

Making Markets Work for Hard-to-Reach Smallholders

Enhancing the Meat and Fodder Market Systems in Bangladeshi Chars

Market Development Component for the Chars Livelihood Programme (CLP) (2012-2014)

Improving the Meat and Fodder Markets is Critical to Sustained Poverty Reduction

For smallholders and local enterprise in and around the Char regions of Bangladesh, improving the meat and fodder markets and fostering inclusive growth is critical for sustainable income generation. In order to make long term and substantive changes that benefit smallholders, markets and value-chains in and around the chars must be understood and strengthened through **improved access to quality inputs** and the promotion of **market-based service provision**.



Value-chain development is critical to ensure long-term poverty reduction;

- 49% of char population are ultra- poor
- 60% of population involved in livestock sector
- Shortage of fodder constraints livestock production

Yet, these markets face a number of serious constraints that impede the ability of smallholders to successfully and sustainably participate. They are **extremely isolated and characterized by poor infrastructure**, including a very weak road network which seriously **hinders market accessibility**. It currently takes 2-4 hours for Char producers to reach the nearest growth centre (WFP, 2006). Lack of market access has a multiplier effect on the local agricultural economy resulting in i) poor access to quality inputs ii) absence of competitiveness in the market iii) high risk for private sector participation.

Strengthening the Meat and Fodder Value Chains can Increase Incomes

Engaging with the market to develop an understanding of the realities on the ground is essential if changes in the market system are to be felt by the smallholders. This cannot be achieved by top- down, externally driven project design which considers the smallholders in isolation. Rather, it requires viewing them as part of the wider market system which must be analysed and

understood. Through direct engagement at field level it is possible to determine who the various market actors are, how they are engaging with one another and what services are being provided. It is on this basis that constraints can be overcome and opportunities realised.

To this end, the **DFID** funded **Market Development for Chars Livelihood Programme (2012-2014)** project was developed to ensure markets and value chains around the chars of Rangpur, Lalmonirhat, Niphamari provide greater opportunities and benefits for poor households.

Market Development for CLP is an international effort supported by **DFID**. The project works alongside CLP to develop micro-enterprises, improve access to input and output markets and promote sustainable market-based service provision; ensuring markets and value-chains around the chars provide greater opportunities and benefits to poor households. The project is managed by **International Development Enterprises (iDE)**, an international non-profit with a mission to enable poor rural households to participate effectively in high value agriculture market systems and to progress from subsistence to small-scale commercial farming.

Making Char Markets Work for Smallholders

iDE Bangladesh has significant experience harnessing the power of the private sector to strengthen and improve selected value chains. From irrigation in the 1980s to meat value chains today, iDE employs a market systems approach to economic and social development focused on engaging the private sector to maximize the sustainability of its results.

To make this project a reality in Bangladesh, iDE is leading the project with sole responsibility for the implementation and management process.

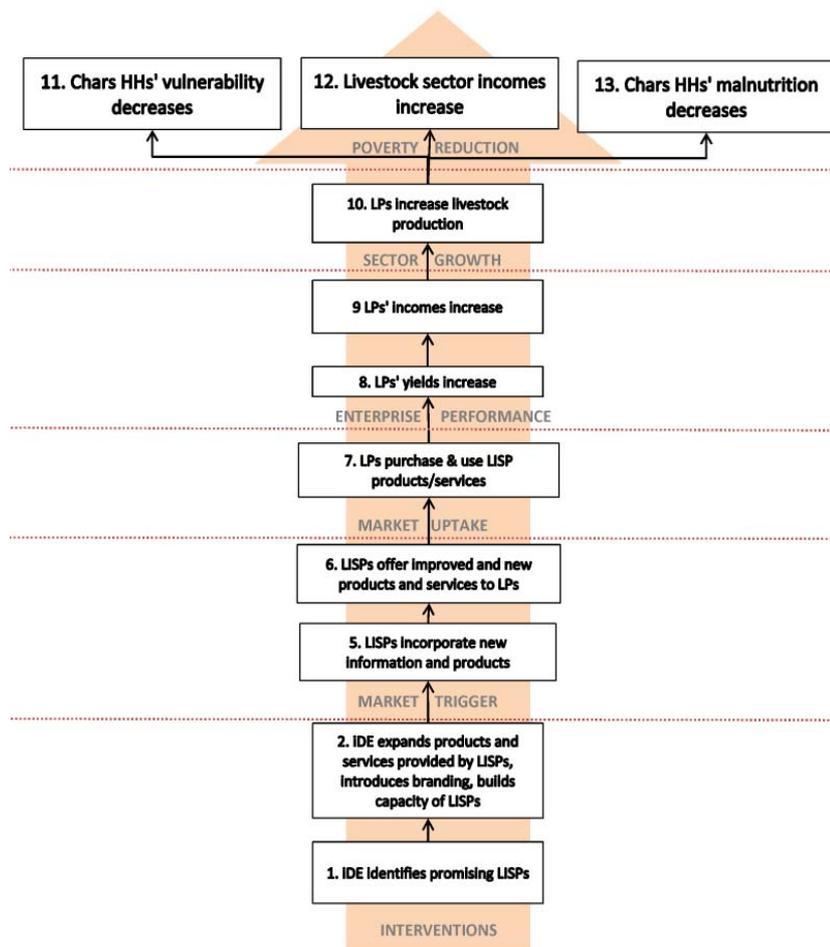
The Challenge: How will the project produce sustainable growth across the income-generating activities of CLP?

The project aims to introduce new ways for local and mainland input suppliers and traders to do business with smallholder customers. Doing so will require leveraging the existing capabilities and relationships of these actors and undertaking the following actions;

- 1) **Sector Analysis:** Utilizing the M4P approach, field staff will undertake in-depth value chain analysis from which project interventions which reflect the reality on the ground can be designed;
- 2) **Capacity Building of Local Service Providers:** Exploring aggregation roles; expanding the range of inputs offered; brand development and increased linkages to mainland buyers to improve provision of inputs and services to producers;
- 3) **Producer Groups;** Organizing Livestock Producers into Farm Business Groups to increase meat aggregation potential and achieve scale necessary to attract service providers and mainland private sector;

What will iDE's the CLP Market Development Component Deliver?

- In-depth sector analysis of meat and fodder market systems
- Expanded and intensified linkages between mainland and char market actors that better able to deliver business development services between mainland and char market actors.
- Scale of production will be realised attracting private sector service providers
- Sustainable linkages will exist between groups, service providers and external private sector actors
- Access and prices of both inputs and output marketing will be guaranteed



Results chain of illustrative intervention

- 4) **Pre-Season Planning Meetings (PSPMs):** Facilitating meetings involving members of producer groups to coordinate decision making across members and identify and address key constraints in livestock production;
- 5) **Private Sector Engagement:** Meetings which bring together LISPs and small and large firms from external markets to develop mutually beneficial partnerships;
- 6) **Char-mainland Linkages:** Strengthening linkages between char based local service providers and Farm Business Groups and mainland suppliers and buyers.

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