

Community fee-based service delivery in Fulani pastoralist communities: Community Livestock Workers (CLWs)- Multi-faceted services



1. Pioneer partnership

FrieslandCampina WAMCO Nigeria PLC (FCW) is Nigeria's foremost dairy company and market leader. It is an affiliate of Royal FrieslandCampina in the Netherlands. For over 60 years, FCW has been providing Nigerians with high quality dairy products through its brands that are household names - Peak, Three Crowns, and Friso.

Linked to its mission is the Dairy Development Program (DDP), an inclusive business model with an array of community activities that encourages local economic development in milk production to meet the needs of consumers, farmers, local communities, the government, and FCW's business. Through the DDP, FCW supports farmers to expand their investment opportunities as the milk collected from the dairy farmers is used in the local manufacturing of Peak evaporated milk and yoghurt.

The partnership between FCW and 2SCALE was initiated in 2011 because of government regulations mandating the dairy sector actors to source at least 10% of raw milk locally. FCW and 2SCALE formalized their partnership in 2011 through a Memorandum of Understanding (MoU) with the objective of supporting FCW to develop local sourcing of raw milk for processing and sale, while at the same time offering new business opportunities to Fulani Milk Producers (FMPs), other small-scale dairy farmers and SMEs to thrive. The partnership was implemented from 2012 to 2018, in close collaboration with the Federal Ministry of Agriculture and Rural Development (FMARD), with which FCW also signed a MoU to develop the dairy industry in Nigeria.

FCW has developed a new DDP strategy for the next 5 years (2020-2025), after signing second phase partnership with 2SCALE in 2019. Top on the agenda for the partnership is further fine-tuning the dairy cooperative model with FMPs, replicate it in new areas/ States, and initiating an intervention to better reach BoP consumers with nutritious dairy products.



Transportation of locally produced milk: the aim is to source at least 10% from local producers

2. Replicable practice

Effective extension service delivery at the cooperative level is required to sustain information and knowledge required to build capacity and upgrade skills for dairy cooperative. Public extension services are not adequate and FCW's mandate is more towards milk collection and processing. The use of CLWs bridges the gaps in extension services delivery, serve as local inputs suppliers, and representatives of multinational companies at community level.

The justification to have youth in the various Fulani communities to participate in dairy cluster activities was to create interest in entrepreneurial skills as CLWs. Most of these youth are well acquainted to their local setting and know how to interact to gain confidence and build trust. Therefore, interested candidates were selected and trained on relevant aspects of services required in the dairy value chain. This includes but not limited to milk hygiene and quality, herd healthcare, milk collection network, and input supply. Also, financial services like bank transactions, record keeping, and organizing producers' group. Training and coaching activities were done both theoretically and practically especially on good dairy farming practices using the smallholder dairy units established in some dairy cooperatives.

To make these services more interesting and worthwhile, there is need to attach cost to the services rendered at cooperative level. CLWs are members of cooperatives, with their respective cooperatives charge members for services delivered to individual member. The profit on the services is later shared through dividends to cooperative members. CLWs that engaged in inputs supplies make commission on bulk purchase from companies likes animal care Konsults, Turner Wright, Ceva Sante International (Ruminant products), and Zoetis ALPHA. The companies give CLWs products (Veterinary drugs, Feeds, and mineral salt lick) which they sale on commission or at agreed profit margin. CLWs through internal capitalization were able to establish small enterprises that supply relevant inputs to cooperative members, which also reduced transaction cost for raw milk business.

The challenges with fee-based services delivery within cooperatives sometimes hinges on inability of cooperatives and its members to pay for services that requires external involvement that requires hiring high skilled professionals on new innovation. Like artificial insemination, deployment of e-extension and diseases diagnostic analysis.

This practice is addressing constraints in terms of:

Access to nutritious food	<ul style="list-style-type: none"> • Availability: CLWs service are readily available. • Affordability: Because the services are community based is affordable. • Appropriateness: CLWs services are appropriate for the local setting and context. • Acceptability: Cooperatives accepted CLW services because is closer and provides quick solutions.
Inclusion	<ul style="list-style-type: none"> • Ownership: CLWs services is owned by the cooperatives themselves without any external interference. • Voice: Community based service through CLWs have a voice because all discussions and decisions emanate from the cooperatives themselves. • Risks: The major risk in community-based services is in-ability of CLWs to provide all relevant services required, relocation of trained personnel and lack of trust. • Rewards: There is reward in the service delivery, CLWs are paid base on services rendered.

3. Preconditions for replication

Prerequisites for replication is the right setup for inclusive business model of the dairy company. The willingness of relevant actors to participate, existing organizational structure especially for cooperatives organization and the support of public institution like department of veterinary service in the Ministry of Agriculture.

The organization structure like dairy cooperative is willing to develop and co-finance internal extension services delivery that will provide relevant skills and knowledge to its members. Also, there is government support and backing to institutionalize community-based extension delivery.

4. Results Achieved

20 Fulani dairy cooperatives have trained CLWs that provide services to their members.

Want to know more?

If you want to know more about this practice, please reach out to Mohammed Zailani, mzailani@2scale.org, Dairy Partnership Facilitator in Nigeria.

Further reference, please read the milk producer group resource book (<http://www.fao.org/3/y3548e/y3548e06>)

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