



RLDC's role as a Facilitator of Market Development Learning from experience

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List of Abbreviations

AL	Action Learning
ASA	Agriculture Seeds Agency
BMO	Business Member Organisation
CF	Contract Farming
FMD	Facilitation of Market Development
FO	Farmer Organization
LGA	Local Government Authority
M4P	Markets for the Poor
QDS	Quality Declared Seeds
RFA	Radio Free Africa
SDC	Swiss Development Corporation
TAMPA	Tanzania Milk Processors Association
TDB	Tanzania Dairy Board
TDCU	Tanga Dairy Cooperative Union
TOSCI	Tanzania Official Seeds Certification Institute

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1. Introduction

The *Rural Livelihood Development Programme* (RLDP) is a programme funded by the Swiss Agency for Development and Cooperation (SDC). It is implemented through the *Rural Livelihood Development Company* (RLDC), a non-profit organisation that has started its operations in 2005. Advisory services and support to RLDC has been contracted by SDC to a consortium of two Swiss NGOs, *HELVETAS Swiss Intercooperation* and *Swisscontact*. The general objective of RLDC is to make a significant contribution to improve the welfare of rural households in the Central Corridor of Tanzania. RLDC has been working in six sub sectors namely poultry, sunflower, rice, rural radio, dairy and cotton.

In the Tanzanian Central Corridor, small producers have low production level and experience difficulties in accessing profitable and sustainable markets while many medium and large scale processors see opportunities but cannot get adequate supplies from small producers. This situation creates a mismatch of demand and supply. In 2005, to address this constraint and increase business volume to improve small farmers' livelihood, RLDC started its operation using a *market linkage approach*.

This approach consisted of encouraging private companies to come with ideas to further develop their business and elaborate kinds of business plans proposals. The assumption was that an enhanced business of selected companies would automatically profit a larger number of producers and improve their livelihoods. The proposals were awarded with grants enabling private companies to develop their business. Though the approach was called "market linkage", RLDC did not play a role of intermediary between private companies (buyers) and producers. Rather, RLDC endorsed the role of an advisor to private companies, and, de facto, acted as a market player. Though the number of producers collaborating with buyers increased, the issue of price was not much taken in consideration. Actually, being a non for profit private company RLDC had in mind to once becoming an independent services provider. Around the end of the first phase, it was realised that it would be better to support well established organisations to play that role and that RLDC would be better placed as a facilitator of market development.

During the midterm review of the first phase, RLDC realised that the market linkage approach was not likely to achieve its objectives towards the poor. Firstly, the grants required by the private actors were quite significant, raising issues of sustainability. Secondly, grant applicants did not have a precise vision of what creating market linkages with small producers really meant and how it would help their business. This was probably the result of the lack of successful demonstration of examples of market linkages, particularly in the rural areas of the Central Corridor. Besides, in the end, the approach benefited more the private firms than the poor farmers. By playing the role of service provider, RLDC involved itself too much in the market and therefore created market distortions. Due to the low initial willingness of private sector actors to invest in market linkage development, the sustainability of the interventions was compromised.

In 2008, taking into consideration the lessons learned from the market linkage approach, RLDC decided to change the approach from a market linkage to a *market development approach*. Also known as *M4P (Making Markets work for the Poor)*, this approach changed the role of RLDC from

being an implementer to being a *market development facilitator*. In other words, M4P can help to differentiate between interventions which are simply providing subsidies to private firms (largely for private gains) and those which use firm-level support to stimulate systemic (public) change.

Unlike the market linkages approach, the M4P approach is systemic in action, thus focusing on market system failings to serve the needs of the poor. Secondly, it seeks sustainable changes from the outset by better aligning key market functions and players. Thirdly, the approach pursues large scale impact by targeting interventions that benefits large number of poor people. Lastly the approach adopts a facilitative role by designing interventions that stimulates but does not replace market functions or players. Through the M4P approach, RLDC has achieved more outreach in comparison to the previous approach and therefore intends to continue with it while trying to improve its implementation following the conclusions of this document.

Since the approach is quite recent in the country and the development world at large, RLDC wants to share the experience and lessons learned from the market facilitative role it has been playing since 2008 through its new M4P approach. The objectives of this capitalization of experience document (CAPEX) will be as follow:

- To share RLDC's experience with other market facilitators and partners
- To strengthen RLDC's own understanding on facilitation through a systematic analysis of its interventions and to learn from its experience to improve its interventions
- To complement the existing M4P theory with RLDC's practical experience in its specific context

The target audience of this CAPEX document includes RLDC Staff, RLDC partners, other private sector players, Local Government Authorities (LGAs), Central Government, Research and Academic Institutions and Donor Community and likewise initiatives.

2. The Concept of Market Facilitation

According to the *M4P HUB*¹, the M4P approach² is guided by four main principles namely: systemic action, sustainable change, large scale impact and facilitative role. This document will analyze RLDC's role regarding facilitation since one expects that this core element of the M4P approach will lead to the fulfilment of the other three principles.

Facilitation has been defined by several stakeholders in various ways according to their specific context of action and experiences gained on the ground. However, there are common recurrent elements in these definitions that define the ideal-typical market facilitative role. Moreover, after three years of experience as a facilitator, RLDC is able to discern the most important elements to include in the definition of a (efficient) market facilitator.

¹ www.m4phub.org

² For a complete introduction to the M4P approach, see *Annexe 2* at the end of the document

The definition of the concept of facilitation could be divided into three parts: objectives of facilitation, means of facilitation and characteristics of a facilitator.

Objectives of facilitation	Means of facilitation	Characteristics of a facilitator
<ul style="list-style-type: none"> - Induce systemic changes - Improve functionality of market systems for the poor - Influence behaviour of market players - Realise public benefit - Affect large number of beneficiaries - Ensure sustainability - Reduce beneficiaries dependency - Share responsibility 	<ul style="list-style-type: none"> - Stay external to the market system - Identify market constraints and opportunities - Choose actions generating the largest impact - Bring ideas & innovations - Design short term actions for long-term impact - Enhance exchanges between actors (networks, links) - Ensure neutrality (different interests) - Provide temporary subsidies and technical assistance (share risks) - Provide coaching services 	<ul style="list-style-type: none"> - Communicator - Relationship builder (+mediator) - Coach - Businessperson - Innovator

2.1 The objectives of facilitation

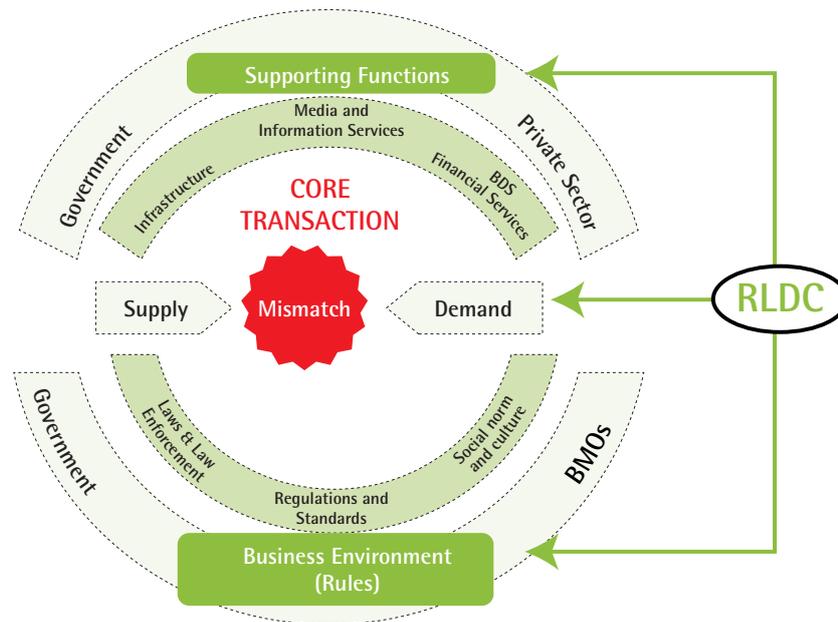
While planning interventions, it is crucial for the facilitator to keep in mind the objectives so as to obtain the results desired. A facilitator is 'an agent of change' who needs to introduce 'systemic changes' which will improve the whole market functionality as well as stimulate other actors to change their behaviours and take up what the facilitator has been doing. One of the facilitator objectives should also be 'influencing the behaviour of the market actors' towards good market practices which are sustainable. Moreover, it is important to bring about improvements of the market functions for the benefit of the largest amount of poor people while reducing as much as possible their dependency on donors. In addition, the facilitator has the objective of ensuring the actors' understanding of shared responsibility on the roles and tasks within the market system.

2.2 Means of facilitation

An important aspect of facilitation is 'how to facilitate'. There is a need for the facilitator to act in the system but at the same time to stay out of the market to avoid being involved as a real market actor. This will ensure sustainability of the changes and reduce dependency towards the facilitator in the long term (the Springfield Centre market system concept depicts this situation below³). An external position also helps the facilitator to have an objective look at the market system thus avoiding the promotion of an exclusive category of people. The facilitator needs to understand that facilitation interventions are only temporary but with the aim of bringing sustainable impact. To design relevant interventions, the facilitator should possess the ability to analyse the market constraints and potentials while finding innovative ideas.

³ Springfield Center, Training Material on Facilitation Tactics from a workshop on Managing and Measuring for better Results in Market Development Programmes, Dubai, 2011

Bringing actors together, enhancing exchanges and trust as well as managing the different interests are important means of facilitation that a facilitator is supposed to apply to effectively play its role. Additionally, the facilitator should maintain 'neutrality' in its interactions so as to stay impartial in the eyes of the markets stakeholders and therefore maintain confidence and acceptance of all the actors. Financial resources and technical assistance are part of the means of facilitation but subsidies must be temporary with the aim of finding inside market actors able to provide resources in the future. The amount of subsidies should also be defined in order to avoid adverse market distortions, creation of dependency and perception of the facilitator as a donor. Finally, to induce changes while staying outside the market system, the facilitator should procure coaching services by providing supervision and advice.



2.3 The required Characteristics of a Facilitator

Facilitators need to have some characteristics which will allow them to execute their tasks properly. A facilitator should have the skills of a good 'communicator' since he constantly receives, consolidates and transmits ideas, information and grievances from and to various groups. Another important characteristic of a facilitator is that of being a 'relationship builder', since he is expected to build relationships with actors to create confidence for good working relations. This skill also allows him to strengthen the networks between the market actors and to help resolving disagreements (mediator). For sustaining changes while leaving the improvement process in the hand of the market actors, the facilitator needs to advise and support the capacity building of the actors, taking the role of a coach. A facilitator is supposed to have sufficient business knowledge to help build credibility among the market actors and to analyse the market system in order to provide adequate advice. Finally, facilitators must be 'innovative' as this is the driver of market improvement leading actors to change their behaviours.

3. The application of facilitation in RLDC interventions

This section analyzes RLDC role as a facilitator in five of its interventions in three different sectors namely dairy, radio and sunflower. The interventions were chosen because they represent a cross-section of RLDC's sector work with a variety of results. Each intervention is firstly briefly described before being analysed from the perspective of facilitation. For this assessment, looking back at the facilitation role described above, RLDC has defined six major facilitation criteria for its interventions. These criteria are the following:

- Being external to the market system
- Giving temporary support with sustainable impact
- Enhancing collaboration and information sharing
- Achieving systemic changes
- Influencing the behaviour of market actors
- Achieving large scale poverty reduction

In this chapter, after each intervention analysis, there is a chart trying to rate RLDC's performance as a facilitator for a given intervention. These charts have been produced thanks to five RLDC's staff not directly involved in the implementation of the interventions examined who attempted to rate them in an objective way.

3.1 Dairy

The milk production in Tanzania is estimated at 500 million litres per year. Untapped milk is estimated at almost 250 million litres per year and could be available on the formal market if major constraints are addressed. The Central Corridor where RLDC is mandated to work is home to 48% of the indigenous cattle population of Tanzania, however only 1% of the population in the Central Corridor keeps improved dairy cattle. To improve the dairy subsector, RLDC implemented several interventions addressing the issues of production and business environment.

i. Increase milk production and collection from rural producers

This intervention involved two milk processors: Shambani Graduates Enterprise, based in Morogoro, and Tan Dairies Ltd based in Dar es Salaam but collecting its milk in Morogoro region. Implemented from December 2010 to November 2011, the intervention intended to improve the value chain of the milk processors.

With Shambani Graduates, the first component of the intervention consisted of increasing sales of Shambani Graduates products in Morogoro through improved marketing activities. This was achieved through street promotional activities as well as a school milk programme. The latter consisted of meetings between teachers, pupils' parents and nutrition experts as well as weekly milk distribution to children. Another component of the intervention was aimed at improving milk collection and transportation. For that purpose, milk collection centres as well as a means of forage production and of milk transportation were improved. In addition, farmers and collectors have participated in various trainings such as milk handling practices, dry season

cattle feeding and group formation. Finally, study tours for selected farmers to Tanga Dairy Cooperative Union (TDCU) and VIKUGE Pasture Farm Kibaha were organised. With VIKUGE, the aim was to train leaders on group management. With TDCU, Shambani company and 12 of its milk suppliers were taken on a study tour to learn how to improve milk collection operations (technical issues regarding milk weighing and temperature and density measurement) as well as business management (record keeping).

With Tan Dairies the intervention was mainly designed to increase milk collection from milk producers in the rural areas of Morogoro region which was hampered by animal migration during the dry season in search of water and pasture. In order to minimise migration and ensure milk supply for Tan Dairies, the intervention was aimed at helping farmers ensure animal feed throughout the year. This was achieved by providing trainings and demonstrations to farmers on how to raise cow feeding through improved forage production and storage as well as ensuring water supply. The intervention also tried to strengthen farmers' organisations so that they could take the lead in future trainings on cow feeding issues. Another component of the intervention was increasing processed milk products demand and thus milk collection from farmers. This was achieved through promotional campaigns organised with the help of an existing market service provider (Touchline) as well as reparation of collection centres.

In the intervention with Tan Dairies, RLDC paid for trainings and repairs of the existing collection centres. RLDC contributed 40% of the total costs of the whole intervention while Tan Dairies injected 60%. With Shambani Graduates, RLDC and Shambani shared most of the intervention component costs. RLDC contributed 38% while Shambani Graduates paid for the remaining 62%.

ii. Rating of the intervention in increase milk production and collection from rural producers

Being external to the market system

RLDC worked through two private dairy companies and other existing market service providers thus trying to stay outside the market system. However by financing trainings, promotion material and repair of collection centres, some market functions have been subsidised. Tan Dairies first saw RLDC as a donor, submitting a large grant application. Nevertheless as the role was clarified, the proposed budget was reduced and finally the intervention was facilitated with a lower financial support from RLDC (40%).

Giving temporary support with sustainable impact

Sensitisation and trainings such as study tours and demonstration plots for fodder conservation and feed supplementation were temporary actions imparting long term knowledge and changing behaviours on the part of the farmers. To a certain extent farmers are now applying what they have learnt improving milk collection, business management and reducing migration during the dry season thus easing milk collection. Farmers were also encouraged and supported in farmers' organisational development which will notably, in the long term, take the lead on trainings activities and milk production improvement. As for the promotion campaign, these were a set of temporary activities aimed to permanently increase the demand for milk products.

Enhancing collaboration and information sharing

The intervention developed links between various actors with different interest such as government extension officers (trainings), private companies (TDCU, VIKUGE, Tan Dairies, Shambani Graduates), farmers and various consultants. The links between milk producers and milk processors have been strengthened or established, easing and increasing milk collection from processors. The intervention enhanced networks and exchange among farmers as they were taken for study tours to TDCU and VIKUGE. Tan Dairies and Shambani Graduates started communicating with each other and links to TDB and TAMPA⁴ were strengthened as well. However, as mention by Tan Dairies, farmers' organisations could benefit from more networking facilitation at the district and regional levels to improve issues regarding access to finance, advisory services and inputs supply.

Achieving systemic changes

Systemic change has happened within the partner companies' supply chains (milk collection and marketing). In addition market functions have been improved through the reopening of collection centres and introduction of inputs supply (for farmers).

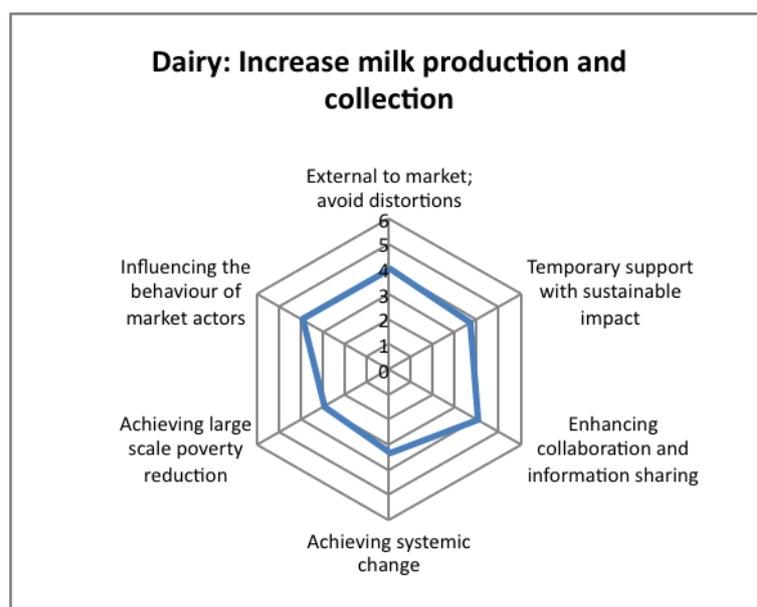
Influencing the behaviour of market actors

Producers changed their practices (reducing animal migration by producing and stocking forage) after learning about fodder conservation and feed supplementation from demonstration plots. However, according to Tan Dairies, the lack of water during the dry season is still a problem preventing the farmers to abandon once and for all the animal migration. The intervention provided an affordable solution to this problem by building small dams to collect water during rainy season to water the cattle during the dry season. This activity has therefore to be further implemented and may be better designed to be really successful. Some farmers and collectors have improved their collection operations (technical issues and book keeping) as well as milk handling practices. To a certain extent, farmers have also strengthened their capacities to get organised into groups to deal with common issues. TAN Dairies and Shambani Graduates have understood the importance of investing in marketing, extension services and campaigns to improve their level of production and sales. There is not much independent replication outside the projects because processors are few and results have not yet been widely shared. This raises the issue of whose responsibility is it to ensure replication by other processors. This aspect should be further regarded while designing interventions.

Achieving large scale poverty reduction

The producers are able to benefit from the improvement of the local dairy sector by increasing milk sales and thus income. However, the scale was rather limited as the intervention was only implemented in Morogoro region.

⁴ For more information about TDB and TAMPA see section 3.1.3



The scale goes from 0 to 6 with 0 being the lowest grade and 6 the highest grade.

iii. Strengthen TDB's and TAMPA's capacities for improved business environment

This intervention was intended to address the business environment of the dairy industry by strengthening the regulatory body (TDB), on the one hand, so that it will be able to tackle the constraint of over-regulation of the sector which has remained a big challenge for its growth. On the other hand, the intervention was geared at improving the lobbying and advocacy skills of the BMO in the dairy sector (TAMPA) so as to improve the business environment. TAMPA had over 130 registered members in Tanzania but possessed little capacity to effectively represent its members in dialogue with the government and other organisations.

The main partner in this intervention was TDB which was established by the act of parliament in 2004 but was very weak on human resources and unable to effectively work as a regulatory authority. The second partner was the BMO TAMPA.

The intervention lasted from October 2009 to February 2011. Since TDB lacked staff to perform its mandate correctly, the first component of the intervention consisted of facilitating the acquisition of recruitment permits from the government. Then, RLDC supported the actual recruitment of four new staff at the board for which a budget had been previously allocated by the authorities. In addition, the initiative also supported a number of workshops to evaluate areas of regulation overlaps and establishing a dairy database as well as an information platform. With TAMPA the activities were aimed at improving capacity in lobbying and advocacy for business environment improvement as well as facilitating dairy market research.

With regards to the financial support provided in the intervention with TDB, RLDC contributed 58% of the costs while TDB contributed 42%. And with regards to the intervention with TAMPA, RLDC contributed 47% and TAMPA 53%.

iv. Rating of the interventions in dairy business environment

Being external to market system

For this intervention, RLDC was external to the market core functions organising mainly trainings and workshops as well as linking stakeholders together. Both TDB and TAMPA capacities have been strengthened and are expected to continue to perform their mandates to improve business environment of the dairy sector.

Giving temporary support with sustainable impact

The intervention was temporary but the changes are sustainable. The intervention with TDB facilitated the hiring of four new staff and brought sustainable change by allowing the board to be fully operational in the long term. The board then worked on a reform project of the dairy regulatory environment trying to harmonise overlapping regulations in order to improve business environment and competitiveness. TDB was also able to develop a new regulation on dairy products imports and exports that was presented to the Ministry of Livestock and Fisheries Development. In addition, TDB was able to put in place a sustainable dairy inspection system in Morogoro and Dar-es-Salaam region to observe compliance to dairy products quality required by the law.

As for the intervention with TAMPA aiming at improving the organisation's advocacy and lobbying capacity, it has brought and will further bring sustainable changes in the dairy business environment. So far it was able to remove VAT on imported milk equipment as well as lifting the ban on plastic packaging used for dairy products thus reducing their final costs.

Enhancing collaboration and information sharing

Through the intervention, the collaboration between TDB and TAMPA has been strengthened. They have been working together on issues such as the harmonisation of overlapping regulations, export/import regulation or the quality control of dairy products.

TDB has been organising workshops and events every year bringing together dairy market actors to discuss issues of the sector and increase global awareness of dairy products. TAMPA has also enhanced collaboration by organising a dairy stakeholders meeting to discuss dairy sub-sector issues.

Achieving systemic changes

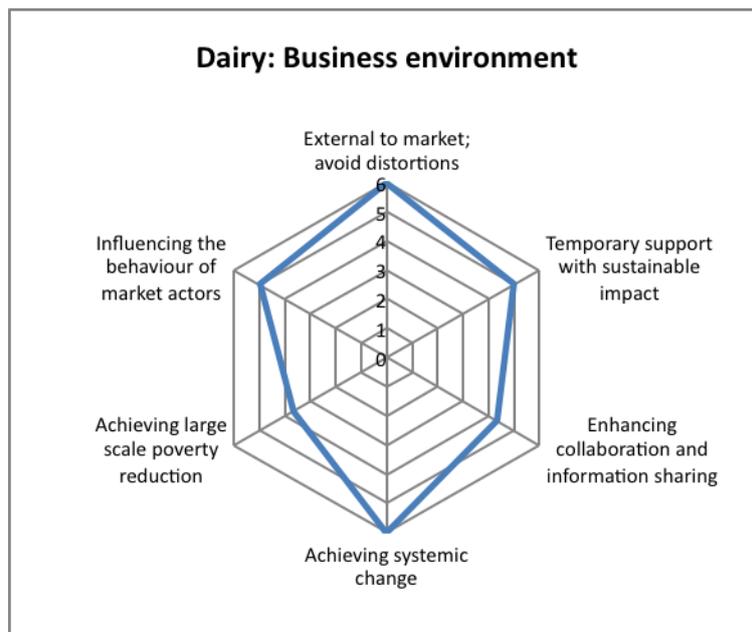
The intervention supported TDB and TAMPA to improve effectiveness through capacity building regarding human resources as well as training to personnel. It generated systemic changes as TDB now has the capacity to regulate the sector and therefore ensure quality products for the market. As for TAMPA, it has been strengthened and is able to lobby for improved business environment.

Influencing the behaviour of market actors

TDB as well as TAMPA have been strengthened and are now able to effectively perform their respective mandates. They took more responsibilities in lobbying for an improved business environment, changing and harmonising the sector regulations as well as informing LGAs on those regulations. Moreover they started planning new activities. As an example, TAMPA was able and keen to provide trainings to its members and seemed pro-active in looking for partnership in the sector as well as doing promotion activities.

Achieving large scale poverty reduction

An important achievement in terms of improved business environment was the tax exemption for imported dairy processing and packaging equipment, encouraging private sector investment. To a certain extent, producers benefit from this regulation through assured market for their milk and thus better income. On the whole any improvement in the dairy business environment will improve the market and raise investment which will be indirectly profitable for small milk producers by increasing milk demand and even price. This intervention on improving the dairy business environment is complementary to the previous intervention which focused on increasing milk collection and sales. Poverty reduction through improved market system is thus tackled from different angles.



The scale goes from 0 to 6 with 0 being the lowest grade and 6 the highest grade.

3.2 Radio

3.2.1 Commercial Rural Radio Programme INUKA

INUKA is a rural radio programme supported by RLDC and implemented in partnership with Radio Free Africa (based in Mwanza). This intervention aimed at testing and demonstrating the commercial interest of a radio programme which targets the needs of rural producers. The major goal of the radio programme was to contribute to improving the welfare of rural producers by increasing their level of competitiveness in the market system through accessing information on agronomic practices, agricultural products, inputs and market prices. This intervention also helped create opportunities for the radio station to design a radio programme focusing on rural produce with a commercial benefit for the radio station.

This RLDC's intervention was implemented from March 2008 to May 2010.

RLDC, as a facilitator, supported Radio Free Africa (RFA) to transform its radio programming model. This was made possible through various trainings on content selection and gathering as well as production and commercialisation of a radio programme. To provide these trainings RLDC contracted two co-facilitators. In collaboration with media experts from Kenya and Tanzania, the co-facilitators worked with the media house to produce an attractive and commercially viable rural radio programme. RLDC also linked the media house to organisations which were potential content providers, sponsors and advertisers.

The programme had a significant impact on about 27,500 households who followed the advice aired in INUKA regarding sunflower, cotton, rice, dairy and poultry sectors. During the testing year of the radio programme, the partnership between RLDC and RFA was based on 70%-30% contribution to the total costs. INUKA is now run commercially by RFA alone.

3.2.2 Rating of the intervention in Rural Radio Programme INUKA

Being external to the market system

RLDC wanted to act as a neutral player by supporting a radio station to come up with a more focused rural based programme. RLDC tried to stay outside the market system by contracting co-facilitators already present in the market in order to provide trainings and support. However by financing services for capacity building and research it inadvertently took up market functions.

Giving temporary support with sustainable impact

The intervention was temporary but aimed at long term sustainability which was assumed to be guaranteed by the commercial aspect of the radio programme. Sustainability has been achieved in several aspects of the radio programme. INUKA is currently on the air and continues to be supported by sponsors and advertisers to a large extent. However revenues generated from sponsors and advertisers are not sufficient to enable the programme to have access to other services - like further capacity building of RFA employees or research

activities on programme content -as the programme model implemented in partnership with RLDC suggested. Sustainability is thus not ensured in terms of trainings and access to researched information that would improve and develop the programme further.

Although RFA contributed and RLDC was perceived rather as a donor than as a facilitator by RFA, the support provided by RLDC was still very high in order to reduce the risks taken by the radio station. However it gave a false impression to other radio stations that the replication of a radio programme aimed at rural producers would be profitable. As a consequence it prevented them from critically assessing the risks involved and making sound decisions to invest in a similar programme.

Enhancing collaboration and information sharing

The radio was linked to consultants who were also players in the media sector. Both co-facilitators and service providers have widened their scope of operations by providing their services to new customers (RFA) which otherwise would not have been possible. Advertisers were also attracted by the radio programme but this dimension could have been promoted more strongly. There was not much done in terms of networks and exchange such as with other radio stations.

Achieving systemic changes

The intervention was innovative and aimed at systemic change, trying to gear the commercial radio stations towards a rural audience and influence their way of doing business. Although sector-wide impact is yet to be seen, some stations like TBC (Tanzania Broadcasting Cooperation) have learnt from INUKA and are running similar programmes.

Influencing the behaviour of market actors

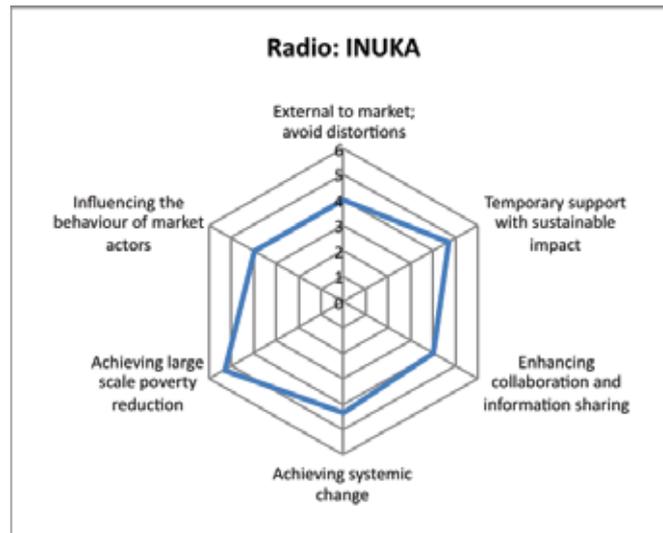
The partner, RFA, acquired new competences regarding the production of a commercial radio programme. Through INUKA, to some extent, it improved its practices concerning revenue generation from advertisers and sponsors as well as content selection and gathering. However, RFA only slightly improved its effectiveness in its other programmes through the skills learned through INUKA.

Thanks to the programme which has a general audience of about 300,000 people, about 27,500 farmers also changed or improved their agronomic and marketing practices⁵.

Achieving large scale poverty reduction

The intervention has improved rural producers' livelihoods since they have benefited from information acquired through the programme improving their productivity, quality of products, marketing practices and thus income. In itself, the programme is reducing producers' dependency on traders for accessing market information therefore creating another system of information dissemination.

⁵ This information has been verified by two different research documents: "The INUKA Radio Program Endline Survey (Final Report)" realised by Synovate (research company) for RLDC in September 2010 and the capitalisation of experience document on INUKA called "Commercial rural radio program: The emerging effective means to improving rural livelihoods. The case of INUKA" realised by RLDC in September 2011.



The scale goes from 0 to 6 with 0 being the lowest grade and 6 the highest grade.

3.3 Sunflower

3.3.1 Contract farming through action learning

The intervention aims to promote sunflower contract farming (CF) by working with oil processors. The initiative is the result of RLDC 2008/09 contract model pilot phase and the 2009/2010 post harvesting contract farming intervention.

Contract arrangement between farmers and processors was introduced to enable producers to improve sunflower quality and yield by accessing quality seeds, inputs and better agronomic practices through processors financial support. On the other side, supporting sunflower producers was supposed to benefit processors by ensuring them access to quality grains in larger volumes. Altogether this arrangement also provided the farmers with a secure access to the market. Despite contract farming, side selling was a common practice amongst the farmers who sold their produce to the highest bidder in the market. This prevented the contracted oil processors from buying the volumes they agreed upon. It was therefore imperative to bring processors together to foster collaboration instead of having them compete with each other for sunflower grains.

RLDC decided to use an action learning (AL) programme - a continuous process of learning and reflecting through mutual discussions- to coach processors on how to implement effective contract farming in sunflower production. The AL programme was made up of five modules related to contract farming but also to other issues such as access to working capital from financial institutions (CRDB Bank) or organisation of producers and processors for business environment advocacy. These other issues emerged based on the needs of the processors. 19 processors participated in the AL programme of which nine (the ones with the highest number of farmers contracted) were eventually supported financially by RLDC to implement contract farming. The remaining ten processors financed contact farming arrangement by themselves. RLDC supported its nine partner companies financially to introduce contract farming and

in turn they covered the whole cost of their own accommodation and transport for the AL meetings. As for the ten non-partner processors, RLDC supported them financially for the costs generated by the AL meetings.

The AL process started in November 2010 and lasted until June 2011. In the next four years, RLDC will scale-up the approach by working with more partners to have a wider coverage in the Central Corridor. As for the contract farming intervention itself, it started in 2008 and it is still on-going.

On this intervention, RLDC contributed between 50% and 75% to the total costs depending on the various partners' financial capacity and the rest was financed by the partners themselves.

3.3.2 Rating of the sunflower intervention in contract farming through AL

Being external to the market system

RLDC acted as an external and temporary player since it proposed the contract farming through sunflower processors and AL without either taking part directly in contractual arrangements or in the AL discussions. Regarding the AL process, RLDC sparked off the discussion but let the players discuss and come up with their own solutions to problems they believed were common to all.

Giving temporary support with sustainable impact

There is not yet a shared vision among processors where they are going to in the future, as a result it is not clear whether they will continue with the discussions after RLDC leadership ceases. It is questionable whether they will still find it useful to fund and organise meetings to discuss their business. In addition, communication about the role of a facilitator can still be improved since various processors participants in the AL see RLDC as a donor. For all these reasons, RLDC should have coached the AL process for a longer time before letting the processors proceed by themselves.

However, regarding contract farming, the AL process generated sustainable impact by improving partners' understanding of the contract farming process, increasing their financial contribution of the total costs and generating innovation such as helping small scale farmers producing QDS in order to reduce the problem of quality seeds availability.

Enhancing collaboration and information sharing

Strengthening the relationships between processors and farmers was considered the most important aspect and was therefore the topic of the first AL session. Several processors reported that this has helped them work better with their suppliers, the producers, and to build up trust.

Also in this aspect of collaboration, RLDC managed to foster processors' relationships with CRDB bank which was previously not strong enough to enable them to get loans. To date CRDB has provided up to four billion TZS to sunflower oil processors in the Central Corridor

and is still willing to support the improvement of processors' oil quality. Through AL, traders were able to identify their common need for capital and CRDB was able to acknowledge this need and design a financial product that would fit their situation.

Achieving systemic changes

The AL intervention has brought systemic changes by improving market functionalities through private sector synergies. Collateral management – using sunflowers stocks in warehouses as collateral to access bank loans- has brought changes in the whole system increasing processors' capacity of storage, enhancing their capacity to buy from producers as well as enabling producers to sell in bulk. The collateral management system is also expected to increase sunflower production in the future since processors will eventually be able to invest in the refining of their oil, thereby fetching higher market segments.

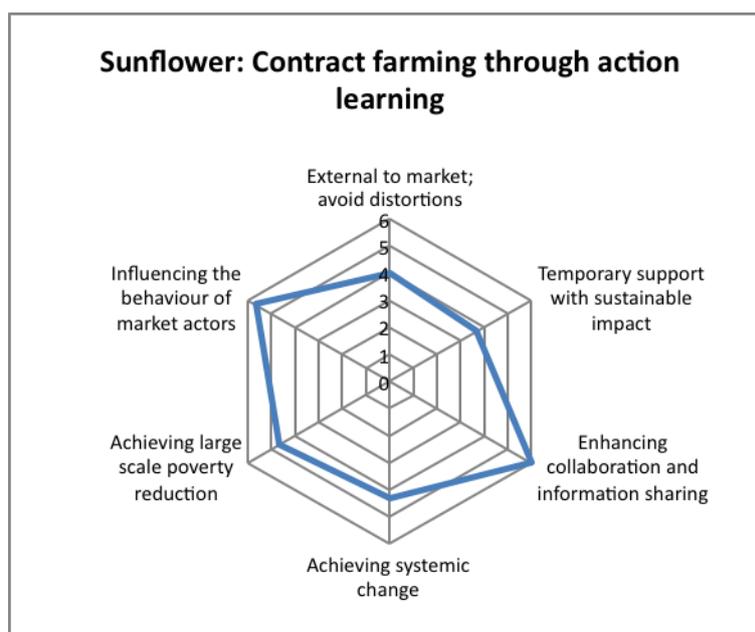
Strengthening contract farming can also be seen as a systemic change to the traditional system of market and inputs access for farmers while providing secure supply for processors.

Influencing the behaviour of market actors

The market actors' behaviours changed as a result of the AL programme. As seen above, contract farming was enforced (more financial contribution from partners to the CF costs; processors' help to small scale farmers producing QDS), farmers stopped side selling and buyers honoured their contracts. Moreover, CRDB accepted sunflower oil millers as reliable partners and supported them with working capital.

Achieving large scale poverty reduction

In this case, contract farming through AL enables producers to increase their production, with the view to increase their income, since they have an assured market and a better access to services (trainings, inputs). Also, as a result of the financial injection from CRDB, the overall sunflower demand from processors has increased leading to a doubling in sunflower prices. This has a direct effect on the income of producers.



The scale goes from 0 to 6 with 0 being the lowest grade and 6 the highest grade.

3.3.3 Sunflower QDS production and marketing

Quality Declared Seeds (QDS) are improved seeds produced by trained small scale farmers out of certified seeds for selling to fellow farmers of a specified geographical area. QDS production is normally carried out under close supervision of the Tanzania Seeds Certification Agency (TOSCI) and the Local Government Authorities (LGAs) seeds experts.

In the Central Corridor, one of the problems preventing sunflower farmers from improving the productivity and quality of their grains is the low level of use of improved seeds. This constraint is caused by the lack of improved sunflower seeds for farmers due to the low number of companies that produce certified seeds in the Central Corridor. To respond to this challenge, this intervention aims to raise production and distribution of QDS in the regions of Dodoma, Singida and Tabora. Carried out in collaboration with LGAs and TOSCI, the intervention has built capacities of 148 farmers in order to enable them to produce QDS for their fellow farmers at affordable prices. For this purpose, the activities specifically focused on QDS production awareness, provision of starter packs (consisting of certified seeds enabling farmers to start producing QDS), training on seeds production, improvement of extension services as well as marketing campaigns for seeds. During the first season of the intervention, for various reasons including a delayed start of the project, RLDC was directly involved in some of the activities like coordinating and financing trainings as well as distributing seeds to farmers.

The intervention started in the 2008/9 season in six districts (Bahi, Chamwino, Kondoa, Kongwa (Dodoma region), Singida Rural and Iramba (Singida Region)). It continued the following seasons until 2012 but only in two districts (Singida Rural and Iramba) whose authorities have shown real commitment to carrying on the intervention with RLDC support.

During the first season, RLDC financed seeds starter packs and seeds production trainings, extension services, field supervision as well as costs linked to seeds certification. The district only contributed with technical assistance. During the following seasons, the districts contributed financially by providing not only technical assistance but also seed starter packs and trainings. From the third season until now, the farmers have been buying the seed starter packs themselves. More precisely, in the first season 2009/2010, apart from technical assistance provided by the LGAs, RLDC bore all the financial costs. However in the season 2010/11 the LGAs increased their contribution and paid for 33% of the total costs while RLDC provided the remaining 67%. In the season 2011/12, the LGAs contributed 47% and RLDC 53% of the total costs.

3.3.4 Rating of Sunflower QDS intervention

Being external to the market system

The intervention in the QDS tried to be external to the market system since it was implemented through LGAs and not directly by RLDC. However, during the first year of the intervention, as mentioned above, due to contextual conditions such as lack of companies involved in sunflower QDS production and because of the delayed start of the project, RLDC was initially more involved than hoped in the activities coordinating and financing trainings as well as supplying seeds to farmers.

Giving temporary support with sustainable impact

Considering the contextual factors, RLDC started the intervention by financing seed starter packs as farmers were not aware that they could make money through quality seeds production by selling them to their fellow farmers and hence were reluctant to make the initial investment. After seeing the benefit, LGAs took the responsibility of providing starter packs during the second season ensuring sustainability. From the third season and up until now the farmers have bought the seed starter packs themselves while LGAs facilitated the sourcing and transport costs of the seeds from the selling companies. In 2011/12, in Iramba district, RLDC partner (Songela Investment Company) facilitated the availability of seeds from ASA. This way of involving a private sector actor instead of relying only on LGAs increases long-run sustainability and will be replicated with other partners in the coming season.

There is hope for sustainability in some areas where either the LGA has taken up the promotion of QDS or a private company has started investing in the emerging QDS production. However despite the project's good first season results in ensuring affordable seeds accessibility and availability, some districts LGAs like Bahi and Chamwino in Dodoma region did not show any interest in taking up the intervention after the end of RLDC support. This would jeopardise sustainability and therefore the collaboration with RLDC has ended.

Enhancing collaboration and information sharing

The intervention brings together different actors such as LGAs, TOSCI and farmers which was also a way of mediating, convening and informing people.

The private sector was not brought in from the onset of the facilitation because it was not ready at the time. However the buy-in of private companies into QDS promotion has proved to be beneficial, resolving the marketing problem that was present from the start and making the QDS production more sustainable. Moreover, the private sector involvement showed to the public sector, whose mandate is to facilitate QDS production, that QDS promotion was beneficial for farmers and that it should take its responsibilities on that issue.

Achieving systemic changes

The intervention has improved functionality of market systems by ensuring availability of quality seeds at affordable prices while making the authorities and the private sector play their roles in the system.

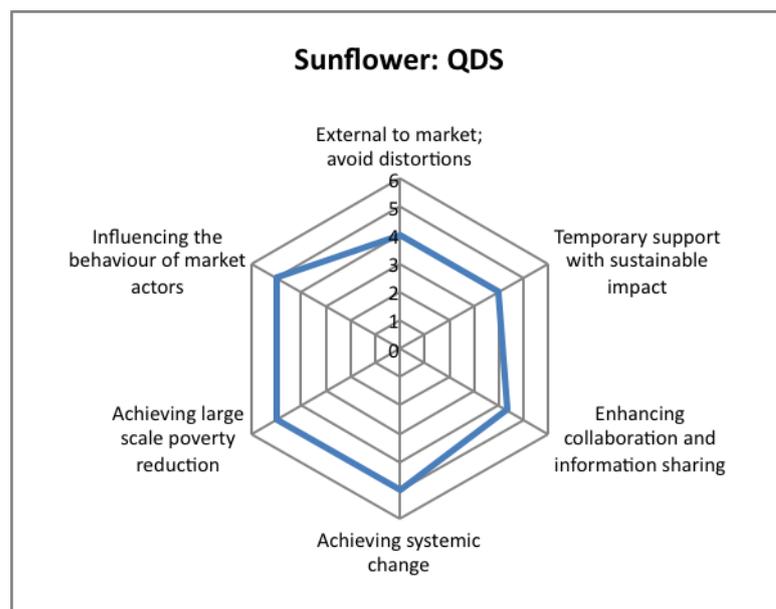
Influencing the behaviour of market actors

The intervention through QDS farmers has pushed the market players to use improved seeds.

As said above, there is some uptake of the intervention by the private sector which has been observed in Iramba and Kongwa districts where Songela Investment and Uncle Milo Sunflower Oil Mill have started promoting the use of QDS to their contracted farmers. However there should have been more efforts in communicating the results of the intervention in order to stimulate independent replication. This is something the media could do.

Achieving large scale poverty reduction

By its intervention in QDS production, RLDC helped improve the income of QDS producers as well as the livelihoods of farmers who use QDS seeds. The latter are able to increase productivity and to produce sunflower grains of higher quality improving their selling value on the market.



The scale goes from 0 to 6 with 0 being the lowest grade and 6 the highest grade.

4. Analysis of RLDC's good and bad practices in its facilitation role

In this section, RLDC undertakes a self-assessment exercise by listing, for each facilitation criteria analysed in the document, its main good and bad practices while implementing its interventions. This is aimed at drawing general tendencies and lessons from RLDC activities as a facilitator in order to improve future practices.

4.1 Summary of good facilitation practices

- Being external to the market system (avoid adverse market distortions)
 - o Work on business environment (dairy business environment)
 - o Bring actors together to find the market solutions by themselves (CF through AL)
 - o Only subsidise market functions such as inputs and services if it is clear who will pay for them after the project ends (exit strategy) (QDS)
- Giving temporary support with sustainable impact
 - o Business environment: regulation changes (dairy)
 - o Business environment: strengthening of BMOs (advocacy) (dairy business environment)
 - o Real win-win situations for all stakeholders (QDS, sunflower CF)
- Enhancing collaboration and information sharing
 - o Bring stakeholders together on a regular basis to discuss issues in which they have a real interest (CF through AL)
 - o Work with many different stakeholders (QDS)
 - o Stay neutral in conflict between different stakeholders, but have a clear stance on what is best for the poor and the market (CF through AL)
- Achieving systemic change
 - o Work on business environment (dairy business environment)
 - o High number of stakeholders involved (CF through AL, QDS)
 - o Sequencing and interlinking interventions (CF through AL, QDS)
- Influencing the behaviour of market actors
 - o Propose a convincing business model (QDS, CF through AL with CRDB)
 - o Show that collaboration and information exchange is beneficial (CF through AL)
- Achieving large scale poverty reduction
 - o Productivity increases through better inputs (QDS) or services (CF in sunflower, INUKA)
 - o Involvement of many partners (CF through AL) or fewer with large coverage (INUKA)

4.2 Summary of bad facilitation practices

- Being external to the market system (avoid adverse market distortions)
 - Subcontracting: Paying entirely for market functions (services) that were not fulfilled before and will not be provided after project ends because they cannot afford them (INUKA)
 - Working with only few private companies (dairy (milk production and collection))
 - Crowding out private sector investments by distorting the market prices (uncompetitive prices) through the direct payment of services
- Giving temporary support with sustainable impact
 - Linking actors to services unavailable after project ends because of lacks of funds; no clear exit strategy (INUKA)
 - Too short support and coaching (CF through AL, dairy (milk production and collection))
 - Financial shares of the cost not adequate for sustainability and replication (INUKA)
- Enhancing collaboration and information sharing
 - Working with only one type of stakeholder (INUKA)
- Achieving systemic change
 - Low number of stakeholders (dairy (milk production and collection), INUKA)
- Influencing the behaviour of market actors
 - Replication strategies omitted in the design of the intervention (QDS, dairy (milk production and collection), INUKA)
- Achieving large scale poverty reduction
 - Business environment interventions have rather indirect impact on poverty (dairy business environment)

5. Analysis of Partners' Perception of RLDC Characteristics as a Facilitator

As a market facilitator, RLDC works with a number of partners from both public and private sectors, with the latter being mainly small to medium sized enterprises. To foster good relationship, RLDC organises partners meetings twice a year. These meetings are used as a forum where RLDC partners from all subsectors exchange experiences with RLDC and among themselves.

The June 2011 meeting served as an opportunity to learn about the partners' perception of RLDC's characteristics as a facilitator. In four groups they discussed aspects of facilitation through various questions including the length and type of support expected from RLDC, the satisfaction with communication and advices given, the achievements of interventions observed, RLDC knowledge of the market sector they are involved in, etc.

The analysis of the partners' discussions, together with the internal analysis of RLDC interventions, reveals some strengths and weaknesses of RLDC's characteristics as a facilitator.

Communicator

RLDC's communication competences can be considered as mixed. Some partners understand the facilitation role, more specifically the idea that a facilitator is external to the market system and that 'too much subsidy' may distort it or not be sustainable. This particular case was brought by the owner of Uncle Milo Company who is RLDC partner in sunflower sector. He recommended that allowances to farmers during meetings as part of RLDC projects should be reduced as this is not sustainable since RLDC will not be present indefinitely to provide these allowances.

RLDC has not always managed to communicate well its role as a facilitator being external to the market system. Some partners see RLDC as a donor. Several partners in contract farming suggested that an appropriate length of RLDC support should be of 3 to 5 years. However supporting private company partners for such a long time would probably entail some market distortions. Various partners had the opinion that RLDC needs to be more on the ground in the future which would make it being part of the market system. This means they partly perceive RLDC as donor or/and as market actor.

Also some partners do not seem to be on the same page concerning the objectives of facilitation. When asked if the intervention achieved its objectives, they emphasised small-scale changes (like receiving transport facilities from RLDC for their activities) which is actually not the objective of RLDC's facilitation role. In such cases, it is evident that RLDC failed to build a common vision of its role as a facilitator making clear that the partners are in the driver's seat for change while RLDC is a temporary supporter.

Analysis of RLDC's interventions confirms the findings from discussions with partners. For example in the radio intervention, RLDC's communication has not been very effective since it has been difficult for the implementing partner to grasp the commercial aspect of the programme.

Another finding is that RLDC has to improve its efforts to expand information sharing beyond the project partners to other stakeholders in order to facilitate replication. For example, in Sunflower QDS, dairy (increase milk production and collection) as well as radio interventions, there should have been more efforts on communicating the results of the intervention in order to stimulate independent replication.

Relationship builder

Many of the partners appreciate RLDC's role as a facilitator of collaborations and trust among actors. They mentioned a range of collaborations which have been enabled by RLDC and are functioning well. Examples cited included notably Songela Investment supporting extension services and QDS supply in sunflower.

On the business environment level, partners acknowledge that RLDC has facilitated information sharing and exchanges among actors through partners meetings. For example, the partners explained that RLDC was able to help for advocacy in the dairy sector by supporting TAMPA which managed to reduce taxes in dairy imported equipment. Support on advocacy has also helped TAMPA working more for members by organising a dairy stakeholders meeting to assess the dairy sub sector.

Through AL in sunflower contract farming, RLDC was able to bring together competitors (processors) and make them share experiences. The AL partners also expressed their appreciation of RLDC's role as a facilitator enabling them to access financial services (CRDB). They also acknowledged that thanks to relationship and collaboration fostered by RLDC, they now consult each other on other technical issues.

Coach

The assessment of partners' perception as well as the analysis of interventions revealed that RLDC could do more on coaching. Partners perceive RLDC as a responsive advisor concerning operational issues related to project implementation (budget re-allocation, project time extension, etc.). For more technical aspects and advice they consult other stakeholders cautioning that there is still room for improvement on this aspect. For example, RLDC could learn more about partners' activities by organising more visits. RLDC could indeed slightly raise its presence on the field but cannot be omnipresent for fear of spreading itself too thinly on the ground and creating partners' dependence on it. According to the interventions analysis, RLDC should consider that some interventions need more time to be implemented in order to ensure effectiveness and sustainability. For instance in the sunflower contract farming through AL, RLDC took a clear coaching role since it sparked off the discussion and followed up afterwards. However the coaching was not long enough to have the processors' AL process being sustainable.

Businessperson and Innovator

Partners have the impression that RLDC identifies well the constraints in the market system and intervenes to improve the way the market works for the poor. Partners' referred to examples including policy change, availability of new services (trainings, access to working capital) and emergence of public-private partnerships. They argued that improvements in the subsectors supported by RLDC have led to an increase in income and employment. This has enabled farmers to send their children to school, build better houses and access health services. Partners also said that most of the farmers they are dealing with in contract farming have changed their way of farming. RLDC has built up subsector specific expertise since the beginning of the second phase. However, there is still a need for continuous update and improvement of market knowledge.

The analysis of the interventions shows that RLDC was innovative, particularly in the introduction of rural radio programmes and contract farming through AL in the sunflower subsector.

6. Conclusion and recommendations

As a conclusion, RLDC can state that being a facilitator is not an easy task to perform well without causing adverse distortions to the market system. In planning interventions, one needs to take into account several factors to avoid being part of the market system while generating sustainable behavioural and systemic changes leading to poverty reduction. RLDC hopes that this document based on its experience will help improve its interventions and provide good advice for other organisations working with the facilitation approach.

In conclusion, RLDC would like to reiterate its major best and bad practices as a facilitator which should specifically be replicated or avoided in future interventions or by other organisations working with the M4P facilitation approach. Finally, RLDC is also listing below the areas where it needs to improve practices.

Best practices in facilitation to be replicated and spread in all interventions:

- Work on the business environment but pay attention to ensure poverty impact
- Work with a large number and various types of stakeholders (different levels in the market system)
- Sequence and interlink interventions (facilitate market system improvement from various angles)
- Use grants and subsidies cautiously with a clear idea of who will bear the costs in the future (sustainability, exit strategy)
- Have a clear poverty focus in all interventions with special emphasis on productivity increase at producers' level
- Bring actors together to find solutions or enforce win-win partnerships
- Propose and demonstrate convincing business models to generate changes in market actors' behaviours

Practices to avoid in the future:

- Avoid sub-contracting (risk of being internal to the market system through the sub-contractor, unsustainable interventions)
- Avoid too short support and coaching (unsustainable interventions) especially when organisational development is involved (FOs, BMOs)
- Avoid working with only a few partners (although it always depends on the context of the area of intervention)
- Avoid too much financial involvement (unsustainable interventions)

Competences to be improved in the future:

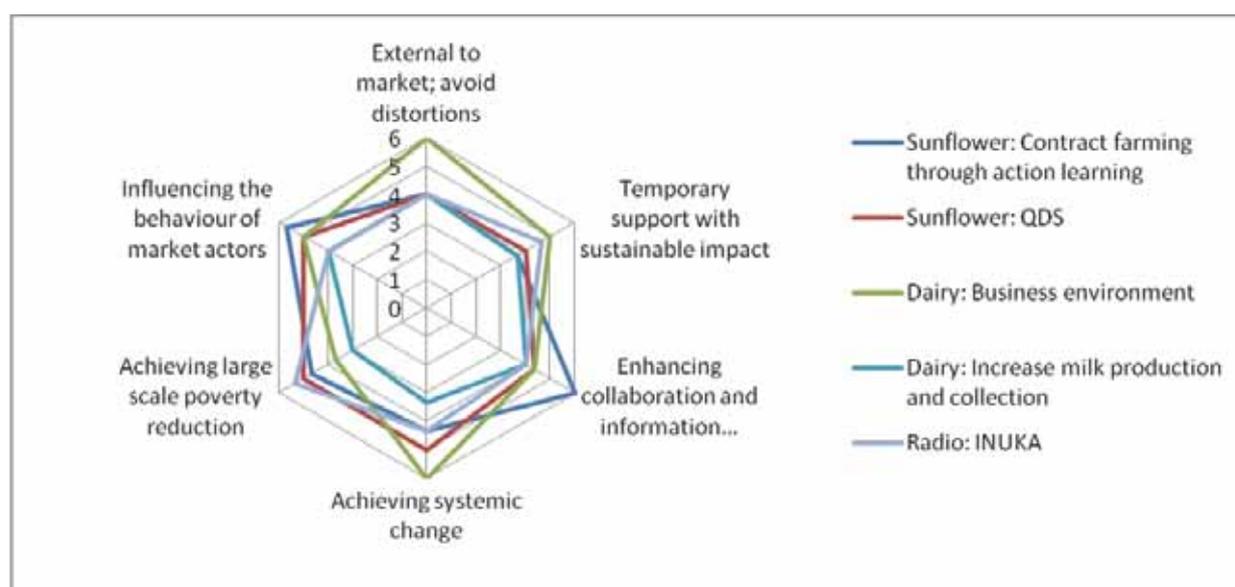
- Communication about RLDC's role, objectives of facilitation and best practices
- Coaching market actors
- Replication of good practices/activities/changes of behaviours by other market actors beyond the projects

7. Annexes

7.1 Summary of the intervention rating

The table reflects the average score of the interventions examined in this document for each facilitation criteria. It was rated by five RLDC staff not directly involved in the intervention. The scale goes from 1 to 6, 1 being the worst and 6 the best score.

	Being external to the market system	Giving temporary support with sustainable impact	Enhancing collaboration and information sharing	Achieving systemic changes	Influencing the behaviour of market actors	Achieving large scale poverty reduction	Total
Dairy: Increase milk production and collection	4	4	4	3	4	3	22/36
Dairy: Business environment	6	5	4	6	4	4	29/36
Radio: INUKA	4	5	4	4	4	5	26/36
Sunflower: Contract farming through AL	5	4	6	4	6	5	30/36
Sunflower: QDS	4	4	4	5	5	5	27/36



The scale goes from 0 to 6 with 0 being the lowest grade and 6 the highest grade.

7.2 Introduction to the M4P approach

Most of the following sections are drawn and summarised from: *A synthesis of The Making Markets Work for the Poor (M4P) Approach*, a publication financed by the UK Department for International Development (DFID) and the Swiss Agency for Development and Cooperation (SDC), 2009.

M4P – An Overarching Approach

M4P is an overarching approach that guides the assessment of market systems, planning for the future and acting to bring about change. It is not therefore in competition with more specific methodologies or tools. It is built on a framework for analysis and action within which they can be used and amended so that their strengths are best utilized, limitations addressed and effectiveness enhanced. The M4P approach ensures that sub sector and value chain analysis and development focus on the poor within the market systems, to promote and ensure pro poor inclusive development.

Table 1: M4P in Relation to Common Development Tools (examples, not comprehensive)⁶

Tool	Characteristics	M4P can
Livelihoods analysis	Useful in understanding the poor, but less so in relation to the dynamic market systems around them, and on guidance for intervention.	Place the poor within market systems, identify the systemic constraints affecting their participation, and focus interventions accordingly.
Value chain analysis	Useful in mapping out the flow of added value, but can understate the importance of services required for sustained competitiveness.	Strengthen systemic analysis of value chains (including services, fee-based and embedded) and provides stronger guidance for intervention.
Sub sector analysis	Useful in identifying different value chains operating within one subsector, range of activities undertaken and the different actors, but less so for identifying pro poor relevance.	Identify the sub sectors relevant for the poor; identify the pro poor growth potential of the sub sectors and identify markets players relevant to bring about systemic change

Similarly, M4P can provide a means through which agencies and governments can encourage business activity that is both profitable for individual firms and more inclusive towards the poor. M4P, in other words, can help to differentiate between interventions which are simply providing subsidies to private firms (largely for private gains) and those which use firm-level support to stimulate systemic (public) change.

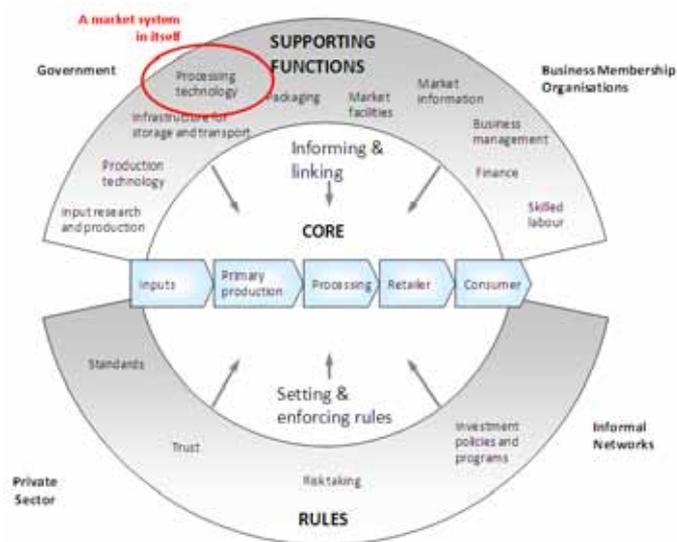
From Sub Sector and Value Chains to Market Systems

The M4P approach is centered on the core transactions that take place when demand for a good or service is matched by supply. This transaction is a market and might be a simple exchange between two individuals (e.g. wages for labour), or it might be a sequence of interrelated transactions that occurs as a product moves along a value-chain.

⁶ The Swiss Agency for Development and Cooperation (SDC) and the UK Department for International Development (DFID), "A synthesis of the making markets work for the poor (M4P) approach", 2009, p.33

The core transactions in markets arise however, not merely as a consequence of supply and demand for goods and services or value addition along a value chain. They are underpinned by a range of supporting functions and governed by formal and informal rules which determine behaviours and practices, shape relationships, generate and provide information, knowledge and incentives. The market underpinned by supporting functions and rules is a market system. Thus a value chain does not just consist of transactions between market players that add value from one transaction to the other – a value chain is embedded in a market system.

Figure 1: Agricultural value chain embedded in a market system

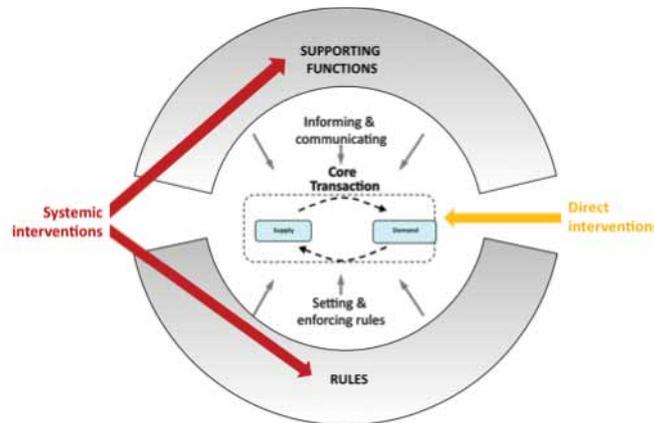


The market-supporting functions of the system include everything from public infrastructure (e.g. roads), to research and information (e.g. about prices, technology) and related privately-provided services (e.g. transport). Rules meanwhile range from statutory laws and regulations, through industry-specific standards, to informal arrangements and cultural norms (such as trust relationships or risk taking behaviour). Finally, as well as the market actors engaged in the core transaction(s), the M4P approach recognises a diversity of other stakeholders with varying roles, capacity, influence and competing interests in shaping the market system rules and functions. All of these factors need to be incorporated in a sound analysis of why a particular market system does not currently work for the poor, and how it might be stimulated to work more equitably for disadvantaged groups in future. It is important to note that each of the elements of supporting functions and rules is a market system in itself. For example, the supporting function “processing technology” is a value chain in itself that is embedded in a market system: the technology first needs to be designed, manufacturers then need input material to produce the technology, the technology needs to be marketed, producers need to learn how to apply the technology, etc.

What Makes M4P Different to Other Project Approaches?

Systemic change is change in the underlying causes of market system performance – typically in the rules and supporting functions – that can bring about more effective, sustainable and inclusive functioning of the market system. The most significant feature of change is that it has been ‘systemic’ – it addresses the underlying causes of ‘under-performance’ of the system as a whole and of poor people within it.

Figure 2: Systemic versus direct interventions⁷



As an example, the first strand of development practice in Liberia since the war has been concerned with intervening directly to ‘get things done’. Here, the essence of the approach is a focus on symptoms of constraints rather than causes. This led to the implication that if the market system isn’t delivering well, ‘we’ (agencies and governments) should replace it and provide finance, advice, materials, services, etc. directly.

Major reviews in different fields internationally and in Liberia indicate that the results of these interventions have been characterised by:

- limited outreach – typically with a small proportion of potential users being served.
- limited impact – with only patchy signs of positive change and little evidence that directed support stimulates wider development.
- limited sustainability – with the whole apparatus of ‘support’ requiring continuous infusions of external resources.
- limited efficiency – with relatively high costs required to deliver.

M4P is based around identifying and pursuing the causes rather than the symptoms of constraints. It is an approach led by analysis – in simple terms, a process of continually asking ‘why?’ that allows the underlying issues to be identified. M4P is concerned with achieving large-scale change. By focusing on systems, M4P is seeking to go beyond individual organisations and groups, to consider how the wider system can be enhanced to influence many.

⁷ The Operational Guide for the Making Markets Work for the Poor (M4P) Approach, A publication financed by the UK Department for International Development (DFID) and the Swiss Agency for Development and Cooperation (SDC), 2009.

This implies:

- M4P projects need to think continually about how to go beyond their immediate context, to leverage greater change. For example, interventions that work with only one partner – and stop there – without considering how the experience can be used to bring in others need to reconsider their approach.
- 'Large-scale' does not imply that interventions only aim at the national level. Scale depends on the nature of the market system. In some situations the most pressing obstacles can only be addressed at a national level (changes in customs regulation, for example). In other cases, change can be affected at a more localised level, for instance developing information flows in value chains.

A systemic approach includes in its analysis an extra step: It identifies underlying causes within market systems before defining interventions – as opposed to conventional approaches that tend to design interventions without understanding underlying causes that hamper the development of markets.

8. References

The following documents and websites were used by RLDC to extract common elements of definitions of facilitation in section 4 and to introduce the M4P approach in Annexe 2 of this Capex:

- HELVETAS Swiss Intercooperation and Agridea, *SDC's e+i network: working paper*
- SEEP network, www.seepnetwork.org/page/marketfacilitation.aspx
- The Swiss Agency for Development and Cooperation (SDC) and the UK Department for International Development (DFID), "A synthesis of the making markets work for the poor (M4P) approach", 2009.
- Springfield Centre, *Training material*, Dubai
- Practical Action, www.practicalaction.org
- MAFI (on linkedIn)
- M4P Hub, www.m4phub.org
- RLDC, Training material from an RLDC internal workshop held by Marshall Bear, 2010

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