

## MEETING IN THE MIDDLE:

LINKING MARKET DEVELOPMENT AND LIVELIHOOD SUPPORT FOR A MORE INTEGRATED APPROACH

### **PROJECT EXAMPLES FROM A CASE STUDY COMPETITION**



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## ACRONYMS

ASI	Agribusiness Systems International
CNFA	Cultivating New Frontiers in Agriculture
CRS	Catholic Relief Services
FY	Fiscal year
GAP	Good Agricultural Practices
ILO	International Labour Organization
IMARE	Inclusive Market Alliance for Rural Entrepreneurs
IPEC	International Programme on the Elimination of Child Labour
LEO	Leveraging Economic Opportunities
MaFI	Market Facilitation Initiative
MT	Metric ton
MYAP	Multi-Year Assistance Project
SAK REP	Sac Plen Resiliency Enhancement Program
STEP UP	Strengthening The Economic Potential of the Ultra Poor
USAID	United States Agency for International Development

# I. INTRODUCTION

In March 2014, the Leveraging Economic Opportunities (LEO) project<sup>1</sup> launched a <u>call for examples<sup>2</sup></u> seeking programs that were linking push and pull strategies (see text box) into a more interactive implementation framework. The collective understanding of push/pull was still very much evolving, and as a community—including LEO, USAID, and development organizations—this open call for examples was intended to help get a sense of the state of practice, canvas experiences from a wide range of projects, and inform how LEO prioritized its work in this area.

Of 53 submissions received, 33 were determined relevant for LEO's specific learning agenda and were reviewed by a committee of representatives from USAID, LEO, the SEEP Network, and the MaFI (Market Facilitation Initiative) and STEP UP (Strengthening the Economic Potential of the Ultra Poor) working groups. Nine cases were selected for further exploration, four of which are presented in this document; others of which were highlighted through webinars in the summer of 2014 and at the SEEP Network's Annual Conference in September 2014. The full list of all 53 submissions is catalogued in Annex 1.

#### **PUSH/PULL APPROACH**

A push/pull approach sequences and layers *push* strategies to build the capacities of the extreme poor to engage in markets, and *pull* strategies to expand the diversity and quality of economic opportunities accessible to the extreme poor. Push strategies include interventions to build household or community assets, improve linkages to social protection, build market readiness skills, and strengthen household capacity to manage risk (e.g., through savings mechanisms). Pull strategies include interventions to lower barriers to market entry (e.g., through group purchasing and marketing), extend services (e.g., developing financing solutions or input supply agent networks), improve working conditions, and strengthen market demand for products that can be supplied by the poor.

The nine cases selected for additional exploration were:

- 1. \*World Vision, Sac Plen Resiliency Enhancement Program (SAK REP), Haiti
- 2. \*Save the Children, Nobo Jibon, Bangladesh
- 3. \*Mercy Corps, Inclusive Market Alliance for Rural Entrepreneurs (IMARE), Guatemala
- 4. \*SDC Asia, Naro Island Seaweed Value Chain Development, Philippines
- 5. CARE, Graduation with Resilience, Ethiopia
- 6. Practical Action, Making Agricultural Markets Work for Landless, Marginal and Smallholder Farmers ("Food Facility Program"), Bangladesh
- 7. Mercy Corps, SimulaKO, Phillipines
- 8. SNV Ethiopia, Productive Safety Net Programme Plus
- 9. ACDI/VOCA, Sunhara, India

Those with an asterisk are featured in this report as longer cases. Graduation with Resilience was featured as part of a broader session on push/pull in the USAID/Ethiopia portfolio at The SEEP Network's 2014 Annual Conference, later summarized in a synthesis paper.<sup>3</sup> The Practical Action Food Facility Program and

<sup>&</sup>lt;sup>1</sup> Throughout this paper, "project" is used in a generic, donor-neutral fashion, as opposed to USAID's specific usage of the term.

<sup>&</sup>lt;sup>2</sup> For more information on LEO, visit <u>www.acdivoca.org/leo</u>. To access the call for examples announcement, visit <u>www.seepnetwork.org/blog/leo-call-project-examples-inclusive-market-development-2</u>.

<sup>&</sup>lt;sup>3</sup> Richards, M., and N. Singh. (2015). "Combining Push and Pull Strategies for Greater Scale and Poverty Outreach." www.seepnetwork.org/combining-push-and-pull-strategies-for-greater-scale-and-poverty-outreach-resources-1436.php

ASI's Sunhara India project were both highlighted in webinars.<sup>4</sup> It was decided to feature only one project from Mercy Corps, resulting in four cases from the competition featured in this publication.

In LEO's secondary research process, several other cases that were not a part of the call emerged as rich with learning (e.g., CNFA's Livestock Market Development project in Ethiopia, CRS' Mawa project in Zambia). These were featured in later resources, including the Push/Pull Approach Framework, referenced below.

### REFLECTING ON THE STATE OF PRACTICE IN 2014, AS VIEWED THROUGH THE EYES OF THE CALL FOR EXAMPLES

In many ways, the cases in the call for examples demonstrate both the strengths and the challenges of push/pull approach. It was a revealing exercise for LEO in terms of identifying theory versus practice, and how that informs what is considered a push/pull approach. For example, across the cases, there was a huge variation in how push and pull were defined, with some viewing *push* as individual interventions such as savings groups that may or may not directly tie into the broader project strategy of inclusive market development. Others viewed *push* activities as a first step in linking the households to markets. Some of the most interesting models were implemented with a very small number of households, raising questions about potential for scale and replicability. Many cases represented strong examples of incorporating a singular push or pull activity (such as including asset transfers into a traditional market development project), but were not good examples of an integrated push/pull approach.

This call for examples solidified awareness of the need for LEO to look more closely at various models in practice, and—drawing on project experience as well as thought leadership and an informal review of literature—to develop a framework paper that outlined key characteristics that define a push/pull approach. The **Push/Pull Approach Framework** <sup>5</sup> paper was published in January 2015. As push/pull remains an emerging area with varying definitions and applications, the objective of this brief paper is to:

- provide a common understanding of push/pull within an economic development sphere;
- present eight key features that characterize a push/pull approach;
- share field experiences from programs translating theory into practice; and
- discuss some of the challenges that exist in implementation.

Some of the key learning from the call for examples, which eventually helped inform the framework, include the following:

- A robust theory of change is critical when applying an integrated push/pull approach.
- Using sequencing, phasing and/or layering of interventions is key to incrementally link together push and pull strategic efforts.
- It is important to think through the **how, when, where and why** *push* and *pull* will interact, along with the **"who"** in order to drive change, and ensure harmonization with the theory of change.

<sup>&</sup>lt;sup>4</sup> www.seepnetwork.org/pathways-to-market-inclusion-for-women--experience-in-gender-sensitive-push-pull-strategies-from-careand-acdi-voca-events-198.php and www.seepnetwork.org/integrating-push-into-pull--experience-from-practical-action-and-fintracevents-196.php

<sup>&</sup>lt;sup>5</sup> Available at: <u>https://www.microlinks.org/library/framework-pushpull-approach-inclusive-market-systems-development</u>

## CASE 1

### SAK REP IN HAITI: FROM SUBSISTENCE TO WHOLE FOODS

### INTRODUCTION

From 2008-2013 World Vision operated a \$100 million Multi-Year Assistance Program (MYAP) called SAK REP<sup>6</sup> on La Gonâve Island and in Central Haiti. Faced with Haiti's high levels of food insecurity, a large agriculture sector tied to weak export markets, and environmental degradation, World Vision adopted a marketsensitive strategy to improving the food security and resilience of vulnerable Haitian households. This approach helped households meet their immediate daily needs while strengthening their ability to increase and improve crops for improved self-sustenance and sales to local and export markets.

Part of USAID's Food for Peace portfolio, SAK REP supplemented food provisioning with market development strategies aimed at long-term agricultural development, diverging from the more traditional food security focus on subsistence farming. In addition to enabling farmers to diversify and improve the quality and quantity of their crops, World Vision partnered with a local firm Agridev to strengthen the capacity of producer groups to facilitate the critical link with export agencies.

Nearly two years after the end of the project, the producer groups and exporter initially linked through SAK REP are still collaborating to bring US consumers fresh, Haitian Filiere mangoes. More importantly, farmers and their households continue to benefit from the premium that their high quality, organic, and Fair Trade-certified crops demand—nearly five times the price garnered in the local markets into which they previously sold.

### BACKGROUND

The SAK REP MYAP began in February 2008 with an objective to reduce food insecurity and increase the resilience of vulnerable and extremely vulnerable rural households in Haiti, targeting women, children, youth, and the communities in which they live.<sup>7</sup> SAK REP used a three-tier approach to:

- Improve nutritional and health practices, and quality of access to health care services for women and children;
- Increase food production, household assets, and participation in market-based livelihoods; and
- Rehabilitate natural resources and reduce risks of environmental loss associated with disasters.

This strategy was developed in direct response to Haiti's high levels of child malnutrition (leading to onethird of deaths among children under 5 years of age) and food insecurity (driven by insufficient subsistence farming practices and limited land availability),<sup>8</sup> as well as degradation of arable land and other natural resources necessary for agricultural productivity (due to soil erosion, water access, etc.).

Both health and nutritional programming activities, and those aimed at agricultural programming, demonstrated positive effects on the targeted vulnerable populations—including mothers, pregnant women, people

<sup>&</sup>lt;sup>6</sup> SAK REP = SAC PLEN Resiliency Enhancement Program. Sac plen is Haitian Kreyol for "full sack of rice."

<sup>&</sup>lt;sup>7</sup> World Vision, Inc. (2007). November 30, 2007. p.7. ACDI/VOCA and CRS held MYAP contracts to achieve similar objectives in different regions of Haiti during this same time period.

<sup>&</sup>lt;sup>8</sup> Ibid.

living with HIV/AIDS, orphans and vulnerable children, the elderly, the disabled, and smallholder farmers. While a number of achievements fell short of targeted levels, the project showed overall positive results and the potential for sustainability of activities—particularly mango value chain strengthening.



#### Figure 1. SAK REP Theory of Change

There was an early recognition in the project that improved household food security required both increased income as well as greater food production. For the most vulnerable households, the latter was emphasized, with World Vision providing training in improved gardening practices, access to improved seeds, and education about crops that could have the most impact on child nutrition. While home-use production was emphasized, it was not the exclusive goal. By gradually increasing the quantity, quality, and diversity of crops grown (such as maize, yams, hot peppers, onions, cabbage and tomatoes), many very vulnerable households not only had more and better food to eat but were able to sell to local markets and join producer groups for participation in more lucrative value chain activities, such as mango exporting. An initial focus on low-value crops mitigated risks for these households but also opened opportunities to meet local demands. In FY13, over 5,000 farmers received trainings on using improved management or technological processes, and 283 hectares of land were cultivated. Nearly 20 percent of this cultivation directly benefitted members of Mothers Clubs (the primary mechanism through which health and nutrition education and services were provided).

However World Vision knew that subsistence farming and small-scale sales would only decrease household vulnerability in the short term, and that any long-term reduction of vulnerability would require linking households to successful and viable output markets. At the outset of the project, World Vision partnered with local agricultural firm Agridev to help guide small and medium farmers along the path to export market-ing.

Agridev supported World Vision in the delivery of training in improved agricultural techniques and seed grafting, business and marketing, and harvesting and storage. With long-term gains in mango production in mind, rather than giving improved seedlings to farmers, SAK REP provided incentives in the form of small delayed subsidies to farmers who purchased and planted mango trees, providing the subsidies one and two

years after planting, and after the trees had been verified as healthy. Today, several years later, all of the tree nurseries developed and managed by producer groups (with initial support from World Vision and Agridev) remain operational.

Further efforts to ensure sustainability included regular training sessions held with World Vision staff and end-of-project trainings with local NGOs and Ministry of Agriculture officials in integrating very poor producers into value chain development (see box).

Agridev also worked with the producer groups to link them to high-end international markets. For example, a Haitian exporter in partnership with SAK REP developed a high-volume partnership with Whole Foods Market in the US for mangoes. Agridev initially facilitated the relationship between producer groups, the exporting agency, and Whole Foods that resulted in the sale of over 45,000 dozen mangoes for HTG 2,608,638 (US \$60,666) in FY13. All of the groups working with the exporter at the end of the project remain engaged a year later.<sup>10</sup>

Critical to the success of this partnership, Agridev assisted the export firm in leading producer groups through the organic

### RESOURCE

USAID value chain projects aimed at reducing poverty and/or reducing food insecurity are numerous, but few actually engage directly with very poor producers. The World Vision Guide to <u>Integrating</u> <u>Extremely Poor Producers into Markets</u><sup>8</sup> (used in SAK REP programming and shared via trainings with Ministry of Agriculture and agricultural NGOs) is a resource that is being tested through this and other initiatives that are finding ways to leverage the strengths of less poor farmers to create a platform for the most vulnerable to participate.

and Fair Trade certification process, which yields a premium on mango prices for farmers five times what they earned previously. Meeting the strict requirements of organic and Fair Trade production required significant support from World Vision (see Project Challenges section below). However, to promote long-term success, the export partner remains responsible for the maintenance of these certifications to meet the terms of agreement with Whole Foods.

In the latter phase of the project, 60 savings groups were established through producer groups and to promote better financial literacy and management and improved resource utilization. A World Vision team worked with CRS, already supporting savings groups through a MYAP in different regions of Haiti, to learn from their best practices. An independent study (yet unpublished) showed that savings group participation made important contributions to participants' quality of life.

### **PROJECT CHALLENGES**

The Haitian environment of food insecurity and malnutrition puts farmers at an inherent disadvantage in participating in high-value agricultural activity: potential for loss can be too high to warrant the risk involved in adopting new crops and/or techniques and investing in improved inputs. SAK REP found, however, that linking small and medium farmers together in producer groups allowed medium-scale farmers to take the lead in adopting new practices, which then encouraged small farmers to follow suit.

Another significant challenge faced was that the technical (labor-intensive) requirements and up-front costs of meeting standards needed to maintain certifications proved too difficult for some of the poorest farmers

<sup>&</sup>lt;sup>9</sup> Norell, D., and M. Brand. (2014). "Integrating Extremely Poor Producers into Markets Field Guide." USAID.

<sup>&</sup>lt;sup>10</sup> An avocado value chain was also explored and tested; at the time the activity was deemed infeasible but with the knowledge gained, World Vision is pursuing avocado chain development in 2015.

to manage, even with additional one-on-one support from Agridev technicians. Other farmers, eager to reap quick profits, would harvest mangoes 2-3 weeks prior to full maturity and sell them at a lower price locally. However, overall adoption of improved agriculture practices—among farmers of low- and high-value crops—remains one of SAK REP's most significant achievements, with over 80 percent of farmers adopting three or more improved practices.

### **PROJECT MANAGEMENT AND COLLABORATION**

While World Vision was primarily responsible for the provision of agricultural strengthening activities with farmers and producer groups, Agridev was involved in identifying training, input, and marketing needs, delivering trainings and setting up early farm visits by Whole Foods representatives. Introducing farmers to the export process early helped build their confidence that engaging in the long-term (often costly) activities that would enable them to partner and sell to high-end US markets was worth the resources required.

Agridev also provided training on agriculture and nutrition to World Vision staff working on health activities to enable them to convey the benefits of new and improved crops via the Mothers Clubs. However there was minimal coordinated integration of activities across and within agricultural and health/nutritional-focused activities. Weekly field-level management meetings brought staff from different aspects of the project together and staff took advantage of cross-training opportunities (e.g., agricultural staff participating in maternal health training) but World Vision reported in retrospect that could have been done to further collaboration between the two components of the project.

Both World Vision and Agridev cite their close collaboration and ability to communicate openly and frequently as key to their successful partnership with each other and the export firm. World Vision also found that having a staff member with technical knowledge and a personal relationship with Agridev (having formerly worked with their staff) was extremely important. Initially there were challenges establishing a timeline with deliverables, but these were worked out collaboratively within six months.

### REFLECTIONS

One of the takeaways from this project is that very vulnerable people *can* be successfully integrated into large-scale, highly profitable agricultural activities. Other key reflections include:

- World Vision adopted a **market-sensitive approach** to reducing food insecurity within the context of a MYAP. Recognizing food security as a long-term, perpetual challenge faced by vulnerable households, long-term solutions were sought that not only addressed needs to produce greater quantities of nutritious food for home consumption, but also income generation gaps through strengthening existing weak markets. SAK REP addressed deficiencies in supply and facilitated the process that led to meeting international demand in a way that was profitable, accessible (to poor farmers already growing one or two mango trees), and sustainable.
- **Capacities of the poor were strengthened**, not just through the provision of inputs and technical skills but through the building of support networks of peers and producer groups, and demonstrating to farmers not just *how* to improve their production but *why* doing so was beneficial to their **aspirations** for household health and income.
- Activities were layered to build capacities and market relationships incrementally, in a way that leveraged the potential for income growth to promote the buy-in and participation of small- and medium-sized farmers. Activities were designed and sequenced with very specific

end-goals in mind. Program partners had both individual and shared goals and worked toward them in an agreed upon matter, which necessitated close **alignment of push and pull strate-gies**.

What remains to be seen is the true impact of this strengthened value chain on households. Overall program results show a slight increase in food security with only minimal improvement in months of adequate food provisioning. These results are not disaggregated by program activity, so even though farmers involved in the mango value chain sold their produce at significantly higher prices than before the project, there is no way to determine the impact of increased prices and quantities sold on household income and other well-being measures.

Also notable is that SAK REP made a considerable effort to implement a push/pull approach with an exit strategy in mind. An integrated market-focused approach to reaching the very poor was adopted from the beginning. While an independent mid-term review noted several activities in which World Vision was perhaps too heavy-handed in certain aspects of service delivery early in the project (giving away livestock, seeds, subsidies, etc.), mid-project adjustments were made such as the addition of savings groups and the facilitation (rather than provision) of seedling growing by individual farmers and collectively in nurseries.

## CASE 2

### NOBO JIBON IN BANGLADESH: "NEW LIFE" THROUGH MARKET SYSTEMS INTEGRATION FOR THE VERY POOR

### **INTRODUCTION**

The case study of Nobo Jibon combines mother and child health care, disaster risk reduction, and market-based economic solutions to overcome livelihood challenges of the very poor and vulnerable in Bangladesh.

"Nobo Jibon" or "New Life" is a project of Save the Children in Bangladesh. Save the Children has been active in Bangladesh since 1970, and has reached more than 12 million children and adults through the implementation of over 90 projects across the country. Over 600 staff and 65 partner organizations deliver Save the Children programs, serving children and their communities.<sup>11</sup>

Nobo Jibon is a five-year, US \$50 million USAID-supported Title II PL480 Multi-Year Assistance Program that was designed to reduce food insecurity and vulnerability for up to 191,000 households (or nearly one million direct beneficiaries) in 11 sub-districts of Barisal



Division in northern Bangladesh.<sup>12</sup> Nobo Jibon targets all pregnant and lactating women and children under the age of two in the sub-districts for nutrition and health interventions. The project's strategic objective "Market-Based Production and Income Generation" targets beneficiaries in three categories: (1) those earning less than 2000 Taka (US \$10) per month; (2) the "homestead poor" with access to up to 50 decimals (.2 ha) of land or access to a body of water with monthly income between 2000 and 4000 Taka and (3) the "productive poor" with access to 51 -150 decimals of land and monthly income over 4000 Taka. At least 90 percent of the first two categories overlapped with the target beneficiaries under the strategic objective "Maternal and Child Health and Nutrition." This overlap supports an integrated approach across three strategic objectives—market-based production and income; maternal and child health and nutrition; and disaster risk reduction—to achieve improved nutritional outcomes and household well-being.<sup>13 14</sup> Nobo Jibon is being implemented in collaboration with four implementing partners, four technical partners, and several government agencies. The market based production and income generation component of the project receives technical assistance from International Development Enterprises (iDE), a non-profit with a mission to enable poor rural households to participate effectively in high-value agriculture market systems and to progress from subsistence to small-scale commercial farming.

<sup>&</sup>lt;sup>11</sup> Save the Children Bangladesh. "Our History." <u>http://bangladesh.savethechildren.net/about-us/our-history.</u>

<sup>&</sup>lt;sup>12</sup> Save the Children (2013b) Annual Monitoring Survey Report: Nobo Jibon. September 2013.

<sup>&</sup>lt;sup>13</sup> Interaction NGO Aid Map. "Nobo Jibon (New Life) Bangladesh MYAP". http://foodsecurity.ngoaidmap.org/projects/1051

<sup>&</sup>lt;sup>14</sup> Save the Children Bangladesh Website. "Livelihoods and Food Security". <u>http://bangladesh.savethechildren.net/what-we-do/livelihoods-and-food-security</u>.

Since inception in 2010 until its third annual review in 2013,<sup>15</sup> Nobo Jibon had made significant qualitative and quantitative progress on food security and risk reduction objectives, and had exceeded targets regarding production and income. For example, the program had benefited more than two million direct beneficiaries, and average annual income from agricultural production had more than tripled, as illustrated in figure 2.<sup>16</sup> These achievements were attained through the application of push and pull strategies.

Nobo Jibon works in three integrated objective areas:<sup>17</sup>

1. Market-based Production and Income Generation: *Poor and extremely poor* 



Figure 2. Annual Average Increase in Income

*households have increased production and income to improve access to food.* To meet this objective, Nobo Jibon developed three distinct implementation strategies: homestead production of vegetables or fish for women; value chain production in horticulture and aquaculture for productive poor households; and asset transfers such as small livestock or productive assets for nonfarm-based enterprise for extremely poor households. This component of the program—the focus of this case study—combines push/pull strategies as described in the theory of change section that follows.

- 2. Maternal and Child Health and Nutrition: *Improved health and nutritional status of targeted households, particularly children less than 5 years of age.* In order to achieve the desired outcome, this program area focused on three core services: conditional food rations, preventative and curative nutrition services for women and children, according to national protocol, and behavior change. The emphasis has been on improving community clinics and their services as well as those of private-sector providers, both of which pull clients into the healthcare system through improved offerings. These services build the well-being of the households and improve the readiness of these households to engage in markets, which in turn leads to better health outcomes.
- 3. Disaster Risk Reduction: *Households in targeted communities protect their lives and assets and quickly resume livelihood activities following natural disasters.* Interventions focus on the various factors that contribute to a household's vulnerability and ability to recover from disaster, including emergency preparedness, physical infrastructure, inter-agency coordination, and early warning systems. Physical infrastructure, for example, involves the construction of roads that connect rural households to health centers and markets, thereby pulling them into the economic and health systems. As with the second objective area, this programming area develops the resilience of households, thereby reinforcing

<sup>&</sup>lt;sup>15</sup> Save the Children (2013). Annual Monitoring Survey Report: Nobo Jibon. September 2013.

<sup>16</sup> Ibid.

<sup>&</sup>lt;sup>17</sup> Save the Children Bangladesh Website. "Livelihoods and Food Security". <u>http://bangladesh.savethechildren.net/what-we-do/livelihoods-and-food-security</u>.

their ability to engage in markets, while at the same time, market engagement reduces vulnerability and increases resilience.

These three aspects of the program are layered together in order that one area bolsters the others<sup>18</sup> and therefore push/pull is not sequenced but exists in a virtuous circle.

### NOBO JIBON'S GENERAL THEORY OF CHANGE

Save the Children's general theory of change for its marketbased agricultural development can be stated as follows:<sup>19</sup>

• IF households can cope with shocks, and IF livelihoods are diversified and assets accumulated, THEN households will be more resilient; and



- IF nutritional outcomes are improved, THEN the productive capacity of individuals will be strengthened; and
- IF households are more resilient, the productive capacity of individuals is strengthened and income improves, THEN they will be able to emerge from extreme poverty.

This theory of change describes the interdependency of the various changes and results, so that, for example, resilience is increased by diversified livelihoods and assets, while at the same time, nutritional outcomes and improved health lead to improved production and income.

### PROGRAM FRAMEWORK: MARKET BASED COMPONENT<sup>20</sup>

The market-based program implementation framework, presented in figure 3 below, relates to the processes and actors in an agricultural sector specifically horticulture and, to some extent, aquaculture. In both of these cases, target households required improved seeds or fingerling varieties for increased production, and market linkages for sales. However, where Nobo Jibon is working, households are disconnected from input suppliers as well as from market channels. The project therefore assessed the target households, their capacities, demand for products and services, and the availability of capable service providers. Suppliers were identified who could provide quality inputs and technical information to households, and Nobo Jibon facilitated the development of input supply chains so that the input supply system would also serve the poorest of the poor. Simultaneously, production units were then linked to output markets both formal and informal, and preseason business planning meetings incorporated all three actors together (input suppliers, producers, and buyers). This ensured that input suppliers and producers understood the needs of the market, resulting in appropriate products that could be sold to buyers. Training was offered to aggregators on developing a good business by working with smallholder farmers, and collection points and marketing locations were also established to ensure market linkages. The confluence of the push-pull strategies can be highlighted through the following examples:

<sup>&</sup>lt;sup>18</sup> SEEP Network (2014). Improving Food Security through Inclusive Markets. <u>http://www.seepnetwork.org/blog/improving-food-security-inclusive-markets</u>

<sup>&</sup>lt;sup>19</sup> Ibid.

<sup>&</sup>lt;sup>20</sup> Save the Children (2014). Nobo Jibon Theory of Change Diagram. Project document.

- Nobo Jibon provided technical training to producers and encouraged use of improved inputs by providing vouchers for the purchase of a first season package of inputs as a push strategy. The use of improved inputs led to increased production, stimulating repeat and increased demand from producers that drew an appropriate response from input suppliers in the form of increased investment in the supply chain.
- Collection centers were established in remote areas to facilitate linkages between producers and buyers as a push strategy. As the volume of product and transactions increased, a growing number of buyers, input sellers, and service providers started using the collection centers as a point of business. This led to a further increase in producers encouraged to link up with the collection center, creating a virtuous cycle of growth for all actors in the market system.
- Smaller producers that fell under the "homestead poor" categories were initially encouraged to produce for household consumption, then, as production levels increased, they began to sell surplus production and leveraged the output market linkages that were facilitated by the project originally for the "productive poor" category.



#### Figure 3. Market-Based Program Implementation Framework

### **PROJECT CHALLENGES**

Due to the challenges for women associated with socio-cultural norms in Bangladesh, Nobo Jibon has integrated gender as a cross-cutting theme present across all intervention areas, taking into consideration implications for operational and programmatic decisions, structures, and activities.<sup>21</sup> Nobo Jibon recognizes the importance of women's roles in achieving and sustaining the program's positive impacts, particularly in key themes of health, nutrition, and livelihoods.

Project staff explained that challenges are greatest when producers live more remotely. To overcome distance-related challenges, the project facilitated the development of 100 market group locations and 20 collection points to promote market linkages. The latter required significant time and resources, allocating physical space, promotional activities and involvement of influential leaders in the process. Such collection points can attract larger buyers when there are guaranteed volumes of production on set days of the week. These collection points are run by local committees and their functionality is therefore dependent on local capacity. Currently six to seven are not operating at a satisfactory level but the other two-thirds are running well.

Moreover, project staff highlighted that initially it was difficult to incentivize private actors to participate, but with initiatives like collection points, the private sector is now taking on new roles such as providing technical advice or customer service. This occurs as they recognize the business case for creating sustainable change in the market system through an expanded input supply system and improved extension services for farmers. Still, input suppliers and buyers continue to be hesitant to enter the most remote areas, some of which can be a seven-hour ferry ride to the closest market. However, there has been a gradual increase in production and sales and expansion is anticipated with ongoing support and awareness of the business opportunities.

### REFLECTIONS

Drawing on the characteristics of a push/pull program that have been outlined by LEO,<sup>22</sup> the following reflections emerge around the Nobo Jibon initiative that may have broader relevance:

- In keeping with recommended push and pull strategies, Save the Children has **developed and operationalized a theory of change around poverty reduction that aims to consider both push (e.g., skill building, behavior change) and pull (e.g., linkages to input suppliers)**. This enables the program to demonstrate how one outcome leads to another, and also how the results are iterative and cumulative. In the market-oriented component of the Nobo Jibon program, this is further supported by a graduated implementation framework that in turn integrates push and pull elements, and allows for a step by step monitoring of program progress.
- Nobo Jibon takes advantage of a systems approach to connect the health of households with their ability to withstand and come back from disasters as well as their capacity to improve production and earn higher incomes. In order to achieve the interconnection among the various interventions, Nobo Jibon uses a layering of interventions to incrementally build capacities and opportunities. In this way, the

<sup>&</sup>lt;sup>21</sup> Save the Children Bangladesh (2013)

<sup>&</sup>lt;sup>22</sup> LEO (2014). A Framework for a Push/Pull Approach to Inclusive Market Systems Development DRAFT 2. Personal Communication: Anna Garloch, ACDI/VOCA.

interdependency of the push and pull elements and the benefit that arises from an integrated and iterative push strategies and pull strategies becomes evident.

- Nobo Jibon targets a very poor coastal region of Bangladesh, and offers push strategies where they are most appropriate. For example, while disaster preparedness is a broad program strategy, maternal and child health targets specific households, and livelihoods programming is aimed at households that either have market opportunities (supported through linkages to input suppliers and/or output markets) or are vulnerable in terms of income (asset transfers). Within these components, Nobo Jibon promotes behavioral change—for example, in terms of nutrition—and supports market relationships for small-scale producers.
- **Project management issues emerge around the coordination and staffing of this complex program**. This type of challenge is likely to plague other complex multi-dimensional programs with similar interdependencies as changes and their impacts can be unpredictable and inconsistent.

## CASE 3

### IMARE IN GUATEMALA: LEVERAGING SMALL LANDHOLDINGS FOR MARKET ACCESS

### **INTRODUCTION**

Guatemala has the highest incidence of food insecurity in Latin America, and many Guatemalans suffer from malnutrition and lack of access to adequate health care services. The Inclusive Market Alliance for Rural Entrepreneurs project, developed by Mercy Corps with funding from USAID and Walmart Foundation, was designed to improve the quality of life for rural, smallholder farmers by cultivating and expanding existing relationships with Walmart Mexico and Central America and other buyers. What started out primarily as an initiative to increase the capacity of farmers to meet the quality and quantity demands of large buyers developed into a holistic effort that also facilitated engagement with a larger number of market actors and multiple government agencies to ensure sustainability of impact. In order to increase household-level impacts in the second phase of the project, education on nutrition, home economics, healthy living, women's empowerment, and climate change management were introduced. Notable achievements of phase II of this six and-ahalf year initiative are listed in Table 1.

#### Table 1: IMARE II Outcomes (2011-2014)

<ul> <li>✓ Average profitability per hectare in- creased by 21.3%</li> </ul>	<ul> <li>✓ 69% increase in women holding leadership posi- tions</li> </ul>
✓ 95% increase in land used for commer-	$\checkmark$ 677 individuals trained on mitigating impacts of
cial crops	climate change on agriculture
✓ 52 producers recovered crop losses	✓ 850 households applying household manage-
through insurance	ment plans

### BACKGROUND

In Guatemala nearly half of all children under age five are malnourished. More than half of the population lives below the national poverty line, and rural and indigenous communities suffer disproportionately from both income inequality and childhood malnutrition. Because a large percent of the population relies on agriculture as a primary livelihood, and small landholdings will become even smaller when divided among multiple heirs (Guatemalan families often have 5-6 children), efficient, highly productive farming is all the more important.

The IMARE cooperative agreement was designed to address income generation, poverty reduction and the nutritional status of rural, smallholder farmers (averaging 1.2 hectares of land). Implemented by Mercy Corps, in its first phase (at a project value of \$2.6 million), IMARE worked with 30 producer groups (567 farmers) to improve farming yields and quality (especially of potatoes, tomatoes and onions but many other crops as well) to standards that allowed them to sell to larger markets at higher prices. In its second phase, Mercy Corps maintained its crop focus (adding sweet peas and coffee); added targets of working with more women and rural indigenous communities (each farmer cultivating 0.31 hectares, on average); strengthening the commitment to reducing malnutrition by integrating health education activities; empowering women in farmer association decision-making and economic activities; and mitigating current and future impacts of climate change through improved agriculture practices.

IMARE I was very heavily focused on push activities as the project leveraged an existing relationship with Walmart Latin America. Mercy Corps offered training in improved agricultural techniques, and support in acquiring production equipment and infrastructure development. With the existing Walmart relationship and joint funding from the Walmart Foundation, IMARE helped producer groups upgrade production techniques and inputs to standards that allowed them to develop relationships with Hortifruti, Walmart's primary regional buyer. Other producer groups, limited by geographical constraints, developed relationships with smaller commercial buyers or increased sales at local markets. Because IMARE II (funded at \$3 million) worked exclusively with producer groups in rural areas, an increased focus on market linkages was necessary, and Mercy Corps moved to a more balanced push-pull model, ultimately linking 104 producer groups with 12 commercial buyers.

This case study focuses on how the second phase of the project worked around geographic limitations faced by rural farmers through focusing on market strengthening and networking, in conjunction with improving farmers' productivity and household management skills via strong local partnerships. These efforts resulted in a 21 percent net increase in the income of farming households, 75 percent of which belong to rural indigenous ethnic groups.

### LINKING PUSH AND PULL STRATEGIES

The focus of IMARE II was to increase the productivity and profits of smallholder farmers (1,638 farmers in 72 communities), leading to improved household livelihoods, job creation and strengthened communities. In order to meet targets of Feed the Future (introduced between IMARE I and II), these program activities, delivered via farmers' groups, included a strong focus on climate change mitigation and gender equity, and reaching extremely vulnerable, rural indigenous populations.

*Agricultural training* topics included crop management, use of new technologies and improved seed (resulting in a longer shelf-life and higher market price) as well as pesticide management, use of insect traps, recordkeeping and other business practices, safety equipment and water management, among others. During the project, over 425 hectares of land among 42 producer groups were planted using Good Agricultural Practices (GAP). In addition to mitigating negative environmental impacts, GAP implementation was a crucial part of farmers obtaining Sustainable Farm Certification from the Rain Forest Alliance.

A focus on *climate change adaptation* was integrated into the above trainings in addition to being the focus of a number of targeted activities. 27 producer groups were trained in and began implementing practices such as soil conservation, the use of live barriers, irrigation, reforestation and waste management. An additional 677 farmers attended events on reforestation and climate change and 45 promoters completed a climate change diploma course. An insurance scheme was also piloted with two farmer groups; initial uptake was low but when frost destroyed 10-20 percent of pea crops among these groups and payouts were made, nearly all farmers joined.

It was recognized that *women's participation and leadership* would be crucial to meeting the labor demands that rise with productivity, as well as that many of the desired household level-changes (nutrition, hygiene, etc.) would be driven by women. Over 1,400 training events on gender, self-esteem, human rights, domestic violence and other topics were held with women *and* men. In addition, 346 women were trained in business management. An intensive diploma course attended by 90 women and 10 men focused on "breaking down barriers and empowering women's entrepreneurship." By the end of the project, producer groups participating in the training saw an increase of 69 percent in the number of women holding leadership roles. Over 750 households adopted household and plot management plans, introduced through mixed-gender training sessions focused on six primary practices.<sup>23</sup> 1,258 families were trained on improved *hygiene and nutrition practices* as well as household economic management, dietary diversity and home food production (gardening and livestock).

All of the activities described played a role in the ultimate goal of improving quality and quantities of diversified crops to meet local and regional market demands. For example both agricultural training and climate change adaptation lead to short- and long-term improvements in crop yields and quality. The gender focus increases female farmers' ability to manage a business, as well as to participate in the growing labor requirements of family farms. Improving nutritional knowledge strengthens families and promotes buy-in among farmers for diversifying crops for home consumption.

### EXPANDING GENDER ROLES

When men are leading farming activities and household decision-making, how do you promote women's participation? One way is to carefully integrate training activities to appeal to both genders. For example, men were not inclined to attend a workshop on healthy cooking but when coupled with lessons on improving home gardens (cultivation of which is traditionally a man's role), both men and women would participate. Women increased participation in agriculture and business trainings and took on leadership roles when it became apparent that the roles they traditionally took in farming (weeding, sorting, packaging, etc.) became more important when working with larger buyers with high-quality demands.

However Mercy Corps recognized that none of the above activities would lead to increased sales or income without venues to sell produce at good prices. Mercy Corps found that the primary factor preventing poor rural farmers from selling is geographic isolation. They often live too far from larger markets and suppliers to make travel profitable. They are thus limited to selling at small, local marketplaces where demand is often limited and prices depressed from neighbors selling similar products at a similar time. Input and output market actors likewise fail to seek out relationships with such farmers because of the travel and resources involved in doing business. Because of this, Mercy Corps took two basic approaches to linking farmers with improved markets, based on how close to urban markets farmers were located.

With the *most rural farmers* (86.5 percent of the group), Mercy Corps visited local marketplaces to identify places in which farmers could meet unmet demand by growing different crops (such as sweet peas, French beans and potatoes). IMARE agriculture agents worked with farmers to identify these demands and the resources required to meet them, taking care to not overcrowd the market nor to expose farmers to too much risk. Diversification, increased yields and higher quality crops also opened up opportunities for farmers to sell at markets further afield—sometimes out of the country—through middlemen.

<sup>&</sup>lt;sup>23</sup> "…drinking purified water; recycling garbage; improving diet; washing hands; implementing family vegetable gardens; building chicken coops; making home improvements (hot showers, improved stoves, kitchen cabinets, etc.); taking children for health check-ups and weight monitoring; and generating income and savings by selling surplus garden produce." (Source: IMARE Phase II Final Report).

Farmers who lived closer to large cities were linked with buyers who negotiated terms directly with farmer groups. After identifying group capabilities and needs and, where necessary, providing technical support to bring groups up to a minimal level of production and capacity (sometimes over one growing cycle), Mercy Corps agricultural agents introduced them to buyers they felt had a mutual interest in partnership. The nature of partnerships was largely built on geography (Can we logistically work together?) and planting capacity (Are conditions right for planting what we need and what you know how (or can learn) to grow?). Once agreements were reached, buyers worked with farmer groups in a variety of ways such as skills training and provision or loans of seeds and other inputs. Cabbage, lettuce, cauliflower, broccoli, onions, and carrots were some of the main crops produced by these groups.

While both groups saw success, groups with greater proximity to urban areas had a shorter rotation period and access to irrigation, which allowed them to grow more and more often. Rural farmers were limited to making use of the rainy season.

### **EXPANDING MARKET ACCESS**

Working with rural, productive farmer groups, IMARE was sometimes able to enhance and create new market linkages with local partners. For example, a group in Tejutla had sold a total of 320 kg to Walmart in 2013. With Mercy Corps support, FairFruit-a company interested in growing sweet peas for export-was introduced to the group. Peas were introduced through demonstrative plots and later, through commercial plots. Strong support from the exportation company was critical in the implementation of the crop, facilitation of agricultural inputs, and linkages to a financial institution. This farmer group maintains contracts with both FairFruit and Walmart over a year after the departure of Mercy Corps.

### PARTNERSHIPS AND PROJECT MANAGEMENT

To deliver this suite of activities, Mercy Corps engaged in partnerships with government agencies, local NGOs and buyers at all program levels with an emphasis on mutual benefit. The Ministries of Agriculture, Economy and Environment & Natural Resources had plans to carry out agricultural extension services, small-business training for women and trainings on soil and water conservation, respectively. As each of these activities was in line with IMARE objectives, Mercy Corps often provided logistical support, technical expertise and participants (farmer group members) to government-developed trainings, while IMARE participants benefitted from training attendance. Local NGO partners were also engaged to provide trainings, inputs or subsidies to farmer groups with geographic overlap. This "alliance model" led to increased efficiency during the project and viability beyond the life of the project. The quality of trainings also benefitted from local-origination, rather than being developed during a relatively short-term project life.

Within Mercy Corps-led activities, technical experts worked to coordinate activities with relevant partners and farmer groups. Because the project had so many components—agriculture, business, market linkages, nutrition, household management, gender, climate change, etc.—activities had to be carefully planned so as not to over-whelm participants or dilute messages. Regular meetings, shared regional travel, and open communication were key strategies to maximizing team expertise and activity coordination. Careful coordination with individual farmer groups to deliver multiple project components was also key. Agriculture agents worked with farmer groups to organize service provision, mostly in the form of educational sessions, around seasonal activities (e.g., lean months, when men became migrant farm workers) and daily schedules (e.g., times when women are in the home and men are working far away in fields).

#### **PROJECT CHALLENGES**

It became evident early in IMARE II that the relationship with Walmart (the Foundation and the company) would not be viable with the new farmer groups engaged. While relationships with farmer groups from IMARE

I continues even into 2015, geographic constraints and changing priorities of the Walmart Foundation prevented the expansion of this partnership. This required Mercy Corps to expand its market facilitation activities.

Another result of working with more isolated and poor farmers in IMARE II was that many did not have the capacity or potential to significantly upgrade production and sales to align with project targets or Walmart's standards. Because the project was output-focused rather than population-focused (i.e., "working with the poorest farmers"), Mercy Corps made the decision to switch some of the original farmer groups selected for other groups that were geographically more accessible to potential markets. However, this did not mean the project worked with wealthy farmers: participants were still small landholders and many benefitted greatly from significant improvements in skills, inputs and market linkages.

Among all farmer groups, many found it difficult to think of farming as a business and their group as a corporation, which limited their capacity to grow. In retrospect, Mercy Corps would have offered more coaching, mentoring and training on business skills.

Finally, due to the inherently risky nature of farming, some groups suffered losses due to poor weather and other factors, including a significant infestation of coffee rust, while others flourished. With the support of Mercy Corps and program activities designed to mitigate these losses such as diversification and insurance, most groups were able to "bounce back" and gained first-hand experience in the value of risk aversion measures.

### REFLECTIONS

- Using a **demand-driven approach with early buyer partnerships** ensured that the resources expended by resource-poor farmer groups to increase and improve production would not simply go to waste.
- Business training for men and women **increased the capacities** of farmers and groups to establish and build relationships with input and output markets. IMARE provided very few "handouts" to engaged groups; they learned to manage existing resources to achieve long-term gains.
- Because farmer groups varied in agricultural and business capacities, Mercy Corps took care to **sequence and layer** activities when each group was ready. For example, buyers were not introduced until groups could demonstrate technical capacity to deliver what was wanted. Mercy Corps was also careful to not pile on activities related to household management, nutrition, etc., in the middle of the harvest season or during periods when farmers switched to migrant work.
- Partnerships helped to ensure delivery of **needed**, **culturally-appropriate trainings and resources**. The project leveraged expertise and resources of governments and local NGOs as well as their own expert staff, many of whom had existing relationships with buyers and input suppliers. Farmer groups were also engaged directly in all decision-making; Mercy Corps did not simply offer a suite of trainings and market linkages, but instead helped groups **determine their own goals**, **assess strengths and weaknesses**, and participate in market research activities.
- The IMARE results framework **yielded a rich data set** that details changes in activities, sales, prices, and incomes for every farmer group. Put together they make an evidence-led case for expansion of this model and further research into household-level impacts beyond income changes.

## CASE 4

### NARO ISLAND SEAWEED PROJECT IN THE PHILIPPINES: CONTRIBUTING TO REDUCTIONS IN CHILD LABOR THROUGH PUSH/PULL STRATEGIES

### **INTRODUCTION**

Demonstrating what can be done with a very limited budget, the Naro Island Seaweed Project combined cash transfers and other push strategies with improved access to extension and financial services to economically integrate very poor families into a viable value chain in the Philippines and reduce their reliance on child labor.

### **BACKGROUND ON THE PROJECT**

The Naro Island Seaweed Project was implemented under the ILO's International Programme on the Elimination of Child Labour (IPEC) 2012-2013<sup>24</sup> in Masbate province, Philippines. IPEC provided technical and financial support to the Naro Island project and six other projects under IPEC's Livelihood Component. The Naro Island project was implemented by the ILO, Department of Labor, Department of Social Welfare and the Local Government Unit, with SDCAsia acting as the lead experts in pro-poor value chain development. SDC Asia's total budget for this component was \$165,450.



Naro Island is home to 2,000 households, comprised mainly of very poor families with monthly incomes ranging from US \$12 to \$33, earned mainly from fishing. The project target group consisted of households with a high incidence of child labor (a risk mitigation strategy that smoothed household cash flow) and a total of 600 households participated. The aim of the project was to strengthen the seaweed industry, thereby encouraging families to engage in seaweed cultivation with resulting increases in incomes and elimination of child labor.<sup>25</sup>

Although families were pre-identified, participation was via self-selection. Families were risk averse and concerned about daily food needs rather than investing in equipment for seaweed farming. Moreover, the seaweed industry was weak and traders perceived the local seaweed farming families to be unreliable. The project focused on making both parties "attractive" to each other via a convergence of interests based on an analysis on how market systems affected asset endowment of the very poor.

### **INTEGRATING PUSH AND PULL STRATEGIES**

The Naro Island theory of change is illustrated in figure 4. It shows how the public sector (e.g., agriculture extension services and other services) offer six different types of push support, allowing households to "step up" and be ready for market integration. At the same time, traders are being attracted to pull households into markets with value chain services including financing, inputs, training, and linkages. The theory of change was operationalized through a series of timed interventions as illustrated in table 2.

<sup>&</sup>lt;sup>24</sup> ILO (2014). IPEC Action Against Child Labour 2012-2013: Progress and future priorities.

<sup>&</sup>lt;sup>25</sup> SDCAsia (2013). Internal document submitted to LEO.

#### Figure 4: Naro Island Theory of Change



Source: SDCAsia 2013

#### Table 2: Naro Island Seaweed Project Sequencing of Interventions

Interventions	Interventions Month														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Conditional cash transfer (maximum PhP 1,400; project of national and local government)			As						ach nge				rs c	ld,	
Motivation and confidence building workshops/livelihood orientation sessions															
Sensitization of local government unit and other government agencies															
Skills training: core group who later became mentors															
Business planning and operations manual for collective en- terprises														1	
Horizontal collaboration															
Development of seaweed farming mentors															
Asset transfer (start-up seaweed farm package)/health insurance															
Promotion of peer-to-peer mentoring															
Promotion of vertical linkages; financing from traders; rice credit from traders				Lig	ht s	ens	itizo	atic	n a	ctiv	∕iti∈	s c	on-		
Promotion of nursery establishment among the more progres- sive farmers															
Asset transfer (post-harvest facilities)															
Campaign for use of post-harvest facilities and collective mar- keting; development of system that would not displace traders nor undermine freedom of farmers to choose whom to sell															

The project intensively used push strategies to provide target households with basic assets and competencies to gainfully participate in the seaweed industry. The project supported the set-up of individual seaweed farms, provided households with inputs, organized and trained a core group of trainers/coaches from among the households, and devised a production schedule to guide farmers on how to incrementally scale up their farms. The following list, pulled from the ILO 2014 progress report<sup>26</sup> illustrates the push activities that were undertaken by the project in one location—Cawayan—over a period of 13 months:

- Snapshot site assessment
- Upgrading of existing practices
- Informal coaching with key seaweed farmers
- Technical training
- Occupational health and safety workshops
- Inspirational multi-media resources to motivate greater collaboration amongst farmers
- Coaching/reminders on farm preparation and maintenance
- Coaching on seedling preparation
- Onsite coaching on farm management, harvest, and allocation for seedlings

The establishment of seaweed post-harvest facilities concentrated on drying services that would reduce postharvest loss and contribute to increased income for households. However, the facilities also offer consolidated marketing services, creating a pull into new markets. At the same time, seaweed farmers with existing contacts were free to continue engaging in pre-existing trade relationships, which were reinforced based on increased volumes of fresh and dried seaweed. In fact, many of the participating households have already doubled their output, going from around 17 seaweed lines to 30 or more, and increasing production to approximately 3 metric tons (MT) per month from 1.5 MT before the project intervention.

### **PROJECT CHALLENGES AND MITIGATION**

The project experienced two key challenges that have been mitigated as described below:27

- 1. Very few households (only 20) chose to participate in the study during the initial stages. Due to extreme poverty and lack of assets, households were concerned about the results of upgrading and expanding seaweed farming operations. This issue was resolved by project capacity building that saw improved product quality and greater volumes of production, traders offering start-up packages for those who would not be able to participate otherwise, and better access to extension and financial services. As a result of this, 50 households joined in the first phase. These 50 households were then the centerpiece of the campaign to involve more seaweed farmers. By the end of the project, a total of 600 households had engaged, with 200-250 accessing the free start-up kit from the project. The remaining households used other sources, including obtaining support from traders.
- 2. Farmers were not interested in working cooperatively, thereby reducing opportunities for group purchases of inputs and consolidation of product to attract larger buyers or to sell to more lucrative markets. The ILO review<sup>28</sup> found that many members of the target group either had no experience in working collectively or only had experience with unsuccessful community-based livelihood activities. In response, lo-

<sup>&</sup>lt;sup>26</sup> ILO (2014). IPEC Action Against Child Labour 2012-2013: Progress and future priorities.

<sup>&</sup>lt;sup>27</sup> Boquiren, M. (2014). Personal communication. SDCAsia manager key informant interview.

<sup>&</sup>lt;sup>28</sup> ILO (2014). IPEC Action Against Child Labour 2012-2013: Progress and future priorities.

cal government and extensions services have been promoting regular interaction among seaweed farmers to increase household interest to engaging in collective action. The establishment of a post-harvest facility is also expected to motivate seaweed farmers to collaborate. In December 2013, selected seaweed farmers formed an association to manage and operate the postharvest facilities and a cooperative store for inputs and rice. The association continues to exist and provide support services to the farmers. A portion of their harvest is shipped directly to an exporter in Cebu, while a certain percentage is allocated for traders supplying other exporters. Seaweed farmers also have the choice to keep a portion of harvest for selling directly to traders of their choice, as long as they provide a certain percentage for group marketing. The post-harvest facilities motivated farmers to informally group themselves, but seaweed farming remains an individual activity as each farmer feels that he/she can have better control over production by operating autonomously.

#### REFLECTIONS

- The ILO embraces a systems approach to analysis and design, recognizing that reduction in child labor is a systemic problem: activities must go beyond regulation and enforcement, and there is need to improve livelihoods in order to incentivize households to keep children in school. This in turn requires the delivery of sustainable economic solutions to household poverty through integration into a viable market system, and creates an opportunity for sustainable and scalable change. The key push approaches of the Naro Island Seaweed Project achieved this end by building capacity and offering assets to the very poor to increase their resilience and ability to participate in markets while reducing the risk and aversion to risk for farmers. Following this, the project expanded the opportunities for such participation, pulling farmers into markets—the post-harvest facility, for example, offers opportunities for collaboration with other farmers and growth of market linkages through the strengthening of existing relationships or development of new ones.
- In order to achieve the ultimate goal—reduction in child labor—the project first tackled economic issues moving from assessment to training to coaching, then to financial and non-financial services linkages, and finally the promotion of cooperative activities. As figure 4 illustrates, in the case of Naro Island, it made more sense to build capacities and assets prior to offering other services and market linkages, thereby sequencing push and pull activities. Throughout this process the project was attentive to the desires and needs of seaweed farmers, allowing for self-selection, not pushing for cooperative activity prematurely, and promoting beneficial relationship building so the system would encourage the integration of the very poor. Further, it was necessary to pay attention to the different incentives of various actors in the value chain in order to motivate suppliers, buyers, and service providers to engage with and support seaweed farmers.

#### CONCLUSION

The Naro Island Seaweed Project illustrates how a "social program"—reduction in child labor—can realize its goals through the development of market systems. However, given the extreme poverty of such households, significant efforts are required to push them to a level where they can participate in markets with reduced risks. At this point, greater emphasis can be placed on pull activities and market dynamics to ensure sustainable economic outcomes.

## ANNEX 1: PROFILES OF SUBMITTED PROJECTS

LEO and the SEEP Network would like to express our appreciation to all who submitted examples. There is a lot of very meaningful work being done by organizations aiming to help extremely poor people transition sustainably out of poverty through a variety of approaches and interventions, and in widely different market and cultural contexts. Thank you for sharing your projects. We regret we did not have the resources to feature more.

Organization Name	Project Name	Country	Funder	Partners
Aliniha International	Aliniha Network	Mali, Burkina Faso and Senegal		3 local NGOs
Speak Shop	Speakshop	Guatemala		
Mobipay Kenya Limited	Agrilife	Kenya	Mobipay	New KCC
Sustainable Food Lab	Guatemala Highland Alliance	Guatemala		Sysco Corporation, Oxfam GB, Superior Foods Inter- national, The Organization for Agricultural and Micro- Enterprise Development (ADAM), the IITA
Association Pour La Sante et le Developpement Famil- ial / ASDF / ONGD	Projet D'Accès au Micro- Crédit Agricole des Ménages Paysans Comme Stratégie D'Adhésion à la Mutuelle de Santé	Democratic Republic of the Congo		
Appui au Développement Autonome pour les Paysans/ADAP/ONGD	Cooperative De Produc- tion et de Commercialisa- tion des Produits Agricoles	Democratic Republic of the Congo		
Sorghurm Value Chain De- velopment Consortium	Sorghurm Value Chain Development Consorti- um	Kenya	DANIDA through FARA- a UniBRAIN initiative	Jomo Kenyatta University of Agriculture & Technolo- gy, Kenya Agricultural Re- search Institute, Farming Summport International

SAFCO Support Founda- tion (SSF)	Social Safety Net (SSN)	Pakistan and 8 other coun- tries	Supported by CGAP and the World Bank through the Pakistan Poverty Alleviation Fund	SAFCO and Credit Enter- prise Development
Conservation through Pov- erty Alleviation, Interna- tional		Madagascar		"Sehatry ny Mpamokatra Landy Ifotony" (SEPALI)
Cranfield University, UK	Tamul Leaf Plates	India	Self-sustaining with- out donor assistance	original support from Dhriti's project funded by FWWB, USAID Innovation Fund, and Doabji Tata Trust
CARE Ethiopia	Graduation with Resili- ence to Achieve Sustain- able Development	Ethiopia	USAID	consortium of local and international organizations
Zambia Interfaith Network- ing Group (ZINGO) as main implementer	Corridors of Hope III - FHI ROADS project	Zambia	USAID/ PEPFAR	Funded by USAID/PEPFAR and im- plemented by ROADS (FHI360) and a consortium of three Zambian Non- Governmental organizations
Cuso Interational	Eco-Agricultural Business for the Adaptation to Changes in Climate (B- Adapt)	Cameroon	Government of Canada, Dept of Foreign Affairs, Trade and Develop- ment	Cuso International, African Model Forest Network (RAFM)
Nuru Center	Mich Nutrition Women Group	Kenya	original - Swedish Donor Organization	District Dairy Goat Asso- ciation, FI including Kenya Women Finance Trust and Equity Bank
International Development Enterprises India	Integrating Poor into Market Systems (IPMAS)	India		
One Acre Fund	One Acre Fund	Kenya, Rwan- da, Burundi, and Tanzania	USAID and other agencies and private foundations	

Land O'Lakes International Development	Yankho Plots (Answer Plots)	Malawi	USAID FFP	U.S. Department of Agricul- ture Food for Progress (FFP), Land O'Lakes
Microfinance Opportunities	Pay-For-Performance in Financial Education	n/a	MFO	Works with FSPs
Microfinance Opportunities	Embedded Consumer Financial Education	Kenya, India, the Philip- pines	MFO	FSPs, Telco, and other or- ganizations
Fundación Mundo Mujer	Financing Agricultural Activities	Colombia		
iDE	Cambodia Agribusiness Development Facility (CADF)	Cambodia	New Zealand Aid Agency	
iDE	Sanitation Marketing Scale Up (SMSU) Project	Cambodia	BMGF, The World Bank Water and Sanitation Program, The Stone Family Foundation	BMGF, The World Bank Water and Sanitation Pro- gram, The Stone Family Foundation, iDE
SDC Asia	Naro Island Seaweed Value Chain Develop- ment	Philippines	ILO	ILO, Department of Labor, Department of Social Wel- fare, Local Government Unit (LGU)and SDCAsia
Zardozi	Markets for Afghan Art- ists	Afghanistan	DFiD , Oxfam Novib	
Vittana	VitanaStudents	Philippines, Cambodia, Ghana, Peru, Paraguay		Partnership with local mi- crofinance institutions
Krofu Food Farming and Marketing Co-Operative Society	Krofu Food Farming and Marketing Co-Operative Society	Ghana	Food Research Insti- tute, Rots and Tu- bers Improved Pro- gramme, University of Cape Coast, member contribu- tions	Food Research Institute, Rots and Tubers Improved Programme, University of Cape Coast, some Financial Institutions
Mercy Corps	Market Alliances against Poverty in Samtskhe- Javakheti	Georgia	SDC	Mercy Corps and SDC

Mercy Corps	Facilitate Access to hay	Georgia	SDC	Mercy Corps, SDC, and a
2 1	Production Services in Samtskhe-Javakheti	0		farm machinery reseller in Akhaltsikhe
Mercy Corps	Facilitate Improvements in trnasport linkages in Samtskhe-Javakheti	Georgia	SDC	Mercy Corps and SDC
Centre for Civil Society	Skills Voucher Program	India	Babasaheb Ambedkar Research and Training Insti- tute (BARTI)	India Development Foun- dation (IDF)
World Hope International	Mango Outgrower Pro- ject	Sierra Leone		linkage with juice export company, Africa Felix Juice
Mercy Corps	Market Opportunities for Rural Enterprises (MORE)	Mongolia	Swiss Agency for Development and Cooperation	
Mercy Corps	Innovative Market Alli- ance for Rural Entreprenuers	Guatemala	USAID, co invest- ment from WalMart Foundation for IMARE I and Green Mountain Coffee for IMARE II	Mercy Corps, Green Moun- tain Coffee, Wal-Mart Foundation, USAID Gua- temala (in partnership with Feed the Future Guatemala)
Mercy Corps	SimulaKO program (My Beginning)	Philippines		BPI Globe BanKO Savings Bank
The Small Scale Sustainable Infrastructure Development Fund (S3IDF)	Social Merchant Bank Approach	India	S3IDF	local financial institutions; market entities on the sup- ply and demand side
iDE	Smallholder Commercial Pocket Approach for Weak Markets	Nepal	USAID Initiative for Climate Change Adaptation	USAID, iDE
Cuso Interational	Making Markets Work for the Poor	Guyana	Accenture Founda- tion	
CRS/Tanzania	Soya ni Pesa	Tanzania	USDA	4 local partners

Land O'Lakes International	Rwanda Dairy Sector	Rwanda	USAID	prominent firms and the
Development	Competitiveness (II) Project	Kwanda	USAID	Government of Rwanda Ministry of Agriculture
Land O'Lakes International Development	Cattle Bank Facility	Zimbabwe	USAID	International Relief and Development, Micro King Ltd
Ten Thousand Villages	Ten Thousand Villages	Global	Ten Thousand Vil- lages	local artisans
Winrock International	Climate Resilient Ecosys- tem and Livelihoods	Bangladesh	USAID	Winrock and 3 national Bangladeshi NGOs
FHI360	Agriculture for Children's Empowerment (ACE)	Liberia	USAID	Implemented by ACDI/VOCA under the STRIVE project, which is managed by FHI360
SNV Ethiopia	Productive Safety Net Programme Plus (PSNP Plus)	Ethiopia	SNV	VSLAs and local MFIs, including Sidama MFI
World Vision	Multi-Year Assistance Program in Haiti	Haiti	USAID Food for Peace MYAP	
SNV	Inclusive Business Mod- els	Various	SNV	multi-national corporations and domestic companies
Global CAD	Center of Partnerships for Development	Tunisia, Cen- tral America	IDB (Central Ameri- ca)	GIZ (Tunisia) ; REDCAMIF (Central Ame- rica)
Aga Kahn USA	Coastal Rural Support Program	Tanzania	DFID and AKF	CRSP(T), eventually with the Government of Tanza- nia's Field Based Extension Officers
IntraHealth International	Informed Push Model	Senegal	BMGF	BMGF
ACDI/VOCA	Sunhara India programs	India	BMGF, Wal-Mart Foundation	linkages with buyers like Bharti Walmart and Sunhara Fresh
Save the Children Bangla- desh	Nobo Jibon	India	USAID	

### ANNEX 2: BIBLIOGRAPHY

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