

## Youth in Teknaf

*As a result of cash and livelihood assistance, young people in Teknaf, Cox's Bazar, have been able to strengthen and grow their businesses, providing them with economic security and stability for the future. Possessing the means and skills to independently support their family's needs has empowered them and boosted their self confidence.*

### Introduction

The Bangladesh Red Crescent Society (BDRCS) in partnership with the British Red Cross (BRC) have been working together to support community resilience through the Vulnerability to Resilience (V2R) programme since 2012 in various locations across the country. The V2R model follows the IFRC Framework for Community Resilience, and focuses primarily on DRR and disaster preparedness, livelihoods, and WASH. For Phase 2, the V2R project has implemented development activities in 10 communities across the Teknaf sub-district of Cox's Bazar since 2019, of which some 1,700



*Tomtom driver in Ashrayan Gucchagram. Source: BDRCS.*

families are supported with conditional cash grants. In December 2022, we carried out two focus group discussions with the targeted communities between the ages of 18-35 to understand the changes to lives of youths after receiving the cash and livelihood assistance.

### Content

#### *Increased income and business capital*

Prior to receiving livelihood support, young people between the ages 18-35 were engaged in several business activities, including working as day labourers, rental Tomtom and Chander Gari drivers<sup>1</sup> agricultural workers, grocery store owners, shopkeepers, and fishermen. Their income varied. Those working in the grocery store industry were the most financially secure, earning a regular wage of up to BDT 90,000<sup>2</sup> a month. This was followed by Chander Gari drivers (BDT 60,000-70,000) and agriculture workers (BDT 15,000). Day labourers and Tomtom drivers were the least financially stable of the group, earning as little as BDT 5,000 on some months.

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<sup>1</sup> A Tomtom is a locally built small vehicle powered by motorbike and a Chander Gari is a small truck. Both are used for transporting people and goods.

<sup>2</sup> BDT 10,000 is equivalent to USD 94 or GBP 78.



After receiving cash assistance, they were able to develop and grow their businesses, raising the average income of the group from BDT 8,000-11,000 per month to BDT 12000-14000. Using the cash they received, Tomtom drivers were able to purchase their own vehicles resulting in a dramatic 260% increase to their earnings. Similarly, the day labourers saw their monthly income rise by 153% after expanding their land and buying livestock. The grocery store owners were also able to grow their income by increasing the quantity of goods being sold in their stores.

However, the Chander Gari owner saw a steep decrease in their earnings. While previously the Chander Gari was the only vehicle able to navigate the badly maintained roads in Shahporir Dwip, the condition of the roads has recently seen as dramatic improvement. As a result, the Tomtom- a much cheaper and more readily available vehicle- is being frequently used to transport goods and passengers.

The general increase in income has allowed them to spend more money of their children's education, as well as on medical care, food purchases, and home repairs. They are also able to reinvest the money into their own businesses, as well as put money aside for savings. This will ensure that they are able to maintain and grow their businesses and income in the future. However, the rise in young people's earnings has slightly been offset by inflation in the area. As the cost of goods and services rise, it sometimes becomes difficult for them to feel the benefit of their raised income.

### *Improved knowledge of managing their finances and risks*

Alongside cash assistance, they received capacity building in financial planning and management. Through financial literacy training, they learnt to record their income and expenses to determine whether their businesses were making a profit. If their businesses were operating at a loss, they were shown methods to reduce expenses and increase profit margins. They expressed that the main benefit of this training was being familiarised with cashbook records. Maintaining an accurate record of their outgoings has made it easier for them to keep track of how much money they are saving each month and take precautionary measures. This in turn has helped them to them to sustain their businesses. Most cashbooks are maintained by family members or community organisers (CO). Only a small minority wrote in the cashbooks themselves. While they reported feeling comfortable and confident writing, half of the group depend on their sons, brothers, or another family member to write in the cashbook as they are unable to do so themselves.

When asked about their perception of the business development plan<sup>3</sup>, only few remembered the process. While they remembered a business development plan event taking place and receiving support to set up online bank accounts via their mobile phones, it is unclear if they have used the business development plan for their own businesses.

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<sup>3</sup> Business development plan elaborates on how they are planning to run, expand and maintain their new/current business, the identified business risks and the measure to protect against shock and disaster related risks.



Those who received skill development training learnt to effectively manage the business risks unique to their line of work. For example, shopkeepers learnt to minimise the risk of having their stock spoilt by mice or rainwater or having to dispose of food exceeding its sell-by-date. They did this by ensuring that the shop remains pest free, stock is protected from rainwater, and goods are bought according to demand. Similarly, fishermen established processes to minimise the chances of getting into danger while at sea. They put a variety of communication systems into place before heading out to sea, including mobile phones, radio devices, and signal lights. They also bring buoyant equipment to minimise the risk of drowning and stay alert for robbers and armed gangs.

Overall, the group reported that the financial and business management support they received has strengthened their businesses and increased their business acumen. The cash support has helped them repay off their debts and purchase more products to sustain their companies in the future while the training sessions have helped them to produce valuable business models.

They also feel more empowered and secure. They can independently cover all the family expenses, continue their children's education, afford medical expenses, and no longer need to rely on others for assistance. They expressed that this has boosted their confidence levels and made them feel more respected in their families and communities. Their family relationships have also improved. Being able to comfortably meet the family's expenses has resulted in less family quarrels. The women said they feel they are able to take part in the family decision making more than before.

#### ***Perception of the beneficiary selection***

They believe the right people were selected to receive cash support and that all levels of the community were involved in the decision making. When asked if the selection process caused any friction in the community, they said no. Occasionally there was a little tension between family members however this was not of a serious nature. For example, family members teased them for being favoured by the CO. When tensions did arise in the community, they reported it to the community disaster management committee (CDMC) or CO who spoke to the community and dispelled any myths about the selection process.

When asked what would have happened had they not been selected for livelihood assistance, they said it would have been impossible for them to survive. They would have had no other option but to work as day laborers, and their income would have been insufficient. This would have resulted in various family disturbances. One said that he might have had to close his shop had he not received support. Another said they could have fallen into debt.

#### ***Access to basic services***

The groups have made use of government advice and services. For example, one farmer listened to the advice of a Union Agricultural Officer after their crop was infested with pests. The shopkeepers have also received trade licences from the Upazila administration. Prior to the training they received from BDRCS, they were not aware of the services available to them or how to apply for these services.

They were however aware that they can apply for national identity card (NID) and birth certificate and have taken up these services. They learnt about these options via neighbours and relatives. They



said accessing services has not been a problem, however sometimes there were long waits to obtain trade license and birth certificate due to the additional check to ensure the applicant is not a refugee.

They are also aware that they can access loans and credit services. These can be accessed locally via NGOs or informal community lenders, as well as banks. However, they expressed that they do not like the idea of taking out loans and the majority said they would never do so. They would rather take loans from relatives. One respondent reported taking a BDT 40,000 loan from Palli Sanchay Bank. It was a group loan which was taken out with others from the community. They will need to pay BDT 44,400 including interest.

## Lessons learned

The values generated by the project's interventions are beyond improving and protecting their livelihoods. We recognised that the achievements are only possible by reinforcing the knowledge within communities, through awareness raising and financial education activities. Having proactive community engagement activity such as courtyard sessions and via the community organizers is critical for addressing barriers faced by the community and for ensuring the support is holistic and appropriate to their context and capacity. This case study highlighted the importance of supplementing cash assistance with business management training and showed the far-reaching impact of the cash and livelihood assistance on both the youths and their families. It is likely that this benefit will be felt not only in the present, but also in the future as they build sustainable businesses, and their children receive an education. In 2023, BRC in collaboration with the BDRCS and the International Committee of Red Cross (ICRC) will be implementing a pilot to define wellbeing with the community and to develop a measurement to capture CVA wellbeing.

## Contact information

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