

BDS Market Facilitation in Azerbaijan: Veterinary Services for Small Livestock Holders

Kamran Abdullayev and Nailia Mustafayeva, with input from Nathan Brown
Mercy Corps

October 2005



USAID
FROM THE AMERICAN PEOPLE



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The Implementation Grant Program (IGP) for Business Development Services, IGP-BDS Learning Network, Case Study #3, BDS Market Facilitation in Azerbaijan: Veterinary Services for Small Livestock Holders.

Printed in the United States of America

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Implementation Grant Program BDS Learning Network

Case Study #3

BDS Market Facilitation in Azerbaijan: Veterinary Services for Small Livestock Holders

**Kamran Abdullayev and Nailia Mustafayeva, with input from Nathan Brown
Mercy Corps**

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The Implementation Grant Program for Business Development Services (IGP-BDS) and the IGP-BDS Learning Network are funded by the Microenterprise Development Division of the United States Agency for International Development (USAID). The opinions expressed herein are those of the authors and do not necessarily represent the views of The SEEP Network, Mercy Corps, or USAID.

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IGP-BDS Learning Network

The United States Agency for Development's (USAID) Microenterprise Development Division has been funding programs in microfinance and business development services (BDS) through the Implementation Grant Program (IGP) since 1995. As of 30th September 2004, over 90 grants have been approved for a total life-of-project funding greater than 100 million dollars. The current IGP-BDS grantees are an impressive group of organizations and projects that: cover almost every geographic region, consist of numerous value chains, use various approaches, and contain enormous potential to make a positive impact. These programs present an important learning opportunity on how to improve the design, implementation, and impact of BDS programs.

The USAID Microenterprise Development Division, in an effort to establish a participatory learning process, initiated a learning network for the IGP-BDS grantees. The SEEP Network, a non-profit organization in Washington, DC, is the secretariat for the IGP-BDS Learning Network. The SEEP Network provides resources for the IGP-BDS grantees to conduct technical exchanges, hold virtual discussions, organize an annual meeting, and learn about different approaches and tools that are being used in the various IGP-BDS grant programs. In addition, The SEEP Network generates opportunities for: peer exchanges, collaborative case studies, and conference participation for IGP-BDS Learning Network participants.

The goal of the IGP-BDS Learning Network is to be an excellent technical resource for the participants of the IGP-BDS Learning Network, furthering their program and organization objectives. Through the IGP-BDS Learning Network, lessons on sound practices will be captured and disseminated to the wider microenterprise development industry.

The IGP-BDS Learning Network was officially launched during a meeting organized by The SEEP Network

and held in New Delhi, India in December 2003. This Learning Network identified the following three learning themes, which frame the common challenges of the IGP-BDS Learning Network participants, and are aligned with the market development goals of the IGP-BDS grants.

1. How to effectively manage the market facilitation role and tasks across a range of market settings and market problems.
2. How to build win/win business relationships between MSEs and other key market players.
3. How to effectively stimulate demand for business services.

Each IGP-BDS grant operates on a performance basis, tracking progress against targets established at the outset of the grant. The semi annual reports also provide qualitative narratives that link programmatic performance to the overarching IGP-BDS Learning Network's agenda. The agenda aims to understand how to harness the power of increased MSE participation in growing markets to achieve positive and lasting development outcomes.

Six IGP-BDS Learning Network case studies have resulted from the first two learning themes. These cases were written against a set of guidelines adopted by the IGP-BDS Learning Network. These six case studies have initiated a process of learning linked to useful and practical outcomes. In the near future, the IGP-BDS Learning Network plans to: develop diagnostic tools that manage and track performance, document learning against current and future learning themes, and distill lessons on the links between better practice and performance.

- Marshall Bear, IGP-BDS Learning Network Facilitator
- Jimmy Harris, Deputy Director, The SEEP Network
- Jennifer Hansel, Program Associate, The SEEP Network

Mercy Corps

U.S. PVO Mercy Corps is working to boost incomes of rural poor and women microentrepreneurs by facilitating the availability of high-quality and reasonably priced veterinary and animal husbandry services in the livestock and poultry subsectors. Mercy Corps is stimulating demand for veterinary services by organizing clients into groups and building awareness of available services, and providers. They are also

strengthening the business and marketing capabilities of veterinarians through training and networking. The program will enable networks of trained veterinarians to expand their client base and improve services by embedding production know-how along with disease diagnosis and treatment, while smallholder livestock and poultry producers in remote location will become more competitive in commercial markets.

Context

Together with independence, the breakup of the Soviet Union brought significant economic and social decline to Azerbaijan after 1991. The main factors of this decline were a damaged state manufacturing sector and loss of access to the huge consumer market of the former union republics. Massive and often insufficiently considered privatization and the diminished role of the former communist state—previously a source of lifelong employment—left a vacuum and eroded social protections.

Agriculture, traditionally one of the principal economic sectors of Azerbaijan, was most damaged by these developments. The sector was adversely affected by hasty agricultural reform, decentralization of Soviet-type collective farms, and land privatization. Many rural families who were previously engaged in state-run structures lost their jobs and switched to subsistence farming, making a moderate income selling excess products. For many families without previous experience of entrepreneurship, horticulture and livestock breeding remained their only source of income. After 13 years of independence, the agricultural sector remains economically important both in value and as an occupation. Approximately 15 percent of the gross domestic product in 2003 originated in agricultural activities and more than 40 percent of the workforce earned their livelihood from horticulture and animal husbandry.

The commercialization of farming has progressed faster in areas of Azerbaijan with better natural resources and more accessible markets. The Lenkaran and Masalli regions targeted by the Mercy Corps program have particularly favorable conditions for animal husbandry. Many people there have chosen livestock and poultry breeding as their principal family business. Although they possess basic farming skills, these farmers had been unable to translate their new commercial ventures into significant income improvement. Delayed or complete absence of animal vaccinations, poor ability to recognize and appropriately respond to animal diseases, and improper feeding and management practices combine to cause significant loss of revenue and animals. “Just last

summer we lost one cow in our farm because of an unknown blood parasitical disease,” said one Mercy Corps program client whose family possessed just three animals. These negative factors can account for up to 60 percent of production costs among cattle breeders and 30 percent among poultry producers.

The poor financial condition of the Azerbaijan government did not permit it to supply adequate veterinary and other livestock services to farmers—a primary reason for low farm productivity and loss of livestock assets. Failure to provide farmers with these services eventually forced the government to privatize the delivery of veterinary and livestock services. The strategy liberalized state control over the provision of veterinary services (for animal treatment, disease prevention, and other livestock services) but maintained regulatory control over the provision of a limited number of vaccinations, such as anthrax, foot-and-mouth disease, and brucellosis.

Liberalization of livestock services stimulated the private sector and led to the appearance of a cadre of private suppliers of veterinary services, remedies, vaccines, semen, and related agricultural inputs in rural areas. In the Lenkaran and Masalli regions, which together have more than 10,000 small commercial livestock holders, about 120 private individual veterinarians are providing such services, 20 of whom operate veterinary drug stores.

A typical private vet in the region is usually male (there are no female vets), uses a mobile phone from which he receives calls from clients, and travels using a car or a motorcycle that also serves as a mobile ambulance, complete with supplies and instruments. The vet visits farms, provides fee-based services (payable in cash or kind), and coordinates with the State Veterinary Department on vaccination campaigns and disease outbreaks. In addition to traditional veterinarian services, vets also supply embedded livestock services, such as advice on animal breeding, feeding, and quality control (also known as production technology advice), and links with potential animal buyers.

Market Assessment and Market Problems

To assess the market and identify problems hindering the access of small farmers to veterinary services, Mercy Corps conducted a market survey at the pre-implementation stage of the program. The survey allowed the organization to design an initial market facilitation strategy and provided a snapshot of service market trends, size, penetration, customer habits and satisfaction, and key reasons for the purchase or non-purchase of services. The market assessment included UAI (Usage, Attitude, and Image) survey elements and concluded with a series of focus group discussions with service providers, service users, and non-users in order to fill in informational gaps and complement the data obtained from random surveys. Table 1 documents survey findings in the market for veterinary and livestock production services.

Based on the data in Table 1, among those surveyed who were aware of the benefits of veterinary and livestock production services (e.g., animal health preventive

practice versus emergency care), 32.5 percent and 27.5 percent, respectively, had tried them. However, only 68.5 percent and 44.1 percent of the farmers surveyed were familiar with the full benefits of the two respective services, even though retention ratios demonstrated that the services met farmers' expectations: almost all livestock breeders who had tried the services became regular customers.

Based on survey usage data, the size of the service market for veterinary services and embedded livestock production services was estimated (see Table 2).

Market penetration for veterinary and livestock production services was just 21 and 12 percent, respectively. Taking into account that 89 percent and 71 percent of survey respondents had not yet tried the respective services, which could be important for their businesses and for which they might be willing to pay, the potential for

Table 1. Awareness, reach, and retention rates of veterinary and livestock production services, Lenkaran and Masalli regions

	Awareness (% of respondents fully aware of service benefits) (A)	Reach (% of respondents aware of benefits who have tried service) (B)	Market penetration (A x B)	Retention (% of respondents who have tried service and used it in last calendar quarter)
Veterinary services	68.5	32.5	22%	93.6
Livestock production services	44.1	27.5	12%	95.5

Table 2. Estimated existing size of veterinary and livestock production service markets, Lenkaran and Masalli regions

	Current market penetration	x	Total market (no. of farmers engaged in livestock activities)	x	Average monthly amount spent on services	x 12 mos =	Estimated annual market value/ outreach
Veterinarian services	21%	x	10,025	x	US\$5.30	x 12 mos =	US\$133,894
Livestock production services	12%	x	10,025	x	embedded service	NA	1,203 businesses

market expansion was estimated to be 9,123 farmers (US \$580,222 in annual fees) for veterinary services and 7,518 farmers for livestock production services (see Figure 1).

Further analysis revealed constraints to the service market that were impeding its growth, despite an impressive potential for expansion.

Demand side constraints

- Consumers did not fully understand the potential benefit of the services for their businesses and were averse to trying new services. (The term “potential benefit” is defined as the use of animal health prevention practices versus emergency treatment.)
- Consumers were unaware of payment options and assumed that they had to pay cash up-front. As a result, they did not use the services, losing access to production advice in the process. The assessment revealed that veterinarians preferred to be paid in cash, but offered the options of credit and in-kind payment.
- Consumers located in remote areas were not attractive customers for service providers who noted that they were generally not interested in making long journeys to serve groups of less than three clients. These impediments were even more acute for farmers who lived in isolated remote, mountainous communities, especially during the winter, when roads are impassable and prevented their timely access to services.
- Although women comprise 45 percent of total livestock breeders, only 5 percent of women breeders were accessing veterinary services on a permanent ba-

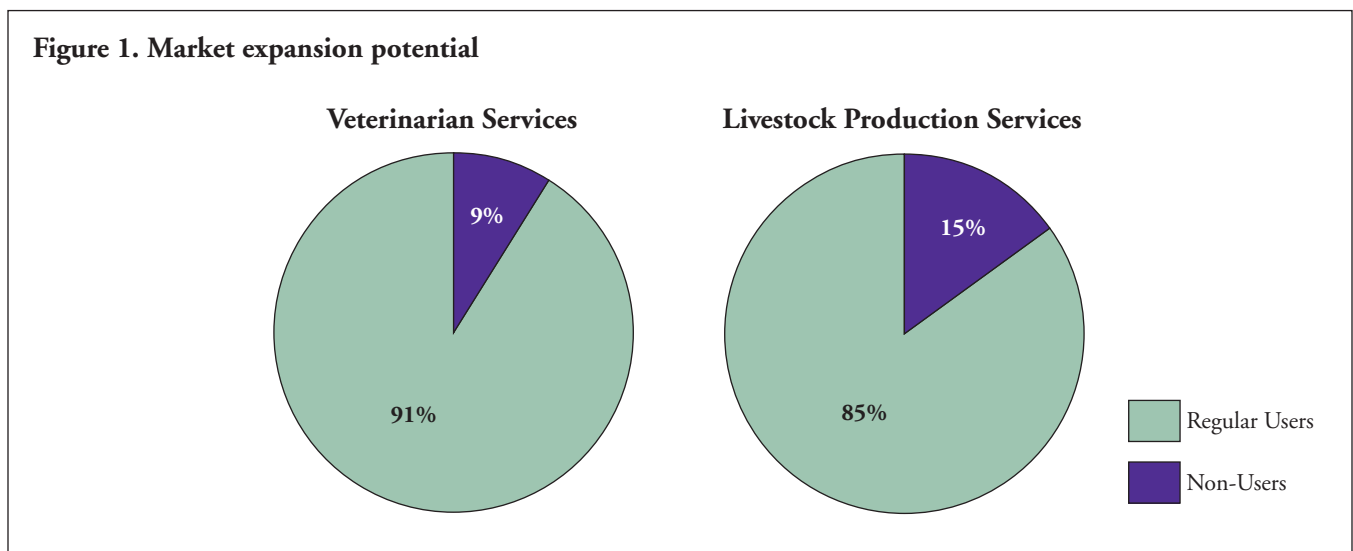
sis. The service providers had not recognized women farmers as a huge market niche and were not making a true effort to reach them. In part, this situation was due to traditional local culture, which limits women from directly contacting the male service providers.

Supply side constraints

Both veterinarians and veterinarian suppliers admitted to long-entrenched behaviors stemming from the former centralized system in which marketing and customer satisfaction were simply not business concerns. Historically, their services were targeted at large businesses and the veterinarians were not promoting payment options to smaller clients. Moreover, they relied almost exclusively on word-of-mouth marketing—a “clients will find me” attitude.

In the focus discussions, clients reported dissatisfaction with particular features of veterinarian services. They described veterinarians making the long trek out to remote villages without any medical supplies: the vets would diagnose conditions but were then unable to offer appropriate medical treatments. The supply-side constraints to the market could be summarized as:

- Service providers had poor promotion and marketing strategies.
- Service providers lacked business skills to develop and market service products.
- Service products lacked the features that consumers wanted. A service package—availability of necessary drugs and facilities during service delivery, plus service consistency and accurate and timely delivery, were identified as desirable product features.



Facilitation Strategy

Mercy Corps employed a facilitation strategy that used both demand- and supply-side interventions to address constraints to market growth for veterinary and livestock production services.

Facilitating Sustainable Access to Business Development Services through Business Clusters

On the demand side of the service market, the program began by mobilizing farmers in underserved villages around livestock problems and developing them into clusters. For the purpose of the program, clusters are groups of farmers living and operating businesses in geographic proximity. For example, a cluster could be comprised of livestock holders from one or several villages located close to one another and sharing the same resources. Farmer clusters serve as a program platform and encourage collective efforts to combat animal health problems via improved access and cost-effective use of veterinary services. Veterinary services then act as an entry point into farmer communities. Once animal breeders see the value of these services, the program can promote other initiatives or additional business services related to the commercial interests of the farmer clusters, such as purchasing inputs together, sharing transportation costs for greater economies of scale, or seeking more profitable markets.



The Shaglaser village cluster is composed of approximately 400 family farmers who breed cattle and raise poultry. The village had not practiced any preventive disease measures since 1992 and had failed to maintain previous farm productivity and profit levels. In May 2003, 23 villagers formed a cluster initiative group that used a preventive spray to protect animals against infection from parasite-borne diseases. About 170 more farmers later joined the campaign. This case exemplifies the approach of Mercy Corps: implementing programs that yield rapid results and foment optimism among farmer cluster members.

Program activities to develop farmer clusters consist of a series of introductory meetings with the communities during which program officers become acquainted with the economic and social conditions of the village and its development potential. These meetings provide an opportunity to become familiar with existing relationships between farmers and veterinary service providers, the degree of use of different business services, and the interest of local authorities and other existing institutions in supporting community initiatives. The meetings also raise awareness of the applied business development services (BDS) approach of Mercy Corps and establish trust between future cluster members and the program.

The next step involves the selection of cluster leaders by the villagers. After the leaders are selected, the program works with each one to form a cluster initiative group. These groups will, in fact, represent the interests of the larger community and serve as a focal point for the Mercy Corps program and the service providers. To further develop and sustain cluster activities, the initiative groups are provided extensive orientation on program activities, followed by community mobilization and management training.

Once the initiative groups have a comprehensive understanding of their role, the program facilitates the development and implementation of pilot projects related to animal health problems. These pilot projects are fully funded by the cluster groups and are used to demonstrate the benefits of veterinary and livestock production services and gain the farmers' buy in. At this stage, community-based efforts start producing results that engender optimism and enthusiasm in the villages. When implementing pilot projects, the program encourages farmers to "start small" and build on their success. This is believed to be a more sustainable approach in terms of building collective capacity and reducing the risk of failure.

After the clusters successfully implement pilot projects and gain the buy-in of other villagers the initiative groups enter into a long-term commercial agreement with the veterinarians. In consultation with the service providers, cluster members prepare a disease prevention plan for their community. This plan includes a schedule for the veterinarians to conduct "information sessions" for farmers on animal diseases, their symptoms, and consequences. These sessions are effective in raising farmer awareness of the value of animal health prevention and prompt them to act on newly learned practices. Farmers thus begin to more

zealously implement the measures in the prevention plan and shift to using veterinary services not only in emergencies, but also for disease prevention purposes.

Collective application of the veterinary and livestock production services in program regions allows even poor and women livestock owners to effectively access veterinary services. The bulk purchase of these services allows farmers to share the cost and makes the services more affordable for the poorest in a village. At the same time, local culture is more open to women accessing services in groups rather than as individual clients. Strengthening the clusters also raises the profile of often-neglected women and farmers in remote villages.

As the clusters evolve into sound operating structures, the program continues to focus on improving support systems to enable small farmers to explore and utilize available regional business services and final product markets. The aim of Mercy Corps is to encourage self-management as the clusters gain greater autonomy, building their capacity to undertake further collaborative activities independent of Mercy Corps.

At this point in the program, the interventions of Mercy Corps have shifted towards ensuring the consistent transfer of responsibilities to cluster leaders and members. In order to achieve the sustainability of existing farmer clusters, the program develops action plans by having communities prioritize their livestock business problems and identify possible measures for their redress. Action plans are drafted by cluster leaders in collaboration with the veterinarians. In essence, the plans represent a vision around which the community is willing to continue collective efforts. Although the first draft of a cluster action plan is a working document that goes through multiple revisions, Mercy Corps believes that preparation and realization of the action plans is an essential step in developing the long-term capacity of farmer clusters to respond to emerging economic needs in a creative manner that utilizes available and new business services.

Networking and Strengthening the Capacity of Service Providers

The program's supply-side interventions center on building the capacity of service providers to meet emerging client demands, facilitating the formation of a provider network, and linking the providers to available resources to improve their technical and entrepreneurial skills. The purpose of developing a local veterinarian network is to help providers address common issues, increase their capacity to identify their own needs, and access the necessary resources to respond to those needs.

As there were about 120 service providers in the target area, it was unrealistic to expect that all of them would be equally interested and able to participate in the program at the start. The program thus developed a set of criteria to consider when selecting and working with the service providers, including:

- appropriate education and technical background
- profile of existing clientele (preference is given to those with a female and remote client base)
- demonstrated willingness to invest human and other resources to develop their business
- openness to building relationships with client clusters and colleague networks.

The program used these criteria to select a diverse mix of private-sector service providers who committed to form a long-term partnership with the program. Using a participatory approach, the program assessed the current status and needs of selected providers to improve their service delivery businesses. Based on this assessment, the veterinarians were referred to appropriate training providers, government counterparts, and regional veterinary laboratories to help them gain the latest knowledge and new skills



The Urge village was one of the first clusters developed by the Mercy Corps program, uniting 184 farmers from the village and neighboring areas. Cluster farmers have undertaken many collective activities and experienced the positive impact of these initiatives on their farms, including healthier animals and reduced livestock maintenance costs. Gradually, the cluster transitioned to a profound self-governing body that explored other opportunities to improve business operations. In time, a group of 40 farmers from the cluster realized the need for a business loan and applied to the World Bank's Agriculture Development Program for assistance. The farmers formed a credit union and used the first tranche of the loan, along with their own contributions, to expand their businesses. The loan was repaid on time and the farmers are now expecting the second tranche.

in their area of specialty. The program also funded the first series in a series of technical assistance events and attracted subcontractors to improve the business communication, marketing, and management skills of the veterinarians.

As in the case of the farmer clusters, the first capacity-building events served to raise the entrepreneurial consciousness of the service providers, helping them to identify the concrete conditions of their businesses and to act upon this newfound awareness. The initial training, at which service providers came together for the first time in their careers to publicly discuss professional problems, laid a solid foundation for building collegial relationships. The trainings provide veterinarians a stimulus to form a veterinarian network to address common problems and attract public attention to regional veterinary actions. Trainings are not one-off events, as the vets continue to depend on the linkages created with the trainers and regularly obtain updated knowledge from them.

After approximately a year and a half the program asked the veterinarians to list key changes in their practices that resulted from participation in the professional network. Their responses indicated that the network was instrumental in:

- handling disease outbreaks and conducting coordinated vaccination campaigns. One network veterinarian noticed that, “oftentimes a disease is highly contagious and spreads quickly, requiring the treatment of many animals on many farms at the same time. The network has been helpful for us [in identifying] farmers in need and [collaborating] in delivery of services when necessary.”
- pooling resources to access technical consultancies from the Veterinary Research Institute in Baku, obtain information on new veterinary technologies, and provide each other technical support
- making bulk purchases of medicines from veterinary pharmaceutical dealers in the capital



- conducting educational and awareness-raising campaigns on the value of the preventive veterinary actions in villages and among existing clients.

One of the successes of the network that exemplifies its benefits is the collaboration of veterinarians with the in-country dealer of the worldwide veterinary supply producer, INTERVET. The dealer organized a training session for network veterinarians on new veterinary drugs and established commercial relations with the network. Now the dealer supplies the service providers with veterinary medicine on consignment, allowing rural farmers to access high-quality drugs.

In May 2004, two network vets became business partners and opened two veterinarian drugstores at the regional bazaar, where they sell INTERVET products. Two months later, they were serving an average of 25 clients a day. They credited their success to the quality of the medicine they dispensed. The new partners also provide advice to customers on medicine application. In addition, they tailor their services to the needs of smaller and poorer clients. If, for example, a customer requires only a single dose of medicine for a sick animal, they measure out a single dose rather than sell an entire bottle (which may be too expensive for the farmer). Pre-made, single-dose packages are neatly labeled and available behind the counter.

Since the program began, it has changed its facilitation role from “hand holding”—when network veterinarians needed intensive assistance to assess and address priorities and develop client outreach strategies—to making referrals and creating linkages. At present, the program continues to co-fund access to technical resources for the service providers, together with the professional network.

Introducing a New Service to the Market

Facilitating linkages between network vets, technical resources, and other sector players has resulted in the introduction of a new livestock service in the market: artificial insemination (AI) of cattle. AI gives cattle farmers the choice of using the best possible bulls to sire their calves, not only to increase productivity, but to improve the health and well-being of the herd. Many devastating cattle diseases are transmitted sexually, so using stud bulls from other owners is potentially dangerous. But tight quality control of the insemination process not only ensures the safety of a farmer’s stock, it does so at a fraction of the cost of an actual siring. While a bull may cost thousands of dollars, AI costs around ten dollars. The service thus enables farmers to save money, increase productivity, and create a sustainable future for their herds.

The program facilitation role in this case was to convince the local AI firm, which imports the semen of highly productive Holstein breeds and distributes them to a cadre of trained AI service providers in Azerbaijan, to introduce the service in remote rural areas by training and partnering with local vets. Based on the selection criteria provided by the local AI firm, the program recommended two network vets who could potentially learn new skills and commercialize the service. The firm trained both vets in AI techniques and the program co-funded the acquisition of necessary equipment for them: a toolkit and two liquid nitrogen balloons for storing the frozen semen. Partnership between the AI firm and the local vets benefits both parties: the firm has expanded its market and the vets started a new business. Prior to the program, AI was very expensive and access to the service was difficult because the only service providers were in the Absheron peninsula, an area 250 km away from program regions.

After the training and procurement of AI equipment, including the first portion of semen, the two vets began to provide AI service in the program regions. In spite of the fact that the service was completely unknown in the area, the vets provided a fee-based service in order to ensure sustainable maintenance and a profit. Initially, the demand for the AI service was small—an average of 7 calls a month—but intensive awareness-raising campaigns implemented by the program built demand. Three months later, the vets were making an average of 13 calls and netting approximately US \$60 net a month. Appearance of the first AI cow offspring in February 2004 resulted in rapid growth of demand for the service. In June 2004, both vets provided 71 AI services and each netted approximately US \$140.

As the demand for the AI service grew and promised to be a good business opportunity for other vets and the AI firm, the facilitation objective of the program



Tamamzer with calf produced by artificial insemination.

changed. At the initial stage, the program sought to gain the interest of the semen supplier, select the vets, facilitate awareness-raising activities, and monitor the performance of the trained AI service providers. When the selected service providers constituted about 8 percent of the semen supplier's market and had sufficient clientele to obtain higher rates for the service, the program changed its strategy to encourage competition by supporting other vets interested and willing to invest in the opportunity. At present, the program is negotiating with the semen supplier and one vet who wants to invest in the AI business.

Box 1. Benefits of artificial insemination (AI) service

One of Tamamzer's three calves was conceived through AI, a service for which she paid about US\$10. The new calf was born in March of 2004. "I can see the advantage of artificial insemination with my own eyes," she says. "The calf is a very docile animal and it eats well and is gaining weight fast." In only four months, the calf has grown to the size of her two locally bred calves, which are both six months old. The calf is an investment that Tamamzer hopes to collect on in about a year and a half. "I've already received good offers to sell the calf, but I'm going to wait. When I sell it, I plan to use the money to plant a hectare of alfalfa and finish construction of a shed." Once grown, the alfalfa will be cut and dried and used as a protein-rich feed for her cows over the winter.

After she saw the AI calf, Tamamzer successfully used the service for two more of her four cows. Currently, Tamamzer earns 10,000 AZM (about US\$2) a day from the 20 liters of milk produced by her four cows. She hopes that the new calves will double her production when they begin to produce milk. "I remember in Soviet times how the collective farms had cows that could each produce 20 liters of milk a day. I hope that these calves will produce 10 liters each."

Progress to Date

As a result of addressing market constraints on both the supply and demand sides, program progress includes the following achievements:

- The demand for veterinary services increased as a result of awareness-raising activities and the development of farmer clusters. Remote and women farmers now have better access to these services, as well as options for selecting service providers.
- Farmers have wider and more affordable options for quality veterinary drugs.
- Farmers have affordable access to improved cattle genetics.
- Service providers have considerably increased their clientele. Veterinarians participating in the program had, on average, 37 clients a month in early 2003. The vets now serve an average of 53 clients per month.

Challenges and Lessons Learned

The Mercy Corps BDS program in Azerbaijan has identified both challenges and lessons learned for similar programs in the future.

- When facilitating the creation of farmer clusters, the program team discovered that many village groups required thorough guidance and support to benefit from the program. Mobilizing client clusters for joint action was a very time-consuming and labor-intensive process for the program team. Therefore, from the very beginning, team members worked to transfer skills to village leaders and outside contractors capable of managing the cluster in a manner that would be fair and equitable to all community members.
 - One of the salient challenges facing the program was the introduction of a new concept: “best practices” in animal health.
 - Another major challenge is that the program offered no direct grants or other material benefits as incentives to form clusters. Clusters are sustained because the participating communities see personal value in collective effort. In view of the fact that many potential program participants expected subsidy-related interventions, Mercy Corps worked to build the project through the experience of a handful of entrepreneurs who believed in the approach and pursued the networking of “quality” and transactional-oriented interactions between all the sector stakeholders.
 - Encouraging people to “start small” and build on success is a more sustainable approach for maintaining or starting businesses, as well as implementing result- and impact-oriented activities.
 - Another challenge faced by the program was successfully reaching women farmers in the cluster villages at the level that the program expected. Although almost all women livestock owners are now benefiting from animal vaccination and other disease prevention measures in the targeted villages (veterinary campaigns encompass the entire community), it was difficult to involve women directly in cluster decision making and informational activities. Multiple women participating in a cluster makes it socially acceptable for men and women to meet, but it does not work in every village.
- To address this issue, the program brought in a gender specialist to assess how program methodology was actually implemented in the field and to determine how it might be adapted to increase women’s participation. The program team also benefited from a gender sensitivity training to understand the sorts of issues that limit women’s participation, how to overcome these issues, and why it is important to encourage women’s participation in economic development programs. The new principles are now successfully being implemented and gradually transferred to the veterinarians and cluster members to ensure a higher level of women’s participation in cluster activities.
- In order to adhere to the BDS market development paradigm, it is important to understand the dynamics of the markets for final goods. In order to address market problems for milk, for example, some farmer clusters incorporated linkages with a number of processors and created access to alternative markets for milk products.
 - While introducing a new or promoting a pre-existing service, targeted and intensive awareness-raising campaigns plus an entrepreneurial and innovative spirit on the part of service providers, are essential prerequisites for successful market penetration.

