

## *IV. Linking Extremely Poor Producers to Other Producers*

### **B. Factors Impacting Producer-to-Producer Linkages**

Several factors impact the effectiveness and efficiency of linkages between extremely poor producers. These include issues around trust, the limited ability of producers to take on risk, extremely poor producers' limited access to resources, and lack of self-confidence dealing in markets.

#### **1. Lack of Trust in Horizontal Relationships**

##### **a. Why is trust important?**

One of the most important success factors for collective activity is internal trust and social capital among producers in a producer group. The successful adoption of collective marketing techniques depends more than anything on the willingness of producers to trust each other and make decisions based on common goals. For example, two producers sharing a plough can get the same amount of work done with less physical capital. The trust and relationship between them means they do not each have to buy a plough.

##### **b. How can I help to build trust among extremely poor producers?**

The building of trust and the adoption of transparent and fair systems must be addressed and agreed upon from the outset when producers start working together in producer groups (whether an informal producer group or a more formal association or cooperative). This can be done through:

- ▶ Clear communication of members' roles and expectations
- ▶ Clear understanding of the group's goals and vision
- ▶ Shared vision of a business plan
- ▶ Continued communication to keep members informed and involved
- ▶ Processes to deal with issues or concerns (one way to do this is to designate one member of the leadership team as a confidential person to whom members can take problems)
- ▶ Conducting business-like meetings, following a clear agenda, and having written minutes
- ▶ Clear agreement on penalties if roles are not fulfilled or if someone has done something outside of the agreement
- ▶ Regular review and reflection events to learn from experience and evaluate the way things are working
- ▶ Regular rotation of group leadership to lessen potential for corrupt practices



### **Field Example: Building Trust among Producers through Routine Communication in Indonesia**

In Indonesia, producer groups supported by World Vision activities hold reflection and evaluation meetings every four to six weeks to review their activities and evaluate their future plans. These meetings provide an opportunity to build trust within the group, as members are able to ask questions and discuss issues in a safe and open environment. Producer group representatives (those who deal with buyers on the group's behalf) are asked to provide a report of their activities, the way they have disbursed funds, and to list the different buyers they have contacted. This transparency not only informs the group and builds their capacity; it also fosters increased confidence and trust in each other.

## **2. Limited Ability to Take on Risk**

### **a. Why do the extremely poor have limited ability to take on additional economic risk?**

Extremely poor households are continually facing situations of high economic risk.<sup>1</sup> The reason for this is that extremely poor producers:

- ▶ could lose the few assets they have as a result of any sort of unfavourable circumstance, and just meeting daily needs may be a struggle
- ▶ lack effective ways to overcome the financial or economic risks, such as using savings or insurance, to deal with unexpected events, such as an illness, loss of a job, or a natural disaster
- ▶ are not in a position to take on added financial risks, however small, that could threaten their basic survival as they are already vulnerable to unexpected events

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<sup>1</sup> This refers to activities and behaviour that have economic risk, such as investing in something that could lead to losing crops or savings, rather than physical risk, such as behaviour that could lead to contracting HIV/AIDS.



### **Field Example: Graduating from Food Aid and Productive Safety Nets in Ethiopia**

The majority of chronically food insecure households in Ethiopia are located in rural areas; they are dependent on rain fed agriculture, face a variety of production constraints, lack access to financial services, markets, information, and linkages to other stakeholders. A one-time “graduation” from food aid will not be sufficient if it does not also ensure that beneficiaries do not fall back into chronic food deficiency due to emergencies such as drought, family illness, deaths, etc. The USAID-funded Productive Safety Net Program Plus (PSNP Plus) was based on a Graduation Pathway Model, which puts together a package of interventions and executes them in a particular sequence. This package and sequence helps chronically food deficient households first become food sufficient (although still vulnerable), and ultimately to become food sufficient and resilient (able to cope with shocks). As they progress on this graduation pathway, they are linked with mainstream business, finance, training, and other services provided by private, public, or other actors.

PSNP Plus does this by first identifying feasible market systems that are viable considering the needs and capacities of chronically food insecure households. This is followed by the establishment of Production Marketing Associations and training of small producers in a variety of skills, including market system related technical training, group organization and management, governance and transparency, and business, market, and financial literacy. Systems are put into place for on-time market information (Market Information Platforms), and technical assistance on productivity and quality is mobilized through government agencies and the private sector. PSNP Plus found it critical to engage the government and private sector actors in the project, for example, by invitations to project retreats and planning meetings, joint field trips, and multi-stakeholder platforms to troubleshoot the day-to-day problems and bring the various market actors together to build subsector relationships. In addition, microfinance was made more accessible through a dual track approach that included: 1) organizing households into Village Savings and Loan Associations and linking them to formal microfinance institutions, and 2) linking the PSNP households directly to MFIs and cooperatives. Read Case Study Four for more details.

### **b. How does this impact their ability to participate in markets?**

Extremely poor producers often behave in ways that we might not expect. Rather than prioritising increasing their incomes, they may prioritise decreasing their risk by lowering their spending and investing less in their farm or other livelihood activities and increasing their savings. What may seem like an opportunity to a higher income producer (investing in equipment or technology to increase production) may seem like a large risk to an extremely poor producer (she could lose all of her investment and be left with nothing). Extremely poor producers cannot afford to invest their time and resources in a crop that may fail or a product that may face drastically falling prices.

### c. What can I do to assist extremely poor producers to be comfortable taking more risks?

- ▶ **Encourage multiple sources of income**, so that if one fails, or is not as lucrative at a certain time, there will still be income coming to the family from another source. Taking on a range of low-profit activities, rather than one highly profitable activity, ensures more consistent income as time goes by, ensures less risk of the only income source failing, and overcomes the impact of only receiving income during certain seasons. Producers should be encouraged to take on different types of activities that provide income streams, such as upgrading to higher value trading functions, and including both off- and on-farm enterprise activities.
- ▶ **Encourage specialisation across several products.** To maximise their incomes and benefit the sector that they are working in, it helps if extremely poor producers focus on and specialise in a particular product. To maintain multiple sources of income, they could specialise within a small group of products or activities, rather than intensifying their focus on one product at the expense of others, or rather than having 20 products that they handle without being competitive in any.
- ▶ **Link to food aid and food transfers** where, without the initial food support, extremely poor producers would not be able to focus on the other activities. In Ethiopia, the PSNP Plus project provides an initial food package or food voucher for a limited time until producers graduate to a stage where they are able to continue without the food support.
- ▶ **Promote crops for consumption and the market.** Balance the need to earn income with food consumption so extremely poor producers do not eat their chickens or calves, sell their start-up equipment to access money for food, and fail to put aside money to save. With access to food, they may be able to take on the economic risk of investing in a new activity. Do not assume that all households should be growing their own food to eat rather than taking on other activities and buying food instead, or that all producers are also good gardeners. Encourage food crops that provide the requisite nutrients needed by households and that can be profitable, or intersperse highly nutritious food crops with high value cash crops. If market facilitators work to promote a high value crop, the producers need to have enough other nutritious food crops available to feed themselves and their families in case produce prices drop, deals are broken, the rains do not come, or insects damage the high value crop. In Ethiopia, household gardens or smallholder farms are used to grow food crops to provide the household with food while also providing the producer with crops to sell at the market.
- ▶ **Promote food consumption for the family and livestock first**, rather than holding food back that has market and income potential. When extremely poor producers calculate the revenue being generated from their farms or household gardens, they should first include a calculation of what food is consumed by the family, then what is subtracted to be fed to the family's livestock, and only then what is available for the market.
- ▶ **Start with small, low-risk activities.** Low economic risk activities often provide less money, but are far more comfortable for extremely poor producers as a starting point before moving into higher risk activities that can make more money. A producer may feel more comfortable drying mangoes and selling these, as this is a lower risk activity with less new knowledge and financial capital needed, than with starting up a wild mushroom farming operation, even if that sector

offers large returns. Producers want to be sure they have food on the table for their families, and are not necessarily ready to invest the time or money needed for the larger operation.

- ▶ **Connect to markets with low barriers to entry and low risks.** These are often (but not always) local markets - even if they offer lower returns. Starting with and doing well in these markets helps to build skills and confidence to move into more risky options.
- ▶ **Focus on activities with short-term, frequent returns,** rather than having long periods without income. Helpful information includes the seasons of various crops so that producers can grow several crops that draw income throughout the year, or methods to extend growing seasons, such as drying or juicing, and therefore result in longer periods with income. Supplying honey to a local supermarket may appeal more to an extremely poor producer than supplying woven baskets once a year to an international exporter, even if this yearly sale would be more profitable. Similarly, growing vegetables that take eight weeks to produce a return would be preferred to planting coffee plants, which, although of higher value, take five years to grow.
- ▶ **Build on existing resources, skills, and behaviours,** so the vulnerable household will feel confident and will require comparatively less time and financial investment. In the World Vision PAGE project in Sierra Leone, staff worked with extremely poor producers who were already selling cocoa to the informal sector buyers, organising the producer groups to sell directly to more formal sector marketing companies at a higher price.
- ▶ **Use smart subsidies** to decrease risk, encouraging producers to adopt a new behaviour or invest in a new technology.
- ▶ **Connect to formal safety net initiatives,** such as supporting access to micro-health insurance, food or cash transfers, or government pension schemes.
- ▶ **Facilitate community-level traditional safety nets** such as extended families or neighbours providing food, other resources, or assistance to extremely poor households. This might include informal insurance mechanisms to protect land or equipment, or shared labour groups to collectively help each other during times of need. Market facilitators need to work with producer group leadership to ensure that powerful community members or traders do not take advantage of female-headed households when they need food or other resources.
- ▶ **Facilitate coaching and mentoring.** Extremely poor producers can learn to understand the market system and the nature of risks through informal or formal mentoring from other local persons, such as more established female micro entrepreneurs supporting younger female entrepreneurs just starting an enterprise.
- ▶ **Arrange exposure visits with other producers** to learn from peers by seeing examples of producers in similar settings using new techniques. For adults, peer learning is often one of the most effective ways of learning.
- ▶ **Support participatory research and analysis.** If producers are included in market analyses, they are more likely to understand the risks involved and to use new techniques or buy improved tools.

*Worksheet:*

Use the [Risk Reduction Planning Worksheet](#) to identify practical activities to address the extremely poor producer's limited ability to take on risk.

### 3. Limited Access to Resources

Extremely poor producers generally lack the assets required to participate in markets. They also often do not have access to basic services.

#### How can I help extremely poor producers mitigate the problem of limited resources?

- ▶ **Facilitate access to provisions from safety net programmes.** This may mean advocacy with government or NGO safety net staff to include extremely poor families from the targeted communities in the safety net programme.
- ▶ **Form groups to help them access current services that currently do not reach them** (e.g., government Ministry of Agriculture extension programmes). Be aware of the services or programmes being offered in the country. Forming groups can help ensure the extremely poor benefit from these services. In Sierra Leone, groups have to be registered with the government in order to receive services such as agricultural extension or distribution of seeds and tools. The World Vision PAGE programme helped farmers form groups so that they could access these provisions.
- ▶ **Facilitate access to vouchers.** Vouchers provide more accountability than cash because they have to be redeemed for a particular service from particular vendors. They also allow for market interactions to take place—the extremely poor are consumers with the power to “buy” something. Rather than just taking a hand-out, they are participating in the market.
- ▶ **Leverage ability to provide and share labour.** Informal labour groups can provide the labour and motivation to engage in larger projects that are not feasible for individuals. Participation in such groups helps accomplish tasks that previously weren’t possible without hired labour, and develops stronger relationships that can be called upon in times of need.
- ▶ **Facilitate access to a transfer of a productive asset** for the extremely poor households that have no or very few productive assets. For example, in Angola, World Vision provided initial seed “starter packs” of improved crop varieties of annual agricultural and horticultural crops (self-fertilising or open-pollinated crops) to the extremely poor.
- ▶ **Be creative with the assets and skills that the extremely poor do have.** Undertake an asset-mapping exercise to identify potential opportunities for leveraging assets. A group of disabled people in Sierra Leone knew the blacksmith trade and could make tools, but they were unable to work any land. In exchange for tools, other extremely poor households would work the disabled blacksmiths’ land, and both groups were better off for the exchange. Also, by becoming part of the economy, these groups can reduce the stigma they face.
- ▶ **Look for potential linkages with buyers or suppliers** who can often provide embedded services (e.g. training, inputs on credit) that can reduce initial cash needed.
- ▶ **Generate capital through savings.** Savings groups can provide the opportunity to save for start-up capital from small income generating activities.
- ▶ **Utilise in-kind rotating schemes** such as seed banks or animal banks with goats and other livestock. At harvest time or after reproduction of animals, the initial beneficiary has to “pay

back” the assets received, with interest, to other members of the community. For example, a part of the harvest has to be given as seed to other community members.



#### Field Example: Loan Guarantees as an Incentive for Financing to Extremely Poor Producers in Angola

In the post-war context in Angola, World Vision used a loan guarantee scheme to ensure credit for the most vulnerable in 2004. By 2010, the government credit scheme adopted the same principles of managed credit on a national level. ProPlanalto, funded by USAID and Chevron from 2004 to 2006, provided a loan guarantee at 10 per cent together with 5-10 per cent savings from the loan beneficiaries as an incentive to financial institutions to lend to extremely poor producers. In the second cycle of credit, the beneficiaries assumed the 20 per cent savings/loan guarantee to the bank. This was possible given their increased capability and the crucial need to ensure future sustainability in the granting of loans by financial institutions.



### Field Example: Private Sector Providing Inputs and Training to Extremely Poor Producers in Ethiopia

In Ethiopia, CARE identified a private sector firm that could benefit from outsourcing part of its production to extremely poor producers. CARE worked with a larger-scale pig farmer to recognise where the extremely poor in his community could add value to his business. Raising pigs for meat is a technical process that requires specific conditions, feed, etc. However, raising the pregnant mother pigs and birthing the piglets is not as demanding, and most extremely poor households can take on the task successfully. The private sector farmer “sold” the pregnant pigs to extremely poor households, and provided the necessary inputs and training to take care of them. He then bought back the piglets at a price that took into account the inputs and mother pig that he had originally provided to the extremely poor households. In this way, the private sector farmer could focus on the harder part – raising the pigs for meat. The necessary, but less difficult and intensive task of raising the pregnant mother pigs was taken over by poor households. Because the poor households were provided with inputs and advice upfront, they did not need to have many initial resources.



### Field Example: In-Kind Banks to Access Inputs and Equipment in Angola

In Angola, World Vision has facilitated the setting up of rotating in-kind banks. Communities of smallholder farmers, organised into associations or solidarity groups, manage seed banks of improved varieties of crops with vegetative propagation (such as improved varieties of cassava, sweet potato, Irish potato, bananas and fruit trees, multiplier onions, shallots, garlic, and Portuguese kale). In the first cycle of multiplication, a third of the beneficiary farmers receive a “starter pack” of seeds supported by other agricultural inputs (e.g., fertiliser). Farmers have access to technical assistance from the community seed banks.

Communities also manage in-kind banks to access animal traction pairs and equipment, goats, and other small livestock. At harvest time or after reproduction, the initial beneficiary has to “pay back” the assets received, with interest, to other members of the community. Usually the pay back is double the quantity initially received. (If 100 kg of potato seed is received by the primary beneficiary, when he harvests 900 kg of seed he returns 200 kg to be distributed to two other members of the community at 100 kg each.) Peer pressure is exercised to ensure that the seed return from the first cycle of multiplication is made available to the other smallholder farming families and that all members of the community ultimately benefit.

Worksheet:

- [Limited Resource Strategic Planning Worksheet](#)

## 4. Lack of Confidence

### a. Why do extremely poor households lack confidence?

Extremely poor producers often do not feel ready to integrate into markets because they lack market confidence, feeling uncertain about management, negotiation, organisational skills, basic numeracy and literacy, and analytical skills. They often face a social stigma from society for being extremely poor and can also lack social confidence. After hope, confidence is one of the most important factors that enables extremely poor producers to cope with change and to negotiate with people who are perceived to wield greater power.<sup>2</sup>

### b. How to increase the confidence of extremely poor producers

- ▶ **Choose initial activities that are simple**, have a high chance of success, are quick to produce results, and have observable success so members become comfortable with higher risk later.
- ▶ **Foster social relationships** as particularly important among the extremely poor to improve self-esteem, confidence, and opportunities for reciprocity. Savings groups are one way to do this. It is useful to assess existing informal groups and networks that the extremely poor belong to in order to build on these. It is important to not assume social exclusion but rather to build on what already exists and what is already important to the extremely poor.
- ▶ **Focus on building basic skills**. Training in functional literacy and numeracy can build confidence and prepare extremely poor producers to better participate in markets.
- ▶ **Build market literacy**. Understanding the market is an important step in preparing extremely poor producers for market relationships. If the producers in a producer group are well informed of updated prices and trends in the market, they are better able to bargain with potential buyers. One way to build market literacy is to have participatory market research teams that are led by development organisation staff. The information gathered through real interviews with market actors is very helpful for producers in understanding the way markets work. To build the producer groups' collective market literacy, the market facilitator can build group capacity to maintain information on prices, trends, and buyers. Producers in World Vision's MYAP in Afghanistan have changed their behaviour from accepting the first price quoted to them in the market for their produce to checking with a number of traders before finalising a sale. The MYAP provided market price information to the producers initially, but over time, the producers gained the confidence to check several traders on their own for the best price.
- ▶ **Match extremely poor producers with mentors** from the community to build skills and confidence and reinforce lessons received in training. It helps to hear the same message from multiple sources. The mentoring relationship increases social capital in the community that can be drawn on in times of need, and helps to build trust.

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<sup>2</sup> Boquiren, Marian and Ivan Idrovo. 2008. Facilitating Behaviour Change and Transforming Relationships, Field Application of Key Value Chain Principles. USAID microReport #141. p. 9



### Field Example: Benefits of Mentorship in Indonesia

Producer representatives have been mentored over the course of two years to become confident negotiators and leaders within their communities in a World Vision project in Indonesia. A young man from Duntana village in Indonesia explains, “I feel like a new man. Over the past two years I have learned how to understand the market, how to contact the different buyers and negotiate with them on price, and how to organise my community so that we are able to meet the requirements of our buyers. Two years ago, I would not believe that I could be serving my community in this way. I am confident in representing my community and getting the very best deal for us. We are seeing our lives improve as we are earning more from our farms. We are sending our children to school with the right equipment, we are sending more young people to university than we ever have before, and we have more hope for our future and what we can achieve.”



### Field Example: Building Confidence through Basic Literacy and Numeracy in Sierra Leone

Extremely poor producers in Sierra Leone reported that the most valuable skill for improving their business was the ability to sign their names and understand how many zeros there are in 1 million. World Vision supported training on functional literacy and numeracy for members of savings groups. The development of these basic numeracy and literacy skills brought the extremely poor producers one step closer to having the confidence to participate in a market.

## 5. Non-Financial Incentives to Participation

There are non-financial incentives for extremely poor producers to connect with other producers, with other market actors, or with a development organisation’s programme.

### a. Educational incentives

Educational incentives work when producers:

- ▶ broaden their education by learning new information (as they have often had limited educational opportunities)
- ▶ receive training and mentoring
- ▶ have an opportunity to work with new people and learn from those with whom they would not ordinarily be engaged

For example, in a CARE Ethiopia project, some beneficiary households do not want to graduate because they may lose the training and mentoring benefits that the project provides.

## b. Social incentives

Social incentives work when:

- ▶ the activity might be seen as honourable or courageous
- ▶ shame of potential failure may be a strong disincentive
- ▶ there is risk of potential loss of important social relationships by mixing business with social relationships
- ▶ there are opportunities to build broader commercial networks (often constrained due to time, proximity, and social norms)
- ▶ there are risks with interactions across class, ethnicity, and gender lines



### Field Example: Livelihoods for Very Poor Girls and Young Women in Kenya: The ‘Girl Effect’

In parts of Kenya, many factors combine to perpetuate cycles of poverty for households, including high HIV and AIDS rates, inappropriate policies, inadequate rainfall combined with frequent flooding in parts of the region, rapid population growth, lack of utilization of agricultural land or farm inputs, environmental degradation, and inaccessibility of credit. Among the poor are a large number of orphans and other vulnerable children, including households headed by girls and young women 14-24 years old.

In response, the Value Girls Program, funded by USAID and the Nike Foundation and implemented by Cardno Emerging Markets under its Kenya Business Development Program, a locally registered NGO, empowered girls and young women in Kenya through economic enhancement and social development. This program illustrated the possibility for a powerful social and economic change brought about when girls have the opportunity to participate in their societies—the “Girl Effect.” Applying a market system approach as a “pathway out of poverty,” the program applied a phased implementation strategy (i.e., start small and then scale-up), a strong market orientation, and the need and willingness of the program to remain flexible and adapt to a dynamic business environment. Smart subsidies were important to effectively integrate young women into promising business sectors. The program also integrated broader social skills-building in order to take into account the special requirements of a vulnerable group in implementing a market system approach. Read Case Study One for more details.

## 6. Exclusion of Women

Although gender constitutes impacts on both men and women, this Field Guide focuses on issues impacting women specifically, as at poor producer level challenges relating to participation by women are often the most common. This in no way implies that issues relating to men are less important.

### a. Why does women's participation in markets matter?

Women are often critical to the operation of a smallholder farm (women are estimated to produce half of the world's food<sup>3</sup>). Given women's critical role in market systems, restrictions on their mobility, relationships, and access to information can lead to less efficient and productive market system functioning. Despite their critical role in agricultural activities and household well-being, women tend to have limited influence over decisions about the use of household income. However, they are usually responsible for ensuring that children are cared for and well-nourished. Women have been found to use more of household income for the direct benefit of children and family.<sup>4</sup> Male members of the household need to be engaged so that both genders in a household are working together for the well-being of the children of the household.

### b. How can changes in the market impact women?

As practitioners work to stimulate growth and competitiveness in markets for the benefit of poor producers, changes can take place that are considered positive, but which may ultimately have unintended consequences on women. These include the introduction of new technologies that can change labour patterns, time allocation, and income control, and shifts to high-value crops that can alter patterns of control over resources and benefits.

It is important to take these into consideration and recognize how to minimize their negative impact on women and household relationships.

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3 M. Williams, *Gender Mainstreaming in the Multilateral Trading System: A Handbook for Policy-Makers and Other Stakeholders*, London: Commonwealth Secretariat, 2003.

4 The SEEP Network. 2004. "The Emerging Role of Microfinance Programs in Mitigating the Impact of Natural Disasters: Summary Findings of an Impact Assessment of World Vision's Ethiopian Affiliate." Progress Note 4.



## Impacts of Changes in Markets on Women

This table shows possible unintended impacts of improvements in market systems on women.

Improvement in market systems	Impact on women's relationships within the household
<b>Introduction of new technologies and agricultural practices</b>	<ul style="list-style-type: none"> <li>• <b>Change labour patterns</b> Example: Women may be spending less time clearing land or weeding, and therefore have more time for household activities or to interact with buyers. In contrast, extremely poor, landless women may not have the income opportunities that they used to have as day labourers providing land clearing and weeding services.</li> <li>• <b>Change time allocation</b> Example: Women may be spending less time in the field and more time managing household activities, including finances.</li> <li>• <b>Change safety conditions</b> Example: Women may have to use heavier and less safe equipment leading to higher rates of injuries or occurrences of incidences such as miscarriage.</li> </ul>
<b>Shifts to high value crops</b>	<ul style="list-style-type: none"> <li>• <b>Alter control over resources</b> Example: Women may have less ability to decide how much produce goes to market and how much is retained for the family to consume. Men may want to maximise income and hence may not want to use their crops, a potential income source, as food for the family. This is particularly challenging when higher value crops may not be food crops, but rather cash crops, which could leave the household more food insecure. A solution could be to always promote that households still produce a minimum amount of food crops.</li> <li>• <b>Alter control over benefits</b> Example: As incomes increase, women may experience increased conflict over decisions about how much money to spend on food for the family versus other expenses that men may find to be more important, leading to higher incidence of physical abuse for women.</li> </ul>
<b>Introduction of new market channels</b>	<ul style="list-style-type: none"> <li>• <b>Change time allocation</b> Example: Women may need access to childcare to be able to participate in markets more actively. Example: Women may risk decreasing the ability to nurse babies for a healthy length of time if they have to travel to areas or undertake tasks without their babies.</li> <li>• <b>Change routes travelled</b> Example: Women may need to travel on less safe routes to access new markets or inputs.</li> </ul>
<b>Introduction of new storage facilities</b>	<ul style="list-style-type: none"> <li>• <b>Change of control of food resources</b> Example: Warehousing receipt programs and other off-farm storage programs decrease women's ability to retain produce as food for the household.</li> </ul>
<b>Formalisation of contracting instruments</b>	<ul style="list-style-type: none"> <li>• <b>Formalisation of ownership of land and equipment</b> can change household dynamics</li> <li>• <b>Increased pressure for women to transact with sex</b> as a form of contract compliance</li> </ul>

Improvement in market systems	Impact on women's relationships within the household
<b>Introduction of more formalised financial requirements</b>	<ul style="list-style-type: none"> <li>• <b>Change income control</b> Example: Contract farming, certain cooperative memberships, and warehouse receipts programs, for example, often require the opening of a bank account. Bank accounts are often opened in the name of the man heading the household. Buyers often make payments directly into these bank accounts. This removes women's knowledge of what income is being received and women's access to the income. Women may therefore not be in favour of more formal financial structures that could decrease their control over income.</li> <li>• <b>Change financial management</b> (owing to formalisation of household financial management practices) Example: By supporting or requiring transparent record-keeping systems in households, women can no longer hide how they are allocating income and are no longer able to get away with spending as much on food, medicines, or school fees.</li> </ul>

The impact on women's relationships in their households can be addressed by, for example, ensuring that women have access to appropriate structures that can support their new role in the household or the new challenges that could arise.

*Worksheet:*

- [Identify Unintended Impacts of Market Growth on Women Worksheet](#)

Use the worksheet to identify potential challenges for poor women producers that could result from strengthening markets.

### c. What prevents women from participating more?

Women are often limited from actively participating in markets and business activities owing to:<sup>5</sup>

- ▶ Risk of physical, sexual, and other gender-based violence
- ▶ Limited social standing or social capital in the community with limited access to certain market opportunities or group structures
- ▶ Social or cultural confinement and immobility
- ▶ Inadequate legal protection or enforcement of existing laws
- ▶ Traditional gender roles and expectations
- ▶ Lack of control over resources (in particular, property)
- ▶ Informal and formal roles and requirements in marriage
- ▶ Lack of time as they are often otherwise occupied with income generation as day labourers, housekeepers, maintaining the household, and child bearing and rearing
- ▶ Social perceptions that link household responsibilities with women's work

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<sup>5</sup> Value Chain Wiki: [http://apps.develebridge.net/amap/index.php/Women\\_and\\_the\\_Value\\_Chain\\_Approach](http://apps.develebridge.net/amap/index.php/Women_and_the_Value_Chain_Approach)



### Field Example: Taking photos of women-only trainings in Bangladesh

Female co-facilitators took pictures with the female workshop participants in a Bangladesh Cyclone Livelihoods Recovery workshop. Copies were made so that the female workshop participants could show their neighbours and family members that they were taught by women and shared hotel rooms with women.

## d. How to ensure greater participation of women

The table that follows shows strategies for increasing women’s participation in markets, particularly through participation in producer groups.<sup>6</sup>



### Strategies to encourage participation by women

This table shows strategies to ensure greater participation by women in markets and producer groups.

Constraint faced by women	Strategies to encourage women’s participation	Practical actions to address factors contributing to the constraints to achieve more active participation by women in markets and producer groups
Lack of time due to numerous women’s household responsibilities Lack of access to support services Time and mobility constraints	<ul style="list-style-type: none"> <li>Design the logistics of participation around women’s circumstances and needs</li> </ul>	<b>General:</b> <ul style="list-style-type: none"> <li>Share market information using communication channels used by women</li> <li>Identify labour-saving technologies to reduce women’s time on household responsibilities (e.g. local water points, access to draft animals to pull equipment)</li> <li>Design alternative service delivery for those not producing or in groups (e.g., women acting as rural sales agents not involved in producer groups)</li> <li>Consider and accommodate time constraints, since women are often responsible for domestic labour as well as productive activities. Encourage market times and venues to allow for easy access and participation by women</li> <li>Support access to information sources that are close proximity to and available at times when women can access them.</li> </ul> <b>Producer groups specifically:</b> <ul style="list-style-type: none"> <li>Announce information about participation in groups using communication channels used by women</li> <li>Hold meetings at times and in venues that support</li> </ul>

<sup>6</sup> Rubin, Deborah, et al. 2009. Promoting Gender Equitable Opportunities in Agricultural Value Chains. USAID. p 36

Constraint faced by women	Strategies to encourage women's participation	Practical actions to address factors contributing to the constraints to achieve more active participation by women in markets and producer groups
		<p>women's participation</p> <ul style="list-style-type: none"> <li>• Provide for shared child-care while group meetings are being held</li> <li>• Encourage membership fees to be at a level and payment schedule that women can manage</li> </ul>
<p>Social or cultural confinement and immobility</p> <p>Social perceptions that link household responsibilities with women's work</p>	<ul style="list-style-type: none"> <li>• Reduce the cultural barriers to women's participation</li> </ul>	<p><b>General:</b></p> <ul style="list-style-type: none"> <li>• It is critical to gradually obtain the buy-in and support of men so that women's empowerment is not seen as a threat to the status quo. Bring men into the conversation about the importance of women's empowerment.</li> </ul> <p><b>Producer groups specifically:</b></p> <ul style="list-style-type: none"> <li>• Create women-only groups, if appropriate, to encourage the entry of more women into the market where it is unacceptable for women to intermingle with men that are not family members.</li> <li>• Facilitate women-only meetings, where appropriate, if it is not possible to create women-only groups.</li> </ul>
<p>Traditional gender roles and expectations</p> <p>Prevented from filling leadership positions in groups because of discriminatory social attitudes toward women's leadership and scepticism about or cultural issues associated with women's ability to lead men</p>	<ul style="list-style-type: none"> <li>• Encourage membership and leadership criteria that allow women's participation</li> </ul>	<p><b>Producer groups specifically:</b></p> <ul style="list-style-type: none"> <li>• Advocate for processes that enable women to be more fully involved as both participants and leaders, such as ensuring that training on governance addresses women's leadership roles.</li> <li>• Investigate potential barriers to women's leadership positions within groups. These may be explicitly spelled out in the rules or by-laws, or they may be informal. For example, do meeting times or eligibility requirements prevent women from leadership positions?</li> <li>• Encourage membership to be based on output (e.g., litres of milk for sale or baskets of tomatoes) rather than access to factors of production (e.g., legal title to land or registered ownership of animals).</li> <li>• Encourage a change from exclusive membership criteria to a more graduated membership, which is based on increased quality and quantity of product delivered to an association, to allow women to gradually gain access as they become more involved.</li> <li>• Encourage official membership of women, not just as wives, but rather registered in their own names (not their husbands'), such as women who are household heads (primary breadwinners, second wives, or where husbands are not present for various reasons)</li> <li>• Include programme targets on the percentage of members who are female and who serve in leadership positions within the group.</li> </ul>

<b>Constraint faced by women</b>	<b>Strategies to encourage women's participation</b>	<b>Practical actions to address factors contributing to the constraints to achieve more active participation by women in markets and producer groups</b>
		<ul style="list-style-type: none"> <li>Encourage adoption of gender-sensitive practices and policies (such as non-discriminatory membership or gender-sensitive technical trainings).</li> </ul>
<p>Limited social standing or social capital in the community Social perceptions of women's capabilities</p>	<ul style="list-style-type: none"> <li>Build women's skills, confidence, and social capital</li> </ul>	<p><b>General:</b></p> <ul style="list-style-type: none"> <li>Link women with support structures and networks that build their social capital, skills, and business confidence.</li> <li>Design awareness raising campaigns to promote women's leadership in business.</li> <li>Leverage existing women's groups as a means of delivering training and conducting other capacity building activities, such as visiting demonstration sites. The groups provide a comfortable environment where women can learn among peers and further build their social capital.</li> </ul>
<p>Lack of land ownership by women Lack of access to productive assets and working capital (e.g., seeds and fertiliser) Lack of control over resources (property) Inadequate legal protection or enforcement of existing laws Lack of access to services from producer associations because membership requires land ownership</p>	<ul style="list-style-type: none"> <li>Address lack of ownership and control of assets by women</li> </ul>	<p><b>General:</b></p> <ul style="list-style-type: none"> <li>Build the capacity of, or work with, entities that advocate for women's rights, such as raising awareness on land ownership rights, advocating for equitable land distribution, and supporting better enforcement of existing legislative framework on land policy.</li> </ul> <p><b>Producer groups specifically:</b></p> <ul style="list-style-type: none"> <li>Encourage membership requirements that do not require land ownership, which would often exclude women's participation.</li> <li>Advocate for rules to allow non-producer members to attend trainings and access benefits, which will still allow women to join and benefit where they have been traditionally excluded because of lack of certain assets or land rights.</li> </ul>
<p>Lack access to financial capital because lack assets for collateral</p>	<ul style="list-style-type: none"> <li>Address lack of access and ownership of assets by women</li> </ul>	<p><b>General:</b></p> <ul style="list-style-type: none"> <li>Work with lending institutions to design loan products for women, such as the use of non-land assets in lending.</li> </ul>
<p>Little opportunity to network and develop business relationships with buyers or suppliers</p>	<ul style="list-style-type: none"> <li>Leverage existing buyer or supplier relationships and build on the trust in these to embed additional services</li> </ul>	<p><b>General</b></p> <ul style="list-style-type: none"> <li>Mobility constraints or social norms may reduce the frequency of face-to-face contact for women with their suppliers or buyers.</li> </ul>



### Field Example: Increasing opportunities for women in producer groups

Dairy cooperatives in many areas often indirectly exclude participation by women by limiting membership to only one member per household, which must be the head of household. This is most often determined to be a man. Cooperatives often only provide training to the formal cooperative or association members. This results in excluding women from the training, even though they are most often the ones actually performing the productive activities within the household. Projects have supported women by encouraging cooperatives to change membership criteria to allow individuals rather than simply households to join, or by expanding training activities to members' families.

Worksheet:

- [Women's Participation Improvement Worksheet](#)

Use the worksheet to identify practical activities that the project can facilitate to promote the participation of women among extremely poor producers.



### Field Example: Increasing participation of women in markets in Angola

To increase the participation of women in selling crops such as potatoes, onions, and beans in Angola, World Vision supported processes that had traditionally excluded women. Female-headed households were encouraged to participate in field days at farmer demonstration plots so that they could learn new production techniques. Women-only or women-friendly trainings were organised with agricultural extension officers once a month in areas where it was not customary for women to be included in meetings with men. Women were supported in developing more skills as traders of crops in informal markets rather than simply producers, as women were found to already be very active in the informal marketing of crops.

Worksheets in this section:

- [Risk Reduction Planning Worksheet](#)
- [Limited Resource Strategic Planning Worksheet](#)
- [Identify Unintended Impacts of Market Growth on Women Worksheet](#)
- [Women's Participation Improvement Worksheet](#)

Click on a worksheet title above to download a Word file of the worksheet. (Note: your computer must be connected to the Internet.) If this does not work, go to the [Field Guide resource page](#) on the Microlinks web site, scroll down to the Field Guide Table of Contents, and click on the worksheet title.