A MUSHROOMING BUSINESS

How Oxfam is facilitating development of the horticulture sector while improving the status of women in Rwanda

Oxfam’s Livelihood programme, Women’s Economic Leadership in the horticulture sector in Rwanda is showing that with the right business opportunities and training, women working in rural agriculture can be savvy business people, innovators, breadwinners, and community leaders.
1. What change(s) was this approach intending to influence through its leverage strategy?

Oxfam’s livelihoods work in Rwanda focuses on women’s economic leadership in the horticulture sector. In making women an integral part of the supply chain, we hope to bring about long-term societal change, both facilitating development of the horticulture sector and improving the status of women. We seek to do this by working with and through partners such as the government, private sector, microfinance institutions (MFIs), and civil society, to leverage large-scale change through evidence-based advocacy.

2. What, if anything, was new, innovative or different about the way this programme attempted to bring about change?

We took a strategic decision in 2009 to scale back the size of our programme in terms of money and fundraising needs. Our concept is about being a facilitator, aiming to influence actors who do not necessarily start from the same conceptual points as us, but do hold positions of power. We aim to engage a range of partners in investing their own assets and resources in models that we pilot, test and co-develop. This includes small private sector companies, financial institutions and large-scale projects and institutions linked with farmers.

What is innovative is that we have started from the point of focusing on women and have then developed ways of working and business models around them. This is very different to traditional models that develop a supply chain and then try to apply it to women. We have also developed growing techniques and introduced new technologies that can be taken and adapted by others at no cost to Oxfam. By looking at the value chain from a much wider perspective, we are able to influence processes at many different levels. And our experience is paying dividends in making people consider Oxfam as a reference point in the horticulture sector of Rwanda.

We are showing that it is not always necessary to invest huge amounts of money to bring about change – it is possible to develop ways of working that can be packaged up for others to take and adapt. With minimal financial cost on our part, we are developing new business models that are not only more effective and sustainable, but also incorporate important elements focusing on women’s economic leadership. As these are mainstreamed, the sector reaps the benefits of the market being well served without any duplication, while making women a fundamental part of the system.

3. Recognizing that leverage can be achieved in different ways, how did the programme leverage change?

Looking to ensure sustainability, we work to broker relationships directly between producers and buyers, such as the government and private sector, to avoid any dependence on Oxfam and to prevent distortion of the market.
We also seek to build capacity, for example working to create and build on microfinance institution (MFI) business facilitator roles so that they can better understand the value of increasing their lending and better evaluate and advise on business proposals to help their clients (mainly women) grow in the market. This is risk reduction framework which helps all smallholders maximise their benefits.

Oxfam also fulfils an advisory function, working with other agencies interested in investing in Rwanda, for example by seconding staff to help develop proposals to ensure that the right investment comes into the country in a targeted way.

In terms of advocacy, we seek to showcase enterprise development with influential bodies to leverage support for our initiatives. We do this by documenting our work, conducting joint research, organizing sharing events, engaging with major institutions, joining learning alliances, providing technical support, and facilitating issue-based platforms for development.

4. What worked well and not so well with efforts to leverage change through this approach?

An evidence-based advocacy approach has been very successful in influencing how others work. We have already helped the International Fund for Agricultural Development (IFAD) develop and design a $6m horticulture project for Rwanda and are having conversations with the Japan International Cooperation Agency (JICA) who would also like to investigate using the Oxfam model. Both the Rwanda Development Board and the Ministry of Agriculture are also keen to partner with us to help build up new technologies, having witnessed the benefits of the projects we have facilitated.

However, it is worth noting that making the step-change from direct implementation to a facilitation-focused role meant the team had to adapt, which took quite a while. This was a challenge, especially during the first year of the programme when we were still developing case studies as evidence for this approach and so much of the programme focused on talking and developing ideas. The team did not have full faith in the new approach at first. And because the new approach insisted on working through partners, sometimes there was fear among the team members about their jobs.

It also took time for other stakeholders to start taking us seriously; until we had some clear examples to start offering people.

This shift was also a challenge for our partners – it was difficult for them to make the change from receiving funding and other handouts to Oxfam working with them on a more theoretical level. Many understood that they needed to make the change, but were not always sure how to do it and often lacked technical understanding of some of the models we were trying to develop. We had to spend a lot of time working together to guide them in what was also a new direction for us.

5. What capabilities, knowledge or skills were helpful when
implementing this approach?

One of the most important things we have found for making this programme a success is having passion in the team and confidence in what we are doing. As mentioned previously, that was challenging, especially at first; it was such a change from directly working with the community.

Having people with the right technical know-how in terms of their understanding of market-based livelihoods and gender issues has also been key – but how to get it? Value chain work is considered very technical so the tendency has been to use big consultants. But that never gives a chance for the team to learn. So we tried to involve the team and make good use of their understanding about the communities, and provide training to them using the ILO horticulture value chain training course, which was partly distance learning and also involved a two week session in Italy, formal training by Practical Action, and then engagement with the Practical Action team on field assignments.

We also developed engagements with our private sector partners on technology development and technology transfer. For example, we are engaged with Fruits of the Nile from Uganda on solar drying and organic/fair trade certification, and the private sector company Shekina in Rwanda on developing a mechanical dryer for pineapple and cassava leaves.

Most people in Rwanda do not have a background in middle-range enterprise, so it has also been important for Oxfam to develop our facilitation skills and ways to share our technical knowledge. We have had to build our own capacity in managing the programme through partners as well as building the capacity of partners themselves. We have also had to develop our understanding of the types of partnerships required to make the programme work. In this area, having analytical capacity has been fundamental.

6. What has changed as a result of the programme and how have you measured this? (Where possible, quantify the scale of programme success in terms of outcomes and reach, and relate this to inputs and cost.)

There are lots of examples that could be given to illustrate impact – it can be hard to pick just a few. We have directly reached around 1,000 households (around 6,000 people), but our influence has gone much wider with very minimal cost to Oxfam:

Through developing a business model and facilitating access to markets, women pineapple sucker (seed material) producers in Nyagatare district have sold more than 1.5 million pineapple suckers. Following this model, these groups have also become employers themselves, taking on more than 10,000 days of labour in the first round of sucker production. Based largely on evidence from this project, the government has shown interest in the model and indicated a desire to sign a memorandum of
understanding with Oxfam to help build the capacity of institutions and develop new horticultural techniques.

Our partner MFI has started investing in new financial products for planting material production and the ‘missing middle’ female smallholder entrepreneurs using Oxfam business models. Oxfam’s role as facilitator to build institutional capacity and offer innovative products has been appreciated by the MFIs and three MFIs have shown interest in working with Oxfam on new models.

Three private sector companies have come forward to work with Oxfam for engaging smallholders in their supply chain through proper contracts and also developing scope for middle-range women entrepreneurs and facilitators in their businesses.

Collaborating with the government and a private sector company, Oxfam facilitated the development of a mechanical dryer by providing the concept and guiding the process specifically suited to the Rwandan context (using biomass as a source of energy). One project of the government has offered this dryer with a 50 per cent subsidy to a co-operative in Kirehe. More agencies are approaching us looking to market their own products by adopting the new drying technology using their own resources.

Based on experience of developing a market-based horticulture programme, Oxfam helped develop IFAD’s $6m horticulture collaborative project with the government, with a clear focus on smallholders and women. This was an interesting collaboration. IFAD wanted to understand our experience, which we shared with them, and they were so impressed that they asked us to develop a full-scale proposal for them. Therefore one of our team members worked on their proposal for a month. Now implementation of the IFAD project has started.

7. Can you describe (or measure) Oxfam’s contribution to that success?

Oxfam has facilitated links between producers and the private sector, MFIs, the government, and other companies. We have been able to help create sustainable business models that do not rely on us to function, and are already being taken on and replicated elsewhere in the country. Without Oxfam connecting these different groups together, a gap would have still remained between producers and the market.

Oxfam’s technical support has also been key – for example helping develop dryer technology uniquely suited to the Rwandan context. This has facilitated a better quality output that has been adapted by a variety of producers and companies, both increasing our influence and developing the market for new products such as dried fruit.

Our proven experience working with small-scale farmers has meant that the government is ready to engage with us and absorb our ideas as a way of helping them deliver on their targets. By influencing their policies and playing a strategic advisory role to the National Agricultural Export Board (NAEB), we are demonstrating a good leadership and advisory
In the words of former Country Director, Maggie Carroll, ‘We don’t have a one size fits all approach, it’s about the individual and how they wish to engage. I think that’s the success of the programme so far, because it builds on the entrepreneurial spirit that already exists in Rwanda.’

8. Are there any other lessons you have learnt about how to effectively leverage change?

Things can take time. It has taken two years for us to develop a strategy as we needed to invest in finding out what was needed most and what could be scaled up in the Rwandan context. It has been important for us to really understand the sector and build our reputation in order to reach a position where we are able to exert leverage. Even then, changing attitudes among our partners cannot be done overnight – patience is important to build people’s faith in our projects.

Sometimes, you need to think big. For us, it has been important to look at how value chains should be from a very broad perspective to help bring about systematic change across the sector as a whole. Taking a much wider viewpoint makes our proposition more attractive to a whole variety of actors. And by looking at the whole chain we have been able to work with a real range of partners, which has helped strengthen our position.

We have also acknowledged that we do not need to do everything ourselves, and that we can bring together skills and expertise from partners we may not normally work with to develop something more effective than starting from scratch. By doing this, we ensure that the right people are involved from the start to make sure the ideas and models we want to implement have as good a chance of being adopted as possible. At the same time, we need to be careful not to overstep our role as a facilitator to ensure sustainability – we must be clear that it is the responsibility of other organizations to maintain models we develop and resist any temptation to micro-manage.

One final thing we have learnt is that systematization is required to give us the focus to help drive our work forward. While there are already lots of internal systems in place for Oxfam as a whole, developing useful ways of working for our initiative (as an influencer and facilitator) is important in terms of flexibility, quick decision-making, and engaging with business actors. With this in mind, we need to explore innovative programme management approaches.

1 The ‘missing middle’ refers to those requiring loans of £2,000–£20,000 who traditionally find it difficult to gain access to finance.