



Market Development in the Niger Delta (MADE)

MADE LEARNING REVIEW

By David Elliott, January 2020





ABOUT MADE

The Market Development in the Niger Delta II (MADE II) project continues working in the Niger Delta states to promote inclusive, pro-poor growth for farmers and entrepreneurs. The UKAID-funded MADE II builds on the achievements of MADE I (2013-2018), which increased the incomes of more than 150,000 poor people. Running from 2018-2020, it is expected that MADE II will help an additional 155,000 poor people to experience increase in their incomes by an average of 15 percent, and the programme will help generate an additional £14.5 million in income for farmers and small businesses through market development interventions in a range of sectors (eg poultry, agriculture inputs, fisheries, oil palm, cassava and other opportunities to stimulate livelihood opportunities for victims of human trafficking and irregular migration).

MADE II is applying its market systems approach in conflict-affected areas of the Niger Delta with special focus on the frontline states Akwa Ibom, Bayelsa, Delta, and Rivers, including Edo state by improving the capacity to provide aspirational economic opportunities and increased incomes for returnees, potential victims of human trafficking and vulnerable households to reduce the temptation to emigrate and likely become victims of human trafficking.

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FOREWORD

This case profiles the achievements and associated learning related to the MADE programme. However, these achievements, and the learning associated with them cannot be discussed in isolation of the PIND programme. Like dancers in a waltz, MADE and PIND are two programmes, embracing and interlocked, one partner leading, one following, one following and the other leading at different points in time. The success of one is intertwined with the success of the other. Distinct programmes melded toward a common purpose.

The original impetus for the Nigeria MADE programme was born in late 2010 when the Niger Delta Partnership Initiative (NDPI) approached DFID to explore collaboration in the Niger Delta. With the advent of the Presidential Amnesty Program (PAP) in 2009 to end the insurgency in the Niger Delta, Chevron created the NDPI with a \$50 million investment to address broader poverty issues in the Niger Delta. With peace, the broader enabling environment was more conducive to putting the local economy back on its feet. NDPI was dedicated to introducing market systems development (MSD) approaches to address widespread poverty across the Niger Delta, working through its local counterpart, the Foundation for Partnership Initiatives in the Niger Delta (PIND). The emphasis on MSD was in complete alignment with DFID's approach to addressing poverty and issues underlying the local conflict.

An effective partnership was created in 2011, with DFID participating in PIND's sector selection process, and then PIND supporting the DFID scoping study, emphasizing the great potential for effective collaboration. The Terms of Reference for the proposal highlighted the importance of working with PIND, to leverage their knowledge and resources and to promote joint programming. As anticipated, early PIND research was important for helping MADE to focus its interventions more quickly. As implied with the use of the word "Partnership" inside PIND and NDPI, MADE's results were always integrated into NDPI's reporting; the fact that DFID had funded MADE to work alongside PIND was of critical importance in Chevron's decision to provide a second tranche of funding for PIND in 2014.

PIND has been an important part of the story of MADE in the Niger Delta. An important part of MADE's success is attributable to collaboration with PIND (and vice versa). The two programmes have jointly worked on critical advocacy pieces affecting the Niger Delta, such as *"The impact of the devaluation on selected value chains"* and the *"Poverty Assessment of the Niger Delta"* and the Niger Delta Development Forums between 2013 and 2018. They have collaborated on developing capacity of local organisations to deliver market systems interventions through the CAPABLE M4P initiative. While the two programmes have worked in similar sectors, they have avoided overlap in support to the same groups and often time developed different approaches to addressing common problems. With good collaboration and sharing of information, there was also a bit of healthy competition between PIND and MADE, which pushed both organisations to innovate, while borrowing from each other, and come up good solutions for the problems facing the Niger Delta. The result has been greater impact on the poor in the Niger Delta.



CHAPTER ONE

INTRODUCTION

This case study is a testament to the hard work, under very testing conditions, of the entire MADE team. MADE has achieved much of genuine significance, and purposefully so.



Nigeria boasts Africa's largest economy by Gross Domestic Product (GDP) and at close to 200 million people hosts the largest population in Africa. However, at close to 90 million people, Nigeria also has more citizens living in extreme poverty than any other country in the World. Between 2000 and 2014, Nigeria delivered an annual average of 7% GDP growth; and still bounced back to around 2% growth in the face of the 2016 oil price crash. Nonetheless, this has impacted little the incomes of the bottom half of the population where those living in extreme poverty remain largely as they were a decade ago at around 50% of the total population.

With a population of around 33 million people, the Niger Delta is one of the country's poorest regions, arguably second only to the extreme North. There are high levels of gender inequality; continuing instability and insecurity; high levels of unemployment; severe environmental degradation and exceptionally poor infrastructure.

Furthermore, the concentration of oil industries in the region has created wage and commodities inflation, raising the cost of living causing greater disparity and driving inequality and poverty. Overall, the levels and intensity of poverty are high, leading to strong feelings of injustice (given the wealth which the region generates from oil), and this has fuelled the criminality and eruptions of violence and insecurity common in the region – further aggravating and perpetuating the incidence of poverty.

Nigeria as a whole has high income disparity between men and women, and the states of the Niger Delta are amongst the worst performers. Women often operate in the most marginalised market sectors and undertake crowded roles in value chains which have little room for maximising returns.

The MADE Programme

Market Development in the Niger Delta (MADE) is a predominately rural and agricultural market development programme operating across the nine states of the Niger Delta. Funded by DFID, and implemented by DAI Europe, MADE ran for 4.5 years from September 2013 to February 2018 with a budget of GBP 14.3 million.

According to the original Business Case: *“MADE seeks to increase the income of at least 150,000 poor men and women in the Niger Delta by promoting a market development programme that supports the non-oil economy by (a) stimulating sustainable, pro-poor growth in selected rural markets, and (b) improving the position of poor men and women in these markets, to make them more inclusive for poor people.”*

A combination of target-busting results aligned with potential for significant further gains led to a costed extension of the MADE programme. MADE II runs from March 2018 to February 2020, at a budget of GBP 7.15 million, with half of this amount available to support the market development component which is to increase the incomes of an additional 155,000 poor men and women in the Niger Delta. In other words, MADE II is to *“...double the income impact and other measured results of the project in half the time, and at half the cost, of the original project”*.

Human trafficking and irregular migration is a critical issue throughout Nigeria but is most acute in the Niger Delta region where the majority of those being trafficked to Europe originate. In light of this, DFID set

a second objective for MADE II: *“...to pilot interventions aimed at tackling the root causes of trafficking and irregular migration, strengthen efforts to combat slavery and reduce vulnerability, and simultaneously build an evidence base to support DFID and the donor community’s better understanding of what works in the future.”*

Whilst of considerable interest and importance, this latter MSD component of MADE II isn’t the subject of this learning case study, which profiles achievements of the other core components straddling MADE I and MADE II.

This Case Study

The MADE programme ends in February 2020. Commissioned by DAI Europe, and funded through the MADE programme, this case study was independently researched and written in October and November 2019 by The Gallus Edge CIC; a UK based community interest company partnering with development organisations to generate new ideas, innovations and insights that can help improve aid effectiveness.

This is a case study aimed at reflection and learning and has two primary purposes:

- **Part 1: Profiling MADE’s achievements:** In following a market systems development approach, MADE holds itself **accountable to a higher standard of transformational change measured in terms of the sustainability and scale of impact**. The case explores the extent to which MADE’s achievements can be considered transformational.
- **Part 2: Understanding key drivers underpinning MADE’s achievements:** As an approach, market systems development offers insight into principles, frameworks and tools that can help improve the effectiveness of development programmes. However, success

depends on how and how well these ‘things’ are applied in practice. The second part of this case explores **key success factors that can explain and underpin MADE’s achievements**; not least in the conflict affected context of the Niger Delta.

This case study is a testament to the hard work, under very testing conditions, of the entire MADE team. **MADE has achieved much of genuine significance, and purposefully so.** Through helping to understand their success, this learning case adds to the growing body of knowledge on the application of market systems approaches to pressing development challenges generally; and to those in conflict affected environments .





CHAPTER TWO

HEADLINE RESULTS



MADE is a rural and agricultural market development programme. As part of its design process, MADE assessed the viability of a number of rural and agricultural value chains.



In applying a market systems development approach, MADE holds itself accountable to a higher standard of transformational change measured in terms of the sustainability and scale of impact. Part 1 of this case explores the extent to which MADE's achievements can be considered transformational.

Understanding MADE interventions

MADE is a rural and agricultural market development programme. As part of its design process, MADE assessed the viability of a number of rural and agricultural value chains. It made initial choices following a comparative sector selection process which assessed options against the following criteria¹:

- **Criteria 1 - Income:** the value chain's ability to generate significant increases in income for programme participants; stimulating increases in farmer income as high as 40-50%.
- **Criteria 2 - Gender:** within chosen value chains, the ability to reach and positively impact a large percentage of women; with up to 50% of programme beneficiaries being women.

- **Criteria 3 – Geography:** impacting across the whole Niger Delta region; working across all nine States.
- **Criteria 4 – Feasibility:** the feasibility of an M4P intervention to effect change – given the budget, mandate, results framework and time frame of MADE.

Applying these decision criteria to the analysis MADE had undertaken resulted in an opening portfolio comprising the following value chains: Palm Oil, Poultry, Aquaculture & Fisheries (incl. Smoked Fish), and Agricultural Inputs.

Initially, intervention in cassava was ruled out. As a key staple food, cassava was deemed a highly political crop heavily influenced by government policy and with limited overall growth potential given changing consumption patterns. This led to heavily subsidised programmes that had severely distorted the market.

However, in 2016, MADE was aware of potential Government of Nigeria plans to put a ban / controls on rice imports²; which could stimulate demand for alternative domestic food products such as cassava. So, whilst Cassava didn't 'make the cut' in the original business case, it was added as an additional sector after the first year of MADE operations.

Whilst MADE's value chain analysis explored issues of competitiveness, structural dynamics and upgrading potential at a sector level, ultimately, the focus of its (initial) interventions can be understood quite simply as:

- **Output Markets:** stimulating improved access to markets through upgrading processing capacity (e.g Palm Oil and Smoked Fish).
- **Input Markets:** stimulating productivity through improving farmer access to knowledge, and quality inputs (e.g aquaculture, cassava, poultry, agricultural inputs, and palm oil).

Profiling MADE Results

The MADE Theory of Change is referenced in Annex 1. Drawing on data from the MADE programme, annual reviews, and an ongoing DFID independent evaluation³, MADE has achieved the following results:

Impact level results:

At the impact level, MADE was concerned with indicators of 'how many' and 'by how much'. As demonstrated in Table 1, more than 150,000 farmers and entrepreneurs increased incomes (coming from those activities targeted by the programme) by more than 15%; representing close to an additional GBP 18 million in net attributable income earned.

Table 1: Impact Level results from MADE (female in parentheses)

Indicator #		Milestone target March 2018	Actuals March 2018
Impact 1	Number of small/ medium-scale farmers and entrepreneurs with at least 15% increased income	151,040 (75,520)	150,233 (68,582)
Impact 2	Net annual attributable income change (NAIC) amongst small/ medium-scale farmers and entrepreneurs (GBP)	£12,294,631 (£4,728,294)	£17,960,106 (7,982,860)

Outcome level results

MADE has one outcome: Better performing poor small-scale farmers and entrepreneurs in selected markets. Outcome level indicators are concerned with the number of farmers changing farming/business practices, and of those, how many recorded increases in their yield/productivity returns. Exceeding targets by quite some way, of the recorded 236,779 farmers/businesses indicating practice changes, around 80% of these also recorded improved yields/productivity returns.

² Nigeria is the second largest rice importer globally. The GoN has banned rice imports several times in history in an effort to stimulate growth in the domestic rice (and substitute) sectors.
³ "Independent review of DFID Nigeria's MADE Project Phase 1 and 2 with reference to other M4P projects in Nigeria: Interim Report"; Nathan Associates; August 2019

Table 2: Outcome level results from MADE

Indicator #		Milestone target March 2018	Actuals March 2018
Outcome 1	Number of small/medium-scale farmers and entrepreneurs that record an increase in yields/productivity and sales	167,822 (83,911)	192,539 (85,935)
Outcome 2	Number of small/medium-scale farmers and entrepreneurs that make changes in their farming or business practices	186,469 (93,234)	236,779 (110,586)

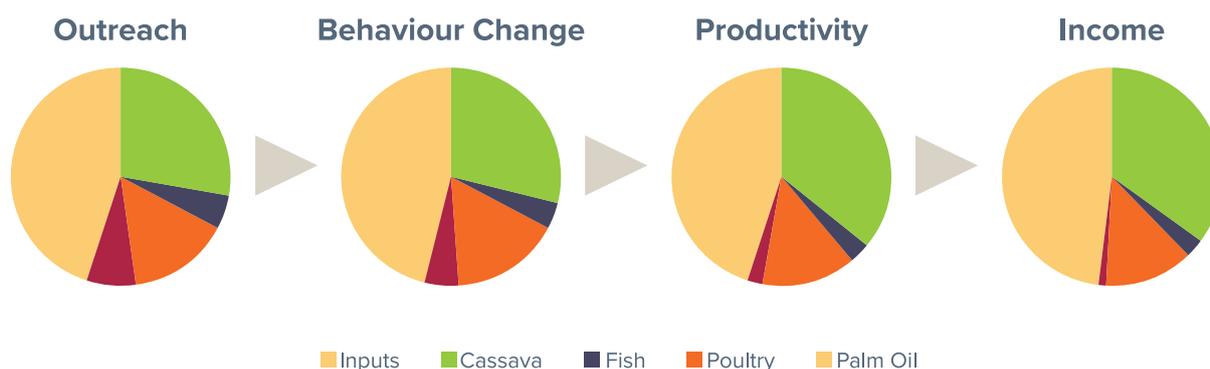
Output level results

MADE has two primary outputs. The first output is that selected rural market systems work more effectively for small-scale farmers and entrepreneurs, and concerns 'outreach' both in terms of firms supplying, and in terms of farmers/entrepreneurs receiving improved access to new/improved inputs, products, services and/or technologies. As will be explored more fully later in the case, MADE also had a second output concerned with influencing development funders and delivery organisations through improved awareness and understanding of market development approaches.

Table 3: Output level results from MADE

Indicator #		Milestone target March 2018	Actuals March 2018
Output 1.1	Number of small/medium-scale farmers and entrepreneurs who are assisted to access new and/or improved inputs, products, services, and technologies	219,375 (109,688)	249,399 (129,787)
Output 1.2	Number of lead firms investing in MADE piloted innovations	22	25
Output 1.3	Number of service providers and entrepreneurs investing in MADE piloted markets	325	518
Output 2.1	Number of investors adopting additional pro-poor market development approaches	6	12
Output 2.2	Number of development agencies and NGOs influenced to implement additional market development interventions that attribute to the programme	8	9

The following charts⁴ demonstrate the proportions of outreach, practice change, yield increase and income increase resulting from interventions across the different sectoral components of MADE:

Figure 1: MADE results profiled by sector of intervention

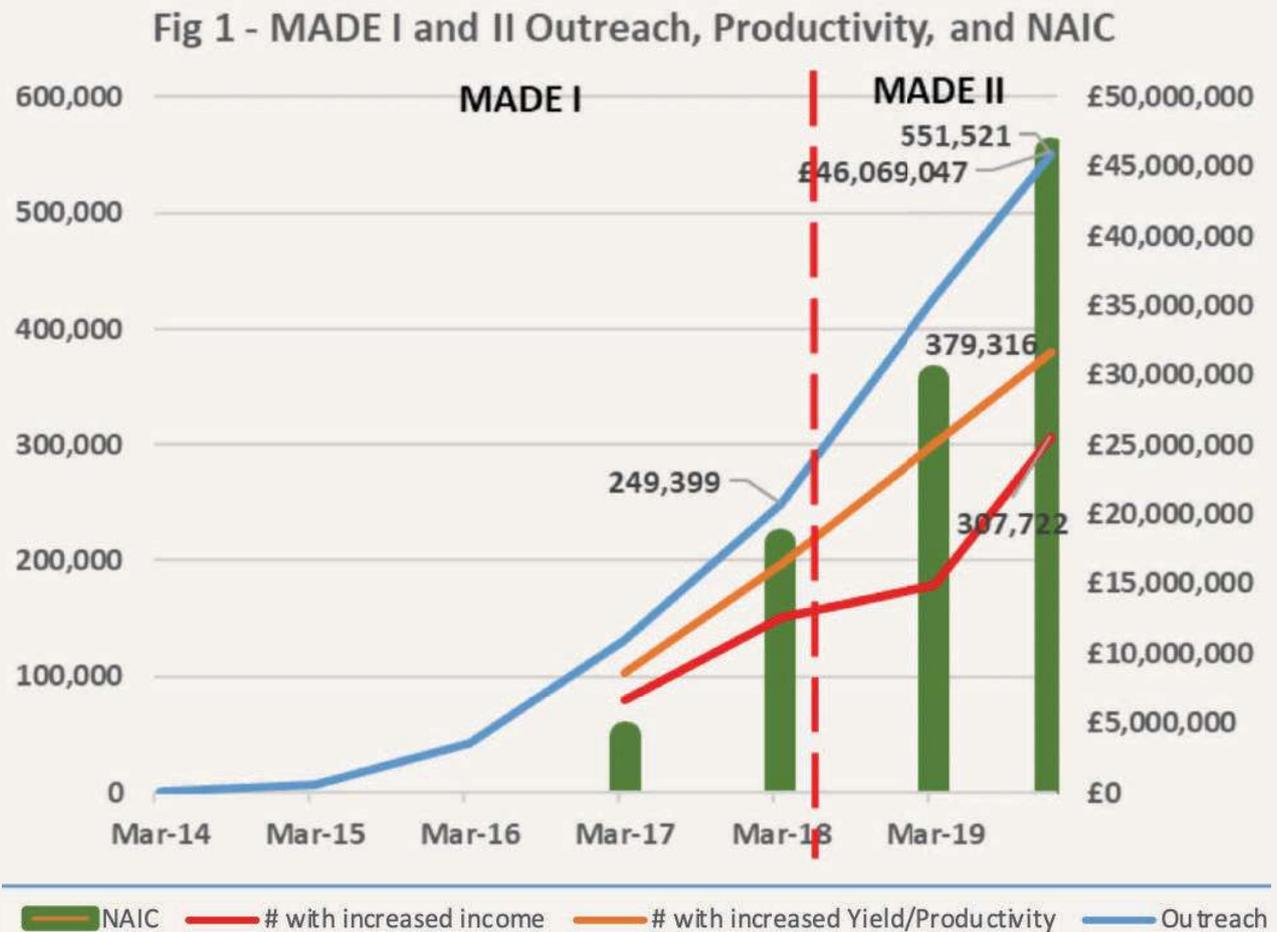
As demonstrated above, results were highly skewed towards two intervention areas. Perhaps less surprisingly, the cross-sectoral agricultural inputs component delivered the greatest return. Perhaps more surprisingly, given it was ruled out initially, was the return coming from the cassava sector. These two sectors delivered 73% of total outreach, and 81% of income benefits between them.

These figures are of course simply the headlines. It's easy to discount the other sectors. But that would be a mistake. A mistake for a variety of reasons. For example, in terms of scale, interventions in the aquaculture sector have achieved close to 75% penetration of the total population involved in the sector. Interventions in smoked fish, poultry and palm oil have stimulated the emergence of new higher value marketing channels that open new markets and new value adding opportunities for small scale producers.

Furthermore, as will be explored in this learning case, the network effects (within and between different value chains) generated by working cross-sectorally have been instrumental to the kinds of overall transformative change being observed and increasingly evidenced as a result of MADE.

The results presented above are for the first phase of the MADE programme. As mentioned, MADE II promised to "...double the income impact and other measured results of the project in half the time, and at half the cost, of the original project". As confirmed in Figure 2, MADE delivered on this promise; achieving across both phases: outreach of 550,875 persons; observed productivity improvements with 379,316 persons; impacting on 302,852 persons. Further, from a cost-benefit perspective, MADE delivered over £46mn of net attributable income; against a programme cost of £ 21,449,000.

Figure 2



By any measure of performance, the above results are hugely impressive; achieving these results in the deeply poor and highly fragile and conflict affected context of the Niger Delta even more so. A region where the prevailing development response was characterised as one of pacification through resource transfer schemes - where during the course of this case research, lead firms interviewed recalled (prior to engagement with MADE) the Niger Delta as being 'a frontier market', as a place too poor, too unproductive, too insecure to warrant any sensible commercial consideration.

Suffice to say, attitudes are now changing. Poor small-scale farmers are now getting the respect they deserve in being treated as viable and aspirational consumers and producers; as discernible clients, not charity cases, worthy of investment in their economic empowerment and upliftment, rather than paltry welfare handouts, dependency and continued decay.





CHAPTER THREE

UNDERSTANDING MADE RESULTS



In this first phase of engagement, MADE followed a lead firm approach.



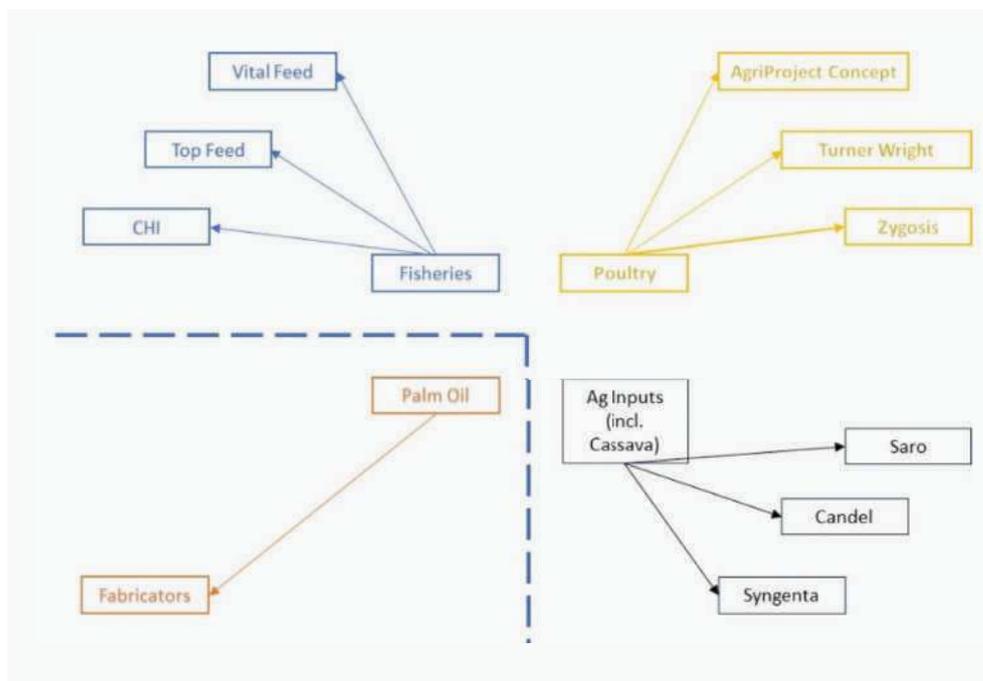
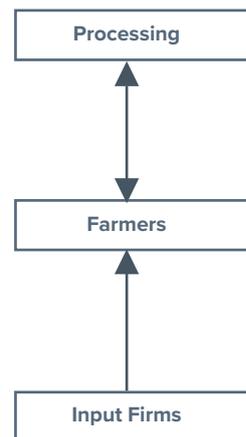
The results presented in the previous section are impressive. However, they are too blunt to really tell the story of MADE as a market development programme that has delivered genuine transformational impact for hundreds of thousands of poor men and women small scale farmers and businesses in the Niger Delta.

That story is best told though breaking-down the evolution of the MADE programme through three different ‘stylised’ phases of market development. As these phases evolved, so too did MADE’s intervention approach – where it worked, how it worked and who it worked with.

As mentioned, the following phases are stylised; retrofitted to better help understand the evolution of the MADE programme, and its market development impact. As such, they’re not to be found as pre-determined headings in the Business Case. Further, not every intervention sailed smoothly through the full cycle of evolution. Pushing through these phases toward transformational change is more a testament to the ambition, ability to reflect and the desire for continuous improvement of the MADE leadership, the MADE team and its partners.

Market Engagement: A lead firm approach

In this first phase of engagement, MADE followed a lead firm approach. The range of lead firms partnered with is shown in detail in the next diagram. Most lead firms were large national players; some aligned to international firms. Some, for example in the smoked fish and palm oil sectors were smaller regional firms (equipment fabricators), but arguably leaders in their respective fields.



The rationale for working with lead firms was clear:

- **Capacity:** MADE had very ambitious outreach and impact targets. Lead firms arguably had the capacity - infrastructure, financial, management – to engage in multiple pilots; and to scale those pilots rapidly if commercially successful.
- **Demonstration:** By virtue of being lead firms a range of replication multiplier effects were potentially on offer. Demonstrating new viable business models that could be replicated internally by the lead firm partners to other regions / business units across Nigeria; and/or copied and improved on by competitors.

- **Risk:** MADE was trying to prove/sharpen the commercial rationale for serving previously un/underserved smallholder farmers in the particularly insecure Niger Delta. It needed partners with the risk tolerance to pilot a number of 'innovative' business models bundling a mixture of knowledge, product and equipment that farmers could afford; which could positively impact farmer performance; and which made commercial sense for suppliers. Partnering with such firms allowed 'space to learn' for partners and MADE.
- **MADEs Reputation:** MADE had to manage 'political' risk in respect of its funder client DFID; 'delivery' risk in respect of programme performance and the reputation of DAI Europe; and 'operating' risk in terms of building MADE's reputation towards regional stakeholders as a credible development organisation worthy of partnering (eg suppliers), engaging (eg other development organisations), and supporting (eg State government and agencies).

This first phase was all about innovating and learning; but bounded, responsible and building from strong foundations:

- **Quality value chain analysis:** This helped identify value performance and underlying competitiveness factors. This helped identify and prioritise key 'pinch points' where upgrading was needed to open market access / increase returns at different levels. It also clearly identified where poor men and women were in the value chain; and options for impacting their productivity / market access that would drive increasing income.
- **Intervention planning:** Intervention justification plans were a key instrument used by MADE in connecting analysis, to intervention design, to partner selection, to targets and measures, to budgets and activity planning. This clear linking of analysis to action was instrumental to MADE's

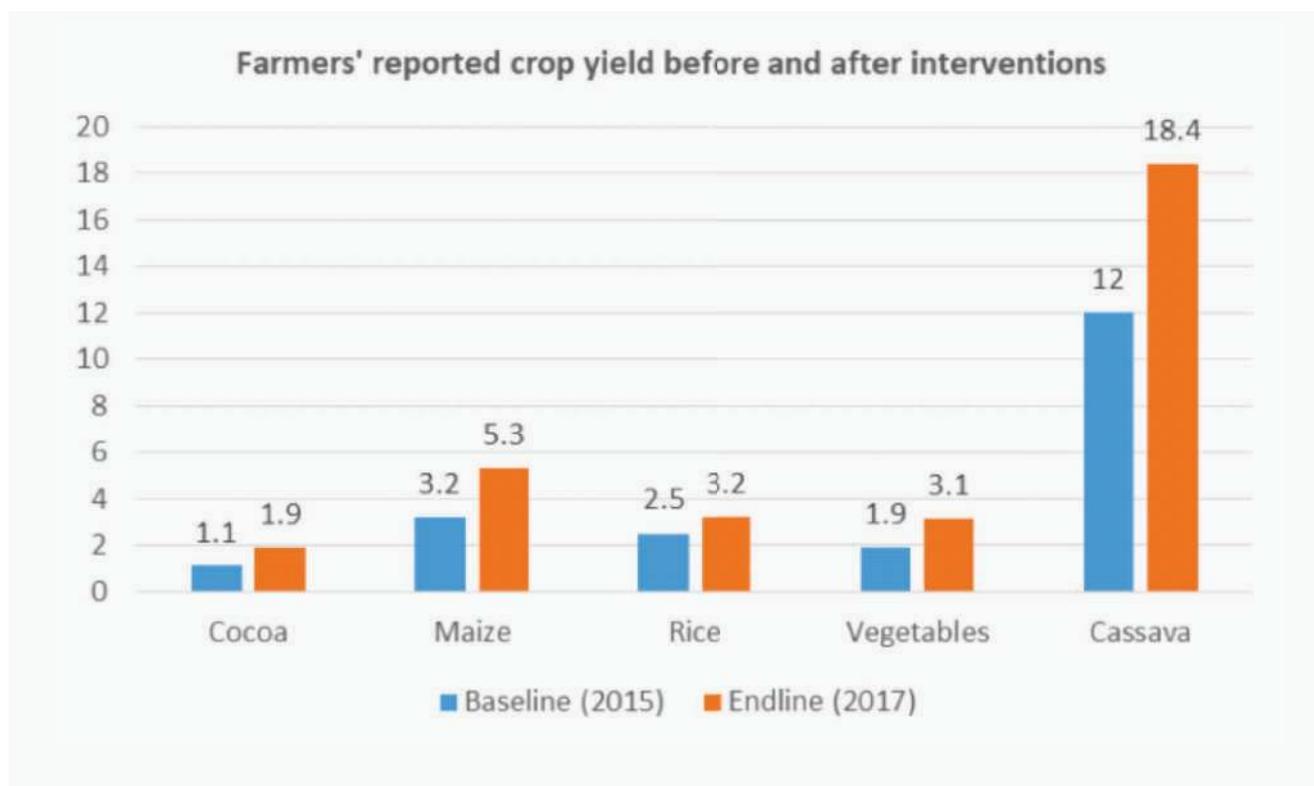
approval processes, client communication, and its ability to reflect and re-focus when comparing actual to anticipated results.

- **Partner identification, engagement and offer:** Critically, this analysis allowed MADE to identify and engage with prospective partners at a technical level focused solely on the business proposition; moving then to risk pricing and finally to partnership and risk sharing. This compares strikingly to prevailing 'direct delivery' practice in the Niger Delta where programmes saw their primary asset as 'money'; where discussions with suppliers focused on negotiating what their money would buy; and sub-contracting suppliers to deliver against agreed plan.
- **Partner led intervention:** In all cases, partners led the interventions. MADE was very much engaged in terms of quality control, observation and evaluation; but increasingly incognito closer to the point of transaction between suppliers and small holder farmers / businesses.

The basic proposition from MADE was clear: delivering knowledge plus inputs (or access to higher value output markets) through demonstration activities – leads to yield increases – which increases farmer incomes – which in turn stimulates farmers to demand more that incentivises lead firms to invest in supplying more.

This demonstration effect rationale was central to MADE's vision of sustainability and scale.

In many respects, this engagement model worked very well. As shown in Figure 3, intervention impact on farmer yields was positive from 30-50%; and in many cases, highly significant at around 70%.

Figure 3: Farmer's reported crop yield before and after intervention

At the level of the lead firm, increased Niger Delta sales impacts were equally significant. Reported increases from 2015 to 2016 were recorded as follows (in Naira):

- **SARO:** grew by close to 640%
- **Candel:** grew by close to 280%
- **Syngenta:** grew by over 25%

In terms of demonstration effect, a number of key things were demonstrated successfully. The returns to improved knowledge and input use was demonstrated to small holder farmers; to lead firms that small holder farmers in the Niger Delta represent a new, significant and largely untapped market; and to development funders and partners that there is a different, and arguably more responsible, way of engaging and supporting small holder farmers.

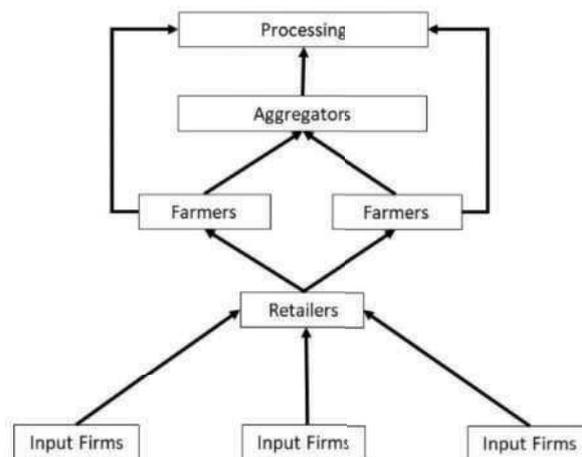
As shown above, this phase was significant. But it was not sufficient in terms of sustainability and scale objectives. For some firms, incentives were misaligned. For example, fish feed partners were selling out of stock so didn't see the need to invest in stimulating more sales. In some cases, such as small-scale processing capacity upgrading, the scale of demonstration activities was too limited to drive wider change and uptake.

For other firms, the transaction costs of intervention were often too high in relation to sales value. In some cases, this led some firms to switching their focus to higher value crops (eg cocoa) or farmers with larger stock; and away from the core focus of the MADE programme.

MADE needed to reflect and respond. It needed to evolve.

Market Building – right sizing incentives

The essence of this phase – so-called as ‘market building’ – was a focus on sustainability, and ‘right-sizing’ supply side incentives. As shown in diagram i, the market picture looks more developed than in the first phase. In respect of input markets, interventions focused on building the retail infrastructure closer to and better connected with local demand, and ‘pooling’ multiple lead firms through stocking multi-items. In respect of output markets, this saw the emergence of aggregators, or off-takers.



As the focus of interventions changed, so did the approach from working solely (or largely at least) with lead firms, to continuing engagement at this level, but opening new engagements with smaller village level inputs and service providers, including retailers and lead farmers.

Building rural retailer capacity

It was becoming clear that whilst demonstrations were leading to inputs sales, and that the combination of those sales and the knowledge imparted through the demonstrations was leading to large increases in farmer yields, the ‘model’ wasn’t right for many of the lead firms. In essence, the demonstrations – being full cycle – were too long, too costly, too much of a burden for lead firms to maintain and expand. One particular problem was that the lead firm was often a specialist input supply firm; for example, veterinary products for poultry, or feed for fish farming, whereas it was becoming clear that farmers required a wider range of extension type advice, and access to wider range of inputs/products.

In short, the supply model needed to be modified to reduce transaction costs and widen product choice.

Whilst the lead firms had managed and delivered the demonstrations, MADE field staff were fully engaged and observant. They were close enough to observe the problem, and close enough to conceive a potential solution. This centred on identifying capable and motivated ‘graduates’ from the pilot demonstrations who were interested in running variants of the demonstrations to new farmers in their locale, and retailing various inputs related to the activity in concern.

Concerned with embedding sustainability, the retail building model centered on establishing so-called ‘Master’ service providers-cum-retailers, who would have downward links to lead firms, and upward links toward farmers (increasingly through building their own network of village level retail agents).

Box 1: Small Scale Poultry – building the VLD network

MADE identified Newcastle Disease as a key constraint to small scale poultry farming causing 30% mortality among birds. Initial intervention worked with lead firms – Turner Wright, Zygosia and AgriProject Concept – to train ‘village level vaccinators’ (VLVs) who would sell their vaccination services to small scale poultry farmers. More than 800 VLV’s were trained. But very high attrition rate (ie leaving the business) of VLVs. This was due to the low returns on selling solely vaccines.

MADE reviewed and refocused the intervention to centre on a ‘Village Level Dealer’ (VLD) model. Motivated VLV’s were appointed to a VLD Programme which comprised a) Technical Training: a refresher on technical poultry rearing related products and issues; and b) Business Training: through the established Nigeria Agricultural Enterprise Curriculum (NAEC) that MADE modified for poultry.

97 of the original 101 VLDs appointed continued to operate, building their commercial viability through expanding their product lines to include vaccines, plus feed, drugs and day-old-chicks. Linkages with lead firms improved, some of whom invested back into the VLDs by providing incentives to the most active ones (eg supplying refrigeration units, motorcycles etc).

At the farmer level, around 37,000 farmers received new services / products, many of them benefitting through a reduction in bird mortality rates from 11 to 4%; and increased weight of birds from around 1.8 to 3kg achieved in much shorter time periods.

Box 1 demonstrates in detail the experience in the poultry sector in the move towards building more localised retail network that would continue to stimulate demand through demonstration activities and meet that demand through retailing a variety of inputs.

In the fisheries sector, Master Aquaculture Service Providers (MASPs) were identified and engaged. A similar model to poultry was followed – with MASPs receiving a combination of refresher training, and business training through NAEC modified to aquaculture. Many report having adapted the demonstration training – shortening, and specialising in different phases of pond fish cultivation. This has reached more farmers and has allowed the training to be commercialised – where MASPs reported running classes of typically around 25 participants each paying in the region of N35-45,000 per course.

Furthermore, MASPs innovated on products – in particular by introducing a ‘mobile pond starter pack’.

Such innovations increased from 30-60% the number of trainees going on to then buy product and start up new /improve existing fish farming operations. Similarly to poultry, many of these MASPs have built their networks downwards toward lead input supply firms where some have been appointed as State representatives / agents (which bring benefits in terms of incentivised selling). They’ve also built out their farmer reach through establishing networks of ASP agents. At the time of writing, there were eight MASPs, running a network of around 48 ASPs, servicing 13-15,000 small scale fish farmers (which equates to around 75% of the total number of fish farmers in the region).

The model was also applied to cassava, investing in a network of 23 Master Village Seed Entrepreneurs (MVSEs) who have grown their businesses, and operate through a growing network of over 900 Village Seed Entrepreneurs (VSEs), which has serviced more than 30,000 famers; around 80% of whom are women farmers. Again, they report farmers paying for

demonstration training; typically only N1-2000 paid in cash or in kind. But they do pay. Whilst this payment does offset some of the costs of demonstration, what it does do is to establish a commercial relationship between (M)VSEs and farmers based on trust; which explains increased sales of inputs to farmers which drives the commercial viability of the (M)VSE model. The combination of training on 'good agricultural practice' (GAP), with access to improved stems, as well as various inputs (eg fertiliser and herbicide) has seen typical farmer yields growing from around 10-18 tonnes per hectare. Furthermore, as demand has grown, this has opened a secondary market for improved stems which can be harvested and sold at 6 months, with remaining matured stems ready for harvesting at 9 months. The additional income, plus phased earnings has reportedly achieved additional significant impact.

The increases in output reported above created further demand for aggregation and off-taking services as highlighted below.

Building aggregation capacity

Looking upwards from production to processing and beyond in the value chain in certain sectors MADE was focused on improving access to market through tackling processing level constraints. The upgrading of small-scale processing equipment in the palm oil sector was one such intervention. The primary constraint was a lack of competitiveness over imported palm oil (price and quality) and other substitute products. Central to this lack of competitiveness was the low yield (and quality) of oil extracted through existing poor old processing methods. This depressed prices, and limited sales to small, low value local markets.

An improved – and arguably appropriate – technology existed in Nigeria and was 'owned' by the Nigerian Institute for Oil Palm Research (NIFOR). Unfortunately, this technology was gathering dust rather than being commercially exploited. MADE partnered with NIFOR and local fabricators in an effort to change this. It

was determined that the technology could improve oil extraction rates significantly from typical rates of around 5-10% to new rates of closer to 14%. However, the existing NIFOR technology was too large with a processing capacity closer to 2 tonnes/day; compared to typical processing capacity of most millers of around 0.5 tonnes/day; and was also too expensive at around N3 million Naira.

Exposing local fabricators to the needs of small scale millers, and to the possibilities offered by the NIFOR technology, MADE partnered with fabricators to innovate a 'downscaling' in the primary technology that could achieve the higher rates of oil extraction, but at lower throughput capacity and at a markedly reduced price.

Over the 2015-2017 period, a total of nine fabricators innovated and offered this new small-scale oil processing technology, selling more than 200 units; around two-thirds subsidised 50% by 'embedded' MADE Technology Adoption Grants and the remainder sold at full market price. Moving forward from this point to March 2019, a further 54 units have been sold at full commercial prices, some of which had been further adapted, for example to process different varieties of oil palm fruits.

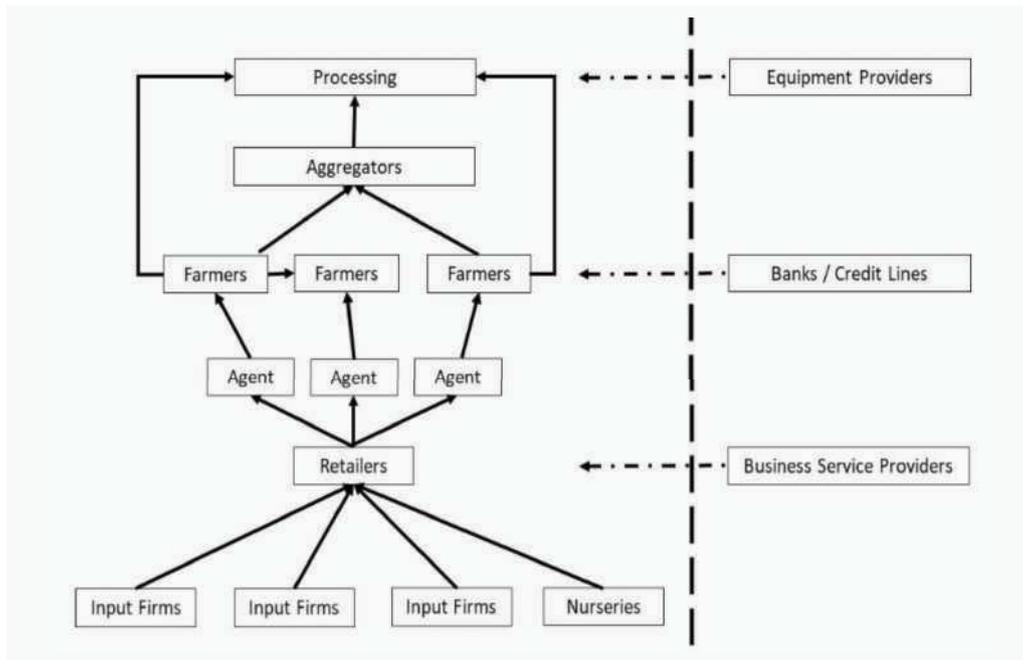
The scale of the technology adoption, and the impact of this on oil extraction rates and quality of oil extracted has started to change the underlying sector competitiveness equation. This increase in the value of fruits has stimulated a tangible demand-pull for fruits, which has seen the emergence of motivated aggregators increasingly competing for access to fruits; and in doing so further reducing the transaction costs at that production-processing node in the value chain; and further incentivising investment in improved and increased oil palm production.

These dynamics are explored further in the next instalment of the MADE evolution discussed below.

Market Deepening – network effects and multipliers

From the first phase of engaging and innovating, through the second phase of right-sizing incentives at the heart of a more realistic vision of sustainability, a new phase – so-called ‘market deepening’ – can now be observed.

In the oil palm and smoked fish sectors, the upgrading of processing technologies has been at scale. Similarly to the oil palm intervention, the innovation and introduction of new fish smoking kilns has been significant. Reportedly, around twelve fabricators now offer improved – and cleaner – equipment; with 98 units sold being underpinned by a cost-offsetting MADE Technology Adaptation Grant; leading to a further 178 units sold at full price once the value proposition was established.



Box 1: CASE PROFILES

Jackson is a commercial oil palm harvester. He spent N270k on a new MAH machine. He has increased his harvesting productivity from 60-200 bunches per day. He has been able to reduce his price from N100 to 50 per bunch harvested, passing on some efficiency savings to farmers. This has resulted in him increasing his client base. From part time work, he now works six-days per week; has employed two staff and is saving for a second machine to expand his business. Jackson is very proud and positive, but for him, the most significant impact of this change is that “...I can now pay my children’s school fees and offer them a brighter future”.

Austin is a small scale oil palm processor. He used to do this 1 to 2 days per week to supplement his salary as a local teacher. He paid N750k for upgraded processing capacity; 20% initially, and the balance over time against an agreed payment plan. He says “The change was huge. It became a real enigma for me”. He has increased his processing output from 1tonne/week, to 1tonne/day; employed 4 new staff; and resigned his position as a teacher to run this as his full-time business. To help secure access to fruits, he has also bought a MAH and offers this ‘embedded’ value added service to an increasing number of farmer clients.

The upgrading of processing technology has increased the value of palm fruit and fish products. As commented on, this has led to the emergence of specialist aggregators which help improve value chain efficiency through their economies of scale impact. However, this has also stimulated the emergence of a host of other specialised equipment and service providers. In the oil palm sector, the increased demand for fresh fruit bunches (FFBs) as a result of improved processing technologies has stimulated the uptake of new harvesting technologies. Hundreds of Mechanical Adjustable Harvesters (MAH) have been sold; as have now thousands of Malaysian Knives. These increase the volume of fruits that can be harvested, more safely, and at cheaper unit cost to farmers than traditional methods.

The previous phase saw MADE help facilitate the emergence of a new retail infrastructure in various value chains. Building from this more sustainable platform, many of these smaller retailers have continued to grow and expand their businesses. In the poultry sector, for example, the number of Village Level Dealers (VLDs) has continued to expand and has continued to grow their client base. Some of this expansion has been supported through MADE intervention; but around 25% of the observed expansion to date has been unsupported.

Table 4: Poultry sector increasing scale of VLD network and farmer outreach

Year	2014-15	2015-2016	2016-17	2017-18	2018-19	2019-20
Number of farmers reached	74	5,387	20,791	36,715	50,057	63,355
Number of women reached	50	2,636	9,694	16,510	22,525	28,509
Number of VLDs	27	56	78	101	112	188

A similar picture can be observed in the cassava and aquaculture sectors. In aquaculture as demonstrated in Figure 4, six of the original eight MASPs have grown their networks to more than 48 ASPs across each of the nine States of the Niger Delta now serving more than 10,000 small scale fish farmers; this growth being unsupported in the last two years shown. In cassava, there are currently 23 MVSE's operating a growing network of currently 1,043 predominantly women ran VSEs supplying extension training and quality inputs to over 30,000 small scale farmers; around 80% of which are women.

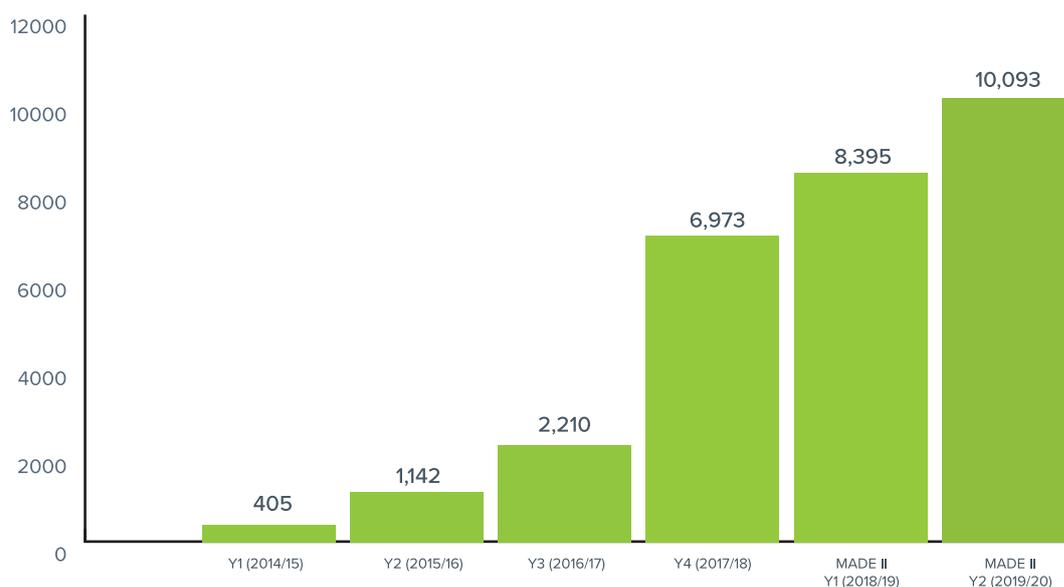


Fig 4: Growth of Farmer Outreach in Aquaculture Intervention

The relationship between retailers and larger input supply firms has continued to deepen and grow over time also. Many lead firms have invested in building their distribution and marketing profiles to support the growing sales performance of their retail partners. Some lead firms have started to invest in product development – specifically bulk-breaking – to better reach the very small-holder farmer market. For example, Zygoxis reported re-packing disinfectant into smaller bottle sizes more appropriate to smaller farmers. Zygoxis and Turner Wright both reported bulk-breaking to smaller sizes also in vaccines, anti-biotics, vitamins, de-wormers, and egg booster packs.

The resulting Niger Delta sales revenues (N) to lead firms has also continued to grow, as shown in Table 5

Table 5: Sales revenue to lead firms

Lead Firm	2015-2016	2016-2017
SARO	640%	54%
CANDEL	280%	-34% ⁵
Syngenta	25%	15%

Many lead firms are reporting increased sales from the Niger Delta. Many report an increasing share of national sales coming from the Niger Delta. Harvestfield reported a growth in Niger Delta to Total National Sales revenues increasing from around 15%-30% over the period. Likewise, most report growth in their VLD networks, penetrating further into more remote, more rural areas across the Niger Delta.

The above represents deepening in the sense of improved vertical performance of the various supported value chains. However, horizontal change is also being observed. There are two primary manifestations of this.

Firstly, a number of specialised service providers are now engaging with different firms at different levels of the value chain. For example, a number of ‘business services (BSP)’ firms are now targeting retail clients and helping them to formalise and manage their business growth. This is not only improving business performance it’s also now starting to facilitate improved access to farmer credit. Through working with

retailers, these BSP’s have improved their knowledge and understanding of small holder farming. As intermediaries of a pilot Central Bank of Nigeria lending scheme they were able to leverage this knowledge into a new model of ‘business service supported loans’ that worked well; delivering the lowest rate of loan defaults across all pilot schemes nationally. This model has now been integrated as a central part of the CBN, NIRSAL MFB and other Financial Institution’s funding schemes leveraging certified BSPs trained to support, mentor, monitor and provide quantitative and qualitative feedback.

Secondly, there are many reported instances of firms / farmers replicating and applying their knowledge and practices from one value chain activity to another. For example, a number of BSPs’ report expanding their support from, for example, aquaculture to poultry. In other cases, those that upgraded equipment are now using this to process other products; for example, using fish smoking kilns for drying other products such as crayfish, cassava and vegetables. Much of this ‘change’ is being facilitated by a growing sense of ‘connectivity and confidence’ demonstrated by these entrepreneurs who are now better able to see, and to respond to commercial opportunities that hitherto lay largely obscured and untapped.

MSD programmes hold themselves to account to a higher purpose of ‘sustainable impact at scale’. Change that is ‘systemic’ or ‘transformative’ in nature is the ambition. Programmes talk of leverage, of replication, of crowding-in. They talk of partnerships, of innovation frontiers and buying down risk to encourage first-mover adoption. They talk of being flexible, adaptive and responsive; that to best support business, they need to be more business-like in what they do and how they do it.

The results of the MADE programme are target busting. MADE has repeatedly been scored highly by DFID in its annual reviews. It is held up as an exemplar of MSD programming based on its achievements. This is all

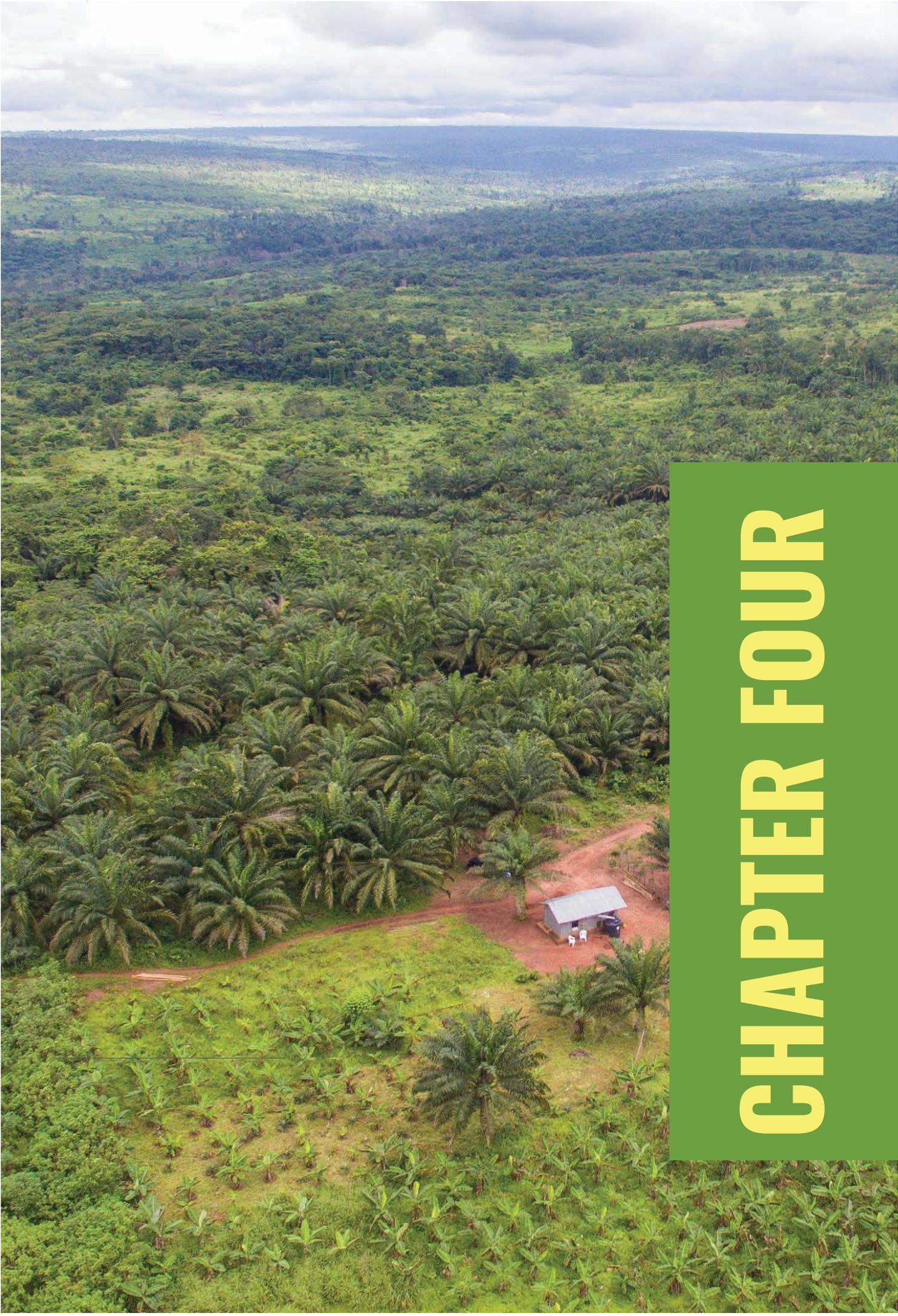
⁵ Sales declined somewhat from the previous year; but were still substantial and substantially higher than previously. CANDEL reported this decline in sales was as a result of wider company issues rather than problems per se of operating in the Niger Delta

demonstrated above, these headline numbers – impressive as they are – don't really tell the real underlying story of MADE. The story of MADE is a story of ambition; of evolution; of change that is increasingly and genuinely transformative. Perhaps more the remarkable given the prevailing context of deep poverty, and damaging insecurity.

Why does this matter? Why is this really important? Well, across both phases of MADE, more than 300,000 small scale farmers (a high proportion of which are female) are now part of a system that increasingly supports and rewards their hard work, their perseverance and aspiration. They have increasing access and choice to input and output markets which are delivering higher margins and higher returns to their labour. They are starting to gain the respect that they deserve as discerning consumers, as capable farmers, as responsive suppliers worthy of investment and attention; a far cry from being perceived as passive recipients worthy only of pacifying charity; living in a region considered too dangerous and too dysfunctional for any serious development.

There are over 4 million small holder crop farmers, employing more than 11 million people in the Niger Delta. MADE has made a significant difference to many; growing commercial networks expand access and benefit to many more; but the vast majority of people will remain beyond the access frontier – un and under-served. More, much more, needs to be done; but MADE has challenged the status quo and the stereotype. It has shown what is possible. It has re-defined how development can and should be done in the Niger Delta. The next and final part of this case explains how MADE has done this; how it has applied MSD thinking to the conflict affected challenges of the Niger Delta; and in doing so, it is hoped can help inspire and inform others 'doing development' work in equally difficult contexts.





CHAPTER FOUR

THE MADE APPROACH — INSIGHTS AND LESSONS

The previous sections have presented headline results of the MADE programme and explored these in more detail through a stylised representation of the evolution of the MADE programme in the context of how the market systems themselves were evolving. This concluding section identifies and presents key drivers of MADE performance. Exploring and explaining how it has applied the MSD approach to the conflict affected environment of the Niger Delta.

Strategic Factors — license to operate

Working in an environment with very high extreme poverty rates, cursed by oil and riven by conflict, over large areas with low accessibility isn't 'business as usual' for any development programme. Working in an environment where the prevailing approach of development organisations was one of pacification through responding to conflict 'hot spots' tactically through the transfer of resources to dampen tempers, applying a light salve to the symptomatic trauma of conflict but doing little to address its underlying causes. This too isn't a normal operating environment for many development programmes. Working in an environment dominated by small holder farming written off by many as low performance, low potential; beyond redemption and therefore unworthy of innovation or investment. Working against such firmly held and deeply entrenched stereotypical attitudes — however wrong and misplaced they may be — isn't just another day in the life of a typical development programme.

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Arguably the context for MADE was one of extreme dysfunction. Where applying an MSD approach was the complete counterpoint to prevailing attitudes and actions, with targets that could only be met through leveraging the interest and resources of others. Meeting these basic 'license to operate' challenges meant that MADE had to work strategically in a range of different dimensions.

Changing attitudes – from pacification to empowerment

The MADE approach was a direct challenge to conventional practice. It needed to build awareness and understanding amongst stakeholders from across the Government, donor, community and private sector constituencies. Managing complex political economy dynamics where any success of MADE might be viewed as a direct challenge to the failure of others; where conflict might be a cost to many but is equally a benefit to others. Meeting and managing these factors demanded MADE think and work 'politically'. It did this in the various ways:

The DEMAND Alliance

The DEMAND Alliance was created as part of the overall strategy of the PIND Foundation in 2012 to enhance collaboration and partnership in the Niger Delta. DEMAND stands for Developing Market Alliances in the Niger Delta. The strategy and concept behind DEMAND is to lay a framework and guideline for collaboration by like-minded donor agencies that are funding overlapping programs on economic development in the Niger Delta. The DEMAND Alliance included the donors/funders at one level, and the implementing projects at another.

MADE joined the DEMAND Alliance as an active partner from the start. Its interest was to help build the Alliance as a platform for improved coordination in project implementation by organisations with shared interests, greater sharing of information and resources. In this way, the DEMAND Alliance would be a more effective influence on the overall development agenda in the Niger Delta, and enhanced development of local implementation capacity within the Niger Delta.

At the funder level, the members of the DEMAND Alliance include the UK Department for International Development (DFID), the United States Agency for International Development (USAID), Food and Agriculture Organization of the United Nations (FAO) and the International Fertilizer Development Center's (IFDC), just to name a few. At the implementer level, it included PIND's market Development Team, MADE, the MARKETS II project. It is understood that each member of the DEMAND Alliance will have its own programs with their own objectives. DEMAND seeks to get the members to align their approaches and objectives into common strategic visions, using complementary approaches.

Building this community of practice delivered a number of positive effects. It helped build profile and legitimacy quickly for MADE; which was exploited positively in how MADE was able to project towards potential partners, and other stakeholders. It helped circumvent MADE's learning curve through exposing it to existing analysis, innovations and ideas which MADE was able to leverage in various ways. It also allowed MADE the space to operate regionally through improved coordination with other programmes.

M4P Capable

The CAPABLE network was another existing initiative of PIND. Early stakeholder consultations showed the weak capacity of Niger Delta-based organizations was a major concern as development within the region would be impossible without their engagement and assistance. In response, PIND launched the Capacity Building for Local Empowerment (CAPABLE) initiative in 2013 to boost the institutional and technical capacities of local civil society and business membership organizations so they could increase their competitive advantage to accessing funds and improve the quality of service delivery to communities.

MADE partnered with PIND to expand the range of technical training and capacity building services offered through CAPABLE to include the design and delivery of a new course on 'market systems development' as an approach for development organisations. It did this

through a Training of Trainers approach to embed this training capacity in a cadre of Nigerian development professionals; who have gone on to train a growing number of Nigerian development practitioners and organisations on the MSD Approach.

This has yielded a number of tangible results. It is a response to helping change attitudes of development actors in the Niger Delta, not just telling them they need to ‘do development differently’ but helping build their capacity to actually ‘do it’ in practice. It offers professional development and career building possibilities for Nigerian staff on MSD programmes which helps incentivise programme reflection, learning and improvement initiatives. Further, it allowed MADE to start working more effectively through several trained local organisations referred to as ‘co-facilitators’ which helped improve its targeted outreach to ‘difficult to reach’ populations.

Engaging national lead firms

Working with national lead firms as a first market engagement strategy was strategic in nature. If such firms – Nigeria’s best and brightest – saw farmers in the Niger Delta as unviable and unworthy of real commercial consideration, then what hope was there for them? Working with lead firms, partnering with them to help test innovations in reaching and impacting small holder farmers, was a first step in changing viability perceptions. Recognising that lead firms themselves had to innovate within their own corporate structures – testing innovations that could reduce their risk pricing and improve their risk appetite – was critically important. Helping them de-risk their business strategies; helping them to learn and improve; all within a clearly defined output / performance / results framework was empowering; and contradicted their prior experience of being contracted and/or subsidised to deliver their products / services directly to farmers.

Impacting on their commercial bottom lines was key to shifting the attention from technical counterparts in the lead firms, toward Board level decision makers. Recognising the potential was the first step. Investing in realising this potential was now very much on the

agenda. This changing of the narrative backed up with tangible progress and forward investment plans gave MADE a platform and a confidence from which it was better able to meet the sustainability and scale challenges it then faced.

Partners for Peace

A key risk to businesses working (or thinking of working) in the Niger Delta is that of violence and insecurity (of assets and people). Both real and perceived risks are high. Businesses need to find responses to these risks if they are to start investing more in / across the Niger Delta.

Partners for Peace is another initiative of PIND. Its objectives are to help manage and mitigate conflict in the Niger Delta. Again, MADE has actively partnered on this initiative. It benefits in a range of ways.

Firstly, through having access to the network of (now more than 9600) peace actors across the Niger Delta. Some of these have been leveraged by MADE as ‘co-facilitators’ help MADE work in certain areas, or with certain communities; some have been referred to partners as possible sources of information / advice – or even agents – that they might consider when expanding operations to new areas.

Secondly, P4P has built a large database and ‘Peace Map’ that identifies conflict spots and causes; and is used to help understand trends and regional differences and disparities. This knowledge is available to all MADE staff and has helped inform programming and partner engagement.

Commitment to the MSD approach

A key driver of MADE’s performance has been its unerring commitment to the MSD approach itself. Most development programmes would claim to have a strategy and approach that underpins what they do and why they do it. But in reality, this claim is often overstated where strategy starts and ends with the logical framework; and the approach is a collection of discreet delivery plans. Committing to the MSD approach so concretely has yielded a number of benefits.

Firstly, in terms of planning and phasing. MADE was able to predict and plan on the premise of widely commented ‘innovation s-curve’ model. By defining results in this way, this allowed MADE and their partners time to innovate, test and learn; in the full spirit of partnership where costs and risks are shared. It gave a more realistic picture of sustainability and scale, through testing, embedding and then scaling results as innovations themselves are tested, adapted and then rolled out.

Secondly, in terms of communication and stakeholder engagement. The success or failure of MADE lay in its ability to fundamentally change the narrative - that small holder farming can be viable; that servicing small holder farmers can be profitable; that working in the Niger Delta is feasible; that development agencies should work to empower farmer access and choice over time; rather than effect a short-term transfer of resources delivering little more than an illusory puff of impact and further entrenching farmers in a cycle of dependency and despondency. Working to change these dominant narratives meant that MADE had to define itself differently; and to underpin this through being clear and consistent on the why, what and how, of its strategy and approach.

Finally, working in the Niger Delta meant recruiting staff and building a team over time from the Niger Delta. If MADE wanted to work differently, it also had to invest in helping its staff to think and work differently to prevailing approaches in the Niger Delta. Committing fully to the MSD approach meant that these staff were able to feel part of a growing global community of practice, accessing technical resources and professional development opportunities that over time they could learn from, grow with, and put back into.

Design and implementation process

DFID appointed DAI Europe under a ‘design and implement’ contractual procedure. Whilst not uncommon in general, the nature of the process was perhaps different to the norm. It’s more common to have design and intervention phases running concurrently and moving to implementation subject to funder

approvals and break-clauses. The MADE process was different. The design phase ran for twelve months, with the DFID business case submitted for approval at six months. This meant it was able to build momentum, run pilots, blend analysis with action, recruit staff, build profile, implement systems, procedures and develop plans during the design phase; whilst also affording DFID the time to run through its approval processes and the subsequent contractual agreement processes. This continuity sped up the learning process and kept the same team in place.

Operational Factors – driving performance

The strategic factors outlined above created the space and set the direction for the MADE programme to operate. How – and how well – it worked explains how MADE took advantage of the opportunity in front of them to deliver on the results and deliver on the promise of transformational change argued and articulated earlier in this case. A number of factors were key in driving the performance of MADE. These aren’t exclusive. They’re not always consistent in everything MADE did. But they are identifiable, evidenced and they are important.

Quality analysis

The success of most things is often explained as being the product of inspiration, perspiration and a good dollop of luck. However, there’s also an old adage that ‘you make your own luck in life’. This resonates with MADE. Its success all stems from the strong analytical base it built – and built on – over the course of the programme. MADE placed bets on outcomes; but these bets were informed by the deep analytical work undertaken during the inception and pilot phases, continuing into implementation.

What defines quality analysis? One way might be to compare what MADE did to some kind of model of good practice features that collectively defines quality. But for the purposes of this case study, three features stand out.

Firstly, it underpinned MADE's approach to prospective partners. MADE understood the structure and performance – and potential – across the whole value chain. Partners often had a more limited understanding of their own company position and performance. They could feel the effects of wider value chain constraints and inefficiencies but didn't always understand them, and most often didn't feel empowered to do anything about them. Many partners interviewed commented on the quality of the analysis tabled by MADE. How it helped them understand sector competitiveness more widely, and their role within this picture, and how this could be improved through clear and clearly articulated intervention – or 'value proposition' - in their words.

Secondly, the analysis helped identify 'pinch points' impinging on issues of access / performance, which in turn were prioritised as part of clearly articulated sector strategies – how change in one area would open possibilities for change in another. This helped MADE to evolve their own thinking and planning over time and in response to observed changes in value chain structure and performance.

Thirdly, the quantitative aspects of the analysis served great purpose in respect of measurement issues. They set baselines, indicated targets and confirmed units of measurement. These were all factored into intervention designs, partnership agreements and associated measurement plans. Performance against plan – observed vs anticipated in measurement terms – allowed MADE to revisit assumptions and revise, reframe or reject further investment in various intervention areas or partnerships.

Finally, the analysis was used to inform discussions with their funder, DFID. The quality of the analysis allowed for discussions between DAI Europe and DFID to be balanced between the pull of blind ambition and push back of tempered realism that so often undermines trust and confidence between funder and implementor on larger programmes like MADE. Against a notional benchmark, the outcome and impact targets of MADE reflected the ambition of the funder, but were accepted

wholeheartedly by DAI Europe as challenging but realistic based on their ownership and understanding of the analysis they had completed.

Sector selection and vision of sustainability

As with most programmes, MADE had a number of clear, but not always mutually reinforcing objectives, and targets. Systemic change and impact were outcome and impact level indicators. But so too were objectives of post-intervention sustainability and continued scale. Gender was a central objective of the programme, with other supporting social and environmental considerations. Of course, returns from different sectors and/or intervention areas yield different dividends and returns against each of these different objectives. For example, by factor of their reduced agency women are often engaged in low barrier / low return economic activities. Interventions here might reach women, might reach women at scale, but given the nature of the sector might yield more limited income impacts. Or conversely some higher value impacts might relate to upgrading improvements in a smaller number of less poor value chain actors and activities.

Balancing these different and sometime competing objectives is a complex and constant challenge for many programmes. In meeting this challenge, MADE started with a sector selection exercise that evaluated differential dividends from different sectors / intervention areas. This allowed for a more robust and honest picture to emerge in showing how MADE – across its portfolio of operations – could meet its host of objectives and targets. It knew what it was seeking from where, and the contribution these each made to the whole. It was only as strong as its weakest part. In this way, a sense of equal importance and mutual dependency emerged – irrespective of how budgets, staffing and resources were programmed against each sector and/or intervention area. Arguably, this helped stopped 'silo' mentalities emerging which tend to impede cross sector learning and incite hierarchy and division.

These ‘dynamics’ were captured and reflected in a ‘vision of change’ for each sector and intervention area. MADE used Intervention Justification reports that married the value chain analysis (problem definition) with intervention area (upgrading focus) with a clearly articulated vision of how MADE saw the sector working as a result of intervention (future vision). Central to this was a clear assessment of partners, motivations and incentives for change.

Behaviour change is central to MADE’s vision of sustainability. This is captured in the MADE Theory of Change and Logical Framework as an indicator and target. It is measured through a combination of ‘hard’ indicators such as investment and sales; and ‘soft’ indicators such as changes in attitudes and behaviours. Locking in sustainability and operationalising it through measuring practice and performance change on both the demand (farmer) and supply (product / service providers) sides was ultimately what drove MADE to evolve from its initial lead firm engagement, towards deeper and more transformational change. Without these motivations, it would have been comparatively easy for MADE to fall in behind conventional approaches and sit behind lead firms essentially contracting them to deliver subsidised products and services; at least for the time the money taps were open and at the expense of genuine development of the Niger Delta.

Intervention Design and Management

As the M4P Operational Guide points out, when it comes to intervention design ‘it’s less what you do, but how you do it; and why you do it’. Some practitioners argue that intervention design and management is where the art takes over from the analysis science. It’s in this context that a number of important learning points emerge from the MADE experience.

Partnering not sub-contracting

The Partnership Brokers Association define a partnership as “An on-going working relationship where risks and benefits are shared”. They go on to further define partnerships as a collaborative relationship based on principles of co-creation, mutual accountability, complex relationship and shared

risk. They counter this against more transactional relationships, defined more by principles of contracted service delivery, funding relationship and transferred risk.

MADE engaged with partners in the truer sense of partnership. The letter of the partnership – termed a Deal Note, backed up by a formal Memorandum of Understanding – spells out clearly the rationale for partnership, the objectives and expectations of each partner, who will contribute what in terms of finance and other resources, as well as anticipated timelines, milestones and management arrangements. As such, these MoUs balanced the accountability concerns of using public funds with the performance concerns of focus and flexibility.

MADE also lived up to the spirit of partnership. Whilst MADE were removed from the point of transaction between suppliers and farmers, or fabricators and processors, they were always engaged and observant. By observing and learning, MADE was able to undertake its own reflection processes which meant it was able to engage in a problem-solving approach towards partners. Armed with its own observations and ideas, MADE was able to enter review discussions with partners from an informed position of strength, sometimes to hold partners to account. Most times to help review, reflect, and where necessary reframe intervention / partnership focus or modalities. As commented by one lead firm interviewed “We did fight a lot [with MADE] – a clash of interests sometimes – but always we came around and found a way forward.”; and by another who was asked to compare their partnership with MADE against other donor programmes it had engaged with previously responded “MADE was much more engaging. We enjoyed a problem-solving partnership where they [MADE] added real value to our thinking and business”.

Partnering with a purpose

As confirmed earlier in this case, MADE’s initial market engagement strategy was based on various factors related to appetite for risk, capacity to take risk and to manage innovation, the scope of infrastructure and

resources and degree of formalisation, visibility and reputation. But MADE was never blinded by partners. They were partners chosen for a particular purpose. A means to an end, rather than an end in and of itself; the central logic being demonstration leading to replication and crowding in.

Of course in reality, demonstration was partial and not sufficient. What was demonstrated wasn't really put toward other lead firms who would copy and adapt and push on beyond MADE. Business model innovations – of using imparted knowledge paired with improved access to a range of quality inputs – proved of more relevance to smaller, more local, often start up service providers. By being engaged and observant in the lead firm approaches, MADE staff were able to observe the challenges faced by lead firms, and how these could be reframed as opportunities for a number of motivated and capable smaller and more informal service providers. They were able to spot this new type of 'partner' and able to devise a new 'offer' of engagement appropriate to working with this very new and different type (and number) of partner(s).

Typically MADE interventions were comprehensive in nature and driven by a relative sense of 'quality'. However, MADE was responsive and supportive of adaptation by its partners in using the knowledge and skills imparted in a variety of 'packaged' ways. For example, demonstration training models were adapted from 'whole group-whole season' to groups of individuals participating in a more modular approach to demonstration and training activities. In aquaculture, shorter and more focused demonstrations were held for different phases of activity; and participants invited to sign up accordingly. This flexibility better responded to a host of evident demand side factors and impediments. It was popular. Farmers were paying for it. The demonstrations resulted in higher levels of trust-based sales. A better outcome for farmers, for retailers and for lead firms.

The purpose was to improve farmer access and choice to a range of value-added input and output market opportunities. Self-evidently one size will never fit

all. So, MADE embraced this call for diversity, for adaptation, and actively encouraged partners to test innovations that worked for them and their clients. In fact, this diversity became a strength of MADE as it was better able to manage performance risk and maximise performance potential.

Innovation and instruments

As mentioned above, MADE was all embracing of innovation within and across its different areas of operation. Innovation is a term often used in development. It's helpful to qualify what is meant by innovation. In the case of MADE, innovation was more accurately applied innovation – applying existing innovations to new contexts. Its technical training interventions on aspects such as good agricultural practices, or improved pond management, were all adapted from existing Nigerian resources. Some from the government of Nigeria; some from Nigerian partner firms; some from other donor funded programmes operating in Nigeria. Likewise, its focus on business (farm) management built on previously trialled and tested approaches. MADE helped reframe and refocus these innovations to new sectors; and worked with partners to further adapt these innovations into commercial offerings that made sense to them and their clients.

MADE applied the same approach to its interventions around technology upgrading, drawing on existing technologies resident – but often redundant – in Nigeria. Working with partners to understand these technologies and innovate commercial responses by right-sizing solutions to the technical and financial realities of potential consumers.

Central to all this was MADE trying to understand and be responsive to the underlying incentives and motivations of its partners; and their respective capacities. Being guided by these concerns of 'best fit', MADE never let "perfect" be the "enemy of good enough". Furthermore, it was able to focus quite tightly on areas where MADE resources were needed to be invested to best effect with partners; and across intervention areas. Instruments were used to respond

to 'resource gaps' or to 'de-risk' investments depending on the nature of the constraint being faced by partners. The M4P Operational Guide refers to the 'Will and Skill' of partners, and how interventions can / should be responsive to will-skill assessments. This is exactly what MADE was doing.

One strong example of this thinking is MADE's approach to Technology Adoption Grants (TAG). MADE had worked with fabricators to innovate new palm oil processing equipment relevant to small scale processors. A number of demonstration 'sales' were supported by MADE; the idea being that these would stimulate interest and demand more widely. They didn't; a few sales were not visible enough to change behaviour in a region of 33 million people. MADE felt a push was needed; to get the technology adopted to a 'tipping point' – a critical mass – of usage that would get over a demonstration 'hump' normalising the equipment and locking in demand.

TAG grants were used as a response to this challenge. They were organised quickly and purposefully. They were 'embedded' (hidden) in the commercial transaction whereby fabricators could offer 50% discounts on a first wave of purchases. They had SMART objectives whereby working on the supply side and embedding the grants in this way, MADE sought to develop rather than distort demand. Looking at the results, it's fair to say that MADE achieved this fine balancing act well. Equipment continues to be produced and sold by local fabricators; and further innovated upon beyond the period of the TAG grant and wider intervention.

Embedding reflection and reframing processes

There are many examples where MADE demonstrated its commitment to learning (what's working / not working), reflection (can it work better, or should it be dropped) and adaptation (closing out or changing up interventions). In aquaculture, working with Vital Feeds to take a commercial lead on demonstration activities 'fell flat' [according to a MADE staff member]. Learning why this was resulted in new thinking and practice towards ASPs and MASPs as confirmed earlier in this case study. Sometimes the intervention was right, but

the partner choice wrong; as in poultry. Some plans to extend MADE operations in new sectors (eg leather and finance) never came to fruition as MADE couldn't find the right strategy and/or intervention point.

The key observation here is that MADE actively encouraged an open culture of 'contestable exchange' within and across its team which improved what it did, and what it achieved.

This process was operationalised in the following critical ways:

- **Technical Director:** A technical director role was established whose role was one of guidance, steering and challenging alignment of activities and outputs toward higher level strategic aims and objectives over time. This role was much less one of compliance; and was all about performance. To be able to add value, the technical director was actively engaged in observing and engaging in all aspects of MADE's work.
- **Quarterly Review Events:** The technical director engaged with the team through structured quarterly review events. These were not bland presentation-discussion events. Learning and reflection was encouraged as was sharing of experience between different components. In this way, the team were challenged, the process was contestable, but constructively so through adding advisory value to teams; and as such was seen as a form of continuing professional development for all team members.
- **Culture:** Many programmes can point to having technical leads and/or advisory panels and holding quarterly reviews. The MADE panel and process was so effective because of the underlying culture carefully curated at MADE. A culture characterised by supportive delegation where staff were encouraged to take ownership and backstopped technically to properly enable this.
- **Clarity of purpose:** As mentioned previously, MADE was defined by its MSD strategy and approach; matched with its ambitious results

framework. MADE never lost sight of where it wanted to go, how it wanted to work in getting there, and knew when it got there (ie was on target to hit key results). This clarity of purpose and commitment to it helped to galvanise the team and provided a framework within which progress could be reflected upon and measured over time.

These factors go a long way to explaining the continued evolution of MADE as outlined in the previous chapter of this case.

Improving and increasing targeted outreach

MADE had ambitious targets for gender inclusion as well as geographic coverage and penetration across the Niger Delta. It delivered on these for three critical reasons:

- Purposeful programming:** MADE's gender analysis concluded three primary concerns: 1) There was an under-representation of women in key economic activities; 2) Women lacked access to productive assets and the means to build these; and 3) Women's general agency was dampened by a host of non-economic/socio-cultural factors which limit them from taking advantage of the women's economic empowerment (WEE) in the value chains. In response to these constraints, MADE programmed responses to each of these constraints, and embedded these within core interventions as far as possible through gender mainstreaming and WEE approach. They ensured higher levels of women's participation in demonstration activities; targeted women as clients of retailer upgrading activities and recipients of technology adoption grants (TAG) grants thereby changing the position of some women from users (patronizing their male counterparts) to becoming owners of improved processing technology (Fish Smoking Kiln, Palm Oil Small Scale Processing Equipment – SSPE, etc) ; and through the creation of 'village level women's talk groups' known as the Gender Talk Group (GTG) embedded a mechanism to allow women (and men) to discuss issues of concern, seek solutions to these; and through a better understanding of 'norms' was able
- Use of data:** MADE was able to be more purposeful in its programming largely because it made use of data and observation feedback. M&E wasn't simply about compliance and counting numbers. It was also about performance. As such, the M&E team worked closely with intervention managers to help define indicators, and methods for capturing data in their work. Intervention managers would often be responsible for shorter-loop partner feedback – for example on business models, practice changes, and sales performance. The M&E team would look more closely into longer-loop factors such as who was buying; and who not; and why? This feedback was used to modify interventions in pursuit of reaching harder-to-reach farmers (eg smaller, poorer, and those – such as women – with reduced social mobility).
- Engagement of co-facilitators:** MADE used the M4P Capable training to build the awareness and ability of potential co-facilitators. These were critically important to operating successfully in a conflict affected environment such as that in the Niger Delta. These co-facilitators (often NGOs) had strong community connections, trusted relationships and were able to work in areas, or with certain communities, which otherwise would likely have been beyond the reach of MADE. This was particularly heightened given prevailing security concerns; as well as overcoming the prevailing 'donor apathy' effect – expressed more commonly as "here comes money" (to be exploited).

to feed this information back into improved MADE intervention design and programming.

Concluding remarks

Market systems development is an approach for development agencies. It aims to help improve effectiveness, measured in terms of the sustainability and scale of development impact. It offers a growing body of knowledge – principles, frameworks, tools, and reflected learning – that can help the MSD community of practice to continue to learn, apply and improve in its work.

As an MSD programme, MADE benefitted from being part of this community of practice. It helped set objectives and direction; it helped frame its analytical work and translating this coherently into intervention design; it helped with partner engagement and offer; with intervention management and measurement; and with the continued professional development of its staff and partners.

This might be an enabler of MADE's success; but it doesn't explain MADE's success. MADE was successful because they applied the MSD approach to the conflict affected and challenging context of the Niger Delta. They internalised the approach, innovated on it, and operationalised it in their given context. MADE was:

- **Politically Smart:** partnering with PIND on critical 'license to operate' initiatives such as the DEMAND Alliance, CAPABLE M4P and Partners for Peace;
- **Strategically Focused and Coherent:** knowing where it needed to get to; and how it wanted to get there.
- **Flexible and adaptive:** in how they worked with partners, but more so in how their approach evolved in line with how the market system was evolving in the Niger Delta.
- **Conflict sensitive:** in where they worked, how they worked and who they worked with and through.

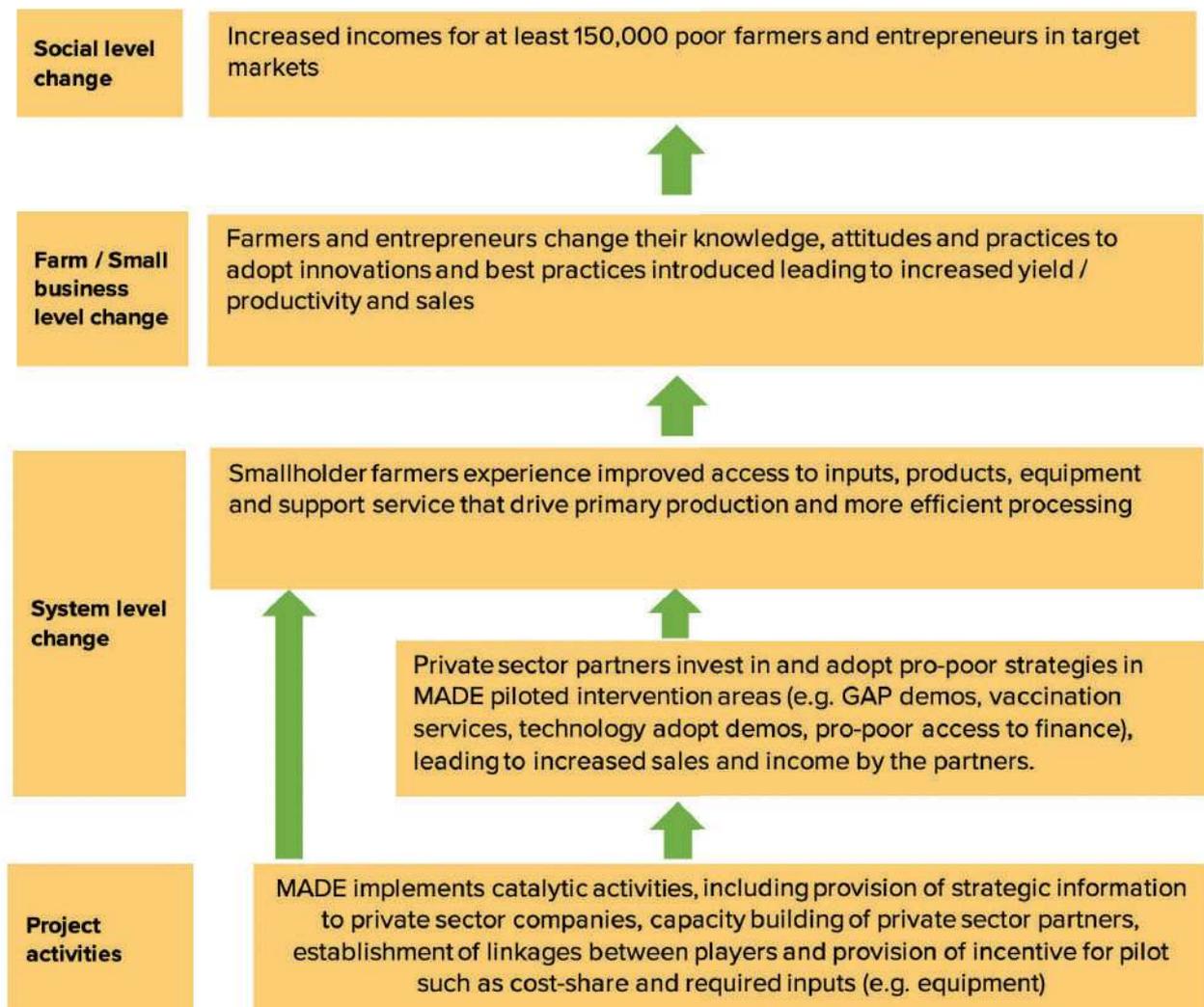
Through exploring and explaining what MADE achieved and how it achieved it, it is hoped that this learning case can help inform and inspire others in their work in equally challenging environments as the Niger Delta.

ANNEX I:

MADE'S PROGRAMME THEORY OF CHANGE

The MADE Programme results framework illustrates the link between M4P interventions and the expected results at output, outcome and impact levels. The theory of change is that by partnering with lead firms who then develop relationships with service providers and entrepreneurs, the programme will achieve a sustainable system which delivers required knowledge and access to inputs, products, services and technologies.

A number of changes in markets, policies, regulations as well as investment levels are needed to increase the income of the poor in the Niger Delta. The pathway to increasing the income of the poor is illustrated as follows:



The theory of change for the market systems development component of the programme is that by partnering with lead firms who then develop relationships with service providers and entrepreneurs, the programme will achieve a sustainable system which delivers required knowledge and access to inputs, products, services and technologies to smallholder farmers and entrepreneurs in target markets.

