

## Market Development – Reaching the Most Vulnerable

There are around 900 *chars* (river islets) in north and north-western Bangladesh formed by three major rivers Jamuna, Padma and Teesta where more than 2 million people (600,000 households) live. Economic opportunities for the poor and vulnerable char dwellers who mainly depend on agriculture and livestock for their livelihoods are impeded due to geographical isolation, lack of access to basic services, weak markets and effects of climatic hazards such as floods. Chars could transform into prominent production zone for both crops and livestock, due to higher soil fertility and land availability and could sustainably contribute to pro-poor growth, if market systems could function better and for the poor.

Therefore, Making Markets Work for the Jamuna, Padma and Teesta Chars (M4C) aims to reduce poverty and vulnerability of char households in ten districts of northern Bangladesh (Bogra, Gaibandha, Jamalpur, Sirajganj, Pabna, Tangail, Kurigram, Lalmonirhat, Nilphamari, and Rangpur) by facilitating market systems that enhances opportunities for employment and income generation. M4C is a 5-year project, mandated by the Swiss Agency for Development and Cooperation (SDC) and Ministry of Local Government, Rural Development and Cooperatives, and implemented by Swisscontact and Practical Action in collaboration with Rural Development Academy, Bogra. The project office is based within Rural Development Academy campus, Bogra; besides an experienced team of 26 professionals, it engages national NGOs/consulting firms as its sub-contractors to implement its activities in the field.

The current portfolio of M4C largely includes agriculture/farming sectors such as maize, chilli, jute, onion, groundnut, mustard, rice plus handicrafts as non-farm and char transport system and financial services as cross-cutting sectors. M4C, as the name suggests, applies the Making Markets Work for the Poor (M4P) or market development approach and it has been facilitating broad range of public agencies (research, extension), private companies (agri-input, agro-processing) and local service providers (retailers, traders etc.) to promote and provide products and services, strengthen supply chains, test new business models to bring about required changes in the market systems. The broader change M4C aims to attain is that the market actors (private and public) realize the potential and adopt feasible business/service models to expedite economic growth of the chars. M4C also addresses issues related to Women Economic Empowerment (WEE) and Disaster Risk Reduction (DRR) in its activities within these sectors.

Besides a lead firm approach to facilitate market system changes that include and benefit the chars households, M4C supported formation of 419 producer groups (comprising of 11,500 char producers of which 18% are women) to improve collective and adaptive capability of char households thus making them “market ready” to help them appropriately participate (demand/supply) in the market system. This base of producer groups serves as a means/ platform for market actors (ranging from large agro-input companies, local suppliers, regional and even char traders) to transact and build business relationships with char households. M4C, through its sub-contractors (local NGOs) applied participatory tools (under the participatory market system development or PMSD framework of Practical Action) to facilitate formation and strengthening of these producer groups. By facilitating these producer groups, M4C intends to sustain the enhanced trust/ relationship/ linkages between

char households and the market actors, thus enabling flow of relevant products and services to and from the chars. Realizing appropriate incentives is as such important for public/ private entities to adopt viable and sustainable business/ service models for the chars.

Since 2012, the project has facilitated provision of quality products and services of 13 large private companies, more than 300 local entrepreneurs and 5 government agencies. These market actors are realizing the potential of the chars and are adopting char-suitable business/ service models that are sustainable and will continue to benefit the char households. The project has integrated disaster risk reduction measures in its interventions whereby the use of wind-resistant seed varieties and other agro-inputs resulted in reduction of disaster losses by 20-40% for the char households. By June 2015, M4C will have benefitted around 40,000 char households with increased income from agricultural sectors as a result of using new/ improved products/ services facilitated by the project. In addition, M4C facilitated services, relevant to women's role in these sectors, has reached around 21,000 char women thus contributing to their economic empowerment.

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