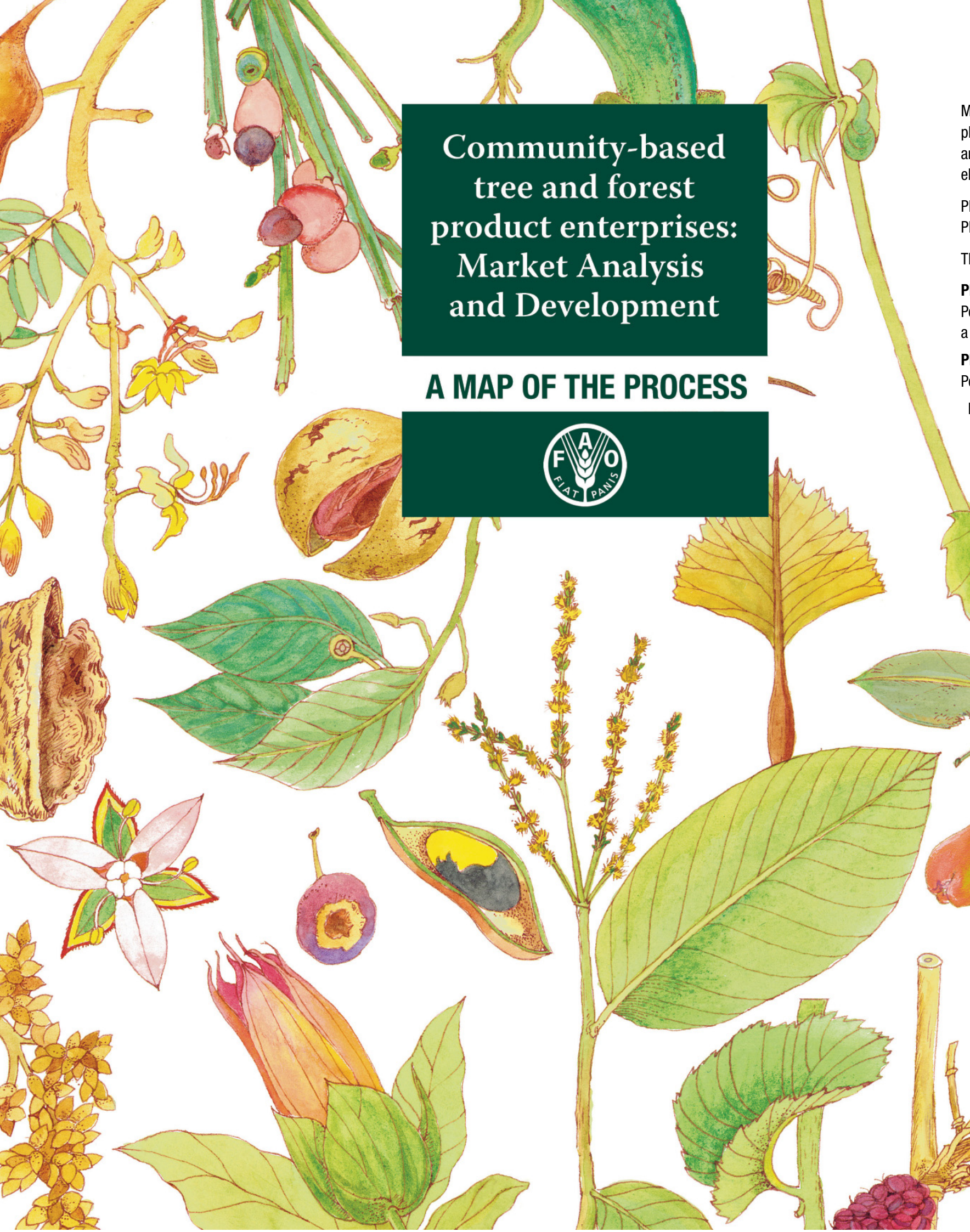
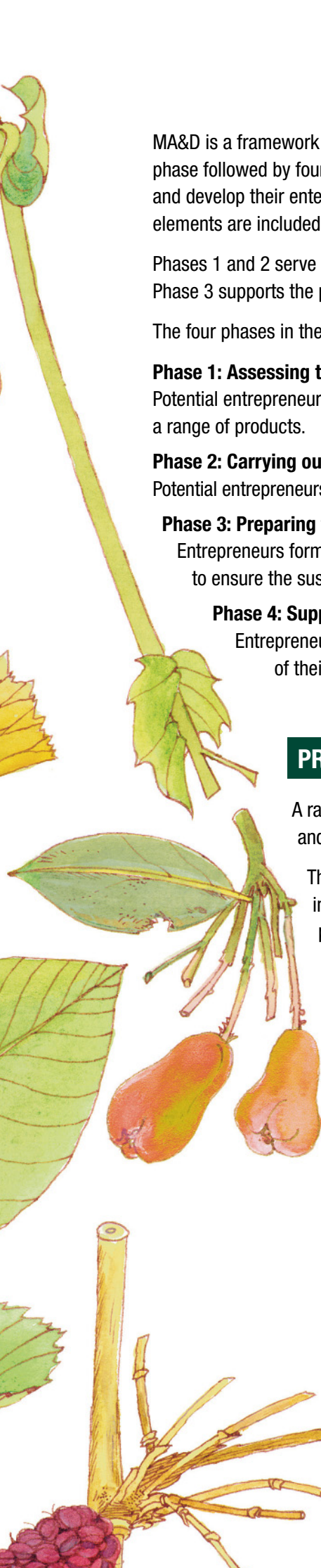


Community-based
tree and forest
product enterprises:
Market Analysis
and Development

A MAP OF THE PROCESS



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MA&D is a framework for planning tree and forest product-based enterprises. It consists of a preliminary planning phase followed by four phases that guide entrepreneurs through a simple and clear participatory process to plan and develop their enterprises. Entrepreneurs will follow a sequence of systematic steps to ensure that all critical elements are included in order to minimize any risks linked to establishing their enterprises.

Phases 1 and 2 serve as a diagnostic process and help to identify opportunities and to motivate participants. Phase 3 supports the preparation of the enterprise development plan, and Phase 4 the start-up of the enterprises.

The four phases in the MA&D process are as follows:

Phase 1: Assessing the existing situation

Potential entrepreneurs gain an understanding of the issues; identify the problems and opportunities and shortlist a range of products.

Phase 2: Carrying out surveys to select products and identify enterprise ideas

Potential entrepreneurs select the best products and gather information for the further development of those products.

Phase 3: Preparing the enterprise development plan

Entrepreneurs formulate an enterprise development plan that integrates all the necessary strategies and services to ensure the sustainability of the new enterprises.

Phase 4: Supporting the start-up phase of the enterprises

Entrepreneurs obtain training, technical assistance and -if necessary- financing for the implementation of their business plan.

PRELIMINARY PLANNING PHASE OR 'PHASE 0'

A range of preliminary activities should be conducted so as to encourage support from key stakeholders, and to check that all the supporting elements and services needed by entrepreneurs are available.

There are a number of ways to conduct these preliminary planning activities depending on the institution, the project objectives, the strategy and the national context. The list below does not provide a set-in-stone sequence of activities, but rather offers a collection of activities that users can take in account to meet their specific objectives. Depending on the context, the project team may find it better to change the order in which activities are implemented or skip some altogether if they do not fit their particular situation.

Preliminary activities to be completed before facilitators start working with future entrepreneurs

Define realistic objectives.

Adapt MA&D materials to local context, including the translation of materials into the local vernacular language.

Survey the region (province/district) in which the project is located and establish contact with other organizations/institutions operating in the same area.

Select project sites.

Select the field facilitators and establish the project team.

Organize MA&D sensitization workshops.

Outline the framework for participatory monitoring and evaluation.

Formulate the MA&D capacity development strategy.



Entry points to the MA&D process

Some users may want to shorten the MA&D process, depending on their situations. Generally speaking, it is advisable to review all the steps in each phase, and to complete each phase before initiating the next one. For example, before conducting a Phase 2 feasibility study on a potential new technology for product improvement, it is important to know whether long-term access to the natural resource is secure.

As shown on this process map, the outputs of each phase serve as the foundation of the next phase. Nevertheless, in some situations it may be possible to enter the process at different points.

The most common situations are the following:

- If the group of potential entrepreneurs is identified, but the products and enterprise ideas are not yet determined, it is possible to simply review Step 1 of Phase 1 and, after (re)confirming that you have selected the appropriate target group, then move directly to Phase 1 Step 2.
- If the products and enterprise ideas have been clearly identified, but the group of potential entrepreneurs is not clear, it is possible to conduct a quick review of Phase 1, Steps 3 and 5 and Phase 2, Step 2. After validating with the potential entrepreneurs that the most appropriate products and enterprise ideas have been chosen, primary focus can be applied to the other remaining Steps in Phase 1 and 2.
- If the group of potential entrepreneurs has been identified, the socio-economic conditions and capacities for enterprise development assessed, the raw materials inventoried and key constraints and potential products identified, it is possible to simply conduct a quick review of Phase 1 with the focus group, validating the choices and assessments made previously and then to actually begin the process at Step 1 of Phase 2.
- If an enterprise already exists, a diagnosis of the enterprise should be conducted. Phase 1 and 2 can be instrumental in highlighting solutions for existing or potential challenges faced by the enterprise.



PHASE 1: ASSESSING THE EXISTING SITUATION

You can start here if the group of potential entrepreneurs is clear (and you have conducted a quick review of Step 1), but you need to identify the products.

STEP 1
Identify the potential entrepreneurs

STEP 2
The potential entrepreneurs assess their capacities to become entrepreneurs

STEP 3
The potential entrepreneurs list local resources and products

STEP 4
The potential entrepreneurs identify the main constraints in the market system

STEP 5
The potential entrepreneurs shortlist potential products for their enterprises

STEP 6
The potential entrepreneurs recognize the benefits of group work

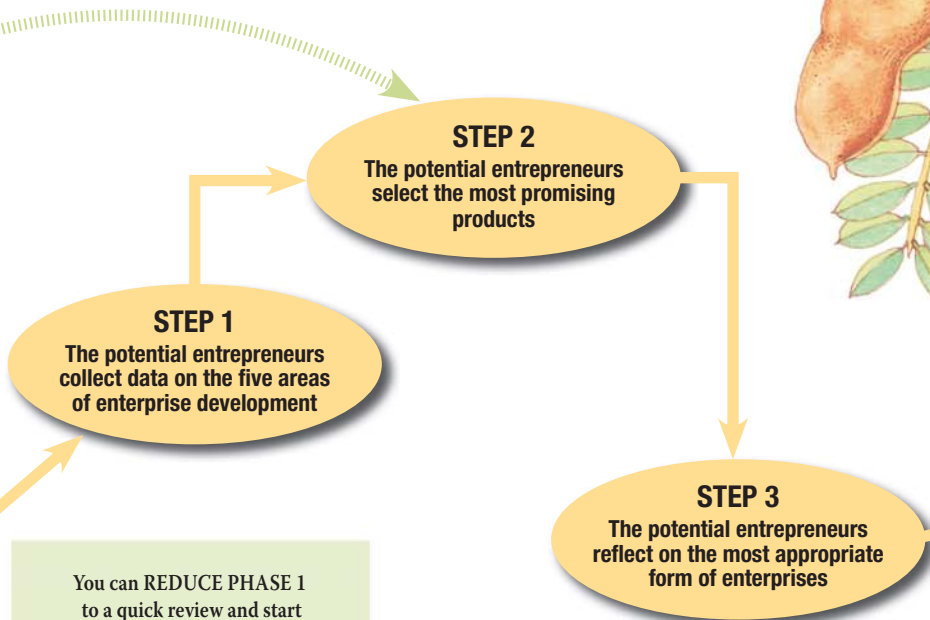
You can reduce these steps to a quick review if the most promising products have been identified.

PHASE 1...➤

Phase 1 OUTPUTS

- 1) A group of potential entrepreneurs willing to explore the development of enterprises;
- 2) A shortlist of potential resources and products that will be evaluated in Phase 2;
- 3) The group of potential entrepreneurs have acquired an understanding of the five areas of enterprise development that comprise the basis for further analysis of the market system.

PHASE 2: CARRYING OUT SURVEYS IN ORDER TO SELECT PRODUCTS AND IDENTIFY ENTERPRISE IDEAS

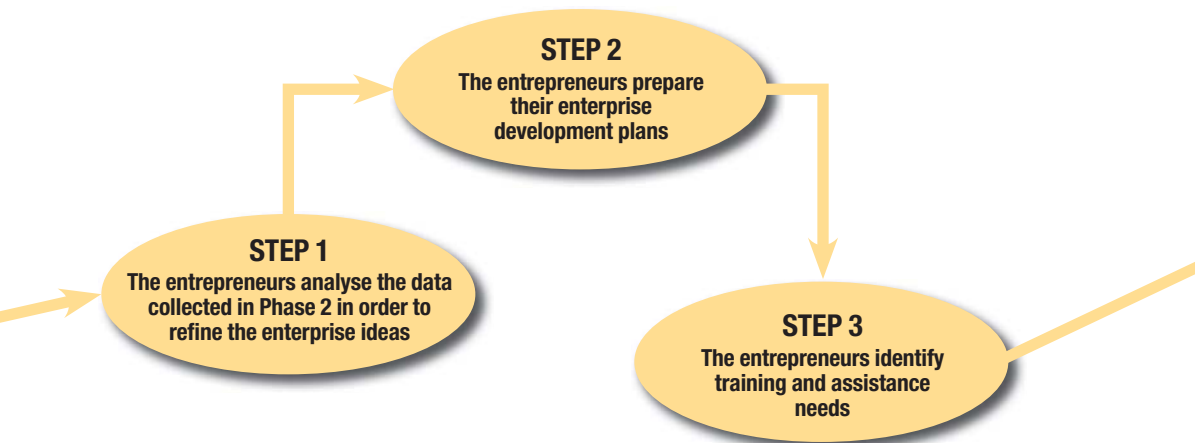


PHASE 2

Phase 2 OUTPUTS

- 1) Final selection of the most promising products;
- 2) Collection of required data for Enterprise Development Plan (EDP) design;
- 3) Potential entrepreneurs are aware of the most appropriate forms of enterprises;
- 4) Interest groups are formed around the selected products.

PHASE 3: PREPARING AN ENTERPRISE DEVELOPMENT PLAN

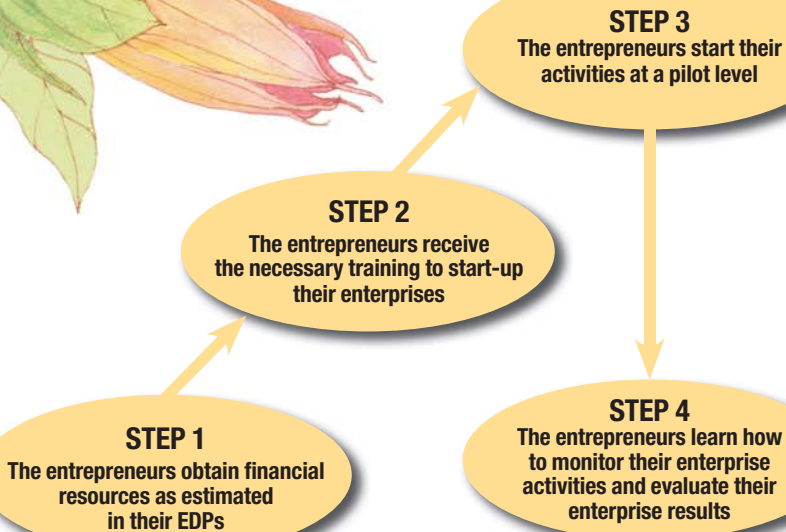


PHASE 3

Phase 3 OUTPUTS

- 1) Entrepreneurs have identified strategies for their enterprises, including the financing scheme;
- 2) Entrepreneurs have prepared an EDP, including a yearly implementation plan for the pilot enterprise;
- 3) Training and assistance needs have been identified.

PHASE 4: SUPPORTING THE START-UP PHASE OF ENTERPRISES



PHASE 4

Phase 4 OUTPUTS

- 1) Entrepreneurs mobilize the assistance they need during the start-up stage of their enterprise;
- 2) Entrepreneurs initiate enterprise activities (with support from facilitators);
- 3) Entrepreneurs are familiar with the tools for monitoring enterprise activities and can evaluate their results.



FOR FURTHER INFORMATION, PLEASE CONTACT:

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