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The U.S. Government's Global Hunger & Food Security Initiative

Market linkage pathway to catalyze smallholder farmers' investment in irrigation



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ACTION RESEARCH PROCESS TO CO-DEVELOP MARKET LINKAGE PATHWAY

Analyze: assessments and analysis to understand context, scaling pathways, and user segmentation

Engage: throughout the action research process, maintaining interactions with stakeholders, producers, and partners during the scaling process

Co-develop: jointly develop and implement market linkage activities through partnership with the private sector, local government and farmers

Reflect: observe throughout the process to analyze feedback from farmers, partners, and stakeholders and integrate them into adapting the tested pathways

Analyze

- Rapid assessment to understand production, productivity, farming systems, market, irrigation
- Identify scaling prospects

Engage

- Continuous engagement with farmers and local stakeholders
- Multi-stakeholder dialogues

Reflect

- Observe and analyze the operationalization of the scaling pathway
- Incorporate lessons learned into the scaling pathway

Co-develop

- Co-design and implement scaling pathway activities with farmers, private partner, and local stakeholders



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SOLAR BASED INNOVATION BUNDLES

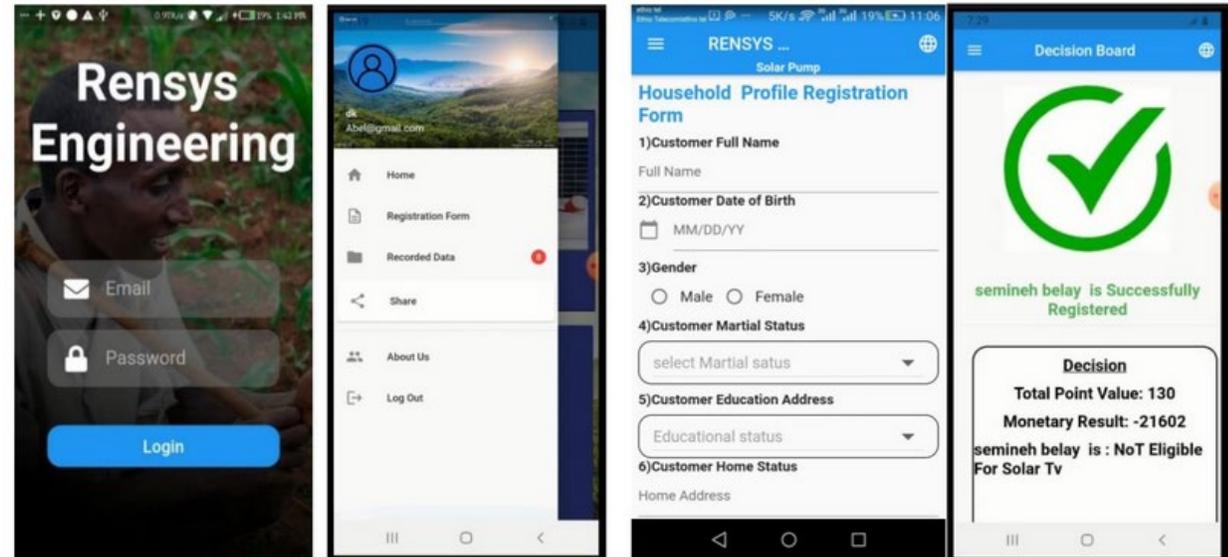
Solar Based Innovation Bundles (SBIBs) co-developed in partnership with private partner (Rensys Plc.) and tools developed with public (BDU) include:

- Solar pumps and accessories,
- Pay As You Own financing mechanism,
- Presales services (Client Technology Fit Assessment and Client Credit Worthiness Assessments)
- Aftersales services (Toll free call center for advisory and technical support, Web-based aftersales tracking system)

ClimateSmart™ Direct RainMaker2S



- Works best at <40m
- Maximum flow rate of 1.1m³/H | Optimized irrigation solution for a 0.5 - 1 acre farm



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MARKET LINKAGE PATHWAY

The pathway aims to strengthen the irrigation equipment supply chain by enhancing local presence and creating local sales and service networks for SBIBs, thereby enabling farmers' investment in SBIBs based on local demands and contexts, availability, suitability, and economic feasibility

- Segmenting demands for SBIBs
- Demonstrating solar-based irrigation bundles
- Organize demand and supply linkage workshop
- Engaging value chain actors and creating a space for knowledge and information exchange on best practices and SBIBs
- Setting up sales and service networks
- Tailoring business models to the different user segments based on resources, capacity to invest, and technology and financing preferences





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LESSONS LEARNED AND THE WAY FORWARD

- **Demand segmentation** gaining an in-depth understanding of the differentiated smallholder contexts
- **Demonstrations and field days** to influence the attitude and interest of farmers, use of development actors as an entry point for this
- **Tailored business models** to different demand segments and continuous improvement of the bundles to ensure suitability, availability, and feasibility
- **Use of established and trusted communication channels** and local networks to facilitate knowledge and information flow
- **Continued efforts to strengthen market linkages** including platforms, incentivize local sales agents, strengthen links between suppliers and local irrigation extension office
- **Capacity building for local manpower** including extension agents and women and youth groups beyond supplier sales agents to address the severe service gaps
- **Exploring financing mechanisms beyond grants:** credit-based sales of solar pumps is a recent business model and financially challenging for suppliers without outside resources
- **Business models and partnerships** with financial institutes are necessary



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Thank You!



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