

# Enterprise Development in LLS: Key Concepts and Resources



# Presentation Overview

- LLS and Cross Cutting Themes
- Markets and Incentives (M&I) Theme
- Enterprise Development – Why?
- Enterprise Development – What?
- Enterprise Development – How?
  - Methods and Tools
- Key Resources
- M&I Regional Support
  - Resource Database
  - Tools Presentation



## LLS and Cross Cutting Themes



*IUCN's Livelihoods and Landscapes Strategy is a vehicle to enhancing the economic opportunities of the rural poor and environmental sustainability on a broad scale.*

This will be realised through advances in:

- Poverty Reduction
- Rights, Tenure and Empowerment
- Law and Governance
- Transforming Landscapes or Forest Restoration
- **Markets and Incentives**
- Facilitating Outcomes at Landscape Level

## Markets and Incentives Cross Cutting Theme



### Key elements of Markets and Incentives work

- Trade research, regulation and market opportunities
- Payment for Ecosystem Services
- **Enterprise Development**
  - Early Products: Resource database and presentations (1/2 here)

### LLS Outcomes relating to Markets and Incentives:

- *Sustainable and pro-poor trade* arrangements established (Strategic Outcome 3)
- *Best practice guidelines* for investment in and management of forest-related commodity or payment for ecosystem service scheme adopted and promoted by multinational company (Strategic Outcome 4)

## Enterprise Development – Why?



- Enterprise Development concerns both new and existing businesses
- Generally refers to developmental activities towards the establishment, growth, improved efficiency and competitiveness of enterprises within market contexts.
- Development and support required to increasing complexity, specialisation, technological needs etc.
- Provides critical support to the advancement of market-based livelihoods, rural and household economies
- A major focus of international development activities

## Enterprise Development – What?



- *Historically* enterprise specific, activities focused on building capacity of individual business services
- *Now* broader focus to look at barriers to the functioning of enterprises in market systems
- Includes players at all levels – from producer to consumer supply chain actors and service providers
- Enterprise Focus
  - Micro, Small and Medium (from one individual to hundreds)
- Embeds poor people and community livelihoods into markets and recognises contributions of SMEs in economy



# Enterprise Development – How?

## 3 steps

1. Situational analysis/assessment
2. Needs and priorities identified
3. Intervention design and implementation plan

## Tools vs. Frameworks

- Methodology (broad or specific), must:
  - Be flexible
  - Be outcome oriented
  - Be revealing and address viability of enterprise
    - E.g. will there be a market if this product is developed?
  - Identify gaps and opportunities for action
    - Eg. Supply chain configuration, value addition, marketing
  - Be a vehicle for understanding



# Enterprise Development - Tools



## *Stakeholder, enterprise or market focus (or combination):*

- Participatory Appraisal (**stakeholder**)
  - Community-centric appraisal, analysis and planning often livelihoods focussed
  - Origins in international development not necessarily enterprise/markets often has distinct geographical reference points
- Action Research (**stakeholder**)
  - Focus on engagement, learning and shared problem-solving
  - Less focus on preliminary analysis and more on adaptation
- Sub-sector Analysis (**enterprise/market**)
  - Analysis of sub-sector including all enterprises, markets and channels
  - Full range of activities from design, production to marketing and support



## Enterprise Development – Tools Cont'd

- Value Chain Analysis (**enterprise/market**)
  - Broader than sub-sector, can include geographical and contextual (governance) factors
  - Elements of structure or relationships are focus of intervention
- Business Development Services (**enterprise/market**)
  - Looks at needs, markets and opportunities for service provision at all levels of enterprise/value chain
  - Market Assessment Tools
- Market Research (**market**)
  - Consumers, suppliers, feasibility studies etc.



# Enterprise Development – Key Resources



- Making Markets work for Poor
  - [www.mm4p.org](http://www.mm4p.org) (case studies and experience in poverty reduction)
- Small Enterprise Education and Promotion Network (SEEP), also Business Development Knowledge
  - [www.seepnetwork.org](http://www.seepnetwork.org) (background, guidelines and key resources)
- Action for Enterprise (AFE)
  - [www.actionforenterprise.org](http://www.actionforenterprise.org) (training and development resources)
- Food and Agriculture Organisation Forestry
  - [www.fao.org/forestry](http://www.fao.org/forestry) (non-timber & other forest enterprise tools, info)
- United States Agency for International Development (USAID) Development Experience Clearinghouse and MicroLINKS (database and resource base)
  - [www.dec.usaid.gov](http://www.dec.usaid.gov) (search business support, enterprises, by sector)
- Donor Committee for Enterprise Development
  - [www.sedonors.org](http://www.sedonors.org) (donor perspectives, relevant standards and other)

# M&I Support to LLS Enterprise Development



- Presentation of key tools and resources
  - Compilation of guidelines, background and framework documents
  - List of websites and organisations
  - Understanding the tools presentation
- Advice and input on intervention strategies
  - Input to existing or new plans
  - Generation of new M&I ideas and opportunities
- Collaboration with other themes and landscapes
  - E.g. Field visits, meetings, World Conservation Congress
- LLS implementation support
  - Terms of Reference currently under development