Strategies to develop market access that contribute to resilience in the Bolivian Highlands: Two case studies

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Two case studies

Single embedded case study:
The Participatory Market Chain Approach applied in The Bolivian Andean Platform

Multiple embedded case study:
Native Potato Varieties’ Program by PROINPA & CIP-Altagro
Objectives:

- To evaluate how the BAP under the PMCA facilitates market access for small-scale producers by reducing transaction costs for native products, Chuño and Tunta.

- To identify which transaction costs are reduced, and which are increased in the Bolivian Andean Platform.

Single embedded case study: The Participatory Market Chain Approach applied in The Bolivian Andean Platform
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Methods:

- Individual interviews with all 10 stakeholders of the Bolivian Andean Platform.

- Open-ended questions regarding: how the institution/program benefited from its participation in the Bolivian Andean Platform, in terms of reduction of transaction costs.
## The Participatory Market Chain Approach

<table>
<thead>
<tr>
<th>Time</th>
<th>Objective per phase</th>
<th>Market chain actors</th>
<th>Leading R&amp;D institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 - 4 months</td>
<td>To get to know the different market chain actors, with their activities, interests, ideas and problems, etc.</td>
<td>Interest</td>
<td>Leadership</td>
</tr>
<tr>
<td></td>
<td>→ Market chain survey</td>
<td></td>
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<tr>
<td></td>
<td>▶ Event 1</td>
<td></td>
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<tr>
<td>3 - 5 months</td>
<td>To analyze in a participatory manner potential joint business opportunities</td>
<td>Trust</td>
<td>Facilitation</td>
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<tr>
<td></td>
<td>→ Work in thematic groups</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>▶ Event 2</td>
<td></td>
<td></td>
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<tr>
<td>4 - 6 months</td>
<td>To implement joint market innovations</td>
<td>Collaboration</td>
<td>Backstopping</td>
</tr>
<tr>
<td></td>
<td>• new products</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• new technologies</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• new institutions</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>→ Work in thematic groups</td>
<td></td>
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</tr>
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<td></td>
<td>▶ Final Event</td>
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</tbody>
</table>
The Bolivian Andean Platform

Philosophy → Case study → Stakeholders → Participants → Outcomes

PMCA

Innovandes → BAP

Promotion & research
- PROINPA Foundation
- Prosuko
- Kurmi

Production
- APEPA
- UNAPA

Processing, commercialization & exports
- Ricafrut SRL
- AGRONAT Lab. S.A.
- AsceX Trading SRL

Transportation
- Deze Ltda.

Financial
- Fomem

Government
- Ministerio de Agricultura

Outcomes
- Reduced transaction costs.
  - Increased links between market chain actors.
  - Increased negotiation power for farmers.
  - Increased bargaining power for farmers.
  - Higher access to markets.
The BAP reduces search, information, bargaining and contracting costs in the market chain.

On the contrary, it increases participation, monitoring and enforcement costs in the market chain.

It also promotes agency capacity and networking for small-scale producers.

However, the Bolivian Andean Platform lacks incentives to motivate farmer’s participation, and offers a price that does not reward producers’ efforts for higher quality of chuño and tunta.

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Results

* Single embedded case study: The Participatory Market Chain Approach applied in The Bolivian Andean Platform
### Transaction costs incurred by the Bolivian Andean Platform Stakeholders

<table>
<thead>
<tr>
<th>Type of transaction cost/moderator - stakeholders</th>
<th>Moderator</th>
<th>Stakeholders</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovandes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation costs</td>
<td>↑</td>
<td>↑</td>
<td>↑</td>
<td>↑</td>
</tr>
<tr>
<td>Search costs</td>
<td>↑</td>
<td>↓</td>
<td>↓</td>
<td>↓</td>
</tr>
<tr>
<td>Information costs</td>
<td>↑</td>
<td>↓</td>
<td>↓</td>
<td>↓</td>
</tr>
<tr>
<td>Contracting costs</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Monitoring costs</td>
<td>↑</td>
<td>↓</td>
<td>↑</td>
<td>↑</td>
</tr>
<tr>
<td>Enforcement costs</td>
<td>↑</td>
<td>0</td>
<td>0</td>
<td>↑</td>
</tr>
</tbody>
</table>

**Transaction costs incurred by the Bolivian Andean Platform Stakeholders**
Objectives:

- To identify the incentives Native Potato Varieties’ Program promote to motivate small-scale producers’ participation.

- To identify which transaction costs are reduced and which are increased for farmers who participate in the NPVP.

- To identify the barriers and/or disincentives foreseen by small-scale producers who do not participate in NPVP.

- To evaluate the likelihood of NPVP participants to become a stakeholder of the BAP.

Multiple embedded case study: Native Potato Varieties’ Program by CIP-Altagro
Multiple embedded case study:

Native Potato Varieties’ Program by CIP-Altagro

Methods:

Based on survey conducted by SANREM-CRSP and CIP-Altagro in Umala-Bolivia:

1. Identification of communities where potato is a main source of income: Kellhuiri, Vinto Coopani and Sirujiri.

2. Identification and selection of families who market potatoes.

3. From the previous selection, identify those families who participate in NPVP and those who do not.

4. Individual interviews with both groups.
Results

Multiple embedded case study:
Native Potato Varieties’ Program by PROINPA and CIP-Altagro

- The incentives to participate in NPVP are mainly technical assistance, acquisition of new knowledge, interest in collective action to reach high-income markets for native potatoes.

- Decrease in search, information and bargaining costs when compared with individual costs.

- Increase in participation, contracting, monitoring, and enforcement costs.

- The barriers to participate in NPVP are mainly due to outmigration and the resulting decreased labor available at the household.
<table>
<thead>
<tr>
<th>Type of transaction costs</th>
<th>Kellhuiri</th>
<th>Vinto Coopani</th>
<th>Sirujiri</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation costs</td>
<td>↑</td>
<td>↑</td>
<td>↑</td>
</tr>
<tr>
<td>Search costs</td>
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<td>↓</td>
<td>↓</td>
</tr>
<tr>
<td>Information costs</td>
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<td>↓</td>
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<tr>
<td>Bargaining costs</td>
<td>↓</td>
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<tr>
<td>Contracting costs</td>
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<tr>
<td>Monitoring costs</td>
<td>↑</td>
<td>↑</td>
<td>↑</td>
</tr>
<tr>
<td>Enforcement costs</td>
<td>↑</td>
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</tbody>
</table>
Thank you

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