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# MICROLINKS SEMINAR SERIES

## Exploring Frontiers in Inclusive Market Development

### **IS MARKET SYSTEMS DEVELOPMENT INHERENTLY A RESILIENCE APPROACH?**

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**WEBINAR CHAT TRANSCRIPT**

**MARCH 24, 2015**

## PRESENTERS

Eliot Levine, Mercy Corps

Sasha Muench, Mercy Corps

## WEB FACILITATOR

Jon Kurtz, Mercy Corps

## WEBINAR CHAT TRANSCRIPT:

USAID Microlinks: Hi everyone! I wanted to let you all know that we'll get started in about 30 minutes. Thank you for joining so early. We look forward to your participation!

Stephen Kyalibulha: Thank you.

Sharad Rai: Hi.

Sharad Rai: It works!!

Stephen Kyalibulha: Yes, it works.

Sharad Rai: I'm from Nepal...working for Mercy Corps as an Advisor to Market Systems Development.

Numery Abdulhamid: Numery Abdulhamid, Mercy Corps, Ethiopia.

USAID Microlinks: Hi everyone! We'll get started in about 15 min. If you haven't already, please go ahead and introduce yourself in the chat pod. Where are you joining us from? What's your organizational affiliation?

Melaku Yirga: Melaku Yirga from Uganda, Mercy Corps.

Sharad Rai: Hello Mercy Corps!!

Julian Nyachwo: I'm working for GOAL Uganda as Livelihoods Advisor.

Numery Abdulhamid: Yes, it works.

Dragan Isaretovic: IOCC Branch Office in Bosnia Herzegovina.

Luc Lapointe: Luc Lapointe KeenTO.org from Cali Colombia - Saludos cordiales.

Indra Klein: Hi, consultant in Washington, DC.

Melaku Yirga: I have with me Eric and David.

Melaku Yirga: Both from Mercy Corps.

Jon Kurtz (Mercy Corps): Hi everyone. Thanks for joining. I work with Mercy Corps supporting program research and learning.

Andrew Hull: Hi there - Chemonics International DC.

Frank Tembo: Frank Tembo from Malawi working for World Vision Southern Africa Region.

Pierre Casal: Pierre Casal of Grameen Crédit Agricole Foundation, France.

Ed Brooks: Hi there. Ed Brooks from Mercy Corps, Portland.

Leslie Gardiner: Hi everyone. Leslie Gardiner here from MLD Consulting in Ottawa, Canada.

Stephen Kyalibulha: Hi everyone, I am an International Consultant on enterprise development.

Marjolein Moreaux: Marjolein from SPRING, based in Belgium.

Mara Russell: Hi everyone, I am Mara Russell from CARE

Mark Sevier: Hi. Mark Sevier from Fintrac in Washington D.C.

Audra Martin: Mercy Corps, currently from Georgia!

Siera Vercillo: Siera from Uof Western Ontario, also an agriculture extension consultant, developing cooperatives for smallholders.

Karri Byrne: Hi All! Karri Byrne from the PRIME project in Ethiopia.

David Panetta: Good morning. I am David, Technical Advisor at Plan Canada

Indra Klein: Is it possible to access screen with downloadable files?

Amy Deal: Hello, I'm Amy Deal, Project Associate at EDC.

Emma Proud: Hi all! Emma Proud, a technical advisor with Mercy Corps.

Susan Robertson: I'm with IDRC in the Cairo office. Work on food security and focus on market development.

Natalia Strigin: Hi, I am a technical Advisor with the IRC.

Stephanie Bandyk: Good morning! Stephanie Bandyk with the Center for International Private Enterprise (CIPE) in DC.

Indra Klein: Thank you.

George Bete: Hi I am Economic Recovery and Development Coordinator with the International Rescue Committee.

Richard Tinsley: Dick Tinsley from Colorado State University.

Ted Volchok: Good Morning, I'm Ted Volchok from Mercy Corps.

Justin Kosoris: Justin Kosoris from Chemonics.

Olga Petryniak: This is Olga Petryniak from Mercy Corps - Regional Resilience Advisor for South and Southeast Asia.

USAID Microlinks: Great to have you all with us! We'll get started in a couple minutes :)

Tidimalo Ngakane: Good morning, I'm Tidimalo Ngakane from Oxfam America. I am an intern in the Private Sector Department in Boston.

Richard Tinsley: During these prelims some background music would be great so we online know the audio is working.

Indra Klein: Would you ask speaker to speak louder?

Indra Klein: Sounds as if she is in tunnel.

USAID Microlinks: Kristin O'Planick of USAID is introducing the seminar.

USAID Microlinks: Please let KDAD AV Tech know if you cannot hear the audio.

Bridget Ralyea: Good Morning. I'm with the Office of Food for Peace at USAID.

Jon Kurtz (Mercy Corps): Here's the paper Kristin just mentioned:  
<http://acdivoca.org/sites/default/files/attach/2015/02/LEO-Market-Systems-for-Resilience.pdf>

Cecilia Gonzalez: Greetings, I joining from Baltimore, MD. Food and Agriculture Systems Specialist.

Peter Mbiyu: Mbiyu joining from Nairobi.

Emily Groene: Good morning! Emily Groene Program Development Advisor from ARC.

Lauren Woodside: Good morning - Lauren Woodside joining from Peru, Global DRR Coordinator Food for the Hungry.

Peter Loach: Good morning from Mercy Corps Guatemala.

Indra Klein: How is continued projected increase of migration to urban areas being considered in developing strategic plans, especially in areas with transport challenges?

Susan Robertson: Sound is cutting in and out!

Jon Kurtz (Mercy Corps): Here's a commentary piece on the LEO paper on Market Systems and Resilience: <https://www.microlinks.org/blog/market-systems-late-resilience-party>

USAID Microlinks: Thank you for your question, Indra! We'll be collecting questions for the Q&A portion of the seminar.

Amanda Fong: The sound is still cutting in and out pretty badly.

Karri Byrne: Sound ok in Addis

Indra Klein: With regard to ecological and some political factors, how is education and implementation of insurance products changing the ways risks are being mitigated? Is insurance products easily accessible to small farmer?

Amanda Fong: Sorry, the sound and slides are pretty bad. I imagine folks will give up soon if they are seeing/hearing what I am.

Ed Brooks: I can see the slides and hear the narrative with no problems on this end.

David Ratliff: How does Mercy Corps, predominantly a humanitarian and FFP development partner, really work on building long-term transformative capacity?

Stephen Kyalibulha: Everything is clear with me.

Madeleine Smith: Good morning. This is Madeleine Smith joining from USAID's SPRING project. <https://www.spring-nutrition.org/> Joining from Seattle, WA.

Backup Host: For those having issues, the KDAD AV Tech will private chat you.

Karri Byrne: David -- MC is much more than a "Humanitarian and FFP development partner". PRIME is a perfect example. We have a \$6m investment fund, work with Private Equity Funds, and work mostly at the trader/processor level.

Indra Klein: UGANDA project: How are using project data and experience to develop resilience strategy? Has strategy for fundraising changed; and if so, how?

Kovutarapu BN Rayana: How do you address for small farmers benefits price based marked?

Backup Host: Additionally, Adobe pushed a Flash player update yesterday, you should have been prompted to install it when you opened your browser ... if you didn't or are using chrome, please switch to Safari or Firefox and install any Flash updates as prompted. Thank you.

Jeremy Chevrier: Were your measurements of food security and malnutrition only for the households of farmers that had their income improved or what the sample broader?

Jeremy Chevrier: Or was the sample broader. Sorry.

Richard Tinsley: But if investing in equipment will than not lead to downstream increase in income and well-being.

Richard Tinsley: Does it not also indicate the importance of operational resources in overall development?

Justin Kosoris: Q: How is the RAIN project a market systems program? It seems from the description that it was a VC program focused on sesame.

Siera Vercillo: So therefore consumption is not necessarily equated with food security.

Melissa Matlock: What was the role of women in the Uganda program? Men spend extra income on assets, but women usually tend to focus more on food, education, household benefits?

Melaku Yirga: Justine Kosoris: Sesame is an example picked for the purpose of this presentation, program has multiple sectors including financial services, inputs, information... etc.

Richard Tinsley: Isn't resilience and economic well-being more associated with returns to labor than return to land, thus the mechanization investment is very sound?

Indra Klein: Was survey conducted to ascertain how farmers can better invest in equipment but also seed? What were cost ratios? Given results of survey, how are NGO's leveraging funder's donations to help create a more collaborative approach to allow farmers to better invest in equipment and seed?

Adam Keatts: Question for Sasha -- How did you determine what farmers were spending on food? Were you using a daily expenditure log, or was it a questionnaire that relied on respondent recall? And how did you determine changes in malnutrition levels? Was this based on intake surveys, or anthropometrics? Thanks

Jeremy Chevrier: Many of the most vulnerable are either landless or subsistence farmers with insufficient production to be able to sell in markets. On account of this the vulnerable often need to purchase commodities from the market during lean season. Often this is when GAM rates rise. Knowing this, how can market systems strengthening both improve income for farmers who are able to sell some of their production while at the same time create lower prices in retail markets for the vulnerable consumers?

Richard Tinsley: But the cut and carry is extensively labor, thus what was given up to do this?

Elly White: Question for Sasha on RAIN: how did you measure the crowding in of others into the sesame market?

Leslie Gardiner: Yes, livelihoods diversification lowers risks from market fluctuations but it also keeps farmers on the margins of competitiveness in formal markets. Sesame has had huge success in Ethiopia where the government is providing strong



"transformative" support. Building the market literacy of producer groups is seen as key to "adaptive" capacity so groups can track markets and adapt production accordingly.

Stephen Kyalibulha:

QN to Sasha. I am a Ugandan and the major market challenge is 50% of the produce is wasted before it is sold because of lack of technologies to prolong shelf life, how was this addressed in the project?

Martial Assine:

Thank you too, Mrs. Sasha.

Kovutarapu BN Rayana:

We know food is in demand however how do strengthen farmer when market was flooded food?

Richard Tinsley:

For those who have not already done so. Feel free to visit the website: [www.smallholderagriculture.com](http://www.smallholderagriculture.com) for some extensive discussion on the plight of the smallholder farmers

Madeleine Smith:

Question from Madeleine Smith – SPRING. To what extent did both of the programs and SBCC strategies include a focus on improving nutrition/. How is this considered in the STRESS assessment as a factor in the resilience conceptual framework? Were these programs able to influence the way farm households spent increased income, or promote safe consumption of dairy?

Luc Lapointe:

Great question Stephen... same in Latin America... no vision for co-investment in infrastructures

Indra Klein:

NGO perspective: Given data analysis, how are you re-educating funders (govt/foundations/corporations and industry) on how funds can be better leveraged in developing strategies that address multi-issues?

Cecilia Gonzalez:

I agree with a previous comment that the sesame example showed a VC example rather than a market systems approach. The conclusion is that the farmers were buying equipment and not spending money in food, for example. My questions is, what are the market systems goals? Shouldn't the market system become "more resilient" before we can conclude the approach did not increase resilience? Of course there should be more emphasis on nutrition, health, etc.

Richard Tinsley: In your effort for improving nutrition are you factoring in the calories needed to accomplish the day of manual labor anticipated by your beneficiaries? The basic diet needs to be 4000 kcal per day but most effort stop at around 2000kcal/day.

Frank Tembo: To what extent was projects such as RAIN linked with other sectors or other players that would bring in expertise in nutrition? Achieving resilient households has to be holistic and with integrated interventions.

Karri Byrne: Mayada raises a great point! I think one thing donors need more comfort on is how you MEASURE two things that are hard to measures -- successful market facilitation, and successful resilience programming. Both are complex, and require creative M&E. When we get that down, it will be easier for institutional donors to buy in.

Indra Klein: Could you touch upon use of mobile tech in project, particularly where farmers are concerned? If not used, why?

Siera Vercillo: Perhaps because a gendered approach is not just about increasing income for women (as women can also spend money on business) and it is about intra household bargaining and relations.

Richard Tinsley: What percent of your household are in congenial collaborative relationships and what percent in abusive relationships?

Melaku Yirga: Building on what Sasha said about gender, RAIN continued adapting its program approach through increased span of partnerships including partnerships with local institutions with core competency on social issues and GBV to complement what RAIN is doing.

Memuna Kamara: Could a market such as Nepal use its resilience building strategy in establishing resilient household dynamics and share those values as a model for similar markets undergoing market resilience building?

Olga Petryniak: Sasha/Eliot, one of your key messages is that market systems development can build resilience but doesn't inherently or necessarily do so. Can you say something about, based on learning from Uganda and Nepal, what are the critical evidence

gaps on where they converge and where they don't... what are some of the key follow-up areas you would explore?

Richard Tinsley:

Before building government capacity please check to make certain the government has the financial resources to take advantage of increased technical capacity, if not will you be encouraging some informal income (corruption) opportunities.

Richard Tinsley:

Most developing countries have suppressed economies that severely restrict the discretionary income from which government can draw their tax revenue and thus are mostly financially stalled.

Jeremy Chevrier:

Has your market systems work had any positive benefit for poor consumers, particularly regarding particularly the vulnerable who need lower prices during lean season?

Wanjiku Karanja:

Related to the question earlier on building resilience of the communities involved, it would be interesting to hear how the individual households were involved in the selection of the value chains and also what followed the realization that radio programs for communities' awareness building were not as effective.

Frank Tembo:

Increased incomes is a necessary but not a sufficient condition to increase or improve resilience of households.

Jeremy Chevrier:

Labor markets! Thank you.

Siera Vercillo:

Diversification of risk is also not equated with diversification of livelihoods because if those livelihoods are still precarious or exploitative than it would still be risky. That is what we are finding in our research in Northern Ghana.

Sharad Rai:

Hi Sasha: Great presentation and useful takeaways. In my view, while I agree MSD contributes significantly to increased capacity of communities (eg: DRR/RAIN context), the 'systems led' approach is critical in itself.

Richard Tinsley:

When it comes to labor you should consider the farmers as maxed out at least during the cropping season and this results in some major compromises in crop husbandry.

Sharad Rai: The facilitative approach and emphasis to work deeper into the 'cause' rather than the symptoms - working with system actors could be an overriding approach.

USAID Microlinks: I'm going to bring up our end polls. We'd like to get your thoughts and feedback on the seminar and our seminar series.

Indra Klein: Thank you -- finally financial tools

Indra Klein: How are you educating farmers and partners on financial services, especially with regard to ROI?

Joseph Dickman: Thanks all - this was a great presentation and discussion!

Richard Tinsley: Thank you for the good presentation.

Indra Klein: Thank you for informative presentation.

Karri Byrne: Thanks all!

Sharad Rai: Eliot and Sasha: This was one very interesting and useful discussion. Thank you.

USAID Microlinks: Thank you all for your participation. We'll have our next seminar on April 23!

Backup Host: Thank you all for attending and your active participation. We'll leave the room open for about another 10 minutes so you can download files and chat with colleagues.

Sharad Rai: Thanks Microlinks :-)

Andrew Hull: Thanks all!

Olga Petryniak: Great presentation. I'm glad that you are really digging deeper what market development means for resilience, and what it doesn't... Challenging topic, but this really gave it some substance.

Dragan Isaretovic: Thanks.

Numery Abdulhamid: Thank you all.

Charlie Turner: Hi all, just wanted to remind everyone that we're talking about fertilizer subsidies at tomorrow's Ag Sector Council seminar. Hope to see you there. <http://bit.ly/1L7PDUU>

Natalia Strigin: Thanks.

George Bete: Thanks.

Martial Assine: Just great.

Roxanne Addink de Graaf: Great presentation, thank you for sharing your insights.

Monty Lynn: Many thanks.

Tate Munro: Well done!

Laura Ostenso: Thanks! Great presentations and questions!