Farmer led Local Capacity Building; Value Chain Improvement; Production Income and Employment; Suitable and Affordable Technology Transfer; Training and Delivery of Follow up Support Services*]

## STRENGTHS

### 1. SCR is Innovative

- SCR Mobilizes local successful farmer entrepreneurs as trainers, strengthening local capacities of poor rural households for livelihood improvement; enhances community self-help capacity, reducing government dependency; promotes individual or group level self-respect, social cohesion and equity at local level through sharing of livelihood benefits in terms of income/employment opportunities

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### 2. SCR is Flexible and Comprehensive

- SCR is adapted to specific local-level constraints in production and marketing and capacities of small farmer for value chain improvement and improved access to markets; SCR looks at all steps in production process.

### 3. SCR is Technology and Social Strata-Neutral

- SCR can replicate all kind of technologies at different social levels; it can be applied at individual or group entrepreneurial level e.g. within and between farmer cooperatives as social enterprises.

### 4. SCR implementation is Cost-Effective

- Low delivery costs of SCR project activities using local expertise; no need for “expensive professional trainers” with often limited knowledge of specific local farm production and enterprise development constraints; effective selection of motivated trainees and time saving training activities in local language; low cost of post-training support services for trouble-shooting at first replication level.



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### Impact

- Of the 3 332 small farmer households in eight Asian countries who received SCR training, 71% became successful entrepreneurs increasing their annual income by an average of US\$ 449.
- The farmer trainers achieved 10 to 100 fold replication of their successful enterprises, while many women trainees became specialized as trainers in marketing, sharing their entrepreneurial skills with other rural poor women.
- Against the project implementation cost of US\$ 87 271, total income generated from success replication was US\$ 1 058 067. This works out to an investment ratio of 1:12 for each dollar invested in this SCR project.
- Field workers became professional and some started support services on their own.

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- In most cases, partner organisations need first to focus on SCR taking additional time for this, yet in many cases SCR activities strengthened their capacities and impact of their overall extension programs on the ground.
- In Vietnam, several provincial governments replicated SCR activities on large scale with their own budgets.
- In Thailand, the Bank of Agriculture and Agricultural Cooperatives (BAAC) continued replication activities for eight years after the conclusion of the SCR project in 2000, as part of BAAC loan disbursement to farmers using SCR to enhance farmer capacities to repay their farm loans.
- Donor awareness – World Bank awarded the FAO/UN ESCAP SCR project with recognition in 2000 as one of the top ten most effective rural poverty reduction projects.



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### SCR WEAKNESSES

- Does not replace conventional training
- Local successes are culture bound
- Trainer holds back critical secrets fearing market competition from their trainees; SCR methodology addresses this by avoiding enterprise training in locales where it is likely to lead to market oversupply and declining prices.
- Market oversupply and falling prices
- Recipient commitment is essential
- Difficult to obtain reliable field data



## PART II

SCR extension in Nepal

&

Relevance for small-scale bioenergy enterprise  
development



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### SCR FIELD APPLICATION IN FAO NEPAL TCP

- The application of the SCR methodology in Nepal enabled poor indigenous women in remote areas to develop viable business cooperatives – off-season vegetable production and marketing, marketing of herbal products, organic coffee production for certified export to Japan.
- The FAO/TCP support also included adjustment of the Cooperative Law in favour of enhanced women's participation and provided a practical bridge between the Government and the Maoist rebels with both sides fully supporting SCR project while jointly asking for an additional FAO/TCP contribution on the cooperative development policy framework as part of the Interim Constitution after the peace accord.

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- The project aimed to develop five SCR training toolkits for five types of agriculture cooperatives in the Plains, Hills and Mountain ecological zones of Nepal.
- Twenty five senior Cooperative Policy Makers from the four key institutions were trained on gender-responsive Strategic Planning, Cooperative Business Management and Enterprise Development
- Twenty five national and districts level trainers from DOC, NCDB, and NCF trained on local demand-driven planning and implementation of gender-responsive training approaches and methodologies for training on agricultural cooperative enterprise development.
- Agricultural cooperative leaders, officers from DDCs, VDCs, relevant NGOs, CBOs and organizations were trained on the SCR approach with training-of-trainers' tool-kits for promotion of local agricultural cooperative enterprise development.

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- A total of 192 households trained using SCR of whom 150 became successful entrepreneurs
- The additional income in the first year for the successful families ranged from US\$ 400 to US\$ 10 000
- Total project cost, including staff time and farmer training: US\$ 250 000
- Overall cost-to-benefit (C/B) ratio – 3.24
- Lowest C/B ratio achieved in herbal coops – 1.2
- Highest C/B achieved in off-season vegetable coops – 5.24



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### SCR & SMALL-SCALE BIOENERGY DEVELOPMENT

- In Asia, poor rural households account for bulk of rural energy use
- Rural household energy needs are met mainly from wood fuels, cattle dung and crop residues – 2.4 billion people rely on traditional biomass and 1.6 billion lack access to electricity
- Small-scale rural enterprises account for less than 10% rural energy consumption (*“Energy services for sustainable development in rural areas in Asia and the Pacific: Policy and Practice”, UNESCAP, Bangkok, Thailand 2005.*)
- Inadequate or inequitable access to efficient, low-cost and sustainable energy source is a major reason for persisting rural poverty
- Number of people living on less than US\$1/day is about the same as the number of those without access to commercial energy – 2 billion (*“International Bioenergy Platform”*)

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- Reliance on traditional biomass energy sources has negative implications for livelihoods of rural poor in particular women in terms of health and gender equity – smoke from cooking, work burden on rural women, denial of education to rural girls, waste of economically productive time in firewood collection.
- In addition negative implications for climate change and biodiversity
- 2002 World Summit on Sustainable Development emphasized the need to “improve access to reliable and affordable energy services for sustainable development, sufficient to facilitate the achievement of the MDGs...”
- World Energy Council/FAO study underlines need to integrate rural energy and rural development.



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How SCR methodology can contribute to community-level bioenergy enterprise development

- FAO 2002-07 biogas project experience in Nepal demonstrated favorable conditions for replicability of success cases, widening access to production resources & support services in response to market demand

### SUCCESS CASES

1. Ms Nirmala Subedi of Mushankhel village no longer suffers from smoke in her eyes while cooking after her family switched to biogas; Bir Bhadur Biswakarma, belonging to a socially marginalised caste says that the biogas has promoted social inclusiveness in his village; Mr Chitra Karki says his village is becoming self-sufficient in food after using biogas slurry
2. Bharat Bhujel has boosted crop production by using biogas slurry on his farm in Patu village in Gauribas VDC, Mahottari district, Nepal. "I'm glad I used the slurry, as the productivity is higher this year," says Mr Bhujel, explaining that the biogas slurry was far more effective than chemical fertilizers he used in the past.

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3. After using biogas slurry as fertilizer, Ram Bista now produces 80 baskets of potatoes on part of his farm he considered uncultivable; He used to spend Rs10 000 every year on about 120 kg of Urea, DAP and other chemical fertilizers – now he gets the slurry for free.

### Favourable conditions for replication

- most rural households have at least one cow or buffalo
- dung is commonly used as traditional biofuel
- 2 500 dairy cooperatives facilitated biogas group formation
- access to commercial bank credit for biogas development
- technical operation and maintenance training
- demand for biogas drying by high value organic crops producers
- biogas slurry use as fertilizer improved soil productivity, boosting farm income by between 50-100%



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### Potential linkages with SCR bioenergy replication programmes

- India's sugarcane cooperative model or rural livelihood, bioenergy and rural development (see K L Nalwaya presentation)
- Livelihoods diversification and enterprise development and expanding energy sources through small-scale livestock production, value-addition and biogas promotion in Myanmar (see Bir Mandal presentation).
- SNV biofuel programme in Southeast Asia and Central America for improved rural livelihoods through promotion of value chain development and inclusive business aiming to incorporate business values of the poor in biofuel value chains – pro-poor market conditions boost production, income and employment opportunities for rural poor.

### KEY ELEMENTS OF SCR

- Small-, medium & large-scale
- Local business development – farmer output/income/employment
- Technology-neutral, flexible, adaptable (see Pg 11) and bioenergy linkages



THANK YOU