Swiss Agency for Development and Cooperation SDC

# MARKET ACCESS FOR THE RURAL POOR -THROUGH VALUE CHAIN PROMOTION PROGRAMME (MARP)



The Swiss Agency for Development and Cooperation (SDC) initiated the 'Market Access for the Rural Poor - through Value Chain Promotion Programme' (referred to as MARP) in late 2012. MARP supports projects and organizations that enable poor, rural households to participate in selected agricultural value chains and so to increase their income. MARP operates in Vietnam, Laos and Myanmar.

## BACKGROUND

Vietnam has made outstanding achievements in poverty reduction over the last 20 years, with the poverty rate falling from 54% in 1993 to around 14% of today's population of nearly 90 million. Despite this success, 12 million poor farming households still exist in rural Vietnam. Absolute poverty rates vary considerably across Vietnam's urban and rural areas and the six geographic regions. Poverty remains high in upland areas (up to 40%) and is even more pronounced amongst Vietnam's ethnic minorities (up to 50%).

Improved access to new technologies, credit and local, regional and global markets have allowed farming households to move beyond subsistence production and derive income from agriculture and forest products as well as from off-farm employment. There is a large potential for poor people, especially women and ethnic minorities, to participate in markets as producers, processors, workers and consumers. The efforts of poor households to have better market access are often hindered by factors such as insufficient information and poor linkages between different actors along the value chains, as well as a lack of strategic market development, business development services and a business-enabling environment.

## GOAL

The overall goal of MARP is to reduce poverty in poor households, especially those of ethnic minorities, through generating additional income and employment in selected agricultural value chains in which the poor can participate.

#### APPROACH

1. Increased market access and participation of poor rural households in selected agricultural value chains. In a competitive two-stage selection process, an expert panel selected the five winning projects out of 39 contenders. The five selected projects aim to achieve significant change in a total of nine value chains by addressing bottle necks and critical points:

• Developing High Quality Tea Value Chains for Poverty Reduction for Ethnic Minorities in Northern Vietnam, Laos and Myanmar: Shan Tea 2013-2016 *Helvetas Swiss Intercooperation*  • Up-scaling of Pro-poor Rattan and Bamboo Value Chain Development for Women and Ethnic Minorities *Oxfam Hong Kong* 

• Improving Livelihoods of Ethnic Minority Women through Sustainable Development of the Ethnic Textile Value Chain

Vietnam Handicraft Exporters Association (VIETCRAFT) / Vietnam Rural Industries Research and Development Institute (VIRI)

• Pro-poor High Quality Red Algae Value Chain Promotion in Vietnam

Medical Committee Netherlands Vietnam (MCNV) and Capital Seaweed Company

• Spice of Life: Leveraging the Spice Sector for Poverty Reduction amongst Ethnic Minority Communities in Vietnam

SNV Netherlands Development Organization

2. Knowledge and experience of value chain intervention generated and disseminated at local and national level, and in specific cases in the Mekong region. Successful models and solutions for MARP's specific value chains and for the methodology applied are disseminated to larger networks of stakeholders to trigger a wider absorption of MARP and other experiences. In annual workshops, through policy briefs, studies, publications and media, knowledge and experience in utilizing value chain improvement for reducing poverty will be documented, shared and debated with other actors and enterprises working in 'making markets work for the poor' (so called M4P). This is expected to facilitate replication and expansion at local, regional and national levels as well as generating knowledge for overall SDC intervention strategy.

#### TARGET GROUPS

MARP targets the rural poor and ethnic minority households, with men and women as actors, along value chains comprising collectors, pre-processors, traders, enterprises or government agencies including research institutes. Strategic emphasis is placed on targeting economic activities of women. MARP as a whole directly targets ten provinces in central and northern Vietnam, one province in Laos and one district in Myanmar.

### **EXPECTED RESULTS**

MARP expects to improve the income of at least 10,000 poor households - especially rural ethnic minorities and poor women - and to generate over 1,000 full-time jobs or equivalent. MARP aims to move at least 3,000 beneficiary households out of poverty. Successful models and experiences in value chain interventions will be widely shared and exchanged at local and national levels, and in specific cases in the Mekong region in order to trigger wider absorption and eventually additional income and employment.

#### CONTACT

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#### Programme at a glance:

| Title  | Budget                             | Partners  | Project Provinces   |
|--|------------------------------------|---|---|
| Market Access for the<br>Rural Poor - through<br>Value Chain Promotion<br>Programme (MARP) | (10/2012-06/2016)<br>CHF 4,950,000 | Helvetas Swiss<br>Intercooperation, Oxfam<br>Hong Kong, VIETCRAFT/<br>VIRI, MCNV, Capital<br>Seaweed, SNV | Vietnam: Nghe An, Lao Cai, Ha Giang,<br>Lai Chau, Hoa Binh, Thanh Hoa, Yen Bai,<br>Lang Son, Ninh Thuan, Khanh Hoa.<br>Laos: Phongsaly<br>Myanmar: Keng Tung district of Shan State |

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