



Delivery Strategies for Market Systems Development Programmes: Deepening the Pool of Commercial Driven Extension Service Providers and Local Co-facilitators

2019 | Learning Event
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MADE -PIND



	MADE	PIND
What	DFID funded market development programme generate pro-poor economic growth in the non-oil sectors of the Niger Delta Region	Chevron funded non-profit foundation socio-economic development programs in the Niger Delta Region
Objective	Raise incomes of 305,000 poor men and women	Promote equitable economic development and peace through partnerships
Approach	Works with private sector in facilitating changes in services, inputs/technology and product markets , which in turn increases the productivity of smallholder farmers and entrepreneurs and ultimately increases their incomes - use of the Market Systems Development Approach	
Sectors	Oil Palm, Cassava, Aquaculture, Agricultural Inputs, Poultry	Oil Palm, Cassava, Aquaculture, Business Linkages



The Niger Delta Region



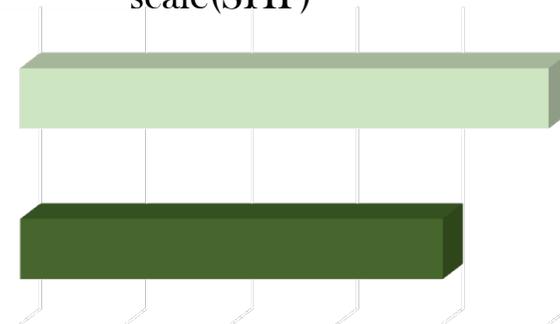
Population of 40 Million



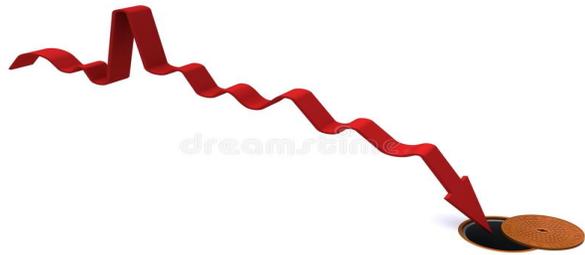
Oil from region accounts for 90% of Nigeria's foreign exchange



- Agriculture main stay of the rural economy
 - Employing ~ 11+ million
 - Livelihoods for 70% of rural pop.
 - 80% of farmers are small scale (SHF)



Status of Agricultural Sector in ND- Analysis



Low productivity widely experienced by small-scale farmers



Households engaged in agriculture had the highest incidence of poverty



Constraints

- Limited flow of information on modern agriculture and techniques
- **Weak extension support system**
 - Ineffective public extension system
 - Limited interaction between farmers and input suppliers and service providers
- Farming not perceived as business



Status of Ag. Extension Services in ND- Analysis



Types of Extension Services

Public funded extension

- free of charge to farmers funded by government

Non- commercial extension

- Delivered by non-governmental organizations with funds from donors

Private commercial extension

- Providing fee-based products and services to farmers and entrepreneurs

Opportunities

Ag. Service and Input providers

Farmers, Agro MSEs

Constraints

- Donor focused- to pay for services to farmers
- No recognition of the commercial potential of main clients- farmers
- Inadequate knowledge and skills with poor value offerings to stimulate commercial incentives
- Unaware of the SPs and value proposition of patronage



Status of Ag. Extension Services in ND- Analysis



Opportunities-wide range of commercial actors that could possibly promote and deliver extension services to smallholders



Type	Commercial Actors	Motives and Types of extension services and linkages
Large private sector agro-allied companies	Agro Allied: Processing and Off-taking companies	High quality standards and required level of production, support extension services and input supply to contract farmers
	Agro- Input: Feed Companies, crop protection products (CPP) companies, Veterinary Pharmaceutical companies (VPC)	Offer technical trainings for agro-retailers and dealers conduct trainings, demonstrations and field days for farmers to promote sales and build client loyalty
Local Private extension (LPE) service providers	Agro-retailers and dealers, Fabricators and marketers of equipment	Demonstrate value proposition of utilizing inputs and equipment to promote sales
	Service Providers - Sprayers, Aqua. Trainers, Nursery Operators (PNOs), Vet. Doctors, Para vets,	Income generation motives to sell technical services needed by farmers to deliver higher quality and be more productive; work in conjunction with agro-retailers, agro-allied companies, lead farmers.
	Business Service providers (BSP)	Business training for agro-retailers for Farmers, often certified business trainers

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Intervention- Development of a Commercial Driven Extension Model



Vision

Agro-allied firms, sector service providers and business support providers

Fees, Income, Revenue

Smallholder Farmers, agro-MSEs

Relevant Agro related Information, Capacity Support and Advisory services

Strategy

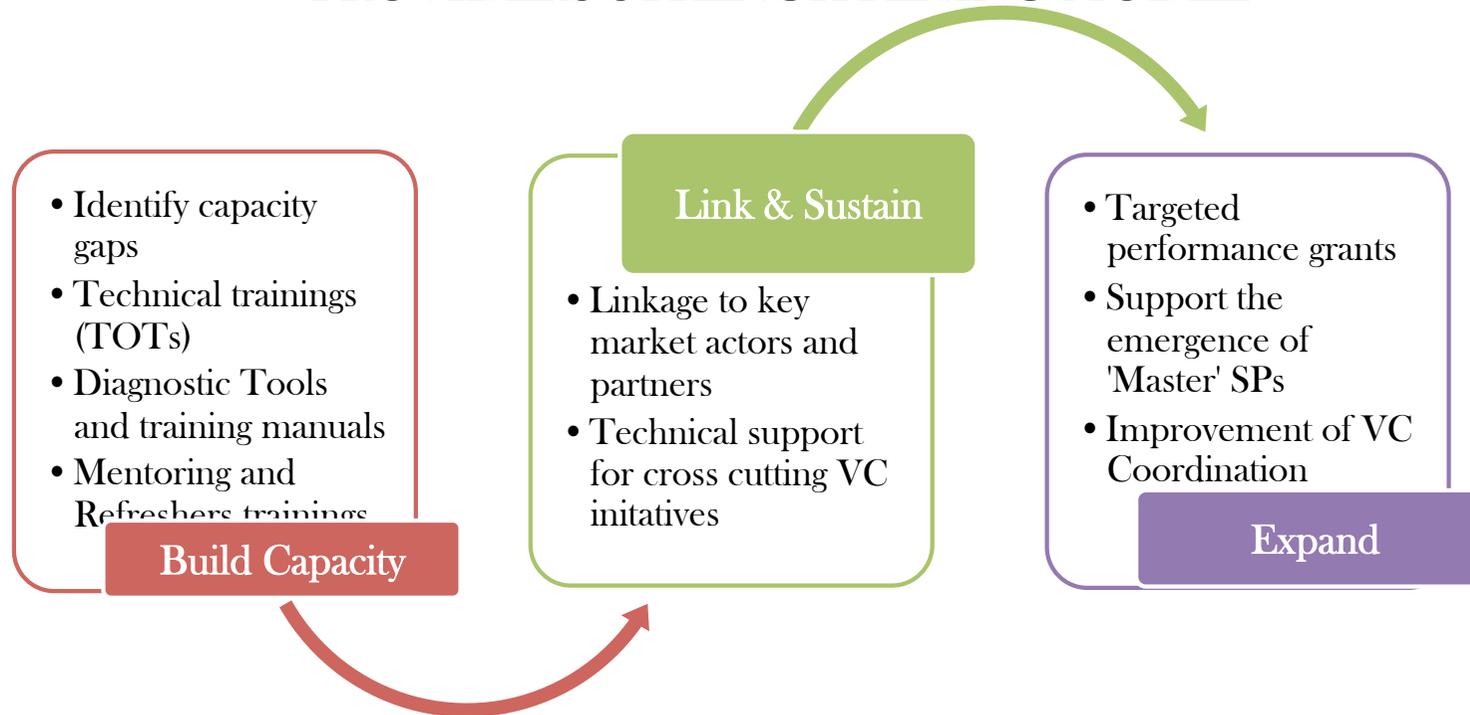
Implement a capacity strengthening initiative for private extension service and business support providers in response to the identified constraints limiting their performance



Commercial Driven Extension Model- Implementation Approach



COMMERCIAL EXTENSION AND BUSINESS SERVICE PROVIDERS STRENGTHENING MODEL



Commercial Driven Extension Model- Implementation Approach



Phase 1: Capacity Assessment and Capacity Building

- Identify capacity gaps
 - Limited knowledge and skills to target farmers
 - Dearth of learning resources
- Supported development of training manuals and Technical trainings (TOTs)
 - Engaged widely resulted in development of relevant training modules, IEC materials
 - Conduct of TOTs
- Mentoring and Refreshers trainings

Phase 1: Review/Revision of strategy

- 1st phase -collaborating mainly with large companies- lead firms
- conduct of demos and integration of trade channel partners - local input suppliers service providers



Outcomes

- + demonstration effect of economic benefits of utilizing modern farming practices, inputs and services
- the returns on investment was insufficient for some of these large scale companies.
- the stand alone NAEC trainings was not working well for farmers
- + Local input suppliers service providers interested in promotional activities but lacked the requisite skills

Expanded Focus

- building capacities of the local input suppliers service providers to promote and deliver information, trainings and services to smallholders



Commercial Driven Extension Model- Implementation Approach



Phase 2: Facilitating linkages with key market actors:

- Supported relationship building between service providers and other key market actors
 - PIND supported BSP parley with TSP
 - MADE supported linkage fora between MVSEs and industrial processors of cassava

Phase 3: Expansion and Scale up Initiatives:

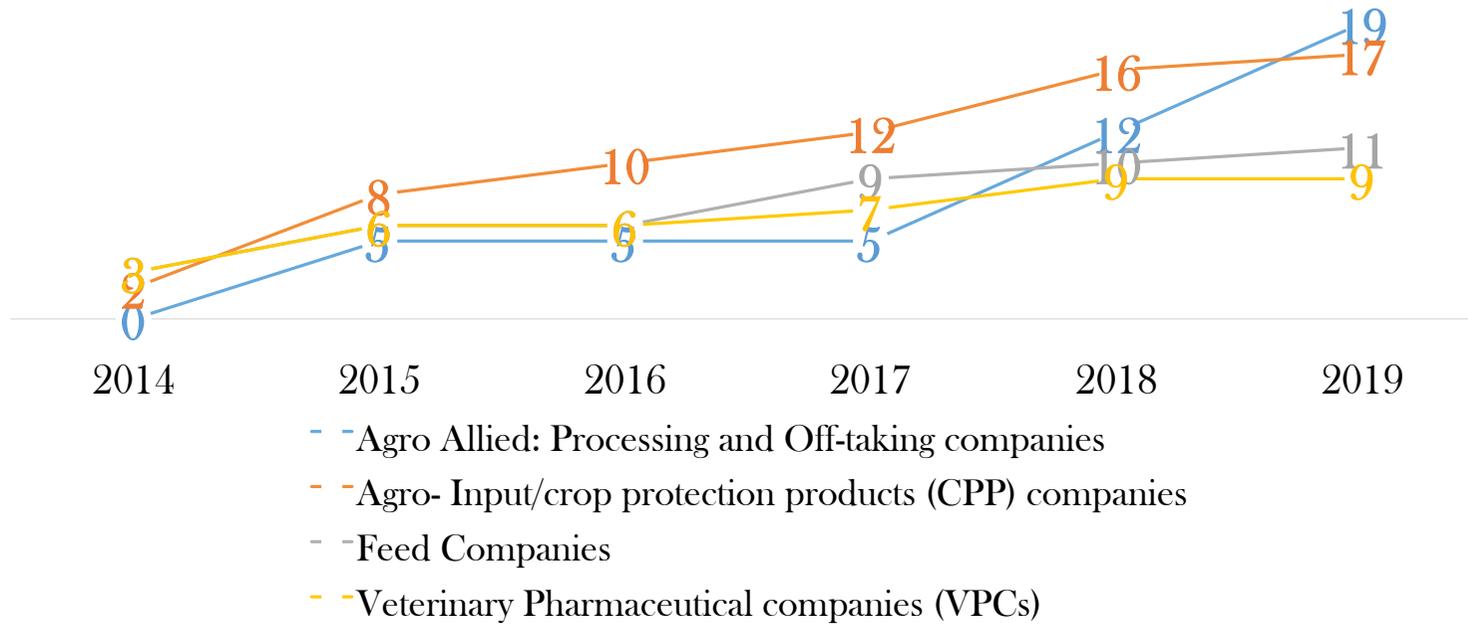
- stimulating wider system change within the support market by offering targeted support for master SPs for
 - scale out to other locations
 - training and mentoring support to other service providers



Commercial Driven Extension Model- Results



LARGE PRIVATE SECTOR AGRO-ALLIED COMPANIES WITH CAPACITIES ENHANCED BY PIND AND MADE TO PROVIDE EXTENSION SERVICES

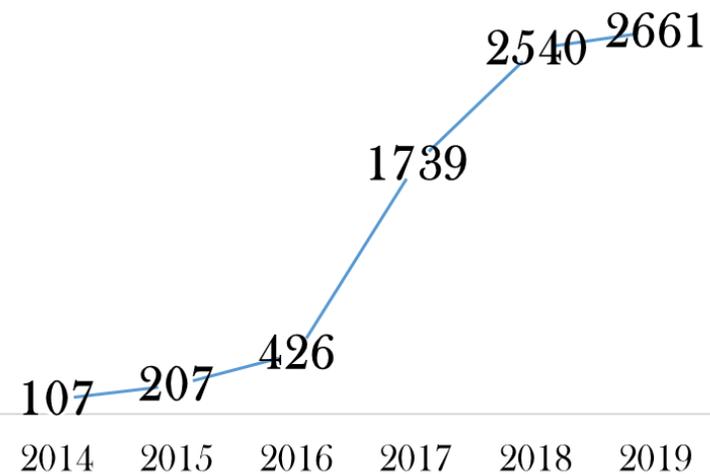


Commercial Driven Extension Model- Results



	2014	2015	2016	2017	2018	2019
Agro-retailers	20	77	197	289	689	689
Fabricators and marketers of equipment	19	28	33	41	62	62
Spray Service Providers (SSPs)	0	0	0	219	330	330
Private Nursery Operators (PNOs)	0	0	0	10	130	167
Village level Vaccinators and Dealers (VLVs and VLDs)	27	56	78	101	112	188
Master Village Seed Entrepreneurs and Village Seed Entrepreneurs (MVSEs and VSEs)	0	0	60	997	1126	1126
Master Aquaculture Service Providers and Aquaculture Service Providers (MASPs and ASPs)	38	43	50	69	77	77
Business and Skills Service providers (BSP)	3	3	8	13	14	22
Total	107	207	426	1739	2540	2661

LOCAL PRIVATE EXTENSION (LPE) SERVICE PROVIDERS WITH CAPACITIES ENHANCED BY PIND AND MADE TO PROVIDE EXTENSION SERVICES



Commercial Driven Extension Model- Growth and Evolution



Large private sector agro-allied companies integrating inclusive business models and providing embedded services

- A and Shine International, a company off taking honey in Edo state trained network of Master Apiculture Service Providers (MApSPs) who are working with trained MApSPs to provide fee based trainings on best beekeeping management practices to farmers while also linking them up to a source of finance

- Harvestfield Industries Limited has a network of about 25 trained retailers in Rivers and Akwa Ibom states collaborating with their Technical field representatives to organize demos for farmers in remote locations

- Turner Wright and Zygozis have conducted about 235 farmers fora educating farmers on the importance of good poultry keeping practices and trained a network of 188 VLVs and VLDs to provide improved vaccination services within the Niger Delta region



Commercial Driven Extension Model- Growth and Evolution



Local Private extension (LPE) service providers promoting extension and selling appropriate inputs and services to poor farmers and entrepreneurs



- Beginning to see the clear commercial benefits of engaging directly with their clients - the farmers rather than indirectly with government and donors
 - Network of 67 ASPs are building capacity of multitude of fish farmers in best pond management practices
 - About 150 VLVs and VLDs are promoting good poultry keeping practices in a bid to help farmers reduce poultry mortality
 - About 200 trained SSPs are promoting their services through sharing relevant information on crop pests and diseases and providing improved spray services
 - About 527 agro- retailers and about 700 VSEs are sensitizing farmers on GAP using IEC materials, conducting market storms and GAP focussed demos to prevent crop losses to pest and diseases



Commercial Driven Extension Model- Growth and Evolution



The commercial driven service and input providers are adapting strategies, adjusting and expanding products and service offerings in response to feedback, emerging realities and opportunities



- Model is creating platforms for increased and improved interaction between the service providers and clients -farmers
 - Resulting in feedback and stimulating service providers to adapt, adjust, innovate, add new products and services, and move cross sectors to increase their business where new opportunities exists

Adapting Strategies

▪ Turner Wright, a VPC switched to the use of a franchise model in 2016 and working with village level inputs dealer to promote their products.

▪ Samuren Nig. Enterprises, a Malaysian knife (MK) marketer in Akwa Ibom state revised his initial strategy of going around all the oil palm clusters to engage farmers but rather engaging and equipping agro-retailers, farmers' groups and cooperatives with IEC materials to create awareness



Commercial Driven Extension Model- Growth and Evolution



The commercial driven service and input providers are adapting strategies, adjusting and expanding products and service offerings in response to feedback, emerging realities and opportunities



Adjusting and Expanding Products and Services offerings

- Transforming from sole service to multi service providers and stockists
- VLV transitioning into VLDs - expansion from vaccination services to include other poultry inputs and livestock
- Integration of NAEC has been beneficial to SPs who are now mainstreaming it into their businesses as ASPs and VLDs
- Breaking bulk of inputs to fit SHF operations and improve accessibility
- ASPs are using demos to build client base for other products and services such as sales of fingerlings, feeds, water testing kits, mobile ponds, linkages to markets



- Emergence of Master SPs

Commercial Driven Extension Model- Performance of SPs



Service Providers	No. of SPs	Outreach (cumulative)			Types of Services		Employees		
		Before PIND	After PIND	% Change	Before PIND	After PIND	Before PIND	After PIND	% Change
Aquaculture Services Providers	10	1,040	4,103	295%	Training, Sales of inputs	Training, Sales of input, Linkage to market, Linkage to finance, technology promotion	9	28	211%
Business Services Providers	12	4,838	18,542	283%	Advisory services, generic training	Training, SME Diagnostics & Upgrade, Linkages to finance & market	81	182	125%
Agro-dealers/ Input Companies	11	7,297	14,189	94%	Sales of inputs	Sales of inputs & seeds, training & demonstration, linkage to market	35	58	66%
Fabricators	2	12	46	283%	Fabrication of oil palm & cassava equipment	Fabrication of oil palm & cassava equipment, Technology promotion	4	13	225%
Total		14,187	36,880				129	281	





Deepening the Pool of Co-facilitators



Concept of Co-Facilitation



Who are Co-facilitators?

- Development organizations (often NGOs) working with supra-facilitators to facilitate system change using the MSD approach
- Sell their services to donors, whom they see as their primary clients



Why the need for Co-facilitators?

- The MSD -new development approach implemented by PIND and MADE
 - Need to develop local capacities in order to expand and sustain market development initiatives
- Fastrack initiatives as projects do have lean teams
- Have strong grassroots connections and trusted relationships
 - Able to work in areas, or with certain communities, which otherwise would likely have been beyond the reach of programme team
 - Security concerns and donor apathy' effect



Co-Facilitation Model in Niger Delta Region



CAPABLE M4P PROJECT MODEL



PHASE I

- Develop M4P Training course content
- Identify Potential in-country Trainers
- Build their Technical Capacity deliver to deliver course content
-
- Train them on "How to be coaches and Mentors"

2015-2018



PHASE II

- Identify and select NGOs , Lead firms and Service Providers working in the sectors/region
- Provide technical training to them, using the trainers
- Provide follow-on Training to deepen understanding
- Test-run the mentorship Program

2015-2019



Phase III

- Enhance Mentorship Program
- Facilitate Networking and Learning Forums
- Support organisations with resource mobilisation and fund raising skills
- Result Sharing and Donor Coordination

2020-2024



Co-Facilitation Model in Niger Delta Region



Capacity Building Strategy

- Training and Mentoring Package
- Entrenched within PIND CAPABLE Program



Training

TOT on MSD for experienced practitioners- 2015 and 2017



Step down trainings on MSD for NGOs
Main and Follow up trainings
6 cohorts- 101 organizations

Mentoring

TOT on Mentoring for experienced practitioners- 2018



Mentoring of NGOs
Pilot and Scale Up by consultants
Ongoing mentoring by programme team



Co-Facilitation Model in Niger Delta Region



KEY ACHIEVEMENTS

How did the sector change after Phase I & II



The sector now has a pool of 12 trainers and coaches to deliver training and mentoring



The sector now has a pool of 11 co-facilitators

11 co-facilitators in the Niger Delta are delivering pro-poor projects using aspects of the M4P approach

41 organisations developed proposals for Projects in the Niger Delta. 11 were funded



45 Service providers have improved services to market actors in the Niger Delta



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Lessons Learned

Commercial Driven Extension Model- Lessons Learned



- Smallholder farmers can pay for extension services provided they are cost effective and have a value proposition that is responsive to farmers' needs to improve their earnings
- Extension service provision does not work as stand-alone but integrated with sales of tangible inputs and other suites of services
- Identifying and working with entrepreneurial service providers is key to the success of the model as they are able to identify and maximize opportunities in the sector
- Developing service providers takes time and needs a concerted effort through a series of capacity building programs to develop their ability to efficiently and effectively provide services



Commercial Driven Extension Model- Lessons Learned



- Increasing competition by private oriented firms and service providers triggers innovation
- Upgrading skills and capacities of existing local service providers is more effective than creating a new service providers
- Distortionary effects of free delivery of inputs and services are disincentives for commercially driven extension systems
- Collaboration and partnerships are key
- Need for periodic review of approach and flexibility to achieve desired outcomes



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Cofacilitation Model- Lessons Learned



- Local organisations need sustained capacity development alongside practical implementation in the medium term to internalise the MSD approach.
- To fast track ownership, programming should make provision to support these local organisations to trail the MSD approach on their internal projects to help ingrain it into their systems and processes.
- Mentoring by skilled local MSD practitioners helps to consolidate classroom learning.
- The use of facilitation also has to be funder-driven if more local organisations are to continue to use it in the future.

