

Strengthening rural agricultural economies



Beatrice Mwendu Ngumbi benefits from our sustainable market development initiative in Kenya. Farmers' groups are sent weather forecasts via text messages, given training in new techniques and are supported with marketing so that they can get the best income for their produce.

When poor women and men are asked how they can escape poverty, they say it's through jobs and economic opportunities. Christian Aid believes that for poor producers and consumers to thrive, there needs to be a new model of economic development.

Christian Aid's Inclusive Market Development (IMD) programmes focus on more than 33 agricultural markets across 12 countries in Africa, Latin America and Asia and the Middle East. We aim to have an impact beyond increased incomes – we work with poor producers to improve food security, make production more resilient in the face of climate change and ensure that women realise their full potential as lead producers.

To help highlight how markets impact the lives of women and men differently, gender sensitive indicators are being incorporated into inclusive market projects and these are being evaluated through participatory assessments. In addition, conscious efforts are being made to ensure women participate and take leadership positions, build their capacity, and level the playing field.

Our markets work comes from a long history of supporting enterprise as a solution to poverty – from setting up the Fairtrade Foundation to establishing buyers' cooperatives such as Divine Chocolate and Cafédirect coffee.

Our way of working

To empower poor producers, we employ the Participatory Markets System Development (PMSD) approach, which brings together all market actors – from big business to smallholders to policy makers – to create and implement their own solutions to the market challenges and opportunities they face. Christian Aid has developed a set of strategic

approaches tailored to address the power imbalances and key issues that poor producers, especially women, experience:

- **Market access:** We empower poor women and men to access new markets for their products and services, or obtain greater value in existing ones.
- **Access to goods and services:** We help poor producers and consumers to use technology to access climate and pricing information services as well as off-grid energy solutions.
- **Business support:** We support rural enterprises and, where appropriate, provide or arrange access to external expertise focused on commercial analysis and technical assistance.
- **Access to finance:** We facilitate access to investment funding for rural enterprises through an incubator loan fund. We are also the lead agency in Access to Capital for Rural Enterprises (ACRE), an investment platform that identifies enterprises from NGO programmes. With five active consortium members, ACRE supports a pipeline of rural enterprises by strengthening their capacity to become investment-ready. Once ready, we connect them to a platform of impact investors. ACRE links the enterprises from NGO programmes to socially minded impact investors.
- **Evidence-based market advocacy:** By making space for stakeholders' voices to be heard, we help secure long-term solutions to the power imbalances and policies that keep poor farmers poor.
- **Empowerment and ownership:** We invest in poor producers to build their understanding and ownership of their market, giving them the confidence to be better

entrepreneurs, engaging with and influencing other market actors and stakeholders in supply chains.

- **Market facilitation:** We bring together market actors from the public and private sectors to build ownership and understanding of market challenges and promote inclusive market access opportunities.

Added value

- Our focus on resilience and long-term sustainability enables communities to withstand a variety of shocks that could otherwise threaten improvements in poverty reduction.

- Our local partners' presence and knowledge enables us to identify the most strategic markets with which to engage. Making these 'hidden' markets more inclusive has multiple benefits.
- Our expertise in climate smart agriculture, including within supply chains, helps make small holders production more resilient.
- Our ability to empower poor farmers to advocate for policy changes that will have a long-term impact, shifting the balance of power in their favour.

Needs and opportunities

The annual funding required for this work to grow – both for expanding current programmes and moving into new markets – will cost £4.5m/year. Within this, our investment platform ACRE needs £600,000/year to support around 20 enterprises, which would leverage a further £1.3m investment for these enterprises. At present we have funders lined up with commitments for just over 50% of these annual costs.

- £50,000 per year, for three years, would allow increased resilience, sales and income for more female farmers growing hibiscus in Zimbabwe – there is an opportunity to include more women in this expanding export market.
- £115,000 per year, for three years, would scale-up our work empowering female producers in Malawi to claim leadership roles in the pigeon pea sector. This project has already changed the government's policy on legume exports, opening up a new market opportunity for pigeon pea producers.
- £980,000, over four years, would help 6,000 smallholders, many of whom are women, benefit from the lucrative global trade in coffee. Coffee farming forms the backbone of Burundi's economy, yet three-quarters of coffee farmers live below the poverty line. The project would encompass both production and marketing of this niche, high-quality arabica coffee, and look at the rules that govern the market to ensure that smallholder farmers benefit.

Christian Aid's work

Christian Aid has 70 years' experience of working in partnership with organisations on the ground to address global poverty. We work with civil society, government and the private sector to support poor communities of all faiths and none in around 40 countries, recognising that long-term success depends on local expertise and local ownership of the development process.

For more information on this work, please visit makingmarketsinclusive.com

If you have questions or would like to support our programmes, please email Inclusive Market Development Advisers James Cannon on jcannon@christian-aid.org or Clare Clifton on cclifton@christian-aid.org

Examples of impact

Malawi

In Malawi, more than 18,000 marginalised rice farmers, including women, now have a voice influencing policies affecting their sector. This has come about through the establishment of the National Rice Platform, formed by market stakeholders – from farmers to exporters – to address barriers to the development of the rice sector. The Malawi Government has recognised the platform and has appointed it to lead on the development of a national rice strategy. Witness Ngwira, a rice farmer, has been elected to be the vice-president of the platform – she wants to see the development of the rice industry bring more benefits to women.

Nicaragua

Due to climate change, coffee growing areas in Nicaragua are likely to be drastically reduced in the future, however, many areas are becoming suitable for growing cocoa. By partnering with established coffee export cooperative Soppexcca, and the Inter-American Development Bank, we are enabling 400 farmers to access the finance they need to transition to cocoa production by 2018. This will increase incomes by 25%, create 700 new jobs and establish a cocoa exporting business within Soppexcca with a total sales revenue of £183,000 by 2018.

India

In Tamil Nadu, retailers are struggling to source enough organic produce to meet the growing middle class demand. Our partners have trained 488 smallholders to grow organic vegetables, producing more than 351 tonnes in one season. A 'Farm Field' app enables farmers to access technical support, and allows buyers to identify produce available for purchase. Farmers have seen increasing profits for their products, improved soil health and reduced water consumption. Retailers are improving their ability to meet consumer demand. Over the next two years, more than 5,000 farmers will be trained in organic production, benefitting from this growing market.

