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Producer Group (PG) Formation Guidelines
Livestock & Dairy Development Project (LDDP)

1.1 Preamble

The Department of Livestock Services (DLS), the Ministry of Fisheries and Livestock (MoFL) of the Government of Bangladesh and the World Bank has been implementing the Livestock and Dairy Development Project (LDDP). The project activities include a) **Primary production improvement** to reduce costs while improving efficiency, safety and environmental performances; b) **Market linkages and value-chain development** to link producers to markets addressing quality and safety of livestock products marketed and consumed; and, c) **Improving risk management and climate resilience of livestock and poultry production systems**. The Project Management Unit (PMU) at the DLS supports management, monitoring and evaluation of project activities.

The mobilization of smallholder livestock farmers into Producer Groups (PGs) is considered the primary livestock extension strategy. A PG is a formal or informal (registered or unregistered) membership-based collective action institution serving its members, rural dwellers, and getting their livelihood from agriculture (crops, livestock, fisheries and/or rural activities; FAO, 2014). The production of milk, meat and eggs, farm animals and poultry support the livelihood improvement of the land-poor farmers ranked as non-farm and smallholders. The farm animals and poultry rear 73.9%, 82.6%, 82.2%, respectively, of cattle, goats, and chicken and usually remain out of the loop of public and private extension services or markets. Thus, a formal or informal (registered or unregistered) membership-based collective action institution like a PG can provide business services to its members, who are rural households who get a part or all their livelihood from agriculture. The PG service aims to improve its member livelihoods and include access to advice, information, inputs, markets, and advocacy and empowering women and vulnerable community.

Consequently, benefits of being organized in a PG include sharing information and ideas, pool resources, lower production costs, gain access to markets, serve as an efficient access point for communication with other development actors. The main driving force behind a sustainable PG is its strong membership. The National Livestock Extension Policy (2012) and Livestock Development Policy (2007) targeting technology transfer tools, emphasized the mobilization of livestock producer organizations and collective marketing of livestock products by community-based organizations and associations. The DLS, as a general extension approach, has mobilized primary dairy cooperatives and back yard poultry groups through different investment projects. However, these rural institutions need a robust internal sensitization rather than external motivation to become sustainable after the withdrawal of project assistance. Since the LDDP is being implemented all over the country, the DLS needs uniform guidelines for field-level livestock extension staffs and

officials to build strong farmer organizations for livestock and poultry development. The extant Handbook of PG formation guidelines are drafted to form and mobilize PGs under the LDDP by field-level staff and officials of the DLS.

1.2 Objectives

The guidelines aim to form, manage, and mobilize PGs to graduate into producer organizations and open gateways for the sustainable production and productivity increase of different livestock value chains through empowering rural women and other vulnerable groups.

1.3 PG diversity

The guidelines comprise participatory exercises on (i) identifying smallholders for creating homogenous groups; (ii) group vision and mission development; (iii) identification and prioritization of challenges associated with livestock and poultry rearing; (iv) strategies for mobilization of PGs collective efforts and resources to mitigate prioritized challenges; (v) establishment of common facility centre and source of investment; (vi) matching grant management under the LDDP; (vii) formation of committee and sub-committees; (viii) responsibilities of different committee and sub-committee; (ix) financial management; (x) bank account, signatories and approval; (xi) conducting meetings on a regular basis; (xii) apply for registration; (xiii) develop and maintain membership profile form; etc.

The LDDP adopted quadric extension approaches for PG formation and mobilization considering geographic hotspot zones of the country (BDP 2100). Table 1 shows the value chains, total households of a value chains, the average number of households under each value chain and the total PG number.

Table 1: Target Households (HHs) and Producer Groups (PGs) under different Value Chains

Value Chains	Total HHs	Average & range of HHs	PG numbers	Women participation, %
Smallholders' dairy	100,000	30 (20-50)	3,334	41.0
Cattle fattening	20,000	30 (20-50)	666	25.0
Goat & Sheep	15,000	30 (20-50)	500	100.0
Scavenger poultry	30,000	30 (20-50)	1,000	100.0
Total	165,000	30 (20-50)	5,500	

2.0 Working with PGs

Module 1: Working advantages

This module explains the advantages of working with PGs to help LDDP beneficiaries organized for agro-enterprise development. The DLS officials & LDDP staffs will understand their roles as field agents in promoting PGs.

Topic 1: Comparative advantages of working with PGs

The comparative working advantages with PGs are as follows.

a) The functional advantage of PGs

- Get empowered
- Better livestock services and advice from public and private organizations
- Better prices for livestock and products
- Easy access to financial services
- Easy and cost-effective procurement of quality inputs
- Building members` capacity
- Sharing work-burden among members to ensure balanced workload both in firming and household chores
- Remove individual inaccessibility to services

b) The comparative advantage of Development Organizations (DOs)

- Facilitate the establishment of Livestock Farmers Field Schools (L-FFSs)
- Facilitate the accessibility to many farmers irrespective of sex, age, caste.
- Make initiatives more sustainable
- Farmers learning better
- Time and cost-effective to development organizations
- Share knowledge and technology easily
- Sustainability of PGs
- Increase social and family values, family bondage and shared workload and value the unpaid care work.

Topic 2: The role of DOs to promote PGs

The role of DOs is not to do the work of farmers but to act as a guide and facilitator. Boosting farmers` confidence and capacities and the agency of women and girls, their self-resilience, positive male engagement are their essential functions. Their role may be listed as follows.

- Building trust
- Advisory role to PGs to get started and enhance capacities to lead, plan, organize and undertake financially sustainable and climate-resilient activities.
- Participatory training to enhance PG capacities
- Strengthen linkages between farmers and DOs
- Monitor PG activities
- Encouraging learning through L-FFSs
- Organizations of Training, workshops& L-FFSs
- Supporting group activities
- Monitoring activities
- Publishing reports

Module 2: Organizing and Managing PGs

This module describes how to help local people get organized as a PG and deals with critical aspects of group management. It includes the following lessons-

Topic 3: Entering the community

The base of all extension activities is the participatory identification of the above value chain-based PGs (Table 1) by an extension worker (ULO of the DLS, and LEO, LFA & LSPs in case of LDDP) when s/he enters into a rural community. The maintenance of homogeneity of a value chain is the principle for forming and mobilizing a PG. The extension worker may use participatory tools such as communicative activities with farmers, resource mapping, and identifying smallholders (man or woman) practicing cattle or Buffalo dairy, cattle fattening, goat & sheep or scavenging poultry raising, etc. The extension worker may develop PG profiles of household demography, livestock and agricultural land, inputs and rearing practice, selling places, prices, income, etc. The LDDP already finished PG characterization and developed a database of the above value chain-based PGs.

Thus, the representative of DLS & LDDP may i) gain its acceptance by the community for building rapport with PG members, recognize community problems and share information with PGs, ii) get the support of local leaders, seniors, chiefs and the influential, and iii) explain aims, methods, and methods of getting a PG supported.

Topic 4: Forming a PG

Describe the principles of forming a PG, explain how to help farmers constitute a PG, and list six building blocks (Participation, leadership, governance, regular meetings, record-keeping and financial management).

a) Identification of a PG

A PG is entirely a non-communal, non-political, non-violent, non-discriminatory, social, democratic, welfare and livestock production-oriented farmers' association. All the rules adopted by the Government of the People's Republic of Bangladesh will apply to all livestock PGs.

It may get a relatability and marketable name for easy identification targeting its registration with the Upazila Cooperative Office and building a business brand name. The name of a village or an area in which a PG exists and a livestock value chain it operates may jointly identify the title of a PG.

A dairy PG of Kaderpur village may get the title of Kaderpur Dugdha Utpadonkari Dal. It may turn into Kaderpur Dairy Cooperative Society Ltd, after being registered with the Upazila Cooperative Office.

b) Registration of a PG

A PG must get registration from the Upazila Cooperative Office. A PG of at least 20 members may apply for registration as a Primary Cooperative Society (PCS) in a prescribed form calls on profiles of i) Society leaders, ii) Society, iii)

Members, iv) Executive Committee composition, v) Two Years` estimated financial budget and vi) Debit-credit balance of a society. The Executive Committee (EC) will maintain the following documents as per different registration rules of the Department of Cooperative, the Government of Bangladesh.

- PG business address
- Assurance of members` age limit (Cooperative Society Rules, CSR-11(Kha) of 2004, and the state of alignment of PG and members` residential area (Cooperative Society Registration Guidelines, CSRG -5 of 2013)
- Members` NID/Citizen-certificate (CSRG- 5 of 2013)
- Applicant`s name, Father/Mother`s name and address (CSRG-9 of 2013)
- Avoiding the duplication of PG` name with that of a different society in the area (CSR- 2004, 12(1))
- Office space document support (CSRG -8 of 2008 & CSRG-6 of 2013)
- Financial documentation (Debit-credit and expenditure documents; CSRG-86 of 2013)
- Documentation of share and savings sources CSRG-14 of 2008)
- Continuation of PG-membership
- Registration fee submission (BDT 3000 for a Primary Cooperative Society; CSRG-5(2) of 2013)
- Documentation of administrative activities in different registers (Membership, share & saving, cash book, meeting notice and minutes, AGM notice and minutes, Election notice and minutes, visit, managing Committee etc; CSR-56 of 2004).

Once the indicators are performed and documented well, the PG is considered to be mobilized and institutionalized. The EC committee may apply for the registration with the Upazila Cooperative Office.

c) **Linking, Bonding and Bridging**

Developing a strong, empowered membership-based PG is critical for ensuring its sustainability. The capacity development for PG-leaders for organizational development, networking, leadership, confidence building, negotiation, gender sensitive business planning, and bankable business planning is essential. FAO (2012) suggested that effective and sustainable PGs and institutional arrangements with market actors and policymakers are the result of the following three interdependent types of relationships that small producers should develop.

- i) **Bonding** or intragroup relationships among small producers within organizations and building strong membership bases: This may be achieved through i) Inclusive Members` participation, ii) Leadership development, iii) Governance and accountability, iv) Financial transparency, and v) Institutional maturity.

- ii) **Bridging** or intergroup relations between small-producer organizations to create apex organizations: Village-level PGs with similar produces might be federated at the Union level (Federated PGs) to leverage access to inputs, technology and reduce production costs. Bridging among homogenous PGs at the Union level can also develop local service providers for livestock and poultry, and establish common facility centers for AI, medication, vaccination, feeds, selling/marketing, etc. The LDDP may facilitate matching grants for establishing such common facility centres at the Union level.

- iii) **Linking** or extra-group relations between small-producer organizations and market actors and policymakers: Individual and Federated PGs with good governance may further their confidence building, bargaining and negotiation power, bankable business proposal writing, food standards for producing quality produces, and market linkages. The lead farmers may integrate PGs and federated bodies with inputs and outputs markets. The training of trainers (ToT) may be conducted for the lead farmers so that they can facilitate their own PGs on:
 - Confidence building (building their agency) and negotiation skills
 - Business Planning (RuralInvest Module 2/3 of FAO would be an appropriate tool for Gender Sensitive Business Facilitators who will work the project)
 - Gender sensitivity, social inclusion, and gender responsive service
 - Inclusive value-chain development training
 - Innovation in developing value-chains (Dairy or fattening ration formulation; FAO Ration Formulation Tools (FAORationTool.xls) can be used for developing dairy and fattening value chains

Topic 5: Participation

A PG should run in a participatory way. The PG members should work together and build relationships among individual members, especially across gender equality, social inclusion, and ethnic boundaries. They should share responsibility for making a PG functional and contribute to the PG, listen & value different views, and decide together, if possible, by consensus.

a) Promotion of participation in PGs

- A PG must set common goals
- A PG should be voluntary and democratic
- A value chain-based PG may comprise 20 to 50 households in a single area.
- A dairy PG may comprise farmers with an average daily production of 5.0 liters of milk per farm and rear at least 50 animals (2 Dairy cattle per farmer).

- A beef fattening PG may annually produce at least 40 fattened cattle (2 Beef cattle per farmer).
- A Goat & Sheep PG may rear at least 50 animals (2 Goat/Sheep per farmer).
- .
- A Scavenging poultry PG may raise at least 200 birds (10 birds per farmer).
- .
- Women participation maybe 41.0% in dairy, 25% in beef fattening, and 100% in Goat & Sheep or Scavenging Poultry (Table 1). Besides, the representative from indigenous community or other vulnerable group (dalit community, person with disability) maybe prioritized.
- A PG may be homogenous in terms of economic conditions and social affinity

b) Duties and obligations of PG members

- Abide by the PG constitution and rules
- Attend meetings regularly
- Elect the PG leaders
- Pay a membership fee
- Contribute labor and materials when required
- Make regular contributions to PG savings fund
- Market PG` products together with agreed decision of all members
- Help other PG members when necessary

c) Eligibility for inclusion and replacement of members and dispute settlement

Following the by-laws, a new member may join in a PG. The following eligibility criteria will be applicable for the inclusion of a member (Rule 11, the CSR 2004).

- Must submit at least one share price money to PG account
- Age must be between 18-60 years; any person aged less than 18 years may be an associate member of a PG if his/her valid guardian take all liabilities of the PG till s/he becomes an adult.

In the case of a quit of a membership for any reason (transfer, loss of animals etc)

- a new member may be included following the by-laws and recommendation of a general meeting of the PG and consideration of gender equality and social inclusion perspective
- The EC will submit the proposal for a new member`s introduction to the concerned Upazila Livestock Officer (ULO) for the approval of the new membership. Upon the approval of the proposal by the concerned ULO, the membership will be effective.

- The tenure of a new member will start from the submission of share money to PG bank account

Cancellation of a PG Membership

The membership of a PG will be cancelled by the authority concerned if

- Disqualifies according to by-laws
- actions/activities of a member prove to be subversive to the state
- a member breaches the constitution of a PG.
- a member is involved in any forms of harassment or showing insensitive behavior, disrespectful to other members
- a member is involved in financial frauds and losses of the PG,
- a member does not deposit monthly savings consecutively for six (6) months.
- a member dies or is convicted of fraud or moral crime in a court.
- a member remains absent in three (3) consecutive meetings without any sufficient cause or prior permission of the EC.
- a member leaves a PG commanding area
- a member resists or puts any obstruction to PG activities.

Membership dispute settlement:

- The decision of the Upazila Cooperative Office on a dispute that arises against an existing member, or a suspended or expelled member will be final.

Topic 6: Leadership and management

A PG needs a management committee to lead its activities. A PG may exploit the following abilities by rotating the leadership positions among the members.

- A PG leader may be male, female, transgender, and leader from youth group
- A leader should be knowledgeable and updated with latest information
- She/he should be honest and impartial and must earn the confidence and trust of others
- Must have a vision for leading a PG
- Should inspire and motivate PG members and must convince outsiders on PG activities
- Must be team player to lead PG goal
- The leader must be gender sensitive and bias free i.e. no judgmental
- Leaders must be confident and purposeful
- Resolves conflicts. and guide members to achieve goals
- Leaders should not be biased, rather should promote equity and inclusiveness so that all members are encouraged

- The leader should have good communication skills and cautious on using gender sensitive and nondiscriminatory words
- The Leader must be respectful to all team members.
- Should be calm, focused, and analytical for managing crises
- Knowledgeable

Office of a PG

- A PG may start functioning using an available yardspace initially, but its office gradually will be operated in a rented or self-constructed house at a convenient place. Office space for a PG is a pre-condition for getting registration.

Executive Committee (EC) of a PG

- i. An EC will have a minimum of 7 to a maximum of 13 members, and the total number should always be divisible 3 (Rule 23, the CSR 2004). At least 4-5 member will be Female, Transgender and Youth.
- ii. A person cannot be a candidate for any of the EC positions if
 - applied for more than one position
 - did not pay the default amount against his/her or guaranteed Bank credit or advances
 - membership of a PG has been cancelled or suspended
 - a member of an election committee
- iii. The composition of the EC will be as follows.

Sl No	Positions	Number
1.	President	1
2.	Vice President	1
3.	General Secretary	1
4.	Treasurer	1
5.	Members	3

In the EC committee at least 2 Female members should be in decision making position (president, vice president, general secretary or treasurer) and members proportionately.

- iv. The EC will be constituted based on members` opinion consensus. If situations demand, an election of the general members may be held following Rule 26 through Rule 36 of the CSR (2004).
- v. A notice should be given at least three (3) days before mentioning the meeting place, date, and time.
- vi. The executive or election committee must maintain all relevant records.
- vii. An EC will function for two (2) years.

Functions of the EC

Following the objectives of by-laws and public Rule 47, the CSR (2004) the functions of an EC will be as follows:

- a) Financial transactions, raise funds, decide & collect monthly subscriptions.

- b) Organize annual technology exhibitions integrating public and private initiatives and identify barriers to increasing the production and productivity of livestock and poultry.
- c) Implement vaccination programmes following the recommended strategy for different infectious and non-infectious diseases of farm animals and poultry.
- d) Build awareness of members on family nutrition and food safety (promotion of One meal together practice which will help in getting proportionate nutrition, sharing information with each other and eventually strengthening the bond among family members), and support other risk mitigation options.
- e) Establish Livestock Farmers Field Schools (LFFS) for PG-members to enhance PG members' knowledge, strengthen links between the PG and public and private extension services for increasing input availability, and encourage non-PG members to adopt good practices and transfer technology around the area.
- f) Organize consultations with the DLS extension officials and staff, including LDDP LEOs, LFAs and LSPs, to get technical, health, gender equality, social inclusion and other relevant good practice support and services for PG members and other relevant public and private organizations.
- g) Support availability of various inputs such as vaccines, animal feeds, calves, chicks, fodder cutting and/or seeds and other related tools and materials etc., communicating with relevant extension agents.
- h) Get PG registered with Upazila Cooperative Office and institutionalize PG functions.
- i) Record keeping of assets and income and expenditure of a PG and maintaining all records in the relevant books and registers, including regular updating of member register.
- j) Prepare and present reports, including i) annual report of the PG, ii) annual financial report comprising cash account, balance sheets, profit and loss account, and profit and loss appropriation account in the EC annual general meeting.
- k) Prepare and submit related reports and invoices to audits in due time or following the request of the office of government registrar
- l) Support to visits of the concerned authority
- m) Implement income-generating activities, take a loan and support Banking systems for livestock and poultry development.
- n) Monitor and evaluate credits and advancement for reaching goals and utilize effectively disbursed money and repay.
- o) Appropriate and quick measures for repayment of credits and advancement
- p) Any other functions decided in general meetings

An EC will have the following executive authority following Rule 46, the CSR (2004) and PG by-laws-

- a. Admission of new members

- b. Filling a vacant EC post by a qualified member within 30 (thirty) days of the vacancy (CSRG 20 (1) of 2013).
- c. If there is any potential female group member who have fulfilled the minimum criteria can get nomination for the position (as an affirmative action for promoting gender equality)
- d. Subject to the approval of a general meeting and adherence to by-laws expulsion, removal or suspension of PG member or imposing any penalty.
- e. PG capital development
- f. Capital investment
- g. Suiting & fighting of laws or reaching a compromise in the interest of a PG
- h. Settlement of share applications
- i. Settlement of credit application and retention money against the credit
- j. Constitution of sub-committee in the interest of a PG
- k. May assign production or marketing coordination responsibility to selected EC members. Worthy to mention that there should be a provision to encourage women to take this responsibility as they are lagging behind in this area.

Topic 7: Governing of PGs

A PG will run following its by-laws according to Rule 8 of the CSR (2004), the Government of Bangladesh. A general meeting will approve the by-laws where members will participate and share their opinions. The guiding principles for the constitution of by-laws are shown in Annex 2. As per Rule 9, the CSR (2004), any by-laws revision may be adopted and approved.

Topic 8: Holding meetings (Rule 42, CSR, 2004)

- The PG office will be the venue of the EC meeting
- Organize EC meetings at least once every month or as decided by the EC and annual general meetings (AGMs).
- In case of the absence of any possible agenda, a cancellation notice of a monthly EC meeting subject to President approval will be circulated by the office secretary or a delegated member.
- The majority of votes will be the decision-making process. The President vote will resolve the co-equality of votes in favor& against a decision.
- The EC will include any pre-submitted written agenda by an EC member for its discussion in a meeting. Women, Youth, and any member from the vulnerable community (i.e., indigenous community or dalit community) should be encouraged to share the agenda for the EC meeting.
- EC President or in her/his absence, the Vice President will preside an EC meeting. In the absence of both, the members present in the meeting will select a Chair and run the meeting (Rule 43, CSR, 2004).
- The presence of one-third of EC members will define quorum. The delay of a meeting by an hour may resolve a quorum problem, if any and failing to reach a quorum by that time may cancel the meeting (Rule 44).
- One-third of PG members may in-written request for an EC summoned a meeting at least seven (7) days early. The President will notify all members for convening the summoned meeting accordingly (Rule 45 (1). If the

President denies convening a summoned meeting, the General Secretary, or an appointed executive officer, if any, may call the meeting. The members who requested a summoned meeting must sign and submit the circular stating the agenda to the office (Rule 45(2)).

- No other than the pre-circulated agenda will be discussed in a summoned meeting (Rule 45 (3)).

Lesson 9: Keeping records (Rule 56, the CSR (2004))

The following registers are relevant to keep in a PG

- 1) Member and his/her representative Register (Form-9, CSR, 2004)
- 2) Share Register
- 3) Deposit Register
- 4) Loan or advancement Register
- 5) Meeting Register (EC and General meetings)
- 6) Attendance Register for EC and General meetings
- 7) Cash Book will be closed daily (Annex 2)
- 8) Livestock status of the members (Annex3)
- 9) Other Registers as advised by the Register of Cooperative Department
- 10) EC must keep different records following the timeline given in Form 13, Rule 60, the CSR (2004).

Lesson 10: Financial management

The EC will be responsible for motivating members to subscribe monthly and maintaining all financial documents. It may form a finance sub-committee (FSC) to manage all financial records and other account-related issues and manage monthly savings activity. The financial management by the EC will include the following.

- Following Bookkeeping Rule 59, the CSR (2004) may select Treasurer for account keeping. But, on his/her own decision, the Treasurer will not be eligible to keep cash at hand.
- The EC will maintain all financial records.
- The PG general meeting will decide the amount of the monthly subscription.
- Every PG member may pay a membership value as defined in by-laws or decided in a general meeting (CSRG 15(2)/17 (3) of 2013).
- EC will maintain all financial transactions, including monthly subscriptions, through a national scheduled Bank.
- The EC or FSC may use a fixed cash amount authorized by a general meeting to support informal activities.
- The EC may borrow money from any bank or financial institution in the collective interest of a PG and take up and implement the project at its expense, subject to the approval of the general meeting. The meeting minutes must record all the relevant decisions.
- Members pay the monthly subscription by the 15th day of every month and EC deposits to the Bank by the 20th of each month.

- Following a PG general meeting, the President, General Secretary, and the Treasurer jointly open Bank account(s). But the joint signatures of the Treasurer and the President or the Secretary will operate the account who become male, female or transgender. But no discriminatory practice will be encouraged considering the intersectionality perspective.
- A PG member must not use PG funds for other than development works. The EC or FSC must maintain savings and investment accounts appropriately.
- In case of death of a member, his authorized inheritor(s) may continue PG-membership inheriting his/her savings. The deceased declaration will be followed for transferring assets and liabilities to a single or more than one inheritor. Otherwise, the state rules will be applicable.
- The PG may take up LDDP matching grants for its value chain development.

3.0 Business Development

Business, development plans and other income-generating activities are inbuilt annual activities of a PG. The DLS-LDDP will enhance the capacity of PG members on Business and development planning using software or physical exercises. A viable and gender friendly proposal will be evaluated and decided by the PG committee for execution and financing. The Business proposals may cover production, aggregation, processing and value addition of a livestock or poultry value chain, revenue-generating activities and even non-revenue-generating activities that address the welfare of PG members. But in each step women, representation from vulnerable community and youth's participation and their need and gender sensitive issues (i.e.) should be considered.

4.0 Gender Equality and Youths

A PG must ensure equal participation of women members in PG activities and avoid any discrimination. Recognize and value their domestic works through the decisions of the EC, provide their full participation and equal opportunities at all levels of the controlling, managing resources and decision-making process. Enable women access to business activity, service, finance and technology, including information and communication with relevant stakeholders following the EC decision.

All group members need to be oriented on basic gender quality and social inclusion, so that they can take any measures considering equity and inclusiveness. Since the group formation, facilitation of day-to-day activities (e.g. regular committee meeting), monitoring and reporting gender quality and social inclusion perspective need to be reflected. The participation of men, women, transgender, youth are not enough for transformation, there is a need to ensure their effective participation in all stages since the designing, implementation, and decision-making level. The progress of PG will be monitored after certain interval (quarterly, bi-annually, annually) on the basis of gender sensitive indicators and compile the evidence base for scaling up the result.

The EC will encourage the participation of youth in development works and take necessary steps for reducing the proportion of youth not in employment, education, or training.

5.0 Investment management

Following the approval of a general meeting, PG members will be able to invest in various income-generating activities both individually and organizationally from the deposited funds. A sub-committee approved by the EC may implement and manage the business activities related to livestock and poultry development. The EC will record the investment, such as the business plans, amount of investment, terms and conditions of refunding etc.,) in the minutes of a general meeting and an EC meeting and level of participation in decision making (e.i, placing agenda in the meeting and meeting minutes where states the status of decision both taken by male and female etc.). The expenditure and income of each investment may be maintained in a separate account.

Formation of a business sub-committee

1. A business sub-committee will have a minimum of 5 members to a maximum of 7 members where at least 2 members will be female
2. A person cannot be a candidate of the sub-committee if
 - Applied for more than one post in the sub-committee
 - Membership of a PG has been suspended or cancelled
 - Irregularly present in the meeting
 - Irregularly deposit members savings
 - If the member is not believing in equality and respectful and to other members especially to women, transgender and youth.
3. The composition of the sub-committee will be

Sl. No.	Position	Number
1.	President	1
2.	Focal person	1
3.	Members	3

4. The members of the business sub-committee will be selected based on PG members consensus on general meeting. If situations demand, an election will be held.
5. A notice should be given at least three (3) days before mentioning the meeting place, date, and time.
6. The tenure of the business management sub-committee will be two (2) years.

Function of the business sub-committee

1. Search and find the potential buyers for livestock products and bargain about the better price of the products. Establish linkage with the dealers/companies.
2. Decision about potential sales volume. The committee will decide how much they will sale daily, weekly, and monthly basis.
3. Take decision about the distribution of products and their packaging. Select the location(s) from where the product will be distributed and effective marketing channel(s).
4. Take necessary actions for minimizing marketing costs (especially distribution and handling, storage, packaging, licensing, and legal fees, etc.)
5. The members of the sub-committee will estimate the gap between current resource availability and future needs. Also, take necessary actions for the acquisition of resources.
6. Estimating output capacity of the PG members based on farm's equipment, land, and labor.
7. This sub-committee also manage inventory on a regular basis. Take necessary actions about the product storage and quality control.
8. Identify the market and financial risks of the products. Briefly rank the business exposure to market, production, environmental and financial risks and talk over risk management ideas with members etc. irrespective to men, women or the age, caste, and group.
9. Record keeping of all the income and expenditure as well as inventories on a regular basis and submit to the EC monthly.

Annexel

The guiding principles for the constitution of by-laws

- 1) Name and address (
- 2) Members` commanding areas (Rule 12)
- 3) Functions
- 4) Aim and objectives
- 5) Membership conditions and credentials (Rule 11)
- 6) Privileges and bindings of members
- 7) Capital sources and development options
- 8) Terms and references of PG committee and conditions for selection and termination of a member
- 9) Calling & conducting meetings, and decision-making system (Rule 42)
- 10) General rules of running a PG and its businesses
- 11) PG profit-sharing
- 12) PG committee constitution and charge handover systems (Rule 23)
- 13) Membership cancellation, expulsion or removal and debts clearances (Rule 38-39)
- 14) Share and liability transfer
- 15) General meeting, and its terms of references and authority (Rule 17, 18 & 20)
- 16) Members Terms of Reference
- 17) Signing power of attorney on behalf of the PG
- 18) Members` access right to PG documents and copy supply
- 19) PG-outside investments and management system
- 20) Accounts keeping
- 21) Dispute Settlements
- 22) PG Fund development, use and profit-sharing
- 23) Constitution and revisions of PG by-laws (Rule 9)
- 24) Notification and circulation system (Rule 41)
- 25) Penalty for members failed to comply with subscription system
- 26) Supervision and accounts auditing system

- 27) By-laws, balance sheet and audit report sharing with members
- 28) Any other issues directed by the Register

Annexe2

A PG`s cashbook format.

Sl. No.	Member's Name	Initial Balance/BF	Month					Month:	
			Credit	Credited so far	Debit	Debited so far	Balance	Credit	Credit so far
1	2	3	4	5	6	7	8	9	10
	Total Credits								
	Total Debits								
	Balance								

Annexe3

Livestock and Poultry Register format for a PG

Member's Identity		Cattle					Buffalo					Goat				Sheep				Chicken					Duck			Specialized Fowls	
Reg No	Name	Cows		Fattening Bulls/ Bullocks	Heifers	Growing calves	Cows		Bulls/Bullocks	Heifers	Growing Calves	Does	Castrated male	Bucks	Kids	Ewes	Lambs	Ram	Kids	Hens	Cocks/Cockerel	Broilers	Layers	Chicks	Ducks	Drakes	Ducklings		
		Milking	Dry				Milking	Dry																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30