Quick-scan: Lessons of market-oriented food security programmes in fragile settings

Aid transitions in fragility and protracted crisis settings

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Content overview:

1. **Introduction** ........................................................................................................................................... 1
2. **Methods**.................................................................................................................................................... 3
3. **Quick-scan results** ...................................................................................................................................... 4
   1a. Implementing the humanitarian-development nexus by taking a market-oriented approach in humanitarian or resilience interventions ........................................................................................................... 4
   1b. The promotion of agribusiness and agricultural value chain approaches in crisis-affected and fragile settings ........................................................................................................................................ 7
   1c. Linking up to household coping strategies and livelihoods that emerged as a consequence of fragility and crisis ................................................................................................................................. 9
2. **Conducive or prohibitive factors for these interventions – the enabling environment** ...................... 12
3. **Necessary market conditions for (small-scale) agribusiness to be effectively supported amid fragility and crisis** ............................................................................................................................................ 13
4. **Conclusions and next steps** .......................................................................................................................... 15

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This report

This report is the second in a series of three reports published as part of the project ‘Aid transitions in fragility and protracted crisis settings’ for the Community of Practice on food security & stability, facilitated by the Food & Business Knowledge Platform. All reports will be made available here.

Word of thanks to the reference group

A reference group reflected and advised on the initial outcomes of the two quick-scans undertaken as part of this project. This feedback and the knowledge gaps identified in the concluding chapter of this report informed research questions for the next phase of this project. We want to express our thanks to Frans Verberne (Food & Business Knowledge Platform), Hashi Abdullahi (Ministry of Foreign Affairs), Astrid Mastenbroek (Ministry of Foreign Affairs), Gerrit-Jan van Uffelen (Wageningen CDI) and Inge Vos (ZOa) for sharing their valuable time and input. As well as Johan te Velde (Double Loop) for his comments on the final draft of this quick-scan.

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1. Introduction

Global trends predict that in the future extreme poverty and hunger will increasingly be concentrated in fragile and conflict-affected settings. The Dutch policy shift towards fragile and unstable regions surrounding Europe anticipates this change with a focus on preventative action, as described in the Policy Note “Investing in Global Prospects”.¹ This shift is also reflected in the policies of other donors as well as development finance institutions. DFID for example has pledged to spend fifty percent of its funding in fragile and conflict-affected countries while the World Bank has recently doubled its funding for these countries.²

Transitioning from humanitarian programming to long-term, development-oriented programming in fragile settings is an important part of this shift. The recent OECD-DAC Recommendation on the humanitarian-development-peace (HDP) nexus phrases it as ‘prevention always, development wherever possible, humanitarian action when necessary’.³ In practice this calls for a more market-oriented approach in humanitarian programming to facilitate long-term development strategies, combined with an increased willingness of donors to go beyond livelihoods support and engage in value chain development where possible amid fragility. Due to its importance for most economies in fragile settings and obvious link to humanitarian programming, the agricultural sector is key to such efforts.⁴

The need and opportunity to work in fragile settings is thus clear to both policymakers and practitioners. But to increase investment for market-based interventions in such areas, better insight into what works and does not work under what circumstances is needed. Dilemmas and unique constraints exist for HDP nexus programmes operating in these settings affected by protracted crises and conflict. How to stimulate development of a seed sector for instance, when crisis can hit at any time and prompt a humanitarian response that distributes seeds for free? Or how to approach value chain development when private sector actors resist formalization because they want to prevent army generals from taking over their businesses? Because of such context-specific challenges it is valuable to explore the experiences of different programmes to see what lessons, good practices and insights can inform and improve future programming.

This quick-scan therefore aims to help clarify how the transition from humanitarian to development programming can be supported most effectively, and what market-based interventions are feasible amid (different types of) fragility. To do this, it inventories experiences of initiatives to promote food security (humanitarian, resilience, livelihoods and market-based development projects) in fragile and protracted crisis situations. It maps what information is currently available in openly accessible evaluations, case studies, and other reports that either document experiences of interventions or provide analysis on the enabling environment for these interventions. The following questions guided this exercise:

1. What are experiences of (preferably Netherlands-based INGOs and Dutch-funded) food security initiatives with:
   a. Implementing the humanitarian-development nexus by taking a market-oriented approach in humanitarian or resilience interventions?
   b. The promotion of agribusiness and agricultural value chain approaches in crisis-affected and fragile settings?
   c. Linking up to household coping strategies and livelihoods that emerged as a consequence of fragility and crisis?

2. What factors are conducive or prohibitive for these interventions (enabling environment)?

3. What market conditions are necessary for (small-scale) agribusiness to be effectively supported amid fragility and crisis?

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Conclusions at a glance

**Effectiveness of interventions**

- Market approaches in humanitarian interventions are often limited to cash-based programming, however some deliver indirect assistance by also supporting traders;
- Cash-based programming is an effective way to boost markets and increase food security if markets are able to cope with demand. Yet in-kind assistance is often necessary even though it undermines markets;
- Market analysis in humanitarian interventions often fails to capture complex relationships and power dynamics among market actors, focusing on market elasticity instead;
- Agribusiness and agricultural value chain approaches are more effective when capacity building and agricultural extension is coupled with interventions to address access to financial services and credit;
- Low levels of development and interdependency of chain actors suggest that the most effective approaches engage all relevant actors, including local government;
- Targeting easy to penetrate (but often lower value) markets is most effective as an entry point in fragile settings. Yet trade-offs exist between efficiency and competitiveness of value chains and social or security outcomes.
- Focusing on cooperatives is an effective approach to achieve social and economic goals;
- Resilience programmes found mainly focused on pastoralists and agro-pastoralists in drylands. These programmes were often successful at improving resilience indicators, but less so at stimulating commercial activity or increasing household wealth or well-being indicators;
- Commercialization of livestock keeping is promising with regards to value chains and scale but is often unsuccessful and faces cultural barriers.

**Enabling environment**

- Studies generally did not concern the effects of improving the enabling environment but rather listed bottlenecks or enablers. Common bottlenecks include: 1) instability and insecurity, 2) lack of financial inclusion, 3) unfavourable institutional environments, 4) lacking infrastructure, 5) adverse economic circumstances. Improvements in the effectiveness of interventions were witnessed when these conditions improved but not all needed to improve for this effect;
- A conducive social and cultural environment is important to success, hence context sensitivity is needed, including context specific business development;
- Engaging local communities and champions in project design and monitoring increased effectiveness;
- Organizational environments that promote learning and adaptation, as well as joint teams of humanitarians and development practitioners increased effectiveness;
- Entrepreneurs in fragile settings are motivated by: 1) high returns on investment, 2) lack of alternatives;
- Studies focus mainly on farmers and pastoralists rather than other chain actors. For these groups bottlenecks were: 1) lacking infrastructure, 2) lacking access to markets, 3) limited access to inputs, price information and lacking information on alternative sales channels, 4) lack of trust, 5) limited access to formal financial services, 6) political instability, rent-seeking practices and general insecurity;
- Effective ways to support enterprising farmers and pastoralists are providing access to informal credit and creating structured and predictable demand;
- World Bank programmes review finds that private sector interventions supporting SMEs and infrastructure creation are most successful while improving business environment and access to formal finance were least successful.
2. Methods

Building on the inventory of 25 document libraries of development organisations identified in the previous phase of this project, a quick-scan was conducted by searching for evaluation documents, case studies, and other reports that either document experiences of interventions or provide analysis on the enabling environment for these interventions. A selection of relevant fragile countries was made by using the definition of the 2017 State of Food Insecurity Report, focusing on:

1) Countries/territories with a protracted crisis
2) Countries/territories with a protracted crisis affected by conflict
3) Countries/territories in fragile situations affected by conflict

This includes the following countries: Afghanistan, Burundi, Central African Republic, Chad, Côte d’Ivoire, Democratic People’s Republic of Korea, Democratic Republic of the Congo, Djibouti, Eritrea, Ethiopia, Guinea-Bissau, Haiti, Iraq, Kenya, Liberia, Libya, Mali, Myanmar, Niger, Palestine, Sierra Leone, Somalia, South Sudan, Sudan, Syrian Arab Republic, Yemen, Zimbabwe.

A snowballing method was used to identify further documents referenced in these reports. This resulted in an inventory of 59 documents based on practical experiences which were scanned for relevant experiences and lessons on each guiding question, of which 45 were found to include relevant experiences. The results of this are presented in this report.

Limitations

Due to the nature of this exercise this quick-scan was done under time constraint and therefore has some limitations. In this quick-scan we have only searched for publicly available resources, we have not been able to access those learning materials, such as evaluations and case studies, that are available internally through the knowledge management systems of various NGOs. Any over- or under-representation of organisations is unintended and might be an indication of transparency in the sector. Local perspectives, knowledge and conceptualisations of value chains and concepts related to fragility are not captured. This reflects the limitations of the sources used. Some of these limitations will be addressed in the next phase of this project through in-depth interviews with experts and practitioners.

Methodological findings

General results of the quick-scan show us that:

1. There are relatively few case studies and evaluations from Netherlands-based organisations publicly available;
2. Few case- and evaluation studies focus explicitly on facilitating the humanitarian-development nexus though much attention for cash-based humanitarian programming exists;
3. Comparing the types of programming, relatively many studies found are from humanitarian, reconstruction or resilience programming, while relatively few are found for long-term agricultural development programming with a focus on value chains and agribusiness;
4. Many documents beyond case studies and evaluations that describe results of projects only describe outputs and not outcomes or impact, nor include lessons learned;
5. Most documents report on relatively short learning-loops, which end when the project cycle ends, even though the development of (agricultural) value chains is often reported to require longer term attention/support;
6. Insights on the enabling environment needed for effective market approaches were mainly analysed for value chains and agribusiness interventions, showing a lacking focus for humanitarian and resilience interventions.
3. Quick-scan results

1a. Implementing the humanitarian-development nexus by taking a market-oriented approach in humanitarian or resilience interventions

All but one of the example cases, included in the below summary table, that have implemented a market-oriented approach on the humanitarian-development nexus concern cash and voucher programmes. Although the programmes take on different forms of this approach - including conditional versus unconditional cash, mobile money, voucher systems and cash-for work - the lessons that arise are similar and commonly concern context and time appropriateness of such interventions in comparison to 'conventional' in-kind distributions in ‘nexus-contexts’.

The advantages of cash-based programming are confirmed in a number of reports, particularly for unconditional cash transfers that allow people to make their own spending choices (ECAS, 2017), and commonly point towards the indirect benefit to disrupted markets through the injection of cash (CARE, 2017; ECAS, 2017). One of the most notable and direct advantages related to food security is that it leaves subsistence farmers with more energy and time to invest in their fields by reducing their need to pursue casual work (CARE, 2017). Voucher systems have also been reported to boost local markets, as was realised through local seed fairs that providing local seed producers with markets to sell their seeds to farmers (EKN South Sudan, 2018). While several studies do not deny that in some contexts the provision of in-kind assistance remains necessary, there is also broad acknowledgment that this should only be provided when necessary (World Vision, 2016) to prevent creating dependency (EKN South Sudan, 2018) and undermine local markets and small local businesses (Mercy Corps, 2018) - or even push local seed companies out of the market when farmers are not encouraged to buy seeds as a consequence of free seed distributions (EKN South Sudan, 2018).

For cash-based assistance to be effective and to prevent it from doing harm, the lessons learned underline that it should only be provided when the context is appropriate (ECAS, 2017; World Vision, 2016). For example, functioning, well-supplied and elastic markets (World Vision, 2016) that are able to deal with an inflow of cash (ECAS, 2017) are a requirement for it to work. Timing was also found to be an important factor in determining the appropriateness of the best suited 'alternative to in-kind assistance'. Cash may for instance not be appropriate as a first response for people on the move (ECAS, 2017) and cash for work programmes are found to be most effective in post-crisis environments that do not suffer from spiralling food insecurity or risk of famine (CARE, 2017).

Other factors for consideration for increasing efficiency and effectiveness of cash transfers while minimizing potential harming effects, concern harmonization (equal amounts provided by all organisations operating nearby) (ECAS, 2017) and inclusion (Mercy Corps, 2018) by applying a vulnerability lens to the selection of market actors with whom to work - as opposed to the traditional focus on providing direct assistance to those who are most in need (CRS, Oxfam, 2017a). By doing so, indirect market interventions have come to target small traders. A programme in South Sudan, which started including both traders and households in cash transfers to allow traders to replenish stock and meet demand, resulted in increased sales for supported traders and increased food supply in markets (Mercy Corps, 2018). Nonetheless, besides the inclusion of small traders, interventions targeting larger suppliers, financial service providers, market services, or even market infrastructure are hard to find as many donors and humanitarian practitioners struggle with the ethical desirability of supporting the private sector. Resistance of donor agencies and local authorities to indirect interventions that strengthen markets have even been reported as a key challenge to successful response analysis and preparedness (CRS, Oxfam, 2017a).

Although these lessons point towards possibilities and feasibility of boosting markets in ‘nexus-contexts’, market analysis exercises and related programmes in humanitarian interventions often remain limited in scope as they do not look beyond the feasibility of implementing cash transfer programmes. Moreover, such analysis often fails to capture the complexity of relationships and power dynamics among market actors (CRS, Oxfam, 2017a), which may jeopardise the chances for both economic and social outcomes in
such settings, considering the lessons on social dimensions such as unconditionality, harmonization and inclusion, but also security.

1a. What are experiences of food security initiatives with: Implementing the humanitarian-development nexus by taking a market-oriented approach in humanitarian or resilience interventions?

<table>
<thead>
<tr>
<th>Document type</th>
<th>Description</th>
<th>Lessons</th>
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<tbody>
<tr>
<td>Scoping study</td>
<td>A review of recent humanitarian interventions based on literature review, case studies that include Kenya, Sierra Leone, South Sudan, Central African Republic, Gaza and Zimbabwe, and 28 semi-structured interviews (Catholic Relief Services, Oxfam, 2017a).</td>
<td>Market analysis exercises in humanitarian interventions often suffer from having a narrow scope that is focused on the feasibility of implementing a cash transfer programme and the capacity of a market to sustain such an intervention. Such analyses often do not recognize the complexity of relationships among market actors and the equity and power dynamics that shape a market system.</td>
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<tr>
<td>Evaluation</td>
<td>An evaluation of a programme in arid and semi-arid lands in Turkana County, Northern Kenya, that started out as purely humanitarian response and transitioned into a resilience programme promoting alternative livelihoods for food security, conflict prevention and community-driven Disaster Risk Reduction (Oxfam, 2018a).</td>
<td>While resilience of pastoralists was effectively built in this project, there were no clear effects on the level of household wealth. Households had a small increase in livestock owned but no difference for livestock sales or losses compared to control groups, likely due to market barriers. Of households that reported trying to sell their livestock in the past twelve months more than three-quarters cited distance to market as a serious barrier to making sales.</td>
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<td>Case study</td>
<td>A case study on unconditional cash transfers in humanitarian programming, using mobile money transfers in Zimbabwe (CARE, 2017).</td>
<td>Subsistence farmers had more energy and time to invest in their fields because the transfers reduced the need to pursue casual work. Local shops in rural and isolated villages also benefited greatly from the approach through increased sales. However not all shops accept mobile money, meaning that when cash is short the choice of beneficiaries is limited. They are also forced to buy goods with the cash provided. Most public services such as hospitals and schools did not accept mobile money payments.</td>
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<td>Case study</td>
<td>A case study on the use of cash transfers to complement in-kind food assistance in humanitarian programming at Protection of Civilian sites in South Sudan (World Vision, 2016).</td>
<td>Cash and voucher programmes require functioning, well-supplied and elastic markets to be effective. If they cannot easily expand - due to a lack of supply, inaccessible or remote location of the demand, or other trading restrictions - they risk shortages, pipeline breaks and price hikes. This means that in-kind food assistance remains necessary. Partnership with traders in the private sector was crucial for the project’s success, despite initial distrust of the community towards such ‘outsiders’. Supplying vouchers instead of cash was necessary due to security risks and a lack of banks, a need therefore arose to swiftly ensure cash payments to traders in exchange for vouchers to increase cash flow to stock commodities to meet demand.</td>
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Results assessment

| A result overview by the EKN in South Sudan of several Food & Nutrition Security projects, including the FAO Emergency Livelihood and Resilience Programme (ELRP) which aimed to support vegetable farmers and fisheries with inputs and to stimulate local markets with seeds fairs (EKN South Sudan, 2018). |

At seeds fairs farmers and local seeds producers sell their seeds to farmers through voucher systems, providing them with markets and increasing income. This method is preferred in areas slightly affected by food insecurity while in others a shift towards seed distribution is made when necessary. In implementation more efforts were made to provide emergency support however, rather than building resilience. Free seeds were distributed in areas where local seeds are available and farmers are able to buy them. Because this approach creates dependency and pushes local seed companies out of the market, the Embassy has been stressing (to FAO) on the importance of reducing the aid dependency where possible and encouraging the use of seeds fair trade where the local markets are stimulated. |

Report

| A report based on evidence of Mercy Corps programming in Syria, South Sudan, Uganda, Iraq, Jordan and Nigeria (Mercy Corps, 2018a) |

Contracting the wrong type of business for in-kind aid or vouchers risks undermining markets in complex crises. In Northeast Nigeria a market assessment found that NGO supply agreements mostly benefited large businesses, which grew larger due to such contracts. Smaller businesses, including those serving rural populations, struggled. A risk exists that smaller businesses will not have the capacity to re-enter markets after humanitarian distribution ends, undermining long-term reliability of market systems. In South Sudan food drops by the WFP were harming traders’ fragile businesses as households sold dropped food in local markets. A programme was started to both include traders and households in cash transfers to allow traders to replenish stock and meet demand. This resulted in increased sales for supported traders and increased food supply in markets. |

Case study

| A case study comparing experiences with cash transfer programming for resilience in Zimbabwe, Niger and Ethiopia (CARE, 2017). |

Cash for work programmes are most appropriate in economically depressed, labour scarce settings where comprehensive changes are sought on the macro level. This type of cash programming addresses vulnerability and increases absorptive capacity of beneficiaries while prioritizing investment in infrastructure and rehabilitation (e.g. of irrigation systems, roads, etc.). The type of programming is best suited to post-crisis environments that are not expected to suffer as a result of large-scale negative change in the near future. Cash for work is most suitable for environments that do not suffer from spiralling food insecurity or risk of famine. |

Evaluation

| An evaluation (including desk review of hundreds of DRA documents; online survey of 78 programme staff; 75 interviews with partners and staff; meta evaluations of 32 Joint Responses and field visits to Ethiopia, Ukraine, and Zimbabwe) of the Dutch Relief Alliance’s delivery of humanitarian aid from 2015-2017 across 18 countries experiencing acute or protracted crises (Europe Conflict and Security (ECAS) Consulting, 2017). |

The advantages of cash-based programming were confirmed in a number of evaluation reports. In Ethiopia unconditional cash transfers indirectly benefited disrupted markets through the injection of cash. In Nigeria beneficiaries preferred unconditional to conditional cash transfers as this enabled their ability to choose how to spend it. Two considerations were found for the efficiency and effectiveness of cash-based assistance: 1) harmonization: an equal amount of cash should be provided by all organisations to avoid creating tensions; and 2) cash-based assistance should only be provided when the context is appropriate. As a first response for people on the move, cash may not be appropriate. While markets should be able to deal with an inflow of cash (inflation and depreciation). Finally, cash was found to bring security risks and vulnerability for aid providers and recipients. |
1b. The promotion of agribusiness and agricultural value chain approaches in crisis-affected and fragile settings

Looking at experiences with agribusiness promotion and value chain approaches found in this quick-scan we can see that in many ways interventions in fragile and crisis-affected settings are not that different from their more stable counterparts. Capacity building and agricultural extension is found to be an important factor for sustainability of interventions, as attained (technical) skills last beyond project cycles. This often includes providing ‘soft’ support in business plan and grant proposal writing to acquire funds from private financial institutions (AGRA, 2015; SPARK, 2017; SPARK, 2018). To be (more) effective such interventions should be coupled to finance interventions as limited access to financing remains a bottleneck for many emerging agribusinesses, used for buying inputs or tools, but also to grow service-related businesses such as seed companies, agro-dealers or tractor companies (Mercy Corps, 2018; EKN South Sudan, 2018).

However, there are also some significant differences that provide interesting insights. Considering the low level of development in many of these settings and the general interdependency of actors in a chain, findings suggest that the most effective approach is to strengthen multiple interconnected actors in the chain. For example, to increase seed production in South Sudan technical support to a seed company was coupled to building the capacity of out-growers and farmer trainings on the demand side (EKN South Sudan, 2018). Engaging all relevant actors in the chain can further prevent competing approaches by NGOs distorting local markets or undercutting local producers (Mercy Corps, 2018). Engaging and building the capacity of (local) government is crucial in fragile settings, but this carries risks as the government is often party to conflicts. In Burundi, South Sudan and Yemen this was circumvented by organising multi-stakeholder platforms to discuss and overcome bottlenecks in value chains (SPARK, 2018).

Another important difference is that interventions in these settings have objectives beyond growing businesses and economic development. As a result, an important trade-off is in the selection of value chains. While some value chains are more competitive and produce higher value, others may result in higher employment for certain types of beneficiaries (e.g. youth, or former combatants), may bring together specific groups to strengthen social cohesion or may deliver (symbolic) results faster. A review of nine interventions by the World Bank finds that interventions in fragile settings are most effective when targeting easy to penetrate markets. Still, careful targeting strategies are needed to reduce structural exclusion that is the result of traditional and war-based power relationships (SPARK, 2018; World Bank, 2013). Supporting cooperatives is generally found to be an effective tool to achieve both economic and social goals such as peace and stability. Such relationships and networks can provide value chain actors with a basis for collective action against predation, rent seeking, and can ensure greater government responsiveness and accountability (World Bank, 2013; SPARK, 2018; Rimisp-Latin American Center for Rural Development, 2008).

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<tr>
<th>Document type</th>
<th>Description</th>
<th>Lessons</th>
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<tr>
<td>Review</td>
<td>A review of World Bank and other donor activities to create employment in fragile settings, examining nine successful value chain interventions in fragile settings (World Bank, 2013).</td>
<td>Practitioners were found to commonly agree that value chain programmes require a longer-term implementation period as well as an adaptive approach to change strategies according to changing market and political conditions. Evidence from programmes in the coffee value chain in Rwanda is given as an example, which after ten years of intervention successes is still not fully self-sustainable. In fragile settings programmes are also found to be more successful when targeting markets that are easy to penetrate, working only gradually to higher-value markets.</td>
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<tr>
<td>Evaluation</td>
<td>An evaluation of a market systems development project that aimed to increase South Sudanese refugee and host community farmer incomes through growth of the agribusiness sector in Yumbe and Moyo districts, Northern Uganda (Mercy Corps, 2018).</td>
<td>This pilot project showed that addressing two cross-cutting constraints could drive systemic change in the agricultural sector: 1) supporting access to finance interventions, and 2) identifying and encouraging market-driven solutions to challenges around infrastructure, natural resources and transportation (including distribution and aggregation). Competing approaches by NGOs were also found to result in market distortions: farmers were not willing to buy seeds at full price, likely due to receiving them for free; these were then sold in local markets, undercutting the prices of local agro-dealers. Seed companies expressed concern regarding the subsidy models of NGOs which create sustainability challenges, they expressed this was the main barrier preventing their investment in the region. Finally, farmers needed better information about sales channels available to them, for instance traders supplying DRC and South Sudan rather than local markets. Many farmers were frustrated with offtake companies who failed to come buy produce despite earlier promises.</td>
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<tr>
<td>Results assessment</td>
<td>A result overview by EKN South Sudan on several Food &amp; Nutrition Security projects, including the AGRA Seed Sector Development for South Sudan (SSD4SS) project (EKN South Sudan, 2018).</td>
<td>The production of improved seeds was low; although the project has been providing technical support to the seed companies personnel on seeds production, little attention was given to building the capacity of out-growers who are producing the seeds. To scale up production, the project refocused to providing technical and financial support to out-growers. Increase training on smart agricultural practices was also needed to increase farmland area. Outbreak of conflict also limited the implementation of the project.</td>
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<td>Case study</td>
<td>A case study of a farmer organisation in Sierra Leone that founded an agricultural enterprise during conflict, assisted by FAO and a fair trade partner (Rimisp-Latin American Center for Rural Development, 2008).</td>
<td>Kpeya Agricultural Enterprise (KAE) is comprised of 700 cocoa producers from 21 villages and aims to break the monopoly of local traders. By forming this collaborative enterprise, KAE members obtained better prices for bulk purchases by traders (even when KAE could not purchase or transport the crop). Although KAE had not been certified to trade in fair-trade products, the assistance provided them by a fair-trade partner and FAO generated interest from local buyers as well as other farmer groups that wanted to engage in agriculture after the war. The main benefits found by the farmers were: 1) the ability to gain access to pre-finance for production and transport; 2) receiving a minimum price; and 3) collective decision making.</td>
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<tr>
<td>Evaluation</td>
<td>An evaluation of a programme aiming to promote entrepreneurship in agricultural value chains in Burundi, South Sudan and Yemen by strengthening farmer and entrepreneur capacities, supporting job creation and increasing government legitimacy (SPARK, 2018).</td>
<td>Combining three mutually reinforcing strategies was key for the effectiveness of this intervention: 1) capacity strengthening interventions stimulated entrepreneurship, job creation and Micro and Small and Medium Enterprises development while 3) engaging in Multi Stakeholder Platforms including all relevant chain actors was highly relevant in volatile contexts to build trust among stakeholders and to avoid directly partnering with the government. Flexible adaptation was also important to its effectiveness in a volatile environment: choices of value chain (VC) were reconsidered, target group shifted (from individuals to cooperatives), business competition modalities changed (increasing the age of contestants, lowering the criteria for participation), and funding modalities were adapted (from gifts to loans to leasing). Supporting cooperatives was a key strategy, functioning as a step between subsistence farming and farming as a business through three main benefits: 1) participation in economic activity, access to credit, thereby stimulating entrepreneurship; 2) potential</td>
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The choice of value chains was found to be challenging. In some cases, market opportunities were favoured over employment creation. The evaluation found that in post-conflict areas, where jobs are scarce and can be a source of resentment and conflict, priority should be placed on providing income generating occupations to as many beneficiaries as possible. In that light it highlights that for this intervention creating/strengthening MSMEs and creating ‘jobs’ is not necessarily the same as promoting economic and income generating activities: 1) MSMEs and jobs created do not necessarily result in income increases and 2) as ‘formal’ jobs in imperfect VCs in conflict contexts are extremely scarce and ‘jobs’ created through cooperatives concern mostly self-employed farmers. Similarly, the assumption that agro-processing units lead to higher job creation is not always correct. Most businesses in violent contexts are also in survival mode rather than in an entrepreneurial mode.

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<tr>
<th>Evaluation</th>
<th>A mid-term evaluation of a programme aiming to promote agribusiness incubation and entrepreneurship development in Cibitoke, Bubanza and Rumonge regions of Burundi (SPARK, 2017).</th>
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<td>As a result of the fragile political and security situation this programme was partly interrupted, leading to delays. Overall trainings were effective with some lessons learned: 1) Access to finance needed to be improved so that beneficiaries can get start-up capital after completing trainings; 2) Creation of market linkages, lobbying for better agri business policies, international and national institutions partnerships and cheap agricultural inputs are required; 3) Suitable markets for beneficiaries’ products need to be identified; 4) 20% capital contribution is difficult to achieve for women and youth. Only 65 beekeepers out of the 948 trained were able to contribute. Identifying a private investor as link between farmers and incubation centre proved difficult; 5) Creation of cooperatives was seen as a major move to establish order (e.g. share market spaces) and ease in access of funds. Their creation needs to be done by trustworthy staff who can persuade the community members to join while ensuring funds are not looted; 6) Programme duration of 3 years was generally short and could work better within a duration of 5 years.</td>
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1c. Linking up to household coping strategies and livelihoods that emerged as a consequence of fragility and crisis

In fragile settings that have suffered from violent conflict or other types of crisis it is important to engage with the coping strategies employed by people as a result of these crises. These coping strategies are key to the resilience of households and communities to common (and recurring) shocks in these areas. For many of these coping strategies trade-offs exist between short term benefits and long-term sustainability. A common practice for instance is chopping down trees to produce charcoal which has negative environmental effects (Oxfam, 2017c). Or selling livestock in lean times when prices are low (Oxfam, 2012; Oxfam, 2017c; Oxfam, 2015b; Oxfam, 2017b). When insecurity becomes too pervasive a very disruptive strategy is to find refuge elsewhere, which can lead to conflicts over land and resources between displaced people and host communities (FAO, 2016). A similar effect can be seen for pastoralists who move their herds towards richer pastures during drought. In some cases illegal strategies also prove highly effective, such as growing opium poppy in Afghanistan or logging in protected nature reserves in the DRC (Gutierrez, 2018; Verweijen & Marijnen, 2016).
Most of the identified studies focus on programmes engaging with coping strategies of pastoralists and agro-pastoralists that face recurring droughts and seasonal lean periods. A humanitarian focus is common, putting needs and the prevention of needs arising at the centre, for instance when livestock is destocked or restocked. Generally, projects are effective at building resilience, improved and more sustainable practices are also partly taken up. However when commercial aspects are introduced into the interventions their effectiveness is limited (Oxfam, 2012; Oxfam, 2015b; Oxfam, 2017b). In Burkina Faso a project aiming to diversify livelihoods by introducing commercialized market gardening and running household businesses by women concluded that while market gardening had increased dietary diversity no additional household businesses were created, despite skills training and training on credit (Oxfam, 2017b). Such trainings were deemed most useful for households already engaged in household businesses, which is also concluded in Somalia where it is recommended to link such training to business skills trainings before providing these households with additional assets (Oxfam, 2015b; Oxfam, 2017b).

A better understanding of cultural factors around livestock trading is also recommended, as projects faced difficulties in changing practices around selling livestock (Oxfam, 2012; Oxfam, 2015b). A project that was successful in promoting non-farm income generating activities in Ethiopia and Somaliland provided vocational training to selected youth and promoted women’s savings and credit groups as well as business plan training to women. Despite participating in awareness raising activities around the environmentally damaging effects of charcoal production and vocational training, there was no effect on youth engaging in charcoal making. Combining the promotion of women’s credit and savings groups with business plan trainings did however significantly increase the number of household businesses started by women (Oxfam, 2017c).

Scaling opportunities for this type of activity are limited however, as an increase in supply (of tools, tea shops, etc) drives down the price. In fact, the World Bank finds that community-based livelihood support projects are only rarely replicated or scaled up regionally or nationally. Often they focus on assistance to agriculture (seed distribution, land management, crop diversification), access to credit, capacity building and skills training. Yet they do not influence policies and strategies that drive development and are fragmented at country level. Moreover, few projects were found to be evaluated sufficiently to draw conclusions about long-term effects on employment and income (World Bank, 2013). Studies on the relationship between market systems development and resilience also show that trade-offs exist between efficiency of market systems and resilience of communities. Market systems need to be efficient to maintain or grow market share, yet a resilience focus to mitigate a multitude of risks often decreases competitiveness. For instance when choosing to focus on the efficiency of one agricultural market channel versus building resilience by focusing on diversification (ACDI/VOCA, 2015).

1c. What are experiences of food security initiatives with: Linking up to household coping strategies and livelihoods that emerged as a consequence of fragility and crisis?

<table>
<thead>
<tr>
<th>Document type</th>
<th>Description</th>
<th>Lessons</th>
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</thead>
<tbody>
<tr>
<td>Evaluation</td>
<td>An evaluation of a resilience project in <strong>Burkina Faso</strong> that aimed to improve the food security and nutritional situation of vulnerable households in Centre-North and North regions (Oxfam, 2017b).</td>
<td>Since selling livestock is an important coping strategy in lean times, this project distributed goats and funds to purchase chickens. The evaluation showed that this did not result in higher livestock holdings between beneficiaries and comparison groups after project end despite successes in other areas (such as. adoption of improved farming practices, engagement in market gardening). It is likely that livestock was sold, however no evidence was found that the project had resulted in overall higher material well-being (meals consumed, dietary diversity, wealth, expenditure on education or health).</td>
</tr>
</tbody>
</table>
**Evaluation**  
An evaluation of a resilience programme in **Ethiopia and Somaliland** that sought to develop enabling conditions for pastoralist and agro-pastoralist communities by building household ability to respond to and withstand drought, as well as stresses from livestock disease and conflict over resources (Oxfam, 2017c). The programme provided vocational training to youth to find jobs outside of pastoralism and agro-pastoralism. Previously, their main coping strategy relied on the environmentally damaging practice of cutting down trees to produce charcoal. It also promoted women’s savings and credit groups coupled to household business plan trainings. As a result of the project, beneficiary households were three times as likely to engage in non-farm income generating activities such as tea shops and petty commerce on the basis of a business plan. This was the only part of the (overall effective) broader project that positively affected women.

**Evaluation**  
An evaluation of a resilience project in **Niger** that aimed to strengthen the livelihoods of poor pastoralist communities in North Dakoro by forming economic interest groups with business plans to strengthen their market position (Oxfam, 2012). The project attempted to promote the practice of destocking livestock herds prior to dry season, as well as convince households to cut out the middlemen (dillali) to get better prices at the market in livestock commercialization trainings. Almost none of the households could be convinced to do so, showing a need for improved communication strategies. Beneficiaries did receive a greater amount of veterinary support and got higher prices for their animals at market, however this did not result in increased household incomes or well-being.

**Guidance note**  
A note providing lessons and recommendations - based on programmes in protracted crisis situations in **Angola, Côte d’Ivoire, Liberia, Mozambique, South Sudan, Sudan and Uganda** (FAO, 2016). Experience showed that issues related to land require a longer-term approach which recognizes that land is more than an asset. In Liberia a humanitarian intervention that was designed to increase resilience and diminish aid dependency, instead generated conflict and abuse between refugees from Côte d’Ivoire and host communities. Both refugees and host communities were provided with food aid, seeds and tools for agriculture. However, the response plan did not include a mapping of the capacity of the different communities or establish who could access what land under what conditions, nor did it include a deep understanding of the existing tenure governance systems. As a result, refugees could only access land as labourers or by occupying land that belonged to host communities.

**Evaluation**  
An evaluation of a community-driven resilience project in **Somalia** that aimed to improve food production systems and income generation from food production, rehabilitation of productive assets, livestock restocking and rehabilitated livestock markets in Lower and Middle Juba Regions (Oxfam, 2015b). On average the number of goats and sheep owned per household were significantly increased due to restocking by the project. Overall beneficiary household wealth increased as well. Household income did not increase as a result of the project, nor did household expenses and food consumption. It is likely that the pastoralists used funds meant for household businesses to buy additional livestock. No business skill training was conducted before roll-out of the activity. The evaluators recommend supporting alternative income generating activities only for pastoralists already engaged in such businesses, as well as gaining a greater understanding of culture and traditions.
2. Conducive or prohibitive factors for these interventions – the enabling environment

The quick-scan of factors conducive or prohibitive for (market based) food security interventions puts forward an interdependent list of conditions that would allow farmers and/or firms - mostly MSMEs - to thrive and potentially scale up. Studies commonly identify one or more disruptors, which have a laming effect on the enabling environment as a whole. Many commonalities are found that can be categorised under: 1) instability/insecurity (looting, road blocks, limited movements, widespread rent-seeking, inefficient courts, lack of state-provided security, break down of key trust-based relationships for public-private dialogue and commerce, discouraging investments, higher costs); 2) lack of financial inclusion (i.e. access to formal financing and bank accounts); 3) lack/unfavourable institutional environment (i.e. weak regulatory systems and institutions, unequal land policies, policy biases against small farmers, lack of extension services, lack of training/mentoring and information about markets); 4) lacking infrastructure (such as roads and market infrastructure, resulting in lacking access to resources/inputs); 5) adverse (macro) economic circumstances (e.g. inflation, liquidity crisis, disruption of commodity trade flows, rising prices of inputs and tools, lack of market access) (CARE, 2016a; FAO, 2018; Mercy Corps, 2018c; World Bank, 2015; World Bank, 2019a; World Bank, 2019b). While the next chapter zooms in on experiences of programmes with such disruptors on the side of small agribusinesses, this chapter will look at implications for project design and implementation.

Improvements are witnessed when several of these conditions change for the better. For example, larger areas were reported to be cultivated in South Sudan compared to previous years due to the increase in tractors (and better ones), more attractive markets (high cereal prices), provision of loans, improved security, good rainfall patterns and the movement of labour force (also from Sudan) (FAO, 2018). However, ‘ticking all the boxes’ appears not to be a precondition - nor a guarantee. A review of employment creation initiatives in fragile settings for example shows that value chain development has the potential to spur economic growth and mitigate conflict despite the challenges in such settings and is feasible even in the absence of well-functioning government institutions or supportive officials. These insights are based on examples including Rwanda, focusing on coffee processing and export; Northern Uganda, focusing on cotton production; South Sudan, focusing on shea nut processing; and Somalia, focusing on livestock, fisheries and resin production (World Bank, 2013).

Contrarily, even where regulation may exist, trust and rules governing a market system and the relationship and cooperation between actors can be damaged during crisis (World Bank, 2015), requiring the re-establishment of links and rebuilding of trust (CARE, 2016a). Promoting social cohesion can therefore become an important part of the intervention strategy or goals. For example, the provision of community-based animal health services and livestock vaccinations in several communities in Sudan, South Sudan and Uganda (seasonally interacting with each other) represents a strong entry point for re-establishing intercommunity dialogue. It has led to a number of cross-border initiatives, which have built confidence and lead to the signature of a protocol for diseases control across borders and enabled some synchronisation of cross border migration, trade and marketing, in areas which have been historically characterized by high levels of violence and dispossession (FAO, 2016). The international response in Syria highlighted the importance of leveraging foreign direct investment to boost economic growth in stability pockets - that become critical for the coping strategies of IDPs or refugees who fled there - while also supporting local economic actors, particularly in the informal economy (CARE, 2016a).

Although the social context is a major determinant for new business development, many organisations fail to modify business models to social realities such as collectivism (wealth sharing, obstructing investments), spiritualism (demanding financial offers) and informal institutional barriers (F&BKP, 2019). A study on youth inclusion in the commercial oilseed (sunflowers) sector in North Uganda underscores that, besides incentives created by the market, opportunities created by the social environment are not to be underestimated. Social success factors included: group approaches; social support structures; working with (established) cooperatives and associations; strong village savings and loans organisations; improved perception towards agriculture (by parents); increased acceptance of female entrepreneurs; and role models and peer influence. Operating within the context of the existing institutional and social structures was not only found to provide youth with credibility, but also to be more likely to attract the private sector.
There are several examples of failed business development activities in pastoralist communities in Somalia, Kenya, Uganda and Ethiopia because these were not culturally appropriate and mismatched with local competence and expertise (Oxfam, 2015), and because social (and ecological) local systems favour communal land use (IPSS, 2014). A World Bank review of 56 private sector development interventions in fragile settings concludes that engaging local communities, including vulnerable and at-risk populations, in project design and implementation is important to help develop creative solutions for local conditions and engaging local ‘champions’ or steering committees throughout implementation in project monitoring helps to ensure that projects are on track and steered toward success (Liu & Harwit, 2016).

Factors related to the enabling environment rarely include an evaluation of enabling or disruptive factors in the organisational environment. However, the organisational culture is considered a key determining factor in designing successful market-based programmes in humanitarian settings. The ‘double team approach’ that includes both development practitioners experienced with market-based programming as well as humanitarians - is considered a main success factor due to: 1) the cross-fertilisation within the organisation between long-term and emergency teams; and 2) the fact that individuals are more daring if they have seen others implementing similar activities, even in very different contexts (CRS, Oxfam, 2017a). A recent World Bank report on why and how development finance institutions should support pioneering firms in fragile and conflict-affected states, includes a striking finding on what constitutes an enabling environment in the view of such pioneers. A potential constraint strongly emphasised by donors - education - appears not to be important for pioneers, both in fragile and non-fragile environments, suggesting that the greater emphasis put on schooling, training, and technical advisory in comparison with that put on other sources of comparative advantage for enterprise development, may need to be reassessed. The report concludes that through a process of social learning and resetting ‘negative self-fulfilling investor narratives’, development finance institutions can help pioneering firms shift the growth trajectory of fragile and conflict-affected states (World Bank, 2019b).

3. Necessary market conditions for (small-scale) agribusiness to be effectively supported amid fragility and crisis

According to a World Bank report on case studies of small entrepreneurs in fragile and conflict-affected situations entrepreneurs here have different characteristics, face significantly different challenges and therefore are subject to different incentives and have different motives than their counterparts in more stable environments. In fragile settings such enterprises primarily specialize in regional retail and services, rather than in manufacturing. This is because most fragile settings do not have an institutional framework that enables large-scale, job-intensive manufacturing. Large manufacturing that does exist is therefore most often found in agribusiness (World Bank, 2015). The study identifies two general motives for these entrepreneurs: 1) the opportunity to make high returns on investment through trading and provision of needed services, of which the basic food/agroindustry is a typical sector that thrives; 2) the vast majority of entrepreneurs stay in business because of a lack of alternatives. Household businesses, for instance, are easily re-established after periods of crisis since know-how is retained and little capital is needed, while engaging in a particular trade is often reinforced by generations of tradition, as in many agricultural value chains (World Bank, 2015).

A limited number of evaluations and case studies had specific attention for enabling (market) conditions for small scale agribusiness. While this includes farmers, pastoralists, agro-dealers, and other small businesses for instance focused on processing, trade or services, most studies focus on challenges experienced by farmers and pastoralists. A commonly found challenge was market access and distance to markets (Oxfam, 2018a; Oxfam, 2018b; Mercy Corps, 2018). Which in Northeast Nigeria had been destroyed by armed groups and then closed 9-12 months as reported by farmers and 6-9 months as reported by traders who likely frequented more markets (Mercy Corps, 2017). While in South Sudan road closures due to violent conflict provided similar challenges (Mercy Corps, 2012). Such barriers to market access contribute to a lack of inputs, and high costs for transportation. This means that only better-off farmers are able to travel to larger towns to sell their products, buy inputs, and thereby also access
important market information, all of which are also reported as further challenges (Oxfam, 2018b; CARE, 2010; Mercy Corps, 2018a; Mercy Corps, 2017; Mercy Corps, 2012; FAO & WFP, 2018).

In relation to market access, farmer distance to borders is a potential contributing factor to the expansion of cultivation. In South Sudan for instance both fuel and scarce spare parts for tractors (50 new tractors provided by the Government to commercial farmers, in addition to the existing 250 private tractors) were mostly smuggled from Sudan, but also hand tools (which saw a dramatic price increase) were obtained from Sudan. Demand from across the border also influenced crops planted: because of the high demand and good prices offered by traders from Sudan, more sesame was produced. With the exception of farmers close to the border with Sudan or Uganda and vulnerable households receiving NGO distributions, most farmers use their own seed saved from the previous year’s harvest or local seeds purchased from the markets or borrowed from relatives. Moreover, fertilizers were used only on vegetables in locations near the border with Uganda by better-off entrepreneurs (FAO, 2018).

Generally, market information such as information on prices is crucial for business decisions. A programme working with South Sudanese refugees in North Uganda reported frustrations of many farmers when offtake companies did not buy produce at harvest despite promises to do so, or offered lower prices than agreed. Forcing farmers to find different sales channels (Mercy Corps, 2018c). This relates to another important issue for fragile settings: a lack of trust. Trust between groups, trust in institutions, trust between value chain actors, and also trust by financial service providers - if they are present - in the ability of entrepreneurs and businesses to pay back loans. Resulting in complex procedures and high collateral requirements. One example of trust-building is the sharing of risk between large and small actors in a value chain through the extension of insurance to producers at discounted rates negotiated by large actors, such as the weather-based crop insurance schemes in India. Tens of millions of farmers are reached each year (with the government subsidising 60-75% of the cost of premiums), showing the possibility of what can be achieved at scale (CARE, 2016a). Political instability and extortive rent-seeking practices in combination with non-transparent taxation systems create high uncertainty about profit that can be expected. In a generally unpredictable environment where insecurity can see assets and capital lost, risks are deemed too high by formal credit providers, while capital cannot be safely accumulated without access to formal financial services (World Bank, 2019; World Bank, 2015; CARE, 2010; CARE, 2015). Institutional procurement programmes are named as useful tool to link producers to structured demand for agricultural products and to realise predictable demand and payment (CFS, 2015).

It is no surprise then that many studies reported challenges in access to formal financial services, financial systems or access to credit, which were issues that many of the programmes attempted to address (CARE, 2010; CARE, 2015; Mercy Corps, 2018a; FAO, 2018; Oxfam, 2018; Mercy Corps, 2017; Mercy Corps, 2018c; SPARK, 2018). Yet in a World Bank review of 56 private sector development interventions in fragile settings, projects to improve the business environment and support intermediaries in financial sectors to improve access to finance were deemed the least effective overall. Interventions that supported SMEs and infrastructure creation were the most effective, at twice the rate (Liu & Harwit, 2016). This shows the difficulty of promoting access to formal finance systems, and likely the reason why many interventions found in this quick-scan focused on facilitating access to credit through more easily accessed informal channels such as village savings groups, which is generally effective in improving access to credit.
4. Conclusions and next steps

The key objective of this exercise is to help stimulate investment for development in fragile settings through facilitating: 1) the transition from humanitarian to (agricultural) development programming; and 2) implementation of agribusiness and value chain interventions in fragile and protracted crisis situations. The assumption underlying these efforts is that this can be done by providing insight into the effectiveness of different types of (food security) interventions in different types of fragile settings, which has the potential to identify current investment gaps and opportunities. The conclusions from this inventory can be roughly divided in two categories: lessons on effectiveness of different types of interventions; and factors identified related to the enabling environment for programmes. This chapter concludes with an overview of identified knowledge gaps, which inform the next steps of this project.

Effectiveness of interventions

In this quick-scan we have found some interesting experiences with market-based approaches. We have seen that in humanitarian programming, a market-based approach often is limited to working with cash instead of in-kind goods. Markets are approached as an efficient way to fulfill critical needs of populations affected by crisis which are preferably not distorted. When food availability through market channels is good this is an effective way to boost local markets and increase food security. Though progress is being made, NGO activity however still undermines the functioning of markets. Approaches to cash and in-kind programming are not aligned when working in the same areas, while in-kind assistance often remains necessary. In some cases working with cash is expanded beyond households to also include traders, thereby stimulating the functioning and elasticity of markets and indirectly affecting food security. Yet humanitarian practitioners and donors struggle with the desirability to use funding on private sector actors to support traders, larger suppliers, financial service providers, market services or market infrastructure. Market analysis for these interventions therefore often fails to capture the complex relationships and power dynamics among market actors, limiting potential social and economic outcomes.

Resilience programmes linking up with household coping strategies of pastoralists and agro-pastoralists were often successful in improving resilience indicators, but less so in stimulating commercial activity or having an impact on overall household wealth or well-being. Combining the promotion of women’s credit and savings groups with business plan training as well as training households already engaged in household businesses seems to be an effective approach to increase livelihood diversification among pastoralists and agro-pastoralists in drylands. However, questions remain around the feasibility of scaling up such approaches as prices are likely to drop when similar services are provided by many households. Commercialization of livestock keeping is more promising in this regard, however cultural barriers to changing practices are faced here. A more humanitarian focus on the prevention of needs remains common, restocking or destocking herds for example, or creation of household businesses to enhance the absorptive capacity of households. Yet the focus on diversification of livelihoods and decreasing risk can pose a trade-off with increasing the efficiency and competitiveness of market systems and value chains.

Agribusiness and agricultural value chain programming experiences showed that such approaches are more effective when capacity building (including business plan and grant proposal writing) and agricultural extension services are coupled with interventions that address access to financial services and credit. This is not very different from interventions in stable settings. Yet low levels of development in fragile settings and general interdependency of actors in a chain suggest that the most effective approaches engage all relevant chain actors, including local government. As in these settings interventions also have objectives beyond growing businesses and increasing the competitiveness of value chains trade-offs exist between social, economic and security enhancing outcomes. This is most apparent in the selection of what value chain to promote based on the results this will bring different target groups and objectives, as well as the care that needs to be taken to prevent and reduce exclusion of different groups and build trust. To achieve both social and economic goals a focus on cooperatives is generally effective, while interventions targeting easy to penetrate (but often lower value) markets are most effective as entry points.
Enabling environment

While evaluations and case studies generally did not study the effects of improving the enabling environment, many indications of what is needed for interventions to function effectively were described as bottlenecks or enablers. Common bottlenecks included instability and insecurity, lack of financial inclusion, unfavourable institutional environments, lacking infrastructure or adverse economic circumstances. Improvements in the effectiveness of interventions were witnessed when these conditions improved, however it was not necessary to improve all of these simultaneously. Even in the absence of well-functioning government institutions value chains can still function. While a good regulatory environment does not necessarily compensate for loss of trust between chain actors as the result of a crisis. Beyond the institutional environment, a conducive social (and cultural) environment is another important determinant of success. Hence the importance of context specific approaches, including context specific business development activities that build on local competence, expertise and local systems. Engaging local communities in project design and monitoring implementation increased effectiveness, as did engaging local ‘champions’. Organisational environments that promote learning and adaptation and in which development and humanitarian practitioners work together in teams also improved effectiveness. Such combinations created a mindset of possibilities, which is also necessary for development finance institutions to support pioneering firms here - as evidenced by successful non-Western investment in fragile settings.

Entrepreneurs in fragile settings face (partly) different challenges than their counterparts in more stable settings. As a result, their motivation and incentives differ. High returns on investment is a typical motivation, while a lack of alternatives forces many to stay in business. Looking into factors that specifically enabled small-scale agribusiness to thrive we can see that most studies found only focus on farmers and pastoralists, rather than other businesses such as agro-dealers, traders or service providers. For those groups, lacking infrastructure (e.g. roads, irrigation) was a bottleneck, contributing to lacking access to markets. This limited their access to inputs (e.g. tools, fertilizer) but also to information on prices and alternative sales channels, necessary when promises by traders to buy farmer produce were not upheld. A general lack of trust between groups, in institutions, between chain actors, and by financial service providers was further found limiting. As was (political) instability, rent-seeking practices and insecurity. These all contributed to a lack of formal financial services that provided credit and safe places to build up capital. Effective ways to support enterprising farmers and pastoralists on a small scale therefore emphasized the provision of informal credit, as well as creating structured and predictable demand for agricultural products - for instance through institutional procurement programmes. Overall, private sector development interventions supporting SMEs and infrastructure creation were more successful than those focusing on improving the business environment and access to (formal) financing.

Next steps

This quick-scan has documented a wide range of experiences with interventions in fragile settings. Beyond showing what we know about what works and does not work, it also shows where insights into experience are still lacking. The knowledge gaps that have been identified as especially relevant are listed in the table below. Together with the feedback by an external reference group these inform the guiding questions for in-depth interviews with experts and practitioners.

<table>
<thead>
<tr>
<th>Knowledge gaps</th>
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<tbody>
<tr>
<td>- Identifying scaling strategies for successful small-scale livelihood diversification interventions;</td>
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<tr>
<td>- Dealing with trade-offs between resilience and security/stability outcomes on the one hand and competitiveness and efficiency of market systems and value chains on the other hand;</td>
</tr>
<tr>
<td>- Experiences with promoting high value-adding chains that have positive effects on both economic, social and security outcomes;</td>
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<tr>
<td>- Identifying successful non-Western (Chinese, Turkish, etc.) investments and approaches in fragile states;</td>
</tr>
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</table>
● Effects of interventions aiming to improve the enabling environment;
● Lessons on support for small scale agribusiness beyond farmers and pastoralists (e.g. agro-dealers, small businesses focusing on processing, services or trade);
● Experiences with market development in humanitarian (nexus) programming that goes beyond enabling of cash transfers to address needs.