Colombia: Livelihoods in challenging environments

Sustainable Table

Introduction

Where are we coming from?

Colombia is the fourth largest economy in South America, a peace treaty was signed after many years of armed conflict and the country is renowned for some of its innovative social projects. However, the success story does not ring true for all Colombians.

We work in areas where whole generations have been wiped out by the armed conflict, where entire villages have no latrines, no sources of drinking water, no roads to connect them to opportunities and where malnutrition is a common occurrence. The total household income of Afro-Colombians and indigenous families we work with remains well below the minimum wage (£173 a month, i.e. below £1.15 per day per head).

The project aims to make a significant change to the lives of 20 people: guaranteeing and surpassing the minimum wage through the production of creole hens within 18 months, whilst also improving the nutritional status of the families. After the initial pilot phase, new agricultural initiatives sharing some of the same infrastructure (e.g. the water pump) will be added thus multiplying the impact of the start-up investment.







Situation analysis

What's the problem and where's the opportunity to resolve it?



All households lack easy access to water

In this environment, despite the best rain water storage techniques, agricultural production and livestock rearing requires the construction of a deep well to supply water as there are no permanent water-reservoirs in the area. The newly constructed water source would be used not only for the hen production but would provide the entire community with a source of drinking water for minimum cost, thus ensuring the system's maintenance.



Lack of formal training

About 90% of adults have fewer than 5 years of education, and the vast majority have received no professional or vocational training. Their livelihood options are limited to performing day-to-day labour or providing an ad-hoc motorbike taxi service if there is a bike in the household. Most resort to subsistence livelihoods with backyard gardening - failing to produce enough to feed their families consistently, more so to create any surpluses.



Surplus manpower

The average family in the area comprises 5 people. However, a lot of households are multigenerational. Most households rely on a single person being able to secure ad-hoc work; therefore they tend to have sufficient surplus manpower (typically a parent, grandparent and a young adult or adolescent child) to contribute to the family business.



Access to supply chains and demand

Meat, fish, poultry, eggs and dairy products are regularly sold at village and town markets. At the same time, the shops in the area are always looking for new suppliers of the above - this also applies to the very few shops that are owned by chains.

Our project objective

What are we going to do about it?

This project aims to set up, support and replicate family agro-businesses.

Our preference is to introduce **chicken farming** for the following reasons:

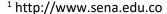
- It's the least affected by climate change (prolonged droughts alternating with flooding). Our chosen breed of poultry (Isa Brown chickens) is highly resistant to high temperatures.
- It requires less training and therefore is easier for beginners than other alternatives such as pig-farming.
- Minimal start up resources are needed in comparison to other forms of livestock production.
- It generates return on investment very quickly and allows for early repayment of the initial investment from through the sale of eggs.
- There is a sufficient unmet demand for eggs in the area, as well as for the hens.

As a part of the project, we will:

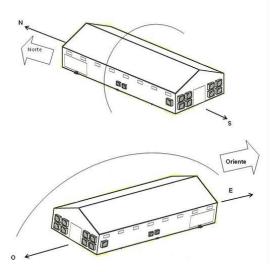
- Provide technical training, targeting a semi-literate population and covering the topic of chicken rearing (in collaboration with the SENA¹ vocational training institute of Colombia)
- Construct and aid in the initial maintenance of a productive unit with shed. Each shed will be 50 m² (10m x 5m), will house 300 hens with 50 dish feeders and 50 dump troughs, and be positioned west to east to ensure sufficient ventilation. Water tanks (of 5000 l) will be installed.
- Ensure a sanitary and hygienic environment to prevent outbreaks of disease, incl. vaccinations and deparasitation.
- Resource 120 packages of start-up feeding concentrate. All subsequent feed (including maize, grass and additional granules) will be provided by the new entrepreneurs.
- Ensure **skill transfer** in egg harvesting, classification and packing to the entrepreneurs, followed by supervision before handover at the end of the project.
- Introduce the importance and usage of **production records** to ensure administrative sustainability and effective management of resources.
- Deliver ongoing technical support throughout the project, and aid in marketing using methodologies and the techniques of farmer field schools (ECAs².
- Schedule subsequent replicas of the project in such a way as to ensure a permanent supply of products throughout the year.
- Facilitate initial access to the target markets for eggs in the main towns of Sincelejo, San Onofre and within the community of Brisas del Mar.



Within the 18 months of this project, we will establish a profitable productive chicken unit which will sell 120,000 eggs and will improve the lives of 20 people - guaranteeing their families an income above the minimum wage, which is rare in the area. On the assumption that 10% of the egg production will be consumed by the farmers, we are also expecting to see an improvement in the nutritional status of those households. One of the requirements of the project is to bring in a reliable supply of water which is currently not available in the area. The benefits of this will surpass the egg harvesting activities and its direct beneficiaries and improve the lives of the nearby community.



² Escuela de campo para agricultores, e.g. http://www.fao.org/farmer-field-schools/es/



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Business rationale

300 hens produce 240 eggs / day. The actual egg production varies throughout the life cycle, how and for the purposes of this proposal we are using the 18-month average.

The sale of 90% of the production at a value of 35,000 COP (£8.75) per 100 eggs brings in a total revenue of £10,340 in the first 18 months. The chicken waste can be mixed with additional ingredients (humus, lime, molasses, etc.) and packaged as an organic fertilizer with a feasible monthly revenue of 55,000 COP (£14).

The production cycle is expected to last 18 months before new hens are purchased. The initial batch will be slaughtered and sold for 12,000 COP (£3) each, bringing in a total of £900. At the end of 18 months, a new batch of chickens can be purchased from the revenue generated or alternatively replaced by chickens from hatched eggs. The total income therefore amounts to £11,480 in the first 18 months.

Value for money

The total cost of this project is £14,110, and the level of investment required in comparison to the income generated within the first 18 months may seem high. However, we believe this is justified given that this will be the first within a series of agricultural projects in the area. As such it must bear one-off costs (such as a deep-water well) that won't be incurred by subsequent projects (e.g. melon farming) and which will reach additional people in the area. The egg harvesting infrastructure provided by this project will only need minor maintenance within the first 5 years allowing us to compare the initial investment of £14K to an expected revenue of around £38K.