

## **Follow up to the e-discussion on „Rural Advisory Services and Making Markets work for the Poor“**

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### **I. Introduction**

In May and June 2012, SDC's A+FS and e+i networks have conducted jointly a [learning event](#) and an e-discussion on Rural Advisory Services (RAS) and Making Markets work for the Poor (M4P). A synthesis paper of the e-discussion is available online in [English](#), [French](#) and [Spanish](#).

The objectives of the e-discussion were defined as follows:

- achieve a common understanding of the concepts RAS and M4P by the enlarged community of the two networks
- develop framing questions and guidance for using principles of M4P in RAS and to integrate RAS in market development programmes

The lively e-discussion included more than 120 emails from 49 practitioners from around 18 countries. The emails were read by the 430 members of the "RASandM4P" dgroup community (SDC's online discussion group).

Based on the active discussion and the positive [reactions](#) to the e-discussion, SDC mandated a **follow-up on concrete action** that was triggered by the e-discussion.

**II. Survey results**

Participation in the survey

All the 430 members of the dgroup RASandM4P were invited to participate in a follow-up survey on concrete actions. 29 people responded to the survey. The participation was high amongst those members who posted at least one contribution during the e-discussion.

Have you actively participated in the RAS and M4P e-discussion?	Survey monkey	E-discussion	Survey participation (%)
Yes, I have actively participated by posting at least one contribution	13	49	27%
Yes, I have followed the discussion by reading all or most emails.	8		
No, not actively, but I have read some few emails	8		
Total number of respondents / dgroup members	29	430	7%

Lessons learned from the e-discussion

90% of participants mentioned to have learned something new about RAS and/or M4P from the e-discussion or the synthesis paper. The box below presents a few quotes taken from the survey answers to this question.

**Did you learn something new about RAS and/or M4P from the e-discussion or the synthesis paper?**

*I learned that M4P provides an overarching guiding framework for sustainable development in sectors/market systems by addressing the root causes of market failures, where RAS can be embedded in it. Both are complementing each other, but RAS can be tricky in identifying and designing smart subsidies compared to the principles of M4P. I also learned that M4P looks longer terms of who pays now and who will continue to pay in the longer run, and how crowding-in of players might play a more lasting change in the way that market systems operate for the benefit of the poor. - Nahed Freij, Advance Consulting Services, Occupied Palestinian Territories*

*I learned particularly about M4P - how to reach the "base of the pyramid", considering these people as economic actors (not just recipients) - Elisabeth Pitteloud, SDC*

*Better understanding of the two concepts and their differences – Carole Schaber, Caritas Switzerland*

*Importance of analysing alternative delivery and financing models for RAS (apart from public ones) and complexity of the issue! - Isabelle Dauner Gardiol, HELVETAS Swiss Intercooperation*

*It seemed that RAS and M4P are approaches that are not very compatible with each other. The synthesis paper tried to reconcile the two approaches. If and how this works will need to be evaluated on a case by case basis. It seems a very delicate balance that development practitioners will need to keep. – Karin Voigt, HELVETAS Swiss Intercooperation*

*How to link RAS into the M4P context – Gunnar Jakobsen, Niras*

*That RAS is obviously also an approach. I thought it is the description of content (like VET) and M4P could be then be one of several approaches. – Markus Kupper, Swisscontact*

*Complementarity of the two frameworks/approaches - Systemic look at the function of RAS in Value Chain Projects applying M4P framework - (Again) the importance to look at financing RAS (grants, subsidies, public/private funding) with a M4P lens – Martin Fischler, HELVETAS Swiss Intercooperation*

*M4P is the analytical framework of the entire intervention, RAS is a leverage tool. Its complementarity. M4P is required at the beginning to understand the context at outset. – Simon Zbinden, SDC*

*Yes and no: RAS and M4P face same problems when it comes to achieving tangible results. And governmental systems as well as Private Sector Development use kick-off funds to make things happen. – Hans Schaltenbrand, HAFL*

### Concrete actions triggered by the e-discussion

A majority of the survey participants (76%) reported that the e-discussion had led to concrete actions in their work. The areas of work that were most influenced were; planning interventions or projects, design of strategies and capacity building of staff and partners. Some of these respondents were not able to pinpoint to specific actions, but still confirmed that they keep the insights of the e-discussion in mind and that this knowledge influences their decisions. Section III of this report portrays selected cases of specific follow-up actions.

Among those survey participants who were not able to report any action triggered by the e-discussion, the main reason mentioned was the unfavourable timing of the e-discussion in the project cycle. A few people also mentioned that the topic was not relevant for their work or the discussion not practical enough.

### Use of guiding questions

About a third of the survey participants has already used some of the guiding questions proposed in the synthesis paper. Some of the outputs reported by those who have used them include; preparation of results chains, designing concrete indicators, clarification of roles (project team, private sector, marginalized groups, etc.), clarification of the financing question (“smart subsidies”).

## **III. Selected cases of follow-up actions**

The cases presented below illustrate how ideas from the e-discussion were taken up by seven members of the RASandM4P community. The experiences come from people working in various organisations and different parts of the world. Some contributors were able to integrate elements of M4P, which were new to them, and others picked up aspects of pluralistic RAS to enrich their work.

## 1. SDC programme Agriculture & Nutrition, Great Lakes Region

### ***Experience of Eugène Kanyandekwe, NPO agriculture, food security and income generation, SDC Rwanda***

#### **a. Which project or strategy did the action concern?**

The e-discussion influenced the planning of our new programs in the area of Agriculture & Nutrition in the Great Lakes Region. It showed the necessity to support poorest farmers with limited access to land by a different approach than M4P and to focus more on multi-sectoral community-based nutrition initiatives taking advantage of available advisory services from the public sector and from civil society.

#### **b. What did you do differently?**

To address agriculture and nutrition together in one program is a challenge as different stakeholders ought to be addressed at different levels. The subsistence farming households are the most vulnerable ones and represent the group with highest risk of food insecurity and chronic malnutrition. But they have limited capacity and means (e.g. access to enough land) to increase their production considerably for participation in markets. Furthermore, their financial situation often does not allow them to buy food in the market. On the other side, national food security, income and employment generation can be considerably increased by working with farmers who are able to take a certain risk and access land of more than 0.5 ha. This group can contribute to a stronger and more productive agricultural sector through agricultural intensification strategies, the creation of local and regional markets, business development and an improved policy and business environment. Overall, these farmers will produce more and 'cheaper' food for the market.

Hence we divided our support towards two programs rather than one, namely by supporting a project following the M4P approach and covering farmers possessing productive land of 0.5 ha and more. In addition, farmers with very limited market access in South Kivu will be targeted by an agricultural intensification strategy to increase food security locally. The project will facilitate local stakeholder groups to work with advisory services, stimulate farmers to become involved using value addition and marketing rather than production criteria. On the other hand, traditional smallholders and the poorest group of farming household are supported by a different approach following more the principles of RAS. This support has a strong focus on fighting against chronic malnutrition at household level and includes among others not only agricultural production aspect but also health improvement and enriched supplemented food.

Even though these two elements have in common the fighting against malnutrition, they focus on two different categories of beneficiaries using different approaches.

#### **c. Can you already report on some (intermediary) results or the usefulness of this change in implementation?**

Our support just started a few months ago, results are not available yet.

## 2. Food Security and Agri-Business Project, Mozambique

### ***Experience of Karin Voigt, Regional Coordinator, HELVETAS Swiss Intercooperation Mozambique***

#### **a. Which project or strategy did the action concern?**

Planning of Phase II of the Food Security and Agri-Business Project (SAAN II), implemented by HELVETAS Swiss Intercooperation in Mozambique.

**b. What did you do differently?**

We integrated some ideas from the e-discussion in the planning of interventions concerning local seed production in SAAN II. We included the aspect of the market and private sector actors much more for this new phase. This means a major change in the project's approach with HELVETAS Swiss Intercooperation taking the role of a facilitator aiming to improve the functioning of the market for locally produced seed. It was not only the result of the e-discussion, but a necessary step in the direction of ensuring sustainability of the interventions regarding local seed production and commercialisation, in particular.

**c. Any results so far?**

The Phase started in January of 2013, so there are no concrete results yet.

### 3. HAFL, Switzerland

***Experience of Hans Schaltenbrand, Lecturer, Coach, Consultant, HAFL Switzerland***

**a. Which part of your work did the action concern?**

As a lecturer at HAFL, the action concerned the capacity building of students in a teaching module about RAS. This module covers the history of RAS in an international context as well as developments and lessons learnt over the last 20 years (Do's and Don't's).

**b. What did you do differently?**

I added some topics in the teaching module and included elements that were debated in the e-discussions. I also integrated some of the guiding questions in my teaching and the learning groups. I'm planning to take them up as well in coaching one student in an M4P project in Georgia.

**c. Any results so far?**

RAS information for lecturing and coaching updated.

### 4. Rural Livelihood Development Programme, Tanzania

***Experience of Athumani Zuberi, Monitoring officer, Rural Livelihoods Development Programme (RLDP), and Peter Schmidt, Co-head advisory services, HELVETAS Swiss Intercooperation***

**a. Which project or strategy did the action concern?**

The Rural Livelihood Development Programme (RLDP) in Tanzania intervenes in four agricultural sub-sectors, namely cotton, sunflower, rice and poultry, applying an M4P approach since 2008. The project is funded by SDC and implemented by HELVETAS Swiss Intercooperation and Swisscontact.

Two project collaborators, Athumani Zuberi and Braison Salisali, actively contributed to the e-discussion on RAS and M4P. Follow-up action to the e-discussion was reported in the context of a support mission to RLDP by Peter Schmidt from HELVETAS Swiss Intercooperation, who also

co-facilitated the e-discussion. He used concepts from the e-discussion for this support mission, whose objective was “to provide support to RAS Business Analyst and the RLDP team to better understand the concept of pluralistic RAS, and to plan and implement strategies for enhancing pluralistic RAS in market development for specific sub-sectors promoted by RLDP.”

In the logic of RLDP, RAS is defined as one of the cross-sector services for the four sub-sectors. This reflects one of the lessons from the e-discussion that conceptually RAS can be seen as one of the supporting functions in the M4P framework. RLDP experience is also in line with the e-discussion’s main conclusion that M4P and RAS are rather complementary than contradictory concepts.

The main challenge of RLDP with regard to RAS and therefore the main reason for Peter’s support mission was to identify and further develop innovative delivery and financing mechanisms of RAS oriented to sustainability.

### b. What did you do differently?

From the various concepts and ideas debated in the e-discussion, Peter used in particular the “Pluralistic RAS matrix” as the main framework for analysis and capacity building of RLDP staff during his support mission. The horizontal axis shows the different Service Providers of RAS; the vertical axis possible sources of finances for RAS.

In the workshop that was held during the support mission the RLDP Business Analysts were asked to identify the present RAS system in the Central Corridor in the four sub-sectors in which RLDP is active. Below is an illustration of the application of the matrix to one of the sub-sectors (sunflower).

### PLURALISTIC RAS: Analysis in the Sunflower Sub-Sector in the Central Corridor, Tanzania

Sources of finances for services	SERVICE PROVIDERS					
	Public Sector	Private sector Input Supplier	Processor/ Trader	Other private providers	Civil Society NGO	Farmer Organisations
<b>Public</b>	Extension officers of the Local Government Authorities (LGA) Seeds bought from the Agricultural Seed Agency	SUBA Agro supplies seeds to LGA for quality declared seeds (QDS) production				Sunflower groups formed by local extension officers
<b>NGOs</b>	RLDP facilitates LGA extension officers for QDS production RLDP pays Moshi University College to build capacity to TASUPA		RLDP facilitates processors to implement contract farming (CF)		FAIDA MALI in Babati built capacity of sunflower-growers (TRIAS)	RLDP facilitates training to lead farmers to provide RAS to other farmers (e.g. QDS)
<b>Private Companies</b>	LGA extension officers paid by processors to implement QDS and CF	MOUNT Meru Seeds carrying on demo-plots (FFS)	Processors buy improved seeds from ASA (SCCB Agro, Southern Highland Seeds, E.A. Seeds etc.)			
<b>Farmers</b>		Farmers buy improved seeds from agro-dealers	Farmers paying processors for oil-pressing			Farmers pay AMCOS for marketing services
<b>Farmer Organisations</b>	Public auditors paid by AMCOS (COASCO & Internal Auditors)					

Main lessons that emerged from the workshop and during field visits were the following:

- Today there exists quite a pluralistic RAS landscape in the Central Corridor of Tanzania. RLDP has experience in facilitating RAS provided by all types of service providers (public, private, civil society) and should continue to do so.
- Concerning public RAS providers; it was recommended that RLDP continues working with public RAS providers through its private sector partners. However, more attention should be paid to avoid arrangement that involve payment of public RAS through private companies since this practice does not comply with good governance principles.
- Concerning private RAS providers, the support mission showed that RAS can still be strengthened within contract farming arrangements. Also, RLDP should continue fostering RAS through agro-dealers (embedded-services); however services related to seeds, implements and veterinary drugs are preferable to services related to fertilisers, pesticides or even genetically modified seeds for ecological sustainability reasons.
- Concerning civil-society RAS providers, the support mission suggested for RLDP to continue working with lead-farmers as well as farmers' organisations and to document recognition and compensation models (e.g. training fund included in Saving and Lending Group; lead farmers compensated by processors as sales agent).

**c. Can you already report on some (intermediary) results and/or usefulness of the newly introduced ideas/concepts?**

Extensive meetings and a two-day workshop with RLDP team during the support mission built capacity among the team members on pluralistic RAS within a M4P project. The understanding of RAS is now streamlined within the team.

The idea that RAS is a cross-cutting service through all four sub-sectors was confirmed. The analysis done during the support mission resulted in identifying ongoing and new potential M4P interventions where RAS is of particular importance and should therefore get specific attention. This is for instance the case in the rice sub-sector, where RAS is considered particularly important for the introduction of the system of rice intensification (SRI).

## 5. Making Markets Work for the Chars, Bangladesh

### *Experience of Fouzia Nasreen, General Manager M4C project, Swisscontact*

**a. Which project or strategy did the action concern?**

Making Markets Work for the Chars (M4C) is a SDC funded project implemented by Swisscontact and Practical Action in Bangladesh. It started in 2011 and aims at developing market systems for the Chars –islands on the main rivers (Jamuna, Padma and Teesta) of Bangladesh. These islands are annually flooded for 3-4 months, making market opportunities for the Char population very challenging.

The project is in its first year of implementation and works in several agricultural sub-sectors (currently maize, chilli, jute and looking into other sub-sectors). In all sub-sectors, RAS and other services are crucial for market development. However, given the vulnerable situation of the Chars, attracting private and public actors to provide services is challenging. At M4C, we opted for two-fold strategy to promote services on the Chars; on the one hand working with large-scale companies (as partners) piloting business models to incentivize them to go to the Chars; while on the other, working with local NGOs (as sub-contractors) to support formation of producers groups on the chars and strengthening business relationships with service providers.

**b. What did you do differently?**



I am the project manager of M4C and participated in the M4P and RAS e-discussion. The aspect of the e-discussion that caught my attention was the debates around producers' groups and mobilizing farmers.

The idea of coordinating farmers in producers' groups was not new for M4C. Already in the inception phase, we realised that for attracting private and public actors to provide services on the Chars, it was very important for the people on the Chars to organize themselves into groups. Therefore, facilitating coordinated efforts by producers came out quite strongly in our strategy. There is also a lot of experience in Bangladesh of working with producers group.

I was personally not so much familiar with interventions focussing on group formation and lead farmers approaches. My previous professional experience (with Katalyst) was rather to work with major market actors such as big companies. The e-discussion was useful for me because it provided examples on how to use a bottom-up approach to RAS and particularly on mobilizing farmers to strengthen the aggregation function and making producers groups more confident. The e-discussion therefore reconfirmed these elements in the existing strategy of M4C.

Another related aspect that I took out of the e-discussion were the elements of empowerment and ownership. I realised that for M4C it is important to always keep in mind that the initiative has to come from the farmers themselves and that their confidence and empowerment is crucial. The two NGOs that support group formation can only have a facilitative role; M4C therefore further invests into capacity building of the two NGOs.

**c. Can you already report on some (intermediary) results or the usefulness of this change in planning?**

Working with producers groups is quite resource-intensive; a mid-term assessment will be needed to evaluate the effectiveness of the interventions. Some preliminary results are available that show positive signs:

- Producers group members are becoming more confident to voice their needs and problems because they realise that all members face the same challenges. They also come up with their own solutions.
- Markets actors, who previously were not interested to provide services on the Chars, are becoming more motivated because they see that there are coordinated groups.
- Even some large-scale companies (e.g. feed mills) are slowly showing interest in working with producers on the Chars.

With regards to the usefulness of the e-discussion, I appreciate the possibility to learn from other projects. Not only in the RAS and M4P discussion, but also in other occasions, such interactions show that other projects are facing similar problems and that the solutions they find can be helpful to improve our own work.

## 6. Brücke · Le pont projects, Togo

***Experience of Thierry Pleines, Desk officer Togo-Benin Programme, Brücke · Le pont***

**a. Which project or strategy did the action concern?**

At Brücke · Le pont I am responsible for the Togo-Benin programme. I actively participated in the e-discussion on RAS and M4P. The e-discussion led to concrete actions in two projects that we support in Togo:

- The "Danyi" project works in the development of vegetable value chains. More precisely, the difficulty was the access to adequate fertilizers to grow cabbage, peppers, eggplants (corresponding to an identified demand for those vegetables). The beneficiaries are 400 market gardeners.



- The "Avetonou" project fosters development of poultry value chain, particularly on the access to veterinary services to raise chicken, especially in response to the high demand for local meat on Christmas. The beneficiaries are about 200 herder families.

#### **b. What did you do differently?**

Something I learned in the e-discussion is that M4P gives good inputs for designing RAS financed by actors themselves. In the two projects, the following aspects were changed:

Danyi: instead of supporting 100% of the installation of a fertilizer store run by the cooperative with a grant, the collaboration with existing local input providers is tested.

Avetonou: the local project team initially thought of providing the local veterinary assistants with a fridge and a stock of inputs. Instead of it, the services of an existing saleswoman will be supported.

For both examples, we (in Switzerland) had already thought of better collaboration with local service providers. However, thanks to the f2f, we know that it is not only worthwhile thinking about it, but we have to implement it and help our local partners to think about those "market" solutions.

#### **c. Can you already report on some (intermediary) results or the usefulness of this change in planning?**

For both examples, it is still too early to report on results.

## **7. Improving the livelihood and strengthen the civil society of ethnic minorities Project, Vietnam**

### ***Experience of Hoang Huong, Project Officer, HELVETAS Swiss Intercooperation Vietnam***

#### **a. Which project or strategy did the action concern?**

I work at HELVETAS Swiss Intercooperation Vietnam in the project "Improving the livelihood and strengthen the civil society of ethnic minorities". The project started in 2010 and works in the North of Vietnam (Cao Bang province). The project aims at improving livelihoods of women minority groups through the sales of handicraft. It therefore engages in the development of the handicraft value chain, in which RAS have an important role to play (particularly market information, product development, quality control services).

I read most of the emails and also the synthesis paper of the e-discussion on RAS and M4P. I found that the M4P approach was useful to improve the ongoing work of the project since it gives a global view on the handicraft value chain. I was therefore most interested to learn about the M4P aspects in the e-discussion.

#### **b. What did you do differently?**

I took out mainly two lessons from the e-discussion and also from a mission by Martin Dietz, an advisor on M4P at HELVETAS Swiss Intercooperation.

From the M4P principles we learned that the project should avoid being active in the value chain as an actor, but rather as a facilitator. It was applied in the project support strategy to the handicraft farmers groups. For instance, in the first year, the project used to assist producers groups to do the quality control of handicrafts before selling the products to the buyer. Now the project changed this strategy and trains key members of the groups to provide this quality control service to the group.

The second lesson is on the upscaling potential. We realized that unless we have strategies for upscaling, our impact will remain quite limited. One of the consequences of this lesson was a change in how handicraft products are selected. Formerly, the main selection criterion was the

traditional skills of each minority group. Nowadays, we emphasize much more the size of the market demand. For example, hemp textiles are promoted because the market demand is quite large and diverse (various market segments) and therefore more people can be involved in this value chain. Another consequence of this lesson on upscaling is that we try to move away from a “pilot model” of intervention. I realised that the project puts quite a lot of effort (time and money) into working with a few producers groups and that upscale would not be possible in this way. Therefore, the project now limits subsidies to each group and insists in mobilization of resources and co-financing by the members of the groups.

**c. Can you already report on some (intermediary) results or the usefulness of this change in implementation?**

While it is too early to report on results of the changes that were undertaken, I believe that they will bring bigger impact for the beneficiaries. There are, however, some signs that the modified intervention strategies are bearing fruits. For example, the project was already able to step out of the quality control services since key group members have enough understanding and skills to provide these services now. Also in terms of mobilizing resources, we were confirmed that group members are willing to contribute now that project subsidies are lower, for example by investing in new handicraft workshops.

#### **IV. Open questions to the online community**

Several survey participants mentioned open questions/challenges concerning RAS and M4P to be shared with other members of the online community:

- I would like to explore how M4P and RAS are gender compatible/applicable, and if they have any shortcomings in addressing poor women in particular. (Nahed Freij)
- How can one measure the resilience of the target groups (poor) under the framework of RAS/M4P? (Muhammad Anwar Bhatti)
- Are subsidies in farming going to be abandoned to avoid the distortion of the market? What could be the advice of RAS and how can M4P be useful for this specific situation? (Eugène Kanyandekwe)
- Who can provide concrete examples where RAS can be delivered on cost covering base and sustainably? (Isabelle Dauner)
- It would be interesting to further document specific cases of how RAS is developed/promoted within M4P framework. From theory to practice.... (Martin Fischler)

#### **V. Next steps**

The findings of this report suggest a number of possible activities.

1. **Share and discuss** this report with the online community and at the e+i F2F encouraging participants to reply to the open questions and further peer-support.

2. A few **in-depth case studies** may be developed; on the one hand to illustrate how the RAS component is integrated in M4P projects, on the other hand to further clarifying sustainable financing of RAS.
3. The survey showed that some members of the RAS and M4P community are already using the **guiding questions**. However, they may be further promoted and possibly revised. Selected practitioners may be requested to reflect a part of the guiding questions against their experience, to document and share these findings.