

Market Development How it works and How C1 works

Pieter Ypma

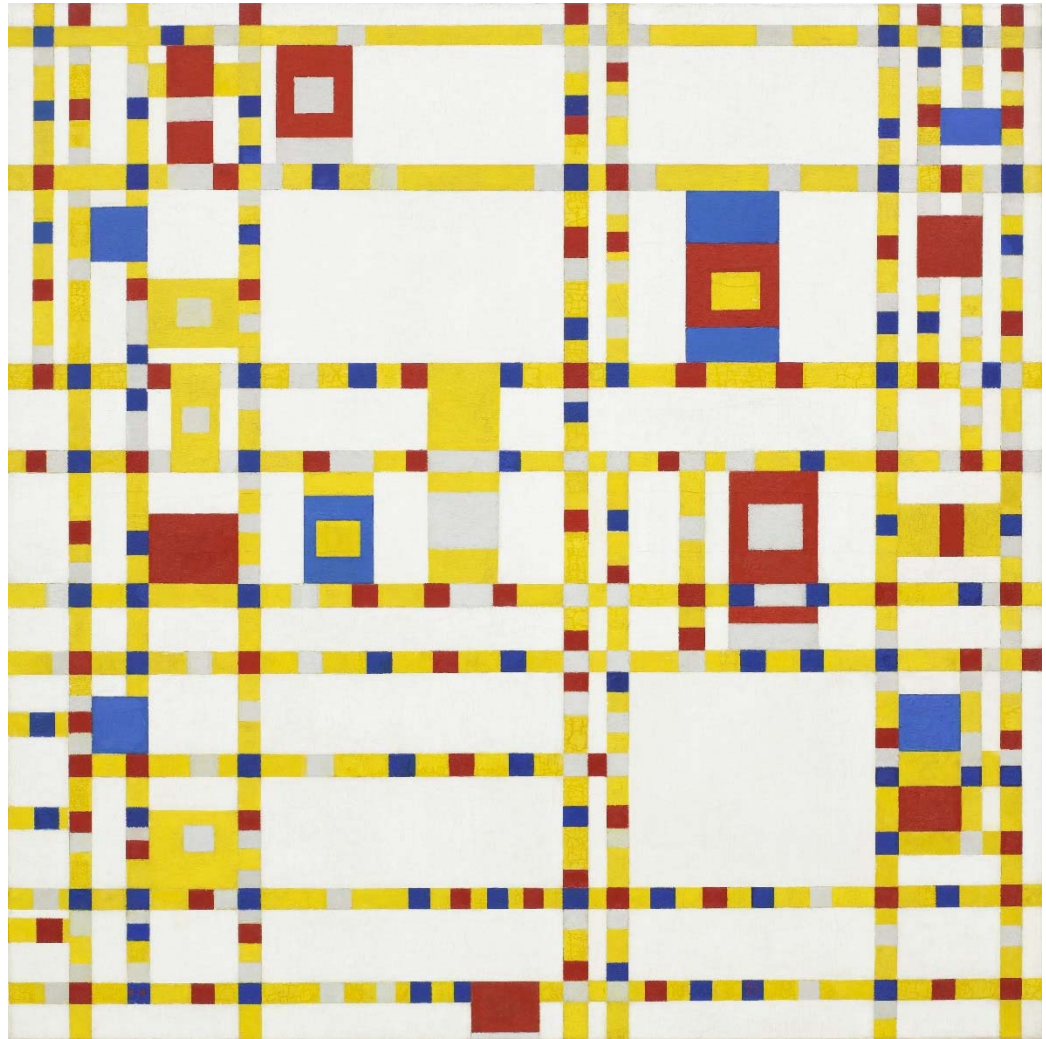


Analysis Static

Broadway Boogie
Woogie

By Pieter Mondriaan

- 1) Time to consider all the options
- 2) Accidents seem unlikely
- 3) Movement is not captured
- 4) Managing means planning carefully your next move



Reality Dynamic

This is reality,
highly complex
and dynamic

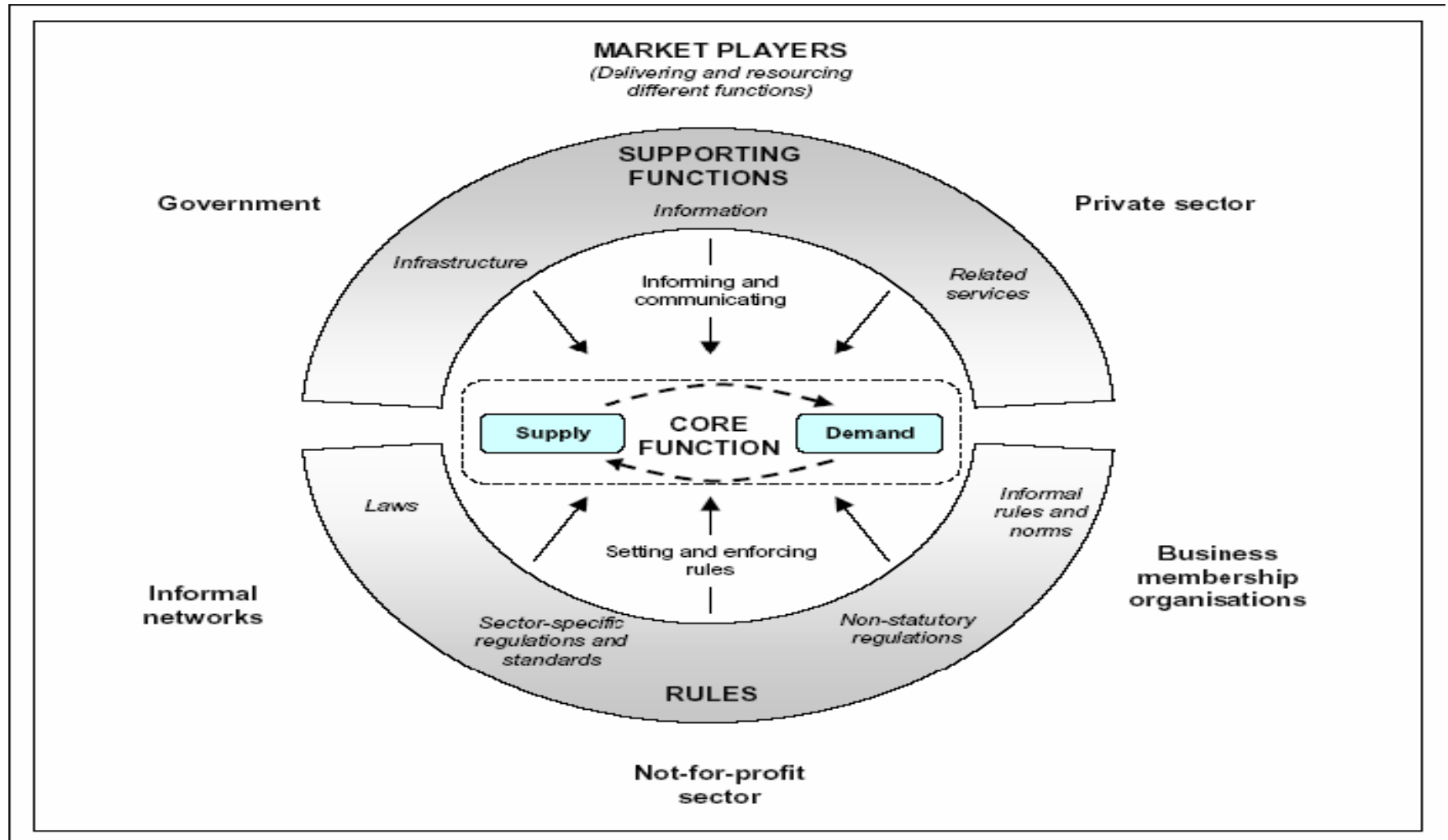
- 1) Pace is quick
movement is
unpredictable
- 2) Managing
means
continuously
adjusting to
the other.



Market access what does it mean

- > Openness of a country's markets to foreign goods and services. Market access reflects the government's economic policies regarding import substitution and free competition
- > Does this means that farmers have access to the new market?
- > Most governments don't trade, its companies/private sector that trades → we need more

The market and its determinants





Where to begin?

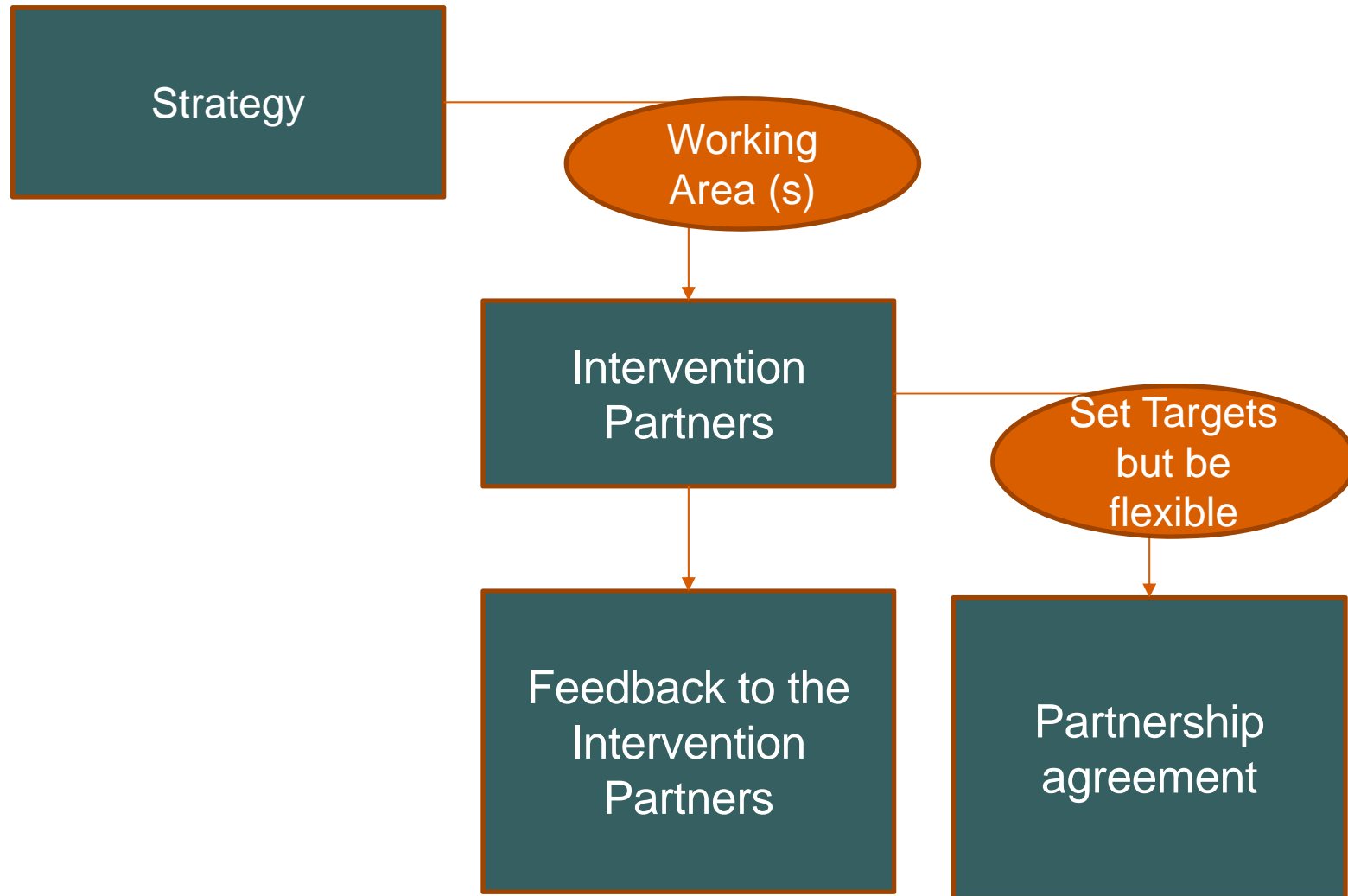
- > Looking at the Donut: To change the market to go from access to participation:
- > There are so many actors so much to do!
- > But what is the bottleneck?
 - Government regulation
 - Economic policies
 - Information Public or Private
 - Informal rules and regulations
 - Infrastructure
 - Others??

A sector wide approach (SWAP)

- > Is the whole sector the problem?
- > Or are we looking for bottlenecks in the sector?
- > How do we accommodate the adjustments



C1 sequence



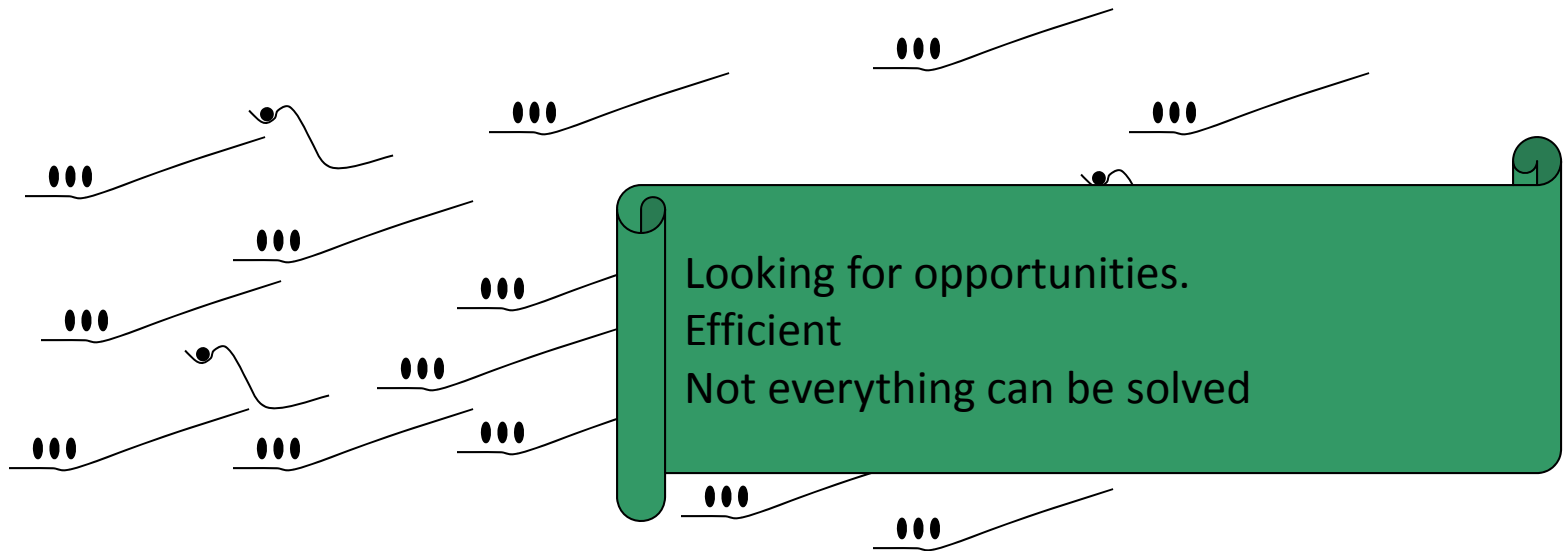
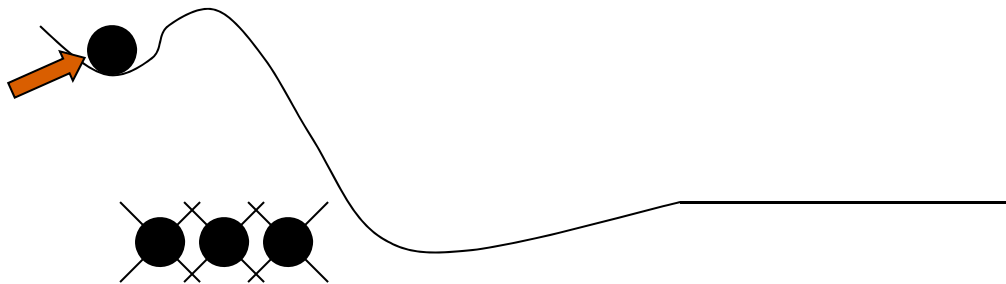
Slide 9

NP3

C1 or CAVAC? does C2 have to follow the same sequence?

Neng Por, 24/08/2017

Aspects NP4 Catalyzing 1



Slide 10

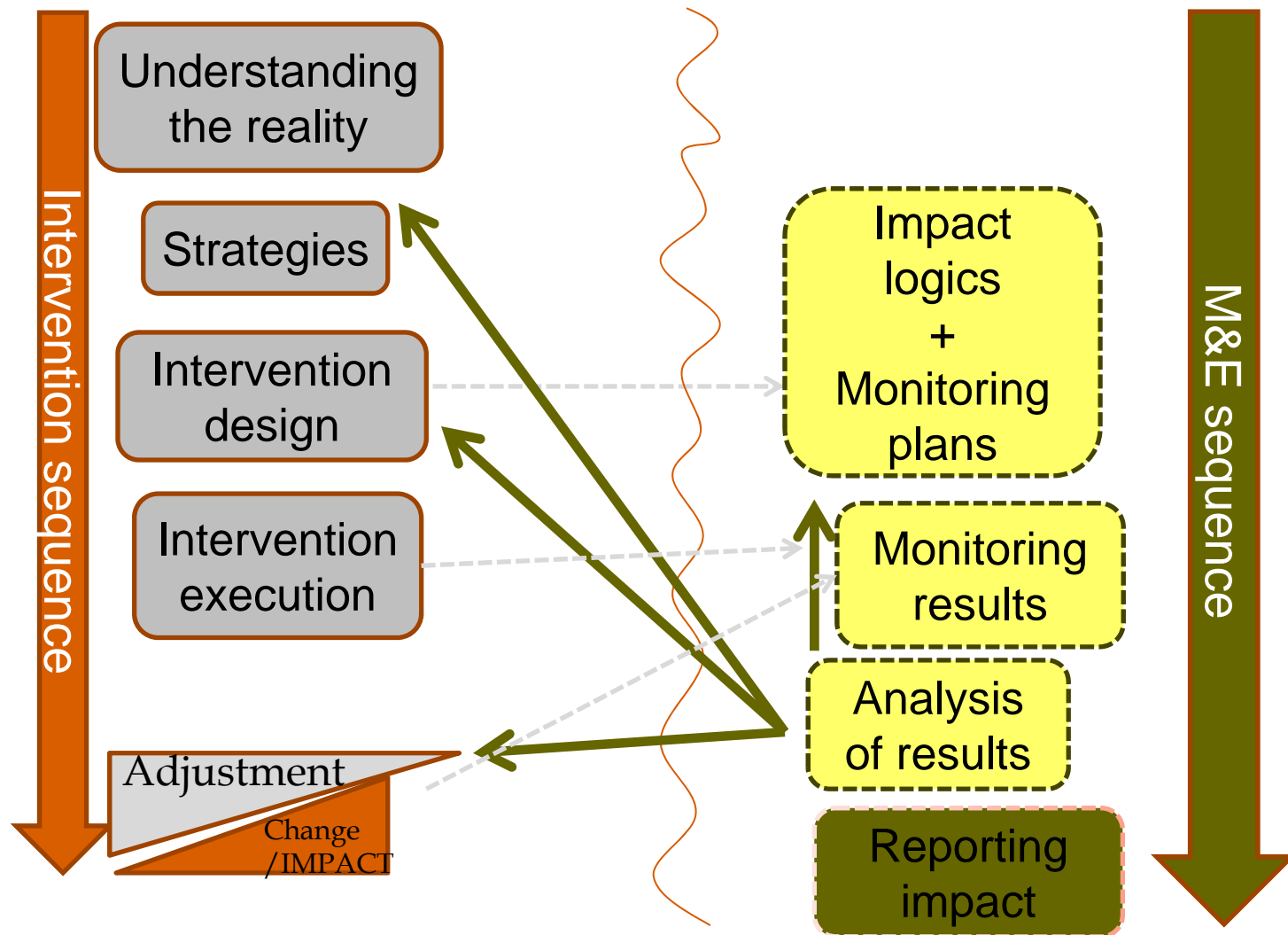
NP4

the number '1' in the title here for? or is there a catalyzing2?

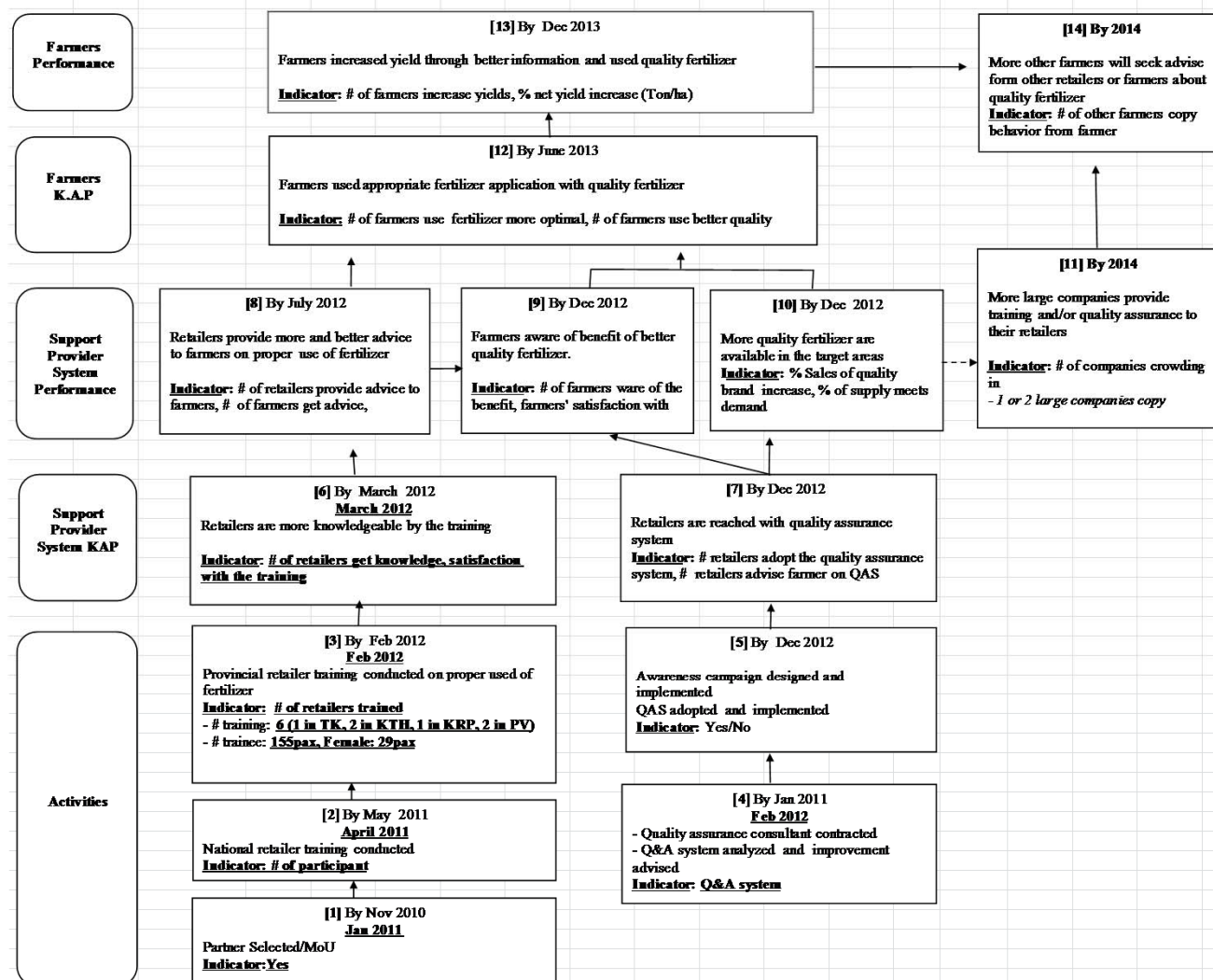
Neng Por, 24/08/2017

Testing that the strategy is correct

- 1) Companies indicate similar opportunities as farmers but from their perspective
- 2) Companies see benefit from working on these issues
- 3) More companies want support (for increasing own contribution)
- 4) Farmers experience positive results



Impact Logic: Support Fertilizer Company in Providing Training to Retailers (Ye-Tak group)



Gender survey result

	Mainly men	Mainly women*	Joint
Who decide	30%	25%	45%
Who buy**	50%	30%	20%
Who apply	80%	15%	5%

Decision making base on rice crop pattern

Wet season rice only	30%	30%	40%
Others (dry, early wet)	30%	20%	50%

Economic status: 13% relatively poor as the households own 0.5 ha of land or less, have no motorbike, nor TV.

* The % has not included female widowers who constitute around 10% of farming households.

** The % are calculated from 5 categories " 1-only man, 2-mainly man, 3-join, 4-mainly women, 5-only women". "Joint" obtained from combining 2,3,4.

Business case

Fertilizer market is growing at an estimated 20-30% per annum Ye-Tak has 8% market share its the intention of Ye-Tak to double its market share through an emphasis on quality

Key constraint from farmers perspective is the lack of info on use and the availability of low quality fertilizer in the market

Assuming that the joint activities contribute to 50% of the market share increase this would provide an estimated additional 5 million USD Gross income to Ye-Tak

Sales of an additional 10 thousand tons of quality fertilizer would increase

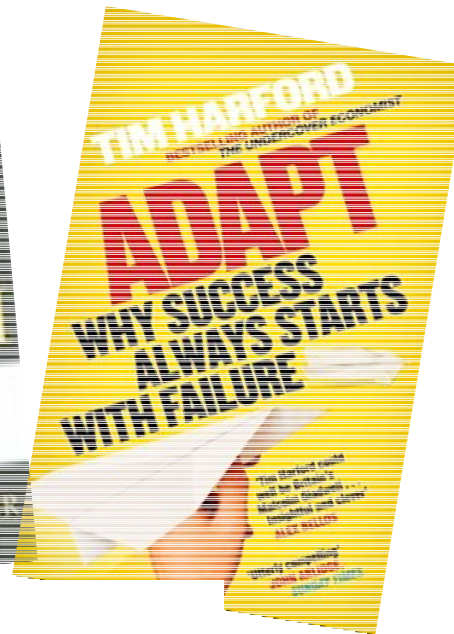
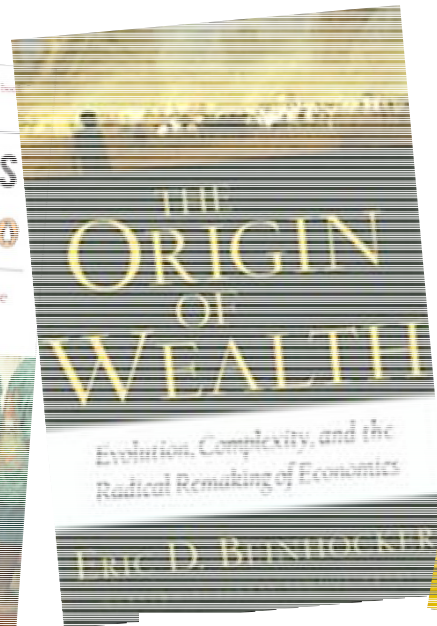
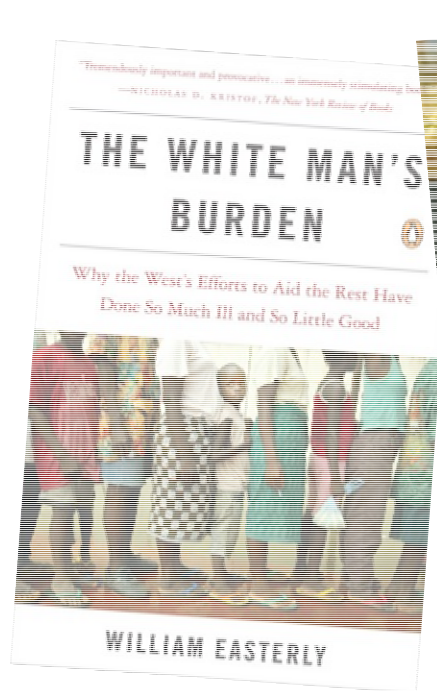
Projecting Assumption

- Doubling of sales in CAVAC provinces in 2 years
- 50% increase from more sales to existing clients
- 50% increase from new clients
- Average retailer sells about 100 ton/year equals 4000 bags equals 4000 dollars profit to Ye-Tak and the retailer (Basic Data Items nos 4&5)
- assuming that all increase comes from existing retailers it is estimated that retailers will increase income by 4000 USD (Other retailers joining is also a good result for CAVAC and Ye-Tak)
- it is estimated that 100 retailers will be trained by CAVAC and Yi-Tak
- That Yi Tak could profit by 200k to 400k
- Farmers could earn per ha an additional 200 to 350 dollars/ha if they crease yields from 2.5 tons/ha to 4 or 5 tons/ha

Projecting Assumption

- Box 5: Quality Assurance System is based on consultant recommendation.

The next thing..complex and chaotic systems!



It's All About MeE

Using Structured Experiential Learning
(e) to Crawl the Design Space

Lant Pritchett, Salimah Sanji, Jeffrey Hammer

CID Working Paper No. 249
December 2012

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Working Papers

Center for International Development
at Harvard University



Hello, my name is Owen Barder at the Center for Global Development

This presentation is about the implications of complexity theory for
general, and especially for development.

Any Questions?

Thank you