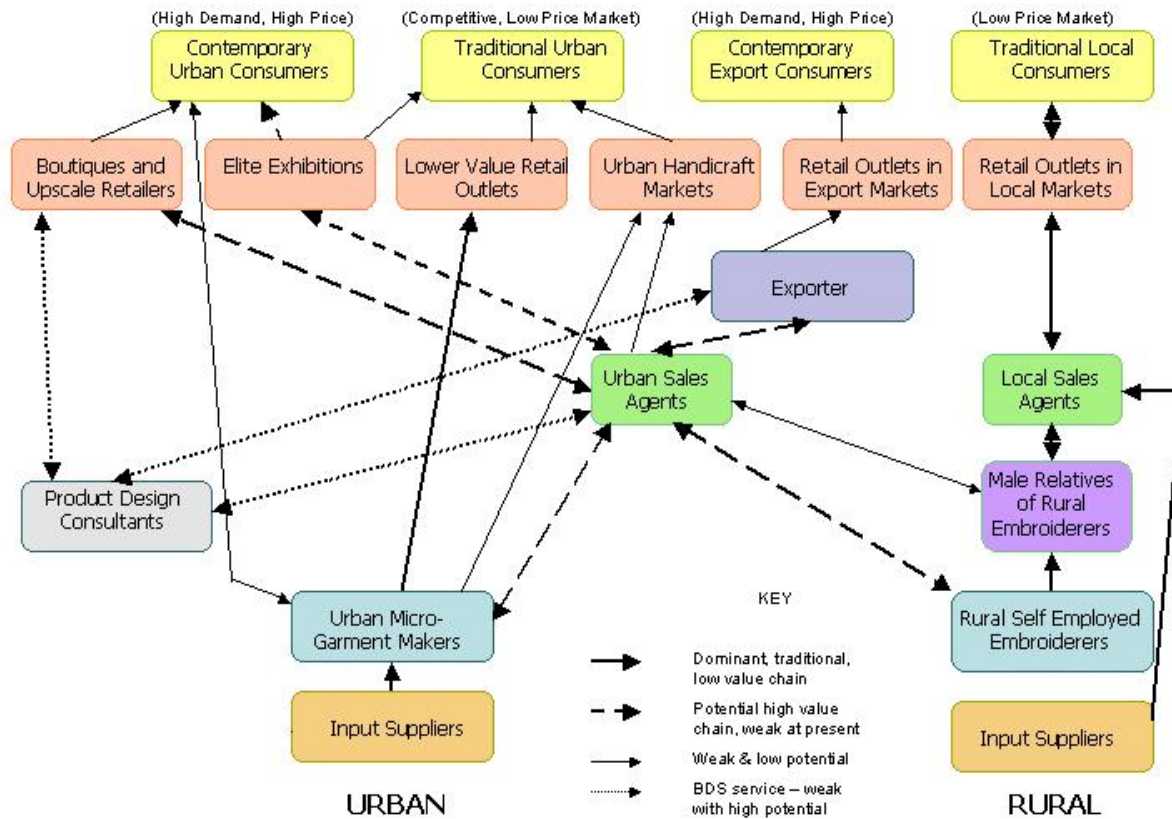


MEDA Supplementary Description of Market Context

In addition to the description of the market context provided in the body of the proposal, the following is a Subsector Map of the embroidered garment subsector.



The thick solid arrows in the subsector map represent the current dominant links between players in the value chain. Note that in the rural chain, women embroiderers interact with markets mainly through male relatives. Even input supplies generally go through local sales agents to male relatives and then finally to producers. Another dominant aspect of the rural chain is the flow of goods into low value traditional markets through monopolistic local sales agents. We will not seek to eliminate these relationships but to offer alternatives.

The thick dashed arrows in the map show potentially high value links that are currently very weak. It is our intention to strengthen these relationships, developing sustainable, commercial, mutually beneficial BDS markets. In particular, the diagram illustrates that the role of the sales agent is pivotal to the development of the market linkages for rural embroiderers and urban garment makers to higher value contemporary markets. Finally, these arrows are bi-directional showing that these are two-way relationships with information flowing down, and products flowing up the value chain.

The light solid lines indicate existing relationships that are weak and have low potential. It is important to understand these links, and to observe changes as the program proceeds, but we have no plan to intervene in these areas.

The dotted lines indicate a commercial service that will be developed in the program. Note that the only independent service is product design/development, and that other services will be developed as embedded services.