groups of stakeholders in the project area. The cross-checking process continues until the information gathered is clear and consistent, with no new information being found. A draft summary of the information is then shared with stakeholders in a formal meeting or workshop. This provides an opportunity for additional cross-checking with individual and groups of stakeholders. Any inconsistencies or gaps in the information are identified and addressed through further field investigation. Once these questions are answered a summary of 'farmer marketing conditions and priorities' (priority species, marketing channels and agents, farmers' market roles, marketing problems, and opportunities) is finalized. At this point, work plans are developed to identify and agree on actions that farmers, market agents and other stakeholders can take to improve the production and marketing of smallholder products.

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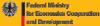(http://www.worldagroforestrycentre.org/sea/Publications/index.asp)

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RAPID MARKET APPRAISAL (RMA):
Understanding Market Opportunity for Market-Oriented Smallholder Agroforestry Systems

Trees in Multi-Use Landscape in Southeast Asia (TUL-SEA)
A negotiation support toolbox for Integrated Natural Resource Management

Market opportunities for enhancing local livelihoods

The advent of market economies and improved rural infrastructure has expanded commercial opportunities to many farm communities. However, traditional tree management often leaves communities ill-equipped to produce reliable quantities of high-quality products that meet market specifications. Smallholders generally have weak market linkages and poor access to market information (Hammett 1994; Arocena-Fransico et al. 1999). Working in the Philippines, Predo (2002) found that tree farming was more profitable than annual crop production, but uncertain marketing conditions deterred tree planting. The existence of accessible markets for tree products is a vital criterion for site selection (Scherr 1999 and 1995; Landell-Mills 2002). Otherwise, the development of economically viable systems is doubtful.

Experience in Indonesia indicates that farmers generally: i) lack access to market information (product demand, specifications and prices); ii) lack understanding of market channels; iii) produce products of unreliable quality and quantity; iv) rarely engage in grading to improve product quality (and their profit-margin); and v) sell their products as individuals (Roshetko and Yulianti, 2002; Roshetko *et al*. 2002). These conditions also have negative consequences for market agents. They spend a lot of time and other resources searching for, collecting and sorting smallholder products of small quantity and various quality.

Most smallholder farmers do not fully understand local markets. They typical sell products to through middlemen and are unaware of the final customer. They seldom engage in post-harvest activities. Farmers tend to produce and sell agricultural products according to local norms, competing with neighbors for a small part of the market.

Rapid but informative

Interest in Rapid Market Appraisals (RMA) grew out of frustration with lengthy, costly and intensive formal surveys in developing countries that rarely generated any timely or sensible analysis. Doing a rapid market assessment for agroforestry product is an efficient way to obtain policy-relevant and intervention-focused information about any commodities that have market potentials. It avoids the cost, delays, and management burden of formal surveys while still providing the experienced analyst with a practical set of tools for identifying constraints and opportunities, cross-checking observations, and planning or monitoring strategic interventions.

RMA enables us to orient production to market demand (quantity, quality, processing, packaging), identify niche products for which an area has comparative advantages, reorient production to respond to changing demand, and to facilitate a change in thinking from "production minded" to "market minded", facilitate a mental change from "middle-men are the bloodsuckers of the poor" to a different perception, in which each stakeholder has a role in the market chain.

Market research collects, processes and analyzes data and information about marketing systems. Markets are constantly evolving and changing, and therefore market research activities need to be conducted on a fairly regular basis. Market research serves two main purposes:

Firstly, to enable market participants (farmers, trading enterprises and processing firms) to understand the market situation, and adapt their production and marketing strategies to improve their position in the market place. This type of analysis focuses on gathering knowledge and information about customer needs and also the activities and strategies being used by competitors. This type of market research is generally conducted by market participants themselves or by specialized consultancy firms hired for that purpose.   Extension officers and development agencies working with resource-poor farmers may also undertake such activities to help producers gain improved market access.

Secondly, market research is conducted to guide interventions aimed at improving the efficiency of marketing systems and generating benefits for various participants. Such research can be conducted by a wide range of agencies, including donors, government ministries and departments, non-government organizations, and development projects. The focus of market research activities will depend on the objectives and mandate of the implementing agency. However, there will invariably be an emphasis on understanding constraints and bottlenecks, as well as opportunities for intervention. One of the primary goals of market research in this context is to find points in a market chain where improvements would have the broadest benefit to actors in the chain, these pivotal points are called 'leverage points'.

Objectives of RMA

In order to enhance farmers' livelihoods and develop agroforestry-based enterprises, the shortcomings mentioned above should be documented and then addressed.   A system of technical assistance and innovations is needed to empower farmers to seize market opportunities by enhancing and diversifying the productivity/profitability of their agroforestry systems.

Rapid Market Appraisal strengthens awareness regarding the importance of market information. It is a tool to understand how products (commodities) flow to end users, and to understand how a commodity systems is organized, operates and performs. It can inspire farmers to develop new understandings regarding the commodities they produce; and evaluate commodity marketability by seeking input directly from customers and market agents. Through the RMA farmers will begin to see the importance of customers' views and market information research.

A Rapid Market Appraisal (RMA) - opposed to a formal sub-sector analysis - aims to provide a quick, flexible, and effective way of collecting, processing, and analyzing information and data about markets and marketing systems. RMA's are an efficient way to acquire knowledge about marketing systems, with a view to inform production and marketing strategies, policy processes, and the design and implementation of relevant interventions.

RMA is an iterative and interactive research methodology, which is used to better understand complex market systems in a short time (Adapted from Young 1994). It is a process for discovering market opportunities and how to capture them through focus on an entire value chain.

RMA is a way to:

- obtain information about how a commodity sub-sector is organized, operates and performs;
- identify market constraints and opportunities;
- identify and diagnose policy and regulatory problems that require government (and donor) and private sector analysis, attention and action;
- recommend interventions in commodity system organizations and technologies.

Steps in RMA

RMAs comprise a range of simple methods and tools for collecting quantitative as well as qualitative information. Such methods avoid the costs and delays of formal questionnaire surveys, which have often failed to provide timely and sufficiently detailed information.

Flexibility is one of the main attributes of RMAs. There are no fixed rules regarding the size and composition of the team involved in the RMA, which will depend on the resources available and the objectives of the market survey. Likewise, the number and type of markets visited, and the number and type of "key informants" selected, will vary according to the purpose of the RMA and the resources available. Similar comments can be made regarding the time required to collect and analyze information.   There are six main steps to conduct RMA: (1) Set objectives; (2) Select a team; (3) Collect secondary data and information; (4) Develop questionnaire and schedule interviews; (5) Train team and conduct interviews; (6) Meet to assess opportunities and formulate strategies and plans to capture value.

Identify and select interested farmers groups

Identify, select and conduct semi-structured interview with key market agents

An Example of RMA in Agroforestry

Our approach is to conduct market surveys using a rapid survey format modified from ILO (2000) and Betser (2001) to identify and understand: i) the agroforestry species and products that hold potential for farmers (their specifications, quantities, seasonality, etc.); ii) the market channels that are used by and hold commercial potential for smallholder products; iii) the marketing problems faced by farmers and market agents; iv) the opportunities to improve the quantity and quality of farmers' agroforestry products; and v) market integration (through vertical price correlation and price transmission elasticity) and efficiency.

We start with informal visits to make observations in the study area and hold discussions with farmers and other stakeholders. The information from these visits and knowledge gained from relevant secondary information is used to customize the market survey.   The survey is then conducted with farmers, market agents and other key stakeholders within the project area. The information provided by each respondent is followed through the market chain to the end consumer until information concerning the market channel is complete. The information gathered is cross-checked with direct observation and informal discussions with relevant respondents and different

[1] Key informant is a person who is working in a particular area or position in the market chain and has a detailed knowledge or understanding that can contribute towards the survey work.