



USAID
FROM THE AMERICAN PEOPLE

VALUE CHAIN DEVELOPMENT FOR CONFLICT-AFFECTED ENVIRONMENTS

GUIDANCE FOR CASE STUDIES

JUNE 2007

Subagreement under Contract GEG-I-00-02-00025-00

JUNE 2007

This document was produced for review by the United States Agency for International Development. It was prepared by ACDI/VOCA under a subagreement with Pact, Inc., sub-contractor to Weidemann & Associates, Inc. under USAID's Accelerated Microenterprise Advancement Project.

VALUE CHAIN DEVELOPMENT FOR CONFLICT-AFFECTED ENVIRONMENTS

GUIDANCE FOR CASE STUDIES

JUNE 2007

Subagreement under Contract GEG-I-00-02-00025-00

DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

CONTENTS

CASE STUDY REQUIREMENTS	1
Table of Contents	1
Guidelines for Submission and Deliverables.....	1
CASE STUDY GUIDELINES	4
I. Executive Summary.....	4
II. Introduction	4
III. Analysis of the Conflict/Post-Conflict Environment.....	4
IV. Value Chain Analysis of the Targeted or Potential Subsector, Industry or Livelihood Activity	6
V. Statement and Analysis of Case Study Research Question(s).....	13
VI. Conclusion and Recommendations	13
ANNEX A: ILLUSTRATIVE CONFLICT ASSESSMENT SURVEY	14
ANNEX B: PRINCIPLES OF PRIMARY DATA COLLECTION	19
ANNEX C: ILLUSTRATIVE VALUE CHAIN QUESTION GUIDE.....	21

CASE STUDY REQUIREMENTS

Case studies are expected to be between 20 and 40 pages long. Cases need to present an analysis of the value chain(s) on which the cases are focused. Many organizations are working with mature projects for which value chain analyses may have been conducted some time ago. For this case, an updated value chain analysis may be needed, in particular, one that integrates an assessment of the causes and impacts of the conflict on the industry or value chain. The analysis of the research question or hypothesis will build on the understanding of the value chain and the impact of the conflict on the value chain. Conclusions and recommendations should focus on the lessons learned regarding the questions and/or hypotheses explored.

TABLE OF CONTENTS

Case studies should adhere as closely as possible to the following table of contents. Any significant deviation from this structure should be discussed and approved in advance.

Abbreviations

I. Executive Summary

II. Introduction

III. Analysis of Conflict/Post-Conflict Environment

IV. Value Chain Analysis of the Targeted or Potential Subsector, Industry or Livelihood Activity

V. Statement and Analysis of Case Study Research Question

VI. Conclusion and Recommendations

Appendices

1. Reference List
2. Scope of Work
3. Field Itinerary
4. List of Interviewees
5. Profiles of Value Chain Participants

The next section on “Case Study Guidelines” presents more detailed guidance on how to prepare and present content for each part of the case study outline.

GUIDELINES FOR SUBMISSION AND DELIVERABLES

Case studies may be written by one individual or by a team. The lead writer must be familiar with the project and have access to all necessary project documentation and personnel. S/he must also be familiar with USAID/MD’s value chain framework. All case studies must be submitted in English.

A draft work plan delineating a schedule and plan for completing the following components must be received by August 17, 2007 (see Figure 1).

Figure 1. Work Plan Template

Deliverable	Due Date	Plan for Delivery
1. Submission of each of the following in draft form for technical review and approval.		
a. Analysis of the conflict/post-conflict environment		
b. Value chain analysis of the targeted or potential subsector, industry or livelihood activity		
c. Statement of case study hypothesis		
d. Analysis of hypothesis		
2. Submission of completed case study draft with conclusions and recommendations.		
3. Final conversation and debrief with case study technical review team.		
4. Submission of final version of case study incorporating comments from debrief with technical review team.		

Deliverable #1 is due no later than October 19, 2007, though the sub-deliverables (#a-d) should be submitted as completed up to that date to allow timely review and follow-up. The initial full case-study draft will be completed by the implementing agency no later than November 21, 2007; the final version of the case study, incorporating comments from debrief with technical team will be due no later than December 18, 2007. Each of the above deliverables and the final case study submission should be submitted to both:

Carrie Keju, Program Manager
AMAP Small Grants
Pact, Inc.
1200 18th Street, NW, Suite 350
Washington, DC 20036, USA
AMAPgrants@pacthq.org

Ruth Campbell
Enterprise Development and Competitiveness
ACDI/VOCA
50 F Street N.W., Suite 1075
Washington, D.C. 20001
RCampbell@acdivoca.org

CASE STUDY GUIDELINES

These guidelines are intended to supplement the brief guidance provided in the Request for Applications for *Value Chain Development in Conflict-Affected Environments*.

I. EXECUTIVE SUMMARY

1-2 pages summarizing the context of the case study, the steps taken to prepare the case study, selected research question(s) and findings and recommendations arising from the study.

II. INTRODUCTION

2-3 pages incorporating the following:

- A. Very brief overview of the country and conflict context (an in-depth conflict analysis will follow).
- B. Summary of relevant relief and development activities and interventions in the area mid- and post-conflict, including those of the implementing organization.
- C. Explanation of how this case relates to the relief-to-development continuum that typically characterizes donor programs in conflict-affected environments.
- D. Description of the project being conducted by the implementing organization relating to this case study (if applicable) and how it has been affected by the conflict situation.
- E. Introduction to the subsector or value chain being focused on in the case study
- F. Summary of the steps taken to prepare the case study, including any desk research conducted, number of meetings held or stakeholders consulted, geographical area covered (with rationale for selection, if appropriate), duration and timing of the analysis, and composition of the study team.

III. ANALYSIS OF THE CONFLICT/POST-CONFLICT ENVIRONMENT

3-5 pages. To ensure consistency among the various case studies, the analysis will be based on USAID's Conflict Management and Mitigation Office's guide "Conducting a Conflict Assessment: A Framework for Strategy and Program Development," which can be found at

http://www.usaid.gov/our_work/cross-cutting_programs/conflict/publications/docs/CMM_ConflAssessFrmwrk_8-17-04.pdf

Although this tool is designed for assessing situations of current conflict, we believe that the framework can be easily adapted to post-conflict environments as well. We realize that other conflict assessment tools can supplement the CMM framework but expect implementing organizations to use their judgment to produce a comprehensive and thorough assessment that follows this basic framework. The following summary has been adapted from the CMM framework for reference:

- A. ***Incentives for violence*** – including:
 1. Ethnic or religious grievance
 2. Economic causes (poverty, stagnant or negative growth)
 3. Competition over natural resources
 4. Destabilizing demographic shifts
 5. Elite incentives to capture or maintain political or economic power

- B. ***Conflict mobilization and expansion dynamics*** – including:
 1. Organizational factors that facilitate collective violence (spatial distributions of ethnic groups, civil society networks, patronage or clan networks)
 2. Access to financial resources by groups/entities involved in driving the conflict (natural resources, corruption, Diaspora communities)
 3. Human resources engaged or available for conflict (internal and external)

- C. ***Institutional capacity of state and civil society actors/entities to respond to the conflict*** – including:
 1. Ability to address incentives for violence
 2. Ability to block access to conflict resources
 3. Ability to manage regional and international pressures
 4. Ability to constrain opportunistic elite behavior

- D. ***Regional and global forces affecting conflict dynamics*** – for example:
 1. Erosion of state sovereignty
 2. Vulnerability to global market shocks
 3. Arms flows
 4. Refugee flows
 5. Transborder ethnic movements
 6. Transnational terrorist or criminal networks

- E. ***Windows of vulnerability for continuation or resurgence of violence*** – for example:
 1. Elections
 2. Legislative changes affecting governing power and resource distribution
 3. Economic shocks
 4. Natural disasters
 5. Rebel incursions, riots, assassinations, etc.

- F. ***Current conflict trends/anticipated conflict dynamics in the near future***
 1. General atmosphere in relation to the status and dynamics of the conflict
 2. Any specific geographic areas or populations perceived to be at higher risk for resurgence of conflict

The above points should be discussed as relevant to the specific country situation and as the availability of information permits, given the time and resource limitations of the case studies. An illustrative checklist of questions is available on pp. 38-41 of the “Conducting a Conflict Assessment: A Framework for Strategy and Program Development” and is included in Annex A. Guidance for primary data collection is included in Annex C.

IV. VALUE CHAIN ANALYSIS OF THE TARGETED OR POTENTIAL SUBSECTOR, INDUSTRY OR LIVELIHOOD ACTIVITY

5-10 pages including an assessment of the structures, dynamics, constraints and opportunities for both individual firms and the value chain as a whole. The analysis should use the USAID/MD value chain framework as articulated at

http://www.microlinks.org/ev_en.php?ID=9652_201&ID2=DO_TOPIC

A. GUIDANCE FOR CONDUCTING THE VALUE CHAIN ANALYSIS

1. Data Collection

Data collection for value chain analysis follows similar principles as many other data collection and survey approaches used in various fields of development. Annex C below provides general guidance for primary data collection. The following summarizes the principles of collecting data for a value chain analysis.

- Throughout the value chain analysis process, data collection is *continually refined and expanded* in response to the analysis and vetting processes
- Both *qualitative and quantitative* data are necessary to understand how the value chain works and what opportunities and constraints there are to growth:
 - *Quantitative data* should be compiled by **estimating and extrapolating**. While we are **not** attempting to be statistically rigorous, we want to be as accurate as possible.
 - *Qualitative data* should begin during the interview phase, should focus on gaps in existing information, should attempt to triangulate, and should avoid bias (*particularly in relation to groups involved in the conflict, regardless of their role*).
- Particularly in conflict-affected environments, *secondary data sources* need to be relied on when primary data is unavailable (e.g., due to security constraints or the inability to access certain stakeholders due to displacement, migration, or other reasons). However, in such environments, secondary data is often out of date. Outdated secondary data can still be useful in creating a picture of the pre-conflict value chain. Sources relevant to value chain information include:
 - Relevant ministries such as agriculture, industry and trade, or employment
 - Business associations, cooperatives, or trade unions
 - World Bank resources:
 - i. *Doing Business Report*
 - ii. *Governance and Corruption Indicators*
 - iii. *Country Policy and Institution Assessment*
 - iv. *World Development Indicators*
 - Heritage Foundation Index of Economic Freedom
 - IMF Government Finance Statistics
 - UNIDO Industrial Statistics Database

- Whenever possible, secondary data should be verified with additional **primary data** from sources like: **structured/unstructured interviews** with value chain actors, interviews with **key informants**, and **focus groups**. Interviewees should:
 - represent the current picture of the industry—including representatives of all functions and participant groups; end market buyers or proxies; supporting service providers; relevant local, regional and national government officials and international actors
 - represent the future potential of the industry—including catalysts and innovators from the private and public sectors (individuals identified as having the potential and incentives to drive concrete change in the industry) and the firms they will need to collaborate with to achieve industry competitiveness
- While collecting primary information, use **question guides** (see Annex B for an example), but **vary the order of questions** according to the flow of the interview and comfort level of the interviewee.
- **Take notes** during the interviews, particularly making sure that you record any quantitative information immediately. Writing word for word may be distracting, so qualitative information can be recorded immediately after the interview.
- Once you enter the value chain through the first interview, the process of data collection will take off on its own if you **follow leads from each informant**. As indicated in the illustrative question guide (Annex B), make sure to ask interviewees **for names and contact information** of other value chain participants and be ready to change your plans to fit in more interviews.
- **Listen to the negatives and focus on the positive**. A fundamental part of value chain analysis is to identify constraints to industry growth within a particular country or regional context. While understanding the full range of constraints will facilitate better analysis of opportunities, keep in mind that not all constraints need to be addressed. Instead, they need to be understood and prioritized to design high-impact interventions. The value chain analyst may need to listen attentively to stakeholders in order to establish empathy and trust as they describe all the ways in which the recent conflict has affected their lives and their business, but make sure not to raise expectations that all of these constraints will be addressed. Instead, use discussion of constraints to drive discussion and analysis of opportunities to refocus stakeholders towards a vision of what is possible rather than dwelling on what is holding them back.

2. Data Analysis

Data collection and analysis are an **ongoing, iterative process**. Data should be constantly analyzed to try to piece together an accurate picture of the entire value chain. As pieces of the value chain emerge as being unclear from the existing data, more data from existing or additional sources should be sought. Tools for analysis are explained below.

B. RECOMMENDED OUTLINE FOR THE VALUE CHAIN ANALYSIS

1. Value Chain Summary

A few paragraphs summarizing the main structures, dynamics, and trends in the industry/value chain

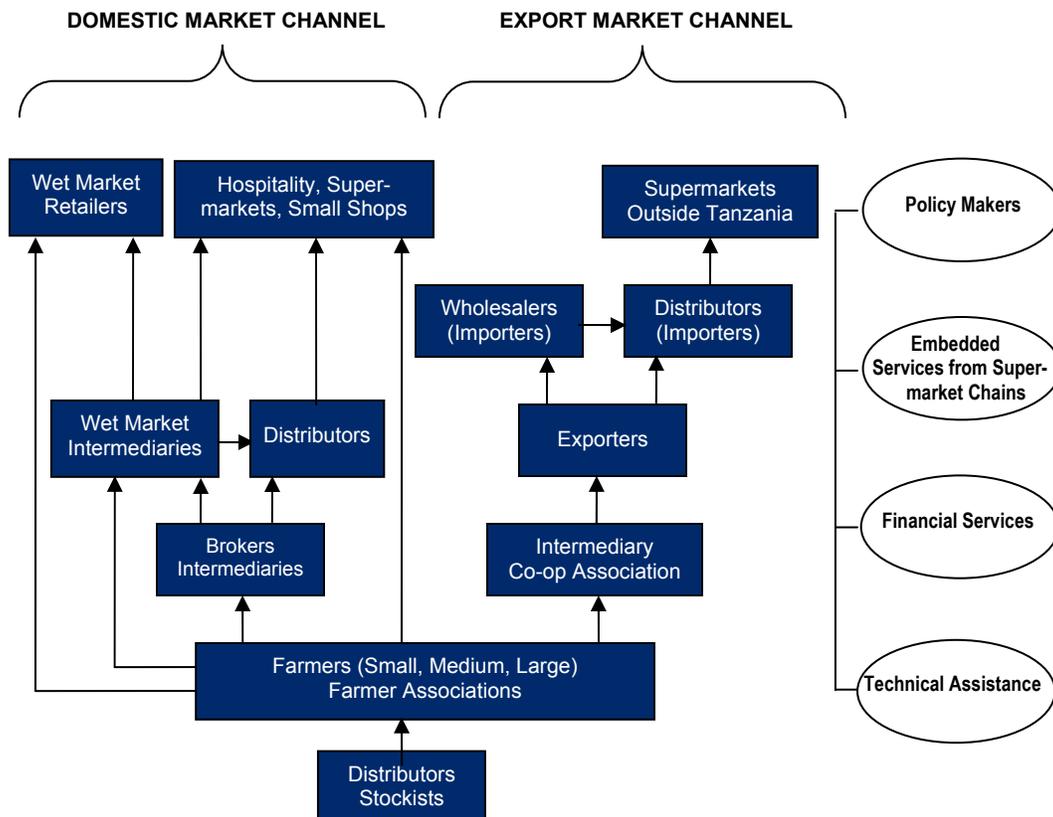
2. Value Chain Map

Value chain maps help us visualize how the industry works. A *basic map* presents the following data:

- Final products and markets
- Key functions/activities
- Market channels
- Value chain participants/actors
- Linkages/relationships

The map can be used to illustrate both qualitative and quantitative data. Value chain maps are meant to illustrate the corresponding narrative description of the value chain channels, structures, and dynamics (see section IV. B 3 below). They should help the reader to visualize the main structures of the value chain, but do not necessarily need to be comprehensive. An example of a basic map, including participants, functions and basic relationships, is presented in Figure 2.

Figure 2. Illustrative Basic Map



A more **detailed map** could include additional information such as: number of firms performing each function, quantitative data on added value or gross margins of each function, volumes moving between different levels, different symbols to indicate learning and benefit flows, etc. **Unless this additional information is readily accessible and familiar to the team preparing the case study, we only expect a basic map to be presented with the case study.**

The steps to compiling a value chain map are as follows:

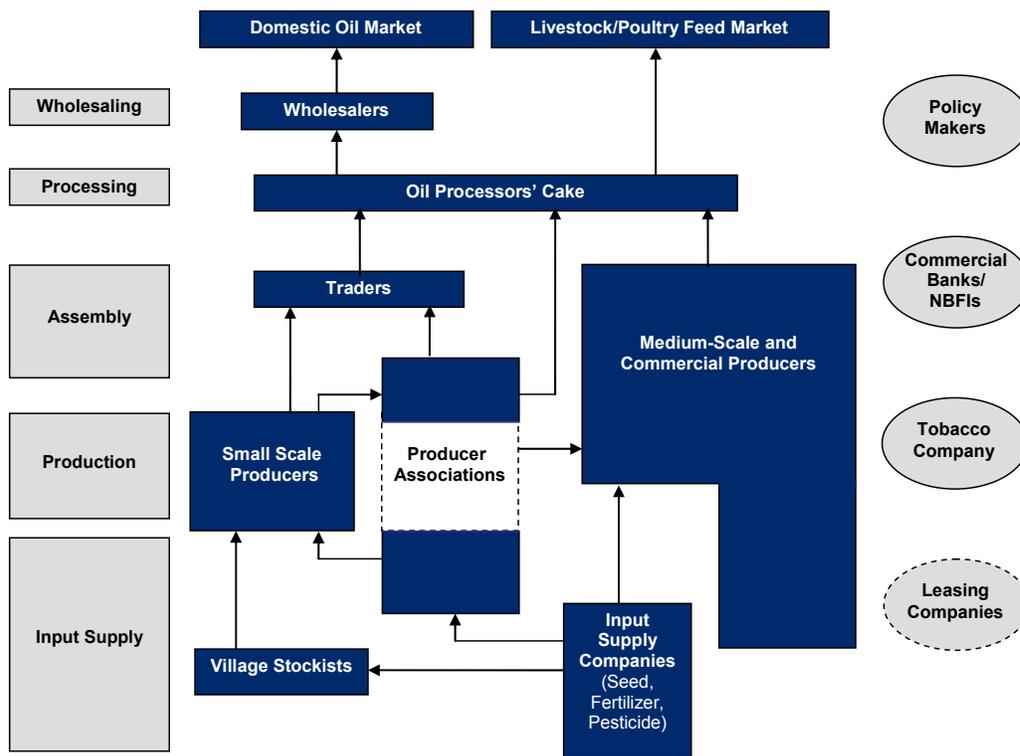
- Data collection (described above).
- A **Participant/Function Worksheet** (Figure 3) can be useful in organizing key information about who is doing what in the value chain. This is optional and **does not need to be included in the case study report.**

Figure 3. Participants and Functions in the Oilseed Value Chain

Functions	Participants							
	Village Stockists	Input Supply Companies	Small-Scale Producers	Producer Associations	Medium-Scale and Commercial Producers	Traders	Oil Processors	Wholesalers
Wholesaling								
Processing								
Assembly								
Production								
Input Supply								

- Draw the basic map. A value chain map can be constructed using Excel or Word programs, using the AutoShapes Function. Basic principles for presentation include the following:
 - **Participants** (individuals or firms directly engaged in transactions that add value to a product and move it towards its end market) should be represented by boxes.
 - In cases where a participant is engaged in more than one function, a long box can be used to extend throughout the relevant functions.
 - In cases where a participant is engaged in multiple functions that are not consecutive in the value chain, skipped functions can be represented with dotted lines (for example, in Figure 4, producer associations are involved in input supply and assembly, but not production: therefore the box through the production function is dotted).
 - In cases where some participants within a given function conduct a certain function and some do not, you can make the box smaller on the line of the function that is not consistent (for example, in the oilseeds map below, some medium-scale and commercial producers are engaged in input supply, while some source inputs from input supply companies).
 - **Transactions** between value chain actors (the flow of goods or services that add value to a product or service and/or move it towards its end market) should be presented by arrows.

Figure 4. Oilseed Value Chain Map



- **Value chain governance** refers to the power dynamics wielded by different kinds of actors in an industry (see text box). Different types of connecting arrows can be used to indicate the various governance patterns associated with different chains or channels within a subsector. Whether or not they are graphically represented, governance should be discussed in the narrative (see IV. B 3 and 4 below).
- **Supporting service providers** (those engaged in providing critical services involved in getting a product or service to its final markets but who do not engage in transactions directly related to moving the product towards the final market) should be depicted by circles/ovals in a column on the far side of the map.

VALUE CHAIN GOVERNANCE

Hubert Schmitz (2004) distinguishes between four types of governance relationships in value chains:

- **Market-based:** enterprises deal with each other in arms-length transactions
- **Balanced network:** enterprises cooperate and have complementary competences
- **Captive network:** the lead firm sets the parameters under which others in the chain operate; the relationship is quasi-hierarchical
- **Hierarchy:** enterprises are vertically integrated; the parent company controls its subsidiaries

Schmitz, Local Upgrading in Global Value Chains: Recent Findings (DRUID Summer Conference Paper, 2004)

- **Market channels** should be depicted with the **end markets** at the top of the page. As much as possible, market channels should be illustrated as vertical columns, with participants involved in direct transactions placed above and below one another.
- Add **data overlays** when possible and relevant. Common data overlays include the approximate number of actors at each function (represented on the map above by N=#), or volumes or values moved between one level to another.

3. Narrative Description of Value Chain Structures and Dynamics

- **End markets:** This section should describe all local, domestic, regional and global markets that the value chain has served—both at present and pre-conflict—and those that appear to be potential markets. Beyond identifying these markets, this section should describe the *requirements* of these end markets, the competitors in these markets and the potential to compete for market share in terms of efficiency, product or operational differentiation, and untapped markets or demand. This section should discuss static information on product flows (how much of which products are being purchased by various buyers through different market channels) as well as trends revealing changes in markets and the reasons behind these shifts and challenges to competition both now and possibly in the future.
- **Business enabling environment:** This section should identify aspects of the business enabling environment which are limiting the industry’s capacity to meet and expand end-market demand. Aspects of the enabling environment to consider in this section include: relevant international/regional trade agreements (including sanctions, quotas or other preferential agreements); regulations concerning quality standards for current or potential markets; national policy assessments, reforms and initiatives; local economic development policies; and legal and regulatory enforcement capacity. Specific examples of elements of a supporting enabling environment to consider include: regulatory policies supportive of small businesses, transparent business culture, targeted support to specific industries, protection of basic preconditions for business such as contract enforcement and property rights, sound financial and economic institutions, limited dependency culture resulting from previous aid or relief interventions, etc. As much as possible, enabling environment issues on the local, national, regional and global levels should be considered and discussed.
- **Value chain participants:** Participants in the various market channels should be shown on the map and discussed in aggregate, either by market channel or by value chain function. (More detailed information can be included in an annex and specific participants can be profiled in text boxes, where appropriate).
- **Supporting markets:** Sector-specific and cross-cutting supporting markets, including financial services markets, should be discussed in detail. In general, the numbers of these service providers tend to be sufficiently low that they can be discussed individually. If there are numerous service providers serving a specific function, they can be discussed in aggregate, with more detail included in annexes or text boxes as discussed above.
- **Inter-firm linkages:** The horizontal and vertical linkages between value chain participants should be analyzed, particularly focusing on how these relationships impact the distribution of and access to information, learning and benefits within the value chain. Relationships

between value chain participants and service providers should also be analyzed along the same lines. The current governance patterns characterizing the various market channels and trends in any changes in these patterns should be discussed.

4. Value Chain Findings

- **Opportunities for and constraints to upgrading:** This section should briefly identify and group opportunities for and constraints to increased industry competitiveness. The extent to which value chain governance or shifts in value chain governance might contribute to and/or reduce the risks of upgrading should also be explored.
- **Analysis of incentives:** This section should identify value chain participants (individuals or firms) with incentives to address the identified constraints and exploit the opportunities while committing to a secure, stable and peaceful environment. The analysis should also clarify the incentives or disincentives of various actors to upgrade, assume greater risks, and/or do business with other groups.
- **Relationship between value chain and conflict dynamics:** Based on an understanding of the specific causes and impacts of the conflict, this section should identify intersections between value chain dynamics and conflict dynamics, including the incentives of value chain actors to drive or mitigate conflict. Relevant questions include:¹
 - How is the sector related to and/or affected by the wider conflict?
 - Has the sector figured in peace negotiations? What is the position of the conflict parties? Are the conflict parties linked by the value chain being studied? Could they be? Are there any common interests within the value chain?
 - Are there significant grievances associated with the sector (e.g., inequality, discrimination)? Do these affect participants' willingness to do business together, and if so, how?
 - Does the sector provide opportunities for "greed" (e.g., illegal economic activities, corruption)?
 - What interests would be affected by sectoral reforms?
 - Does the sector offer opportunities to promote common interests between divided groups or communities?
 - Does the sector contain important capacities (e.g., business groups, professional networks, media) that can be harnessed for the peace process?

This can be summarized briefly if it is addressed and elaborated on in response to the research questions.

¹ Adapted from UN/WB (2004) *Practical Guide to Multilateral Needs Assessments in Post-Conflict Situation. Annex 26*

V. STATEMENT AND ANALYSIS OF CASE STUDY RESEARCH QUESTION(S)

8-20 pages incorporating the following:

A. STATEMENT OF RESEARCH QUESTION

The study should state and test a research question in response to one or more of the following:

- How can the value chain approach contribute to the rebuilding of markets in post-conflict situations?
- To what extent can value chain linkages—vertical or horizontal—help to integrate those affected by conflicts with economies where markets are functioning?
- How can end markets best be used to drive market upgrading and value chain strengthening in post-conflict situations?
- How can mistrust between buyers and sellers be overcome in order to develop more effective value chains and to further peace and security?
- How can sector selection and value chain analysis tools be adapted to post-conflict situations and the need for quick action?
- How can value chain analysis and the value chain framework help us identify and understand the major opportunities for upgrading and the driving constraints to market growth exacerbated by or resulting from conflict?
- How can strategic subsidies, including grants and/or vouchers, be used to lay the groundwork for an eventual transition to a market-driven economy?
- How can stakeholders be encouraged to adopt longer range “win-win” rather than short term “win-lose” strategies, particularly in shortened decision-making time horizons?

B. ANALYSIS OF RESEARCH QUESTION

The study should discuss project interventions, tools, approaches, results, impact and lessons learned. This discussion should be centered on the case study research question and should draw on the value chain analysis and conflict assessment. *The Value Chain Development in Conflict-Affected Environments Literature Review* (draft) presents preliminary findings on each of the above research questions which can be used as reference, tested, rejected or confirmed.

VI. CONCLUSION AND RECOMMENDATIONS

Conclusions should be drawn concerning the chosen research question(s). What intervention principles does this case suggest? What “best practices” and/or lessons learned does the case bring to light? Action-oriented recommendations should be made concerning good or emerging best practice in value chain development in conflict-affected environments. Specific tools and/or training modules may be presented or suggested for development with supporting rationale. Remaining unanswered questions and potential areas for additional research should be noted.

ANNEX A: ILLUSTRATIVE CONFLICT ASSESSMENT SURVEY

A. INCENTIVES FOR VIOLENCE

ETHNIC AND RELIGIOUS DIVISIONS:

- Has the relationship between ethnic/religious groups been characterized by dominance, potential dominance, or high levels of fragmentation?
- Where do these groups currently live and in what numbers? Are they concentrated in regional pockets or dispersed? If concentrated, do they form a majority or minority in the area?
- What is the history of relations between groups? Is there a pattern of systematic discrimination or have relations been relatively peaceful and inclusive?
- Have other divides, for example political exclusion or economic inequality, reinforced ethnic divisions?
- Are there elites who face an economic or political incentive to mobilize violence along ethnic lines?
- Is extremist ethnic or religious rhetoric still apparent or increasing? Are elites beginning to create or promote ethnic “myths”?

ECONOMIC CAUSES:

- Is the economy (of the country/region) growing, stagnant or declining? By what percent?
- Is the country (or region) low income?
- Have there been—and do there remain—large socio-economic disparities? Do these reinforce other lines of division, such as ethnicity?
- Is the economy heavily dependant on primary commodities, or has it been in the past? Are these commodities easily “lootable” (easily appropriated by individuals or groups of unskilled workers)?
- Is economic power tied to political power?
- How pervasive is corruption or patronage? Does it flow along ethnic or other lines of division?
- If there is a large informal economy, is it legal or illegal (i.e., based on drugs, human trafficking, etc.)? Has this changed with the transition from conflict?
- What is the capacity of the formal/informal economy to absorb new entrants?
- What is the unemployment rate, particularly for young men in urban areas?
- Is there a match between the skills of new entrants and the needs of the economy?
- Are these economies heavily dependent on access to global markets? How susceptible are they to economic shocks?

ENVIRONMENTAL CAUSES:

- Are there major resource scarcities?
- What are the primary causes of scarcity?
- Has scarcity led to resource capture?
- Has scarcity led to population transfers?
- Do the effects of scarcity (resource capture, population transfers, etc.) reinforce other divides (ethnic, religious, economic) and/or generate competition between groups?
- Do elites compete over the control of valuable natural resources (both renewable and non-renewable), scarce or not?
- Are certain resources (such as land) used as a tool in political competition?

DEMOGRAPHIC TRENDS

- Do population growth rates differ across distinct, adjacent communities?
- Are there other factors (e.g., economic migration) that are tipping the demographic balance towards one particular group?
- Is the rural population expanding? If so, is there access to land or are there other safety valves for population pressures (e.g., migration to adjacent states/economic opportunity in urban centers)?
- What are the rates of urbanization? Is the urban population expanding in a period of economic growth or decline?
- What is the size of the youth cohort relative to the total population?
- Are there particular areas (urban centers, distinct regions) where the youth cohort is disproportionately large?
- Are young people radicalizing? If so, around what issues? If not, what is keeping this from happening?
- Are there rapid increases in young, educated professionals who have no opportunities for political or economic advancement?

INTERACTION EFFECTS

- Are there many incentives for violence (both economic and non-economic) or few?
- Are they longstanding and chronic or fairly recent origin?
- Do incentives for violence overlap and reinforce each other or cut across lines of division? For example, does access to economic opportunity overlap with or cut across ethnic difference?
- Is there an alignment between socio-political grievances and economic motivations? Are elites with a political or economic incentive to mobilize violence well positioned to tap into a strong grievance?

B. MOBILIZATION: ACCESS TO CONFLICT RESOURCES

ORGANIZATIONAL RESOURCES

- Do organizational structures bridge or reinforce differences in a society? For example, are civil society groups mono-ethnic or multi-ethnic?
- Are there well-established ethnic or religious associations that could be used to mobilize violence?
- Have these structures stepped in to provide important services, such as access to employment or education, in the context of a weak state?
- How closely do organizational resources (e.g., ethnic groups or patronage networks) align with incentives for violence?
- If incentives and organizations are aligned, are these organizations capable of monitoring group behavior and punishing defectors from group goals?

FINANCIAL RESOURCES

- Are groups with an incentive to mobilize violence affiliated with foreign support groups (e.g., Diaspora communities, foreign governments, transnational religious or ethnic groups) that could provide funding?
- Can those motivated to engage in violence obtain control of “lootable” primary commodities?
- Are resources available through government corruption or patronage networks?
- Can sufficient resources be gained through smuggling, kidnapping, banditry or other activities on the black or gray market?

HUMAN RESOURCES

- Is there a population of ready recruits (e.g., unemployed young men in urban or semi-urban areas) available to actors motivated to engage in violence?

GENERAL QUESTIONS

- Do groups with incentives for violence have access to all conflict resources—organizational, financial, and human—or only a few?
- What level of resources do groups have and what level do they need to achieve their goals? Is there a match?
- Where do these resources come from (e.g., natural resources, corruption/patronage networks, Diasporas, foreign recruits, local/international sources) and what does this imply about ease of access and sustainability?

C. INSTITUTIONAL CAPACITY AND RESPONSE

REGIME TYPE AND LEGITIMACY

- Is the regime democratic, authoritarian, or mixed?
- How long has it existed in its current form?
- Is it in a period of transition or erosion?

- Are there generally accepted rules for political competition?
- What is the overall level of respect for national authorities?

INCLUSION/EXCLUSION

- Do government policies favor one group over another? For example, are government services provided equally across different ethnic or religious groups, are exclusive language policies in place?
- Has the collapse or erosion of state institutions led groups to turn to more immediate forms of identity for survival?
- Do civil society groups reinforce or bridge lines of division?
- How robust are multi-ethnic or multi-religious organizations? Do they have a mass base (e.g. trade unions, business associations) or are they limited to a narrow elite layer?
- How are issues of ethnicity/religious taught in schools?
- Does the press promote ethnic or religious intolerance?

RULE OF LAW/PROVISION OF SECURITY

- How strong is the judicial system?
- Are civil and political freedoms respected?
- Are other basic human rights respected?
- Does unlawful state violence exist?
- Does civilian power control the security sector?
- Is the government able to exercises effective control over its territory?
- Does the security sector (police/justice sector) effectively and impartially settle disputes between groups or is there a perception of bias?
- To what extent is the security sector involved in shadow economic activity?
- Do government institutions effectively regulate legal arms trade and prevent illegal arms trades or do they participate in it?

ECONOMIC GOVERNANCE

- Does economic policy encourage economic growth or impose obstacles?
- Is policy conducive to macro-economic stability?
- How pervasive is corruption in state institutions?
- Do government institutions/civil society groups effectively monitor and enforce financial transparency and accountability?
- Is the government able to exert economic control over the territory of the state or are there large pockets of autonomous economic activity?
- Does government policy encourage a good match between available skills and the demands of the market?
- Do state economic policies favor one group at the expense of another?
- Are local governments able to encourage local economic growth and investment and respond to local economic problems?

- Do grassroots and/or national institutions constructively engage underrepresented and marginalized groups in economic development activities?
- Do government programs constructively engage potential recruits, such as unemployed youth?

NATURAL RESOURCE MANAGEMENT

- Does government policy seek to improve the sustainable management of natural resources?
- Are there institutions in place that effectively mediate competing claims to natural resources such as land or water?
- Do local/national elites earn significant off-budget income from the exploitation of natural resources?
- Do government institutions effectively regulate trade in lootable commodities?
- Are natural resources viewed by state elites as a useful tool or prize in a larger political competition?
- Are state institutions able to respond to environmental shocks or natural resources?

DEMOGRAPHIC FACTORS

- Are government policies causing demographic shifts, for example through government-sponsored transmigration or agricultural programs?
- Are government institutions able to respond to new demands created by demographic change? For example, are voting rights tied to place of residence or birth (meaning will uprooted populations be able to voice demands through political channels)?

D. REGIONAL AND INTERNATIONAL FACTORS

- Are ethnic and/or religious divisions reinforced by parallel relations in neighboring countries?
- Does environmental degradation have cross-border causes or effects?
- Is economic activity (both legal and illegal) closely tied to regional or global dynamics?
- Is the economy highly vulnerable to global economic shocks?
- Are demographic shifts tied to regional events?
- Is mobilization facilitated by support from other governments or ethnic and religious groups outside the country?

E. WINDOWS OF VULNERABILITY

- Are major government reforms planned that could result in shifts in political or economic power (e.g., decentralization, anti-corruption, security sector reform)?
- Are contentious elections approaching?
- Is the country vulnerable to natural disasters?
- Does the government effectively respond to mitigate the damage done by natural disasters?
- Is the economy highly vulnerable to global economic shocks?
- Do government institutions have a history of effectively responding to political and economic crises?
- Do local governments effectively and constructively respond to local instability?

ANNEX B: PRINCIPLES OF PRIMARY DATA COLLECTION²

Primary data collection can include the following sources, subject to accessibility:

- **Key informant interviews**—interviews conducted with individuals selected for their knowledge of conflict causes and effects and/or value chain structures/dynamics. These interviews can include *qualitative* information on overall trends in addition to *quantitative* information on specific functions or transactions he or she is or has been engaged in. They are generally *in-depth* and *semi-structured*.
- **Consultations** with individuals or organizations familiar with the conflict or value chain, either directly or indirectly. These can include government agencies, UN agencies, international organizations, civil society organizations, trade unions, Chambers of Commerce, religious groups, charitable associations, political groups, employee or workers' associations, etc.
- **Focus group interviews**—interviews with specific groups such as women, workers, internally and externally displaced persons, youth, smallholder farmers, traders, etc. This structure is useful when time or logistical constraints preclude meeting individually with these actors. They tend to be most effective in groups of 8-12 participants and moderated by someone familiar with the research agenda.
- **In-depth interviews** may be conducted with individuals identified as potential catalysts to drive growth in the targeted value chain, and can discuss potential incentives to mobilize investment and action. These are generally unstructured.
- **Mapping and photographs**—these include drawings, sketches or photographs of the area under investigation, and should capture major physical, infrastructure, and communications features and locations of different conflict-affected groups.
- **Direct observations** are recorded by teams or individual observers in the area under investigation, specifically in relation to effects of conflict on value chain dynamics.
- **Surveys and questionnaires**—depending on the capacity of the local population and the research team, short questionnaires can be conducted with anywhere from 15 to 50 individuals, using crude sampling techniques. This can be useful when assessing different locations or for verifying information obtained through interviews, or for obtaining information through other organizations or networks, such as associations or cooperatives.

Common problems encountered in primary interviews include a distracting environment, contradictory or confusing information,; informants who stray off topic, language and translation

² Sources include ILO (2001) *Crisis Response: Rapid Needs Assessment Manual* and ACDI/VOCA materials

barriers, and resistance from the informant. *Interview guidelines* suggested to navigate around these barriers include:

- Take a **semi-structured approach** to collecting primary information: use question guides, but vary the order of questions according to the flow of the interview and comfort level of the interviewee.
- **Follow leads** from informants in relation to additional information to be collected or additional sources to speak with.
- Be **honest**: never misrepresent who you are, your objectives, etc.
- Establish **rapport** through one-on-one communication.
- Be open to answers that are different from what you are expecting, and **avoid using leading questions** to obtain the information you are looking for.
- Have a **launching point** for your discussion: find a concrete, directly relevant issue with which to start the conversation.
- Feign **strategic ignorance**: acknowledge that the informant is the one with the knowledge and information, and we are here to learn from him or her).
- **Triangulate** your data: when possible, verify answers from more than one—ideally three—different sources.
- Consider the **identity and incentives** of the source when assessing data, but avoid bias.
- **Be aggressive about finding out about seemingly absent actors or groups**. Particular groups (especially vulnerable ones) may not be visible and must be sought out through community networks and use of participatory methods.
- **Take notes** during interviews, particularly on quantitative information.
- Conduct a **quick write-up** including main details and basic analysis immediately after the interview.

ANNEX C: ILLUSTRATIVE VALUE CHAIN QUESTION GUIDE

IN-DEPTH INTERVIEW GUIDES: MADAGASCAR NATURAL PRODUCT VALUE CHAIN

GUIDE 1: EXPORTERS

1. Introductions, purpose of in-depth interview and research.
2. *Show and explain the value chain map.* What do you think of this illustration/representation? How does it seem to you?
3. What changes do I need to make to improve it?
4. Can you identify yourself on the value chain? Where are you located?

Questions about Clients/Buyers

5. Who are your main clients (buyers)?
6. Where and how did you find your clients for the first time?
7. How do you learn about your clients preferences? (*probes:* order quantities, standards, quality requirements, delivery dates)
8. Have you noticed any changes in preferences over time? (i.e., trends)
9. How would you characterize your relationships with your principal clients? (*probes:* independent, close, collaborative, difficult, lots of information passes between you, client is in charge, they direct you)
10. Would you say that in your relations with your clients there is a lot of trust, there is some trust, or there is no trust? Why?
11. In thinking about one or two of your principal clients, how has your relationship changed with them over time?
12. Does your firm receive any assistance/help or collaboration from your clients? (*probes:* Advances, credit, information, inputs, technical assistance, recommendations)
13. What are the steps you usually take to ensure that you meet your clients' specifications, including delivery date and quality? (Is it difficult to comply with your clients' requirements? What do you have to do?)
14. Do you share information with other exporters? If so, what kind of information and why? (*probes:* to meet large contracts, set prices, legal issues, etc.)

Questions about Suppliers/Producers

15. What are all the ways you source the product? Who are your main suppliers?
16. Do you buy your product from individual producers, from associations (groups) of producers or intermediaries?

17. How many producers do you work with?
18. If you have different types of suppliers, how would you characterize the differences between each type of supplier? (What are the characteristics of each type of supplier?)
19. How do you communicate information to your suppliers regarding your requirements in terms of quality of produce, size, chemical use, delivery dates, etc?
 - How do you demand that you suppliers meet the requirements?
 - What difficulties do your suppliers have in meeting your demands?
 - Do you help them? How?
20. What changes would you like your suppliers to make?
 - Have you communicated your wishes to them?
 - How do they respond?
 - What can you do to facilitate or demand these changes?
21. How do you work with producers to ensure that they satisfy your requirements for quality? What do you do to encourage them? What pressures do you apply?

Questions about Natural Resource Management

One of the areas that we are also interested in is natural resource management in Madagascar. Now, I would like to ask you questions regarding these issues.

22. Have you noticed any changes in the natural resources as a result of production of X? (*probes*: land clearing, lower river levels, etc.)
23. Do you follow any environmental standards or codes? Which? How much of your sales are marketed as organic, fair-trade, etc.?
24. Do you provide any information or support to your suppliers to promote environmental sensitivity? (*probes*: training, exchange visits, technical assistance, etc.)
25. Do you collaborate with other businesses or entities (advocacy groups, government agencies, other) to promote sustainable resource management? If so, how?
26. What motivates you to promote sustainable resource management? (*probes*: market niche, personal concern, legal requirement, etc.)

Questions about the Local Community

27. How would you describe your relationship with the local community? (*probes*: supportive of your business, an assess, a threat)
28. Have you ever had a conflict with the local community? If so, what? How was it resolved?
29. Have you taken any specific actions to incorporate the local community in your business? (*probes*: in planning, in selecting suppliers, in making local grants, etc.)
30. Do you work with the local community in any other ways? (e.g., lobbying)

To Finish Up

31. Are there any government policies that are helpful to your business? Are there any policies that you would like to see changed? What changes would be helpful?
32. What are the three most serious risks for your enterprise?

33. What do you think about the competitiveness of the value chain?
34. Do you have additional observations or comments that we have not discussed?
35. Thank you for your time. Are there other players in this value chain that you think we should talk to? Could you give me referrals?

GUIDE 2: LEADERS OF PRODUCER ASSOCIATIONS

1. Introduction and purpose.
2. How did this association form and how has it evolved over time?

Questions about Members and Services

3. How many members do you have? What are the general characteristics of your members? (*probes*: size, location, economic activity, gender)
4. Are all your members from the same ethnic (language) group or area? Can someone from a different ethnic group or area join this association?
5. Which crops do your members grow? Do any specialize in the production of the selected natural product?
6. What services do you provide to your members?
7. What are the advantages of being a member of this association?
8. What would make your association more attractive to members? (*probes*: more services, lower membership fees, different location, etc.)
9. Do you collaborate with local or national government entities? In what way?
10. Do you collaborate with community groups or NGOs? Elaborate.

Questions about Sales and Markets

11. Does the association coordinate the sales of their members' products? If so, how does this work?
12. Where does the association sell their products? (*probes*: local markets, at the farm gate, tourist resorts/hotels, stores, export)
13. How do you locate new buyers?
14. Are individual members allowed to sell their products apart from the association?
15. How is the role of the association different from the role of brokers/intermediaries?

Questions about Upgrading

16. Are members engaged in the following types of upgrading: a) growing new varieties; b) SPS certification; c) production techniques?
17. How do members of the association learn about product requirements and quality standards that buyers want? How do they learn about market taste? How do they learn about the changes customers want?
18. What are the difficulties producers have in making these changes?
19. In what ways (why?) are producers reluctant to make these changes?
20. Are there any costs or risks to members in making changes? Do they earn more?

21. How does being a member of this association help producers to learn about the changes buyers want and make these changes?

Questions about Natural Resource Management

One of the areas that we are also interested in is natural resource management in Madagascar. Now, I would like to ask you questions regarding these issues.

22. What major changes in the natural resources have you noticed? (*probes*: land clearing, lower river levels, etc.)
23. How are these changes affecting your members?
24. Do your members have any certifications (organic, fair-trade, etc.)? How much of your sales are marketed as organic, fair-trade, etc.?
25. Do you provide any information or support to your members to promote environmental sensitivity? (*probes*: training, exchange visits, technical assistance, etc.)
26. Do you collaborate with other businesses or entities (advocacy groups, government agencies, other) to promote sustainable resource management? If so, how?
27. What motivates you to promote sustainable resource management? (*probes*: market niche, personal concern, legal requirement, etc.)

Other Questions

28. How does producing the selected natural product fit in with the other activities of the household (i.e., the household economic portfolio)?
29. Is production of this product usually a full-time or a part-time activity for your members? How does the part-time status of producers affect their ability to respond to orders? (*probes*: seasonality, type of income needed)
30. Can some farmers produce more rapidly/efficiently than others? If so, why?
31. How would you rate the producers in your association according to these six characteristics (explain the six competitiveness characteristics and the rating system – see last page)?
32. Would you say that it is sometimes hard for members to trust the leaders of the association? Why or why not?
33. Are there any government policies that are helpful to your members? Are there any policies that you would like to see changed? What changes would be helpful?
34. Do your members ever have conflicts with their local communities? If so, what kind and how are these conflicts resolved?

To Finish Up

35. *Show and explain the value chain map.* What do you think of this illustration? How does it seem to you?
36. What changes do I need to make to the illustration?
37. What do you think about the future for smallholders who grow the natural product?
38. Do you have additional observations or comments that we have not discussed?

39. Thank you for your time. Are there other players in this value chain that you think we should talk to? Could you give me referrals?

GUIDE 3: INTERMEDIARIES

1. Introduction and purpose.

Questions about Buyers/Clients

2. What are the main products that you sell?
3. What are all the ways that you sell the selected natural product (market outlets)? To whom do you sell the product?
4. What are the differences between your clients? To whom do you prefer to sell? (*probe*: frequency, price, bargaining/negotiating costs, volume, quality, consistency)
5. How do you learn about the new products that buyers want? How do you learn about market taste and quality requirements?
6. How did you first meet your clients/buyers?
7. Do you receive any form of assistance/help from your clients/buyers? (*probe*: cash advances, advances in materials, training, transport, record keeping)
8. What steps do you take to meet your client/buyers specifications, including delivery date and quality?
9. What challenges do you face when it comes to your buyers?

Questions about Suppliers/Producers

10. What are all the ways you obtain the product? Who are your suppliers?
11. What are the differences between the suppliers you work with? (*probe*: quality, price, punctuality, standards, volume, costs of collecting products, risks)
12. Which type of supplier do you prefer to buy from?
13. Do you buy directly from farmers? If so, do you buy from individual farmers or from groups of farmers? What is the typical landholding of the farmers you buy from?
14. How many suppliers (of each type) do you buy from?
15. How do you first find your suppliers? (*probe*: people you know, contacts, family, neighbors, language groups)
16. What kinds of help or services do you provide to your suppliers? (*probe*: inputs, seeds, credit, irrigation techniques, technical assistance in better farming practices, help with certification)
17. How do you communicate your product requirements to your suppliers?
18. What are the difficulties suppliers have in meeting your requirements?
19. In what ways are suppliers reluctant to make these changes?
20. Are any of the farmers you source from certified under EUREPGAP, BRC, organic, fair trade or other certification program?

Questions about Natural Resource Management

One of the areas that we are also interested in is natural resource management in Madagascar. Now, I would like to ask you questions regarding these issues.

21. Have you noticed any changes in the natural resources as a result of production of X? (*probes*: land clearing, lower river levels, etc.)
22. Do you follow any environmental standards or codes? Which? How much of your sales are marketed as organic, fair-trade, etc.?
23. Do you provide any information or support to your suppliers to promote environmental sensitivity? (*probes*: training, exchange visits, technical assistance, etc.)
24. Do you collaborate with other businesses or entities (advocacy groups, government agencies, other) to promote sustainable resource management? If so, how?
25. What motivates you to promote sustainable resource management? (*probes*: market niche, personal concern, legal requirement, etc.)

Questions about the Local Community

26. How would you describe your relationship with the local community? (*probes*: supportive of your business, an asset, a threat)
27. Have you ever had a conflict with the local community? If so, what? How was it resolved?
28. Have you taken any specific actions to incorporate the local community in your business? (*probes*: in planning, in selecting suppliers, offering credit, etc.)
29. Do you work with the local community in any other ways? (e.g. lobbying)

To Finish Up

30. Are there any government policies that are helpful to your business? Are there any policies that you would like to see changed? What changes would be helpful?
31. What are the three most serious risks for your enterprise?
32. Show the value chain map: What do you think of this representation?
Can you identify yourself on the value chain? Where are you located?
33. Do you have additional observations or comments that we have not discussed?
34. Thank you for your time. Are there other players in this value chain that you think we should talk to? Could you give me referrals?

GUIDE 4: LOCAL MARKETS

1. Introduction and purpose.
2. How much of the product do you buy and sell?

Questions about Suppliers/Producers

3. We are interested in understanding how you obtain your products (the selected natural product). Can you please explain all the ways that you buy your supply of this? Who are your suppliers? (*probe*: ethnicity, gender, scale, location)
4. What are the differences between the suppliers you work with? In other words, what are the characteristics of each type of supplier? (*probe*: quality, price, punctuality, standards, volume, costs of collecting products, risks)
5. Which type of supplier do you prefer to buy from? Why?
6. Do you buy directly from farmers? If so, do you buy from individual farmers or groups of farmers? What is the typical landholding of the farmers you buy from?
7. Who are your most important suppliers? What makes these the most important?
8. How many suppliers (of each type) do you buy from?
9. How do you first find your suppliers? (*probe*: people you know, contacts, family, neighbors, language groups)
10. What kinds of help or services do you provide to your suppliers? (*probe*: inputs, , credit, advice on market demand)
11. How do you communicate your product requirements to your suppliers? (*probe*: quality of produce, size and appearance, delivery dates)
12. What are the difficulties suppliers have in meeting these requirements?
13. What changes would you like your suppliers to make?
 - How do you communicate this to them?
 - Are they willing or reluctant to make these changes?
 - What can you do to facilitate or require these changes?
14. Do you pay different prices for different qualities of the same product?
15. Are any of the farmers you source from certified under EUREPGAP, organic, fair trade or other certification program?

Questions about Customers

16. How have the preferences of your customers changed over time?
17. How has your selection of products changed over time?
18. Do you have any additional observations or comments that we have not discussed?
19. (For warehouse, distribution center) How many stores receive the product from this facility? Where are they? How many similar facilities does your company have? Where are they?

To Finish Up

20. What are the three most serious risks for your enterprise?
21. What do you think about the competitiveness of the value chain?
22. Do you have additional observations or comments that we have not discussed?

GUIDE 5: PRODUCERS (FARMERS)

1. Introduction and purpose.
2. What crops do you currently have planted? (icebreaker)

Questions about Farming Business

3. What is the total land area you have and how much is cultivated?
4. What part of your land is irrigated and what form of irrigation?
5. What are all the crops you have grown in past year and approximately how much land areas did you cultivate with each one?
6. Which of these crops did you sell and which crops were eaten in your household?
7. How many people live and eat with you in your home? Do you support other members of your family who do not currently live and eat with you?
8. Other sources of income for informant and household members.

Questions about Selected Natural Product

9. How long ago did you first start growing this product? How long ago did you first start selling this product?
10. Describe circumstances leading up to first growing of the product for sale. (*probe*: challenges, demonstration effects, learning, help from buyers or other farmers, risks, immediate impacts)
11. How did you learn about the way to grow the product, e.g., when to plant it, how to plant it, how to control pests and diseases, when to harvest it, etc.
12. Did you receive any support or advice? What kind and from whom? (*probe*: government extension, NGOs, lead firm, neighbor, etc.)
13. Did you use any services to grow the product? (e.g. credit)
14. What inputs do you use to grow this product, and where do you get them from?

Markets and Buyers

15. Where or to whom have you sold your product in the past year? (*probe*: wet market, exporter, intermediary, broker, shop or store, association)
16. Did you sell your product to other types of buyers in the past?
17. What are the main differences between these types of buyers?
18. Which types of buyers do you prefer to sell to and why? (*probe*: larger volume of sales, higher prices, fewer risks, repeat sales; faster payment, more trust, more assistance, easier to find buyers)
19. What forms of help or assistance do you receive from the different types of buyers? (*probe*: advances of seeds or other inputs; training; technical assistance; advance contract for sale; cash credit; transport services)
20. To which type of buyer do you currently sell most of your product and why? What proportion of your product did you sell to this buyer in the past year?
21. Would you like to find more or different types of buyers? Why?
22. Is there anything else about selling your product that you think I should know?

Association with Other Farmers

I am interested in knowing how farmers in this area help and cooperate with each other. Could you explain some of the ways that farmers in this area work together?

23. Do you ever cooperate with other farmers? Do you belong to any growers' associations or clubs? Please explain.
24. What are the activities you do together?
25. What are the benefits of being in this association?
26. What kinds of problems are common?
27. How do you address these problems together?

Questions about Natural Resource Management

Another area that we are interested in is natural resource management in Madagascar. Now, I would like to ask you questions regarding these issues.

28. Have you noticed any changes in the natural resources as a result of production of X? (*probes*: less forests, lower river levels, etc.)
29. Do you follow any environmental standards, guidelines or recommendations? Which? How did you learn about them? (*probe*: NGO recommended, government extension agents, etc.)
30. Does your association promote sustainable resource management? If so, how? Is this important? If so, why?
31. How much of your sales are marketed as organic, fair-trade, etc.?

To Finish Up

32. What plans do you have for your farm in the future? What changes would you like to make?
33. Why are you interested in making these changes?
34. What opportunities do you see?
35. What challenges do you face?
36. What do you think about the future for growing the target product?
37. Do you have additional observations or comments that we have not discussed?

GUIDE 6: TRANSPORT/SHIPPING COMPANIES

1. Introductions, purpose of in-depth interview and research.
2. How long has your business been working in this location?
3. Who are your clients? (*probe*: Malagasies, foreigners)
4. Are some of your clients more important to your business than others?
5. How important is the target product to your business?
6. Where are you sending most of this product to? (*probe*: USA, Europe, Japan, other African countries)
7. Are you referring to value or volume of product?
8. *If is familiar with value of product*, Where do you get information on the value of the products you ship?
9. Suppose I am a new customer and I need to send a shipment of this product to the USA. What are the steps or processes that I need to follow in order to send the product overseas? (*probe*: what forms do I need to complete, do I have to declare the value, what information do I have to provide)

10. What are the physical ways that your company sends products? (*probe*: sea, air, land)
11. What is the fee structure? (*probe*: is it based on weight, value, volume, method of transportation)
12. What other services do you offer to clients? (*probe*: packaging, payment transfer)
13. If you offer services directly to foreigners who reside overseas, how would you describe a typical client?
14. How do you get orders from that type of client?
15. If you offer services to Malagasies residing locally, how would you describe your typical client?
16. What percentage of your clients who reside locally are repeat buyers?
17. Do your clients who reside locally sell the natural product that they produce themselves, do they sell the natural product produced by others, or do they do both?
18. What have been the trends that you have seen in the selected natural product's market? (*Probe*: are there more people sending products overseas, are there more foreign buyers who reside overseas placing orders directly)

GUIDE 7: GROUP INTERVIEW FOR FARMERS

Background information

- | | |
|-----------------------|-------------------------------|
| --Name of association | --Number of members |
| --Starting date | --Languages spoken by members |

1. Greetings, welcome, introduction, and purpose. (no specific benefit)
2. Guidelines/Rules: everyone should speak, raise hands to speak, take turns and speak one at a time, speak briefly, think about what is typical, common or usual.

Members' Economic Activities

3. What crops are usually (often) grown by members of this association?
4. In addition to growing these crops, what other ways do families in this area usually (normally, often) earn income and meet their expenses?
5. About how much of their total income do families usually earn from selling the selected natural product: all, more than half, about half, less than half, very little.

Markets and Buyers

6. I am going to name different ways to sell the product, and I would like to know if the members of this association ever use any of these ways to sell their product: neighbors, buyers who come to the farm, market in the capital, village markets, small stores, hotels and restaurants, supermarkets, exporters.
7. Are there any other important ways to sell the product that I have not mentioned? What are they?
8. Of these ways to sell the product that we have listed (repeat list), which three ways are most often used by members of this association?

9. What are the main differences between these three ways to sell the product? (*probe*: price, cost of marketing, volume of sales, repeat sales, information, advances of seeds and chemicals, other assistance from buyer)
10. Has the association ever coordinated the sales of their members' products? If so, how does this work?

Being in Association

11. What are the advantages of being a member of this association? (How do members of the association benefit from being in the association?)
12. What have you heard are some of the disadvantages of being a member of an association?
13. We've heard that the leadership of an association is very important. In your opinion, what does it take to be a good leader of an association?

Natural Resources Management

14. Have you noticed any changes in the natural resources as a result of production of X? (*probes*: less forests, lower river levels, etc.)
15. Do you follow any environmental standards, guidelines or recommendations? Which? How did you learn about them? (*probe*: NGO recommended, government extension agents, etc.)
16. Does your association promote sustainable resource management? If so, how? Is this important? If so, why?

Future Vision

17. What would be the (one) most helpful change for the natural product growers in this area?
18. What is the (one) most important issue you face as a grower?
19. Thank you for your time. Repeat purpose.

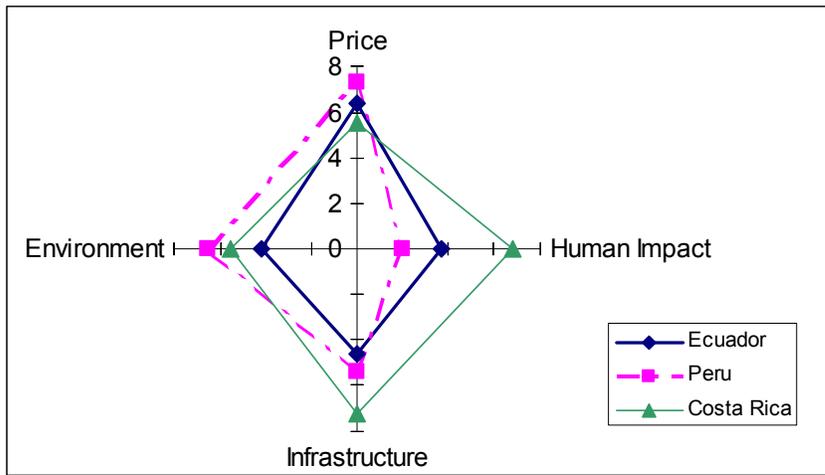
GUIDE 8: END MARKET BUYERS

COMPETITIVENESS RATING

- price, from the buyers perspective
- quality of the product
- speed between order and delivery
- flexibility to produce different size orders
- on-time delivery according to prior agreement
- ability to innovate in design

For each of these—or other appropriate—facets of competitiveness, the informant will be asked to rate producers using a five-point scale, ranging from “very poor” to “excellent.” These points will be mapped on a spider diagram as per the example in figure 5.

Figure 5. Ecuador Ecotourism Sector versus Competitors as Viewed by Tour Operators



U.S. Agency for International Development

1300 Pennsylvania Avenue, NW

Washington, DC 20523

Tel: (202) 712-0000

Fax: (202) 216-3524

www.usaid.gov