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Facilitating Systemic Change:

Experiences from Feed the Future Projects in Uganda



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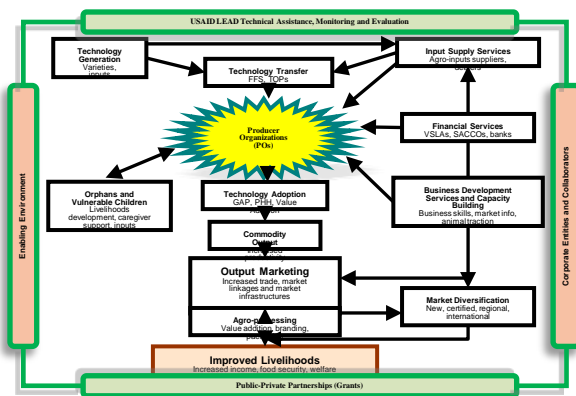
Eric Derks has worked on improving approaches to achieving sustainable, systemic change in market systems for 15 years. He is currently the Chief of Party of the USAID/Uganda Feed the Future Agricultural Inputs Activity, an 8-month old effort to increase the use of agro-inputs through systemic improvements in the distribution channels and related networks. Previously, in Uganda, he led the shift of the USAID LEAD project from a direct provision of support to farmers to a more facilitative/leveraged approach, aiming for broad-based change in the maize, coffee, and agro-inputs systems. Derks is particularly interested in applying concepts of complex adaptive systems and social network analysis to inform and shape interventions.

Systemic Change: Progression of approaches

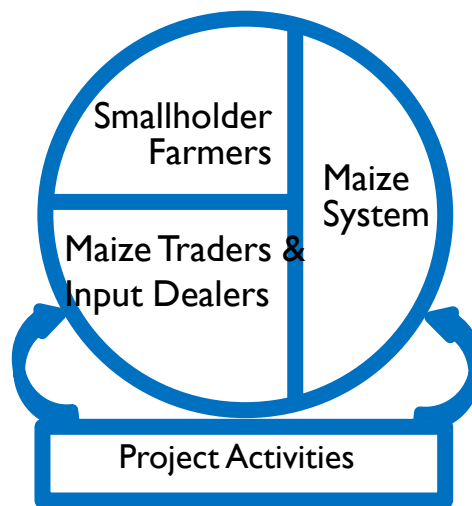
What is systemic change & ways to make it an achievable goal

- 2 maize stories + 2 agro-inputs stories
- Results & Lessons learned

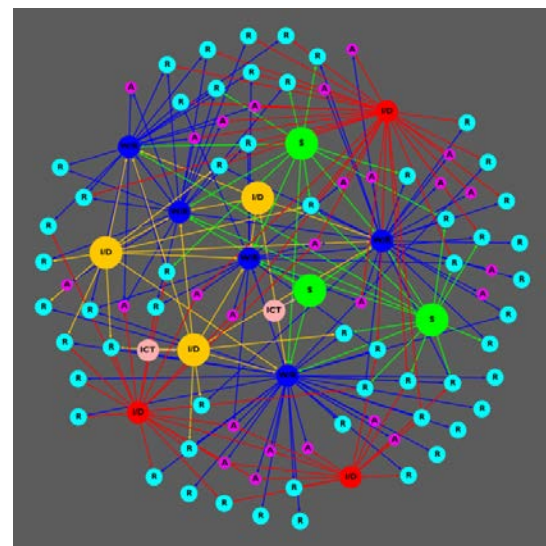
LEAD Project 1.0



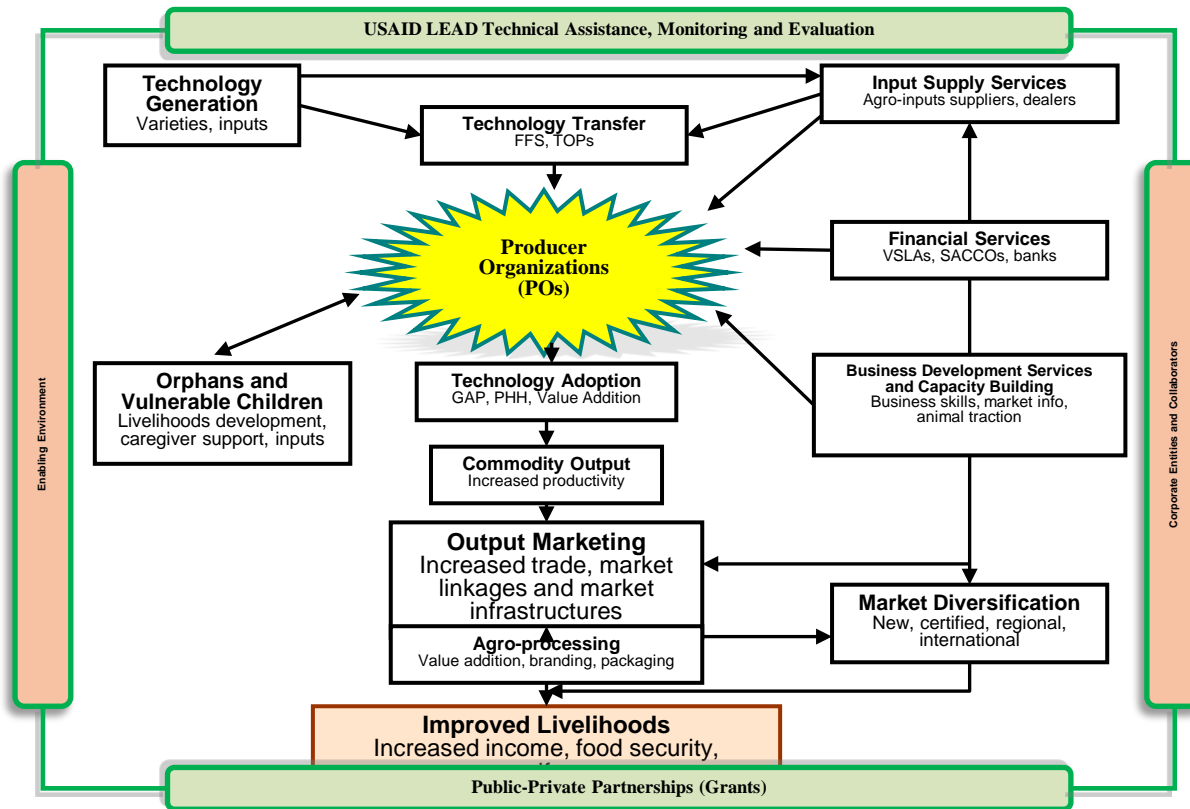
LEAD Project 2.0



Agricultural Inputs Activity



USAID LEAD I.0: Project Model



- Farmer Field Schools & Demo plots promote good practices & benefits of input use
- Strengthen Producer Orgs to link farmers with output & input markets

- Grants to maize ag-biz to increase storage, drying & cleaning capacity
- Train agro-input suppliers to improve supply

USAID LEAD I.0: Key Results & Lessons

- Behavior change:
 - Farmers improve production practices
 - Limited adoption of improved seeds & inputs
 - Inadequate response by agro-input suppliers
 - Mixed success rates of grantees
- Systemic change:
 - Limited improvement in firm-to-farmer linkages (only most organized producer groups benefit)
 - Impacts directly proportional to project resources applied

USAID LEAD 2.0: Project Model

Smallholder Farmers:

- Benefit from reliable access to markets & suppliers of quality inputs & information
- Improve quality, expand production, invest in inputs

Maize Traders: Supply-chain management

- Communications / cooperation with suppliers
- Performance incentives
- Access to inputs & other technology

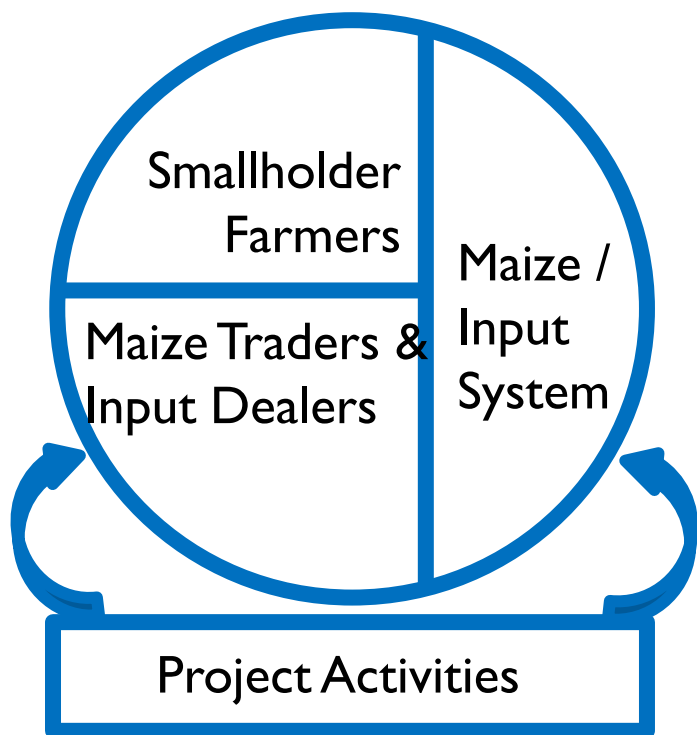
Input Dealers: Retail & management practices

- Village-agent retail
- Marketing & promotions
- Product training in use, benefits, handling

Maize/Input System: Others adopt & adapt improved practices

Project Activities:

- Target self-selecting, early adopters
- Coach/train, cost-share piloted improvements
- Link w/buyers, suppliers, service providers
- Showcase role models



USAID LEAD 2.0: Key Results

- Behavior change:
 - Sustainable uptake of improved practices by 30+ maize traders & 30+ input dealers (target firms)
 - 30,000 – 50,000 farmers benefitting (behavior change TBD)
- Systemic change:
 - 14% adoption by non-targeted traders/dealers after 1.5 years
 - Target firms have better relations with their buyers/suppliers
 - Impacts/benefits expected to expand on own
- Within 2.0 timeframe, higher impacts / \$ spent

USAID LEAD 2.0: Key Lessons

- Focus less on specific business models to promote e.g., price premiums for quality, village-agent retail model
- Bring in supporting market actors earlier (equipment suppliers, spraying services, ICT)
- Leverage role models from other sectors and personal & professional networks

Next Generation of Projects

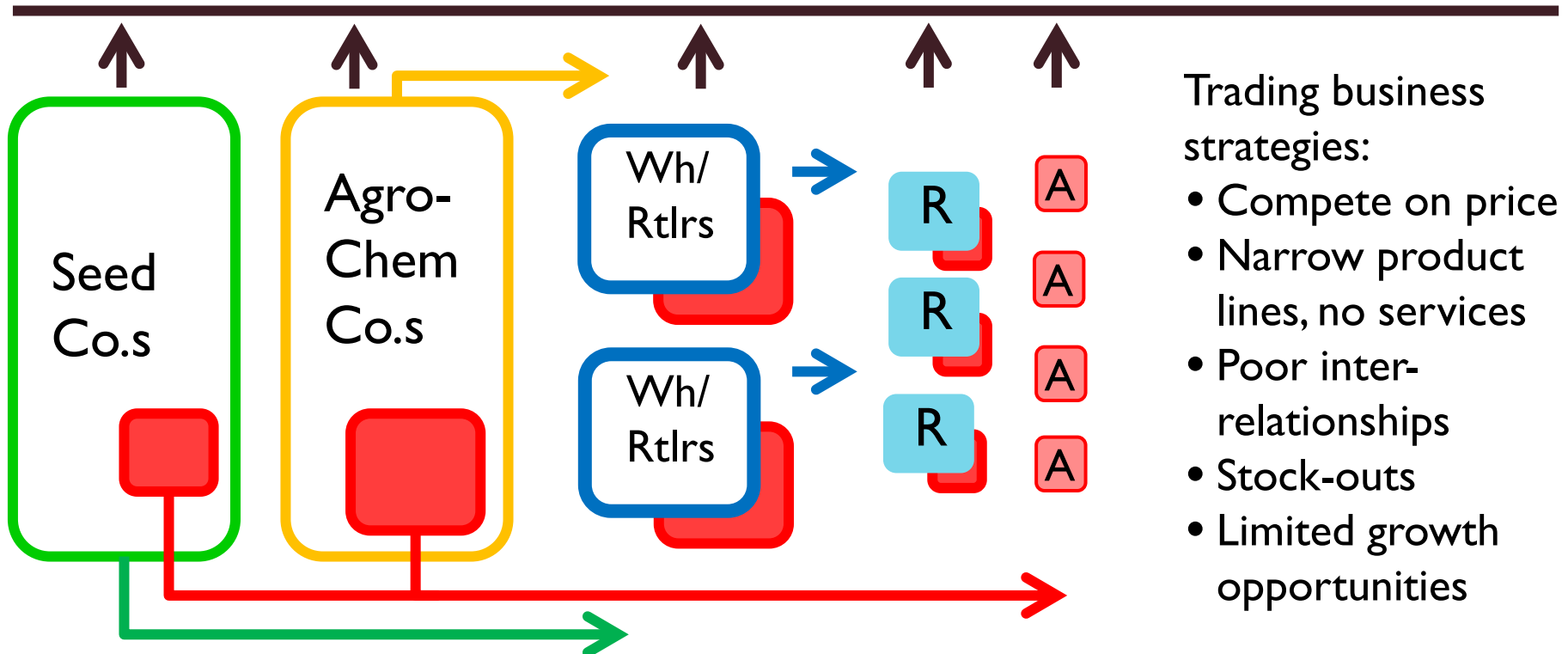
- Value Chain Development Project
 - Agricultural Inputs Activity
 - Commodity Production & Marketing Activity
 - Enabling Environment for Agriculture Activity
- Achieving systemic change: Opportunities & Challenges
 - Unique and intertwined systems
 - Diversity of business models & performance improvements
 - Learning & collaboration across Activities

Agricultural Inputs Activity: Context

Smallholder Farmers

Poor agro-input use: Low consumer confidence

- Availability & reliability
- Counterfeits



Trading business strategies:

- Compete on price
- Narrow product lines, no services
- Poor inter-relationships
- Stock-outs
- Limited growth opportunities

Systemic Change: 3-pronged approach

1. Promote behavior change / performance improvements at multiple entry-points in system
 - Wholesale/Retailers
 - Seed and Agro-chemical Co.s
 - Industry Associations
2. Link providers of supporting products & services to businesses at entry points
3. Leverage behavior change in social & professional networks

I. Customer/Member Service Business Strategies

Early Adopters Improve:

- Customer mgmt
- Marketing/promotion
- Staff/Org mgmt
- Inventory/Fin. mgmt

Showcase Role Models

Later Adopters:

- Copy/Adopt
- Adapt

Customer Service Workshops



- Close gaps in distribution chain
- Expand products & services to farmers, etc.
- Faster growth by promoters of genuine products
- Counterfeit channels shut out

2. Markets for Supporting Products & Services

Providers

- ICT
 - Management systems
 - SMS & marketing/promotions
- Equipment
- Media outlets
- Fin. services
- Soil testing
- Spraying services

Approach

- B2B networking
- Cost-share (with providers)
- Business planning, market development
- Codes of conduct

3. Leverage Networks

Which ones to target:

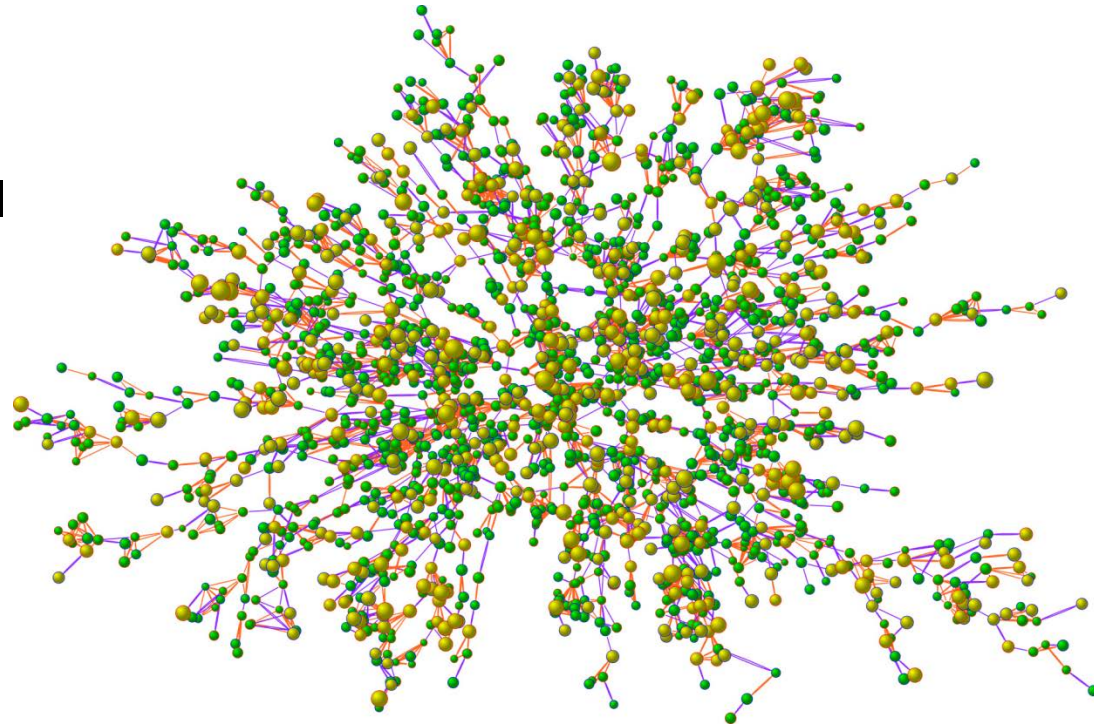
- Trade
- Professional: informal / formal
- Friends & Family

Why Networks:

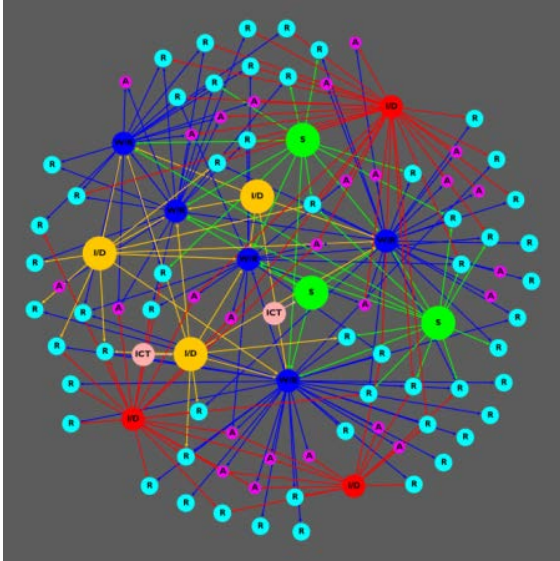
- Reinforce behavior changes (Sustainability)
- Scale of change
- Leverage momentum

Interventions

- Learning network of member-service driven associations
- Customer service workshop for friends and peers
- Farmer listener groups for radio stations to generate programming



Achieving Systemic Change: Final Thoughts



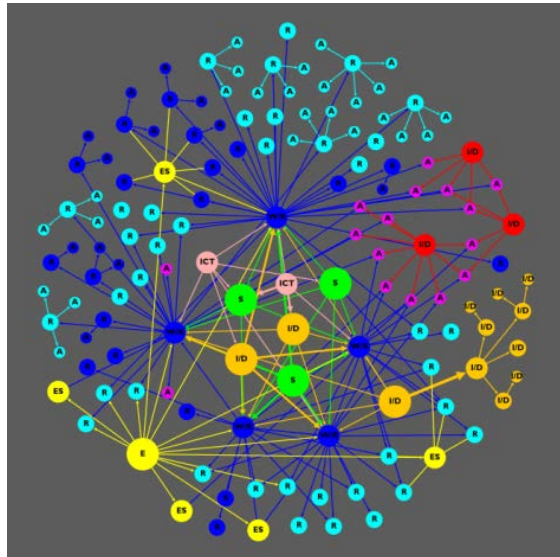
- Behavior change needs:

- Skills
- Conviction
- Role models
- Reinforcing mechanisms

- Interventions vs. Emergence

- Organizational management

- Gauging project performance:
Network mapping?





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