



## MY MEETING NOTES

### DRIVING INNOVATIONS IN AGRI-FOOD VALUE CHAINS

#### Short Course on Rural Entrepreneurship

15-26 June 2015, Kumasi, Ghana

*Farm enterprise development requires skilled and experienced extension personnel trained in understanding the functioning of local farm markets. Dr Binoo P Boney recently attended a course offering this expertise and she shares her experience here.*



#### CONTEXT

In all parts of the world, the modern retail revolution is reshaping the way food is produced, procured and retailed. Rapid changes in dynamic modern markets affect the entire value chain—consumers, retailers, wholesalers, processors and producers—with enormous implications for the competitiveness and future viability of small-scale producers. Developing farm units into farm enterprises is a serious challenge faced by the Extension and Advisory Services worldwide. This warrants new development models that foster effective forward and backward linkages, production standards that ensure quality and social enterprises in agriculture.

Rural Entrepreneurship (RE), an International Short Course organized by the Centre for Development Innovation (CDI) of Wageningen UR (University and Research Centre) in collaboration with the Bureau



of Integrated Rural Development (BIRD) of Kwame Nkrumah University of Science & Technology (KNUST), Kumasi, Ghana, focuses on driving innovations in agri-food value chains to address this challenge. The course provides a methodology (a set of concepts and analytical tools) for finding ways to better link small-scale producers to these modern markets.

The 2015 edition of the course attended by 32 participants from 14 developing nations from Asia and Africa focused on the trade and processing functions, as well as the prevailing marketing arrangements of the market systems of five different product groups viz. Cassava (gari production), tomatoes (tomato paste/ketchup), Chickens (broilers), Tubers (cassava/yam flour) and Maize (maize flour). All the participants were sponsored either by their parent organization or under Netherlands Fellowship Programme (NFP) of the Dutch government (Box 1).

**Box 1: Netherlands Fellowship Programmes (NFP)**

The Netherlands Fellowship Programmes (NFP) promotes capacity building within organisations in 51 countries by providing fellowships for training and education for professionals. The NFP is initiated and fully funded by the Dutch Ministry of Foreign Affairs from the budget for development cooperation.

The NFP has three sub programmes for individual fellowships:

- Short courses
- Masters's programmes
- PhD Studies

In addition, there are separate funds for tailor-made training courses and alumni activities. An NFP fellowship is intended to supplement the salary that the fellow should continue to receive during the study period. The allowance covers costs of living, the costs of tuition fees, visa fees, travel, insurance and other related expenses. The fellowships are awarded in a very competitive selection to highly motivated professionals who are in a position to introduce the newly acquired skills and knowledge into their employing organization. Candidates have to be nominated by their employer to be eligible for the fellowship. The course details are available at [www.wageningenur.nl/cdi](http://www.wageningenur.nl/cdi). On receipt of confirmation of selection, one can apply for fellowship (NFP) at [www.nuffic.nl/nfp](http://www.nuffic.nl/nfp) or [www.nuffic.nl/mena](http://www.nuffic.nl/mena).

## THE PROGRAMME

A keynote address by Edusah, the Director, BIRD, clearly illustrated the contributions of agriculture to Ghana's economy. Jan Heider and Judith Jacobs coordinated the programme.

The entire course was developed with appropriate blend of theory and group activities related to improving the agri-food value chain. Topics such as smallholder inclusion, markets and marketing arrangements, agri-business development, agri-food value chain development and food security were addressed in the course to improve the performance of local market systems.

As many as five cases in different agricultural subsectors and stages of development were studied, including Cassava and root crops, poultry farming, and high-end food chains for fresh vegetables like tomato with study sites located in and around Kumasi, Ghana. Visits to local wholesale markets and processing sites were taken up for data collection as a part of the programme.

## WHAT I LEARNT

### Market – economic perspectives on poverty



Market-economic perspectives on poverty helped me understand the changing nature and extent of poverty. It also provided structural reasons that underlie poverty's persistence, asking when and why poverty reproduces itself over time. It brought home the limited ability of conventional poverty measures to deal with time and poverty transitions. Asset based approach to poverty by developing the concept of the (static) asset poverty line modelled on the Foster-Greer-Thorbecke (1984) logic redefined the concept of poverty to suit time transitions more accurately. These

measures based on the propositions of Michael R. Carter & Christopher B. Barrett (2006) provides information on the depth of structural poverty given the current distribution of assets (and the returns to those assets and possibility of asset accumulation/decumulation dynamics). Micawber's threshold that potentially separates those able to move to a high (non-poor) asset position from those caught in a low-level equilibrium trap are clearly defined so that effective targets can be fixed.

### Chain wide learning for smallholder inclusion and food security

It provided a methodology that consists of a set of concepts and analytical tools that make up a framework for analysis to improve value chain performance. This is achieved through reduction of transaction costs (e.g. marketing overhead, post-harvest losses, etc.), an increase in economies of scale and/or scope, specialization. It can be applied in the context of a specific development objective like poverty reduction, food security, etc

The core methodology involved six main activities:

1. Mapping out the value chain and identifying the main actors and the flows of products, money and information. It often is important to understand where along the chain most value is created and how profit is made by different actors.
2. Mapping key policies and institutions that influence the functioning of the value chain and the inclusion or exclusion of small-scale producers.
3. Establishing key drivers, trends and issues chain and its actors affecting the value. Drivers are the main external factors influencing change; trends are the directions of change in the chain, such as



types of producers, prices or marketing channels. The issues are the positive or negative implications of the trends for the different actors in the chain.

4. Exploring future scenarios and trends in relation to uncertainties about drivers and understanding the future implications for the value chain, its actors and the inclusion of small-scale producers.

5. Identifying the options for better inclusion of small-scale producers and

6. Developing strategies for supporting change in policies and institutions within the public, private and civil society sectors.

A range of tools for the identification and description of stakeholders on the basis of their attributes, interrelationships and interests related to a given initiative or resource like Actor Analysis Matrix (part of Rapid Appraisal of Agricultural Knowledge Systems (RAAKS) toolkit) and Influence and Importance Matrix (developed by DFID) were introduced as part of the methodology.

### **Business planning: Cigar Box**

Another useful tool for business planning and evaluation was the Cigar Box. It was based on the logic of considering the per day earnings from an enterprise and relating it to the factors behind that earnings. It uses the concepts of margin, contribution and break-even points in the analysis. Based on these it also considers the risks and opportunities and the options for improvement.

### **MY IMPRESSIONS**

The Queen mothers of trade (Female Traditional Leaders) in the markets of Ghana gave a field portrait of women empowerment in the West African countries. The entire traders in the markets were women with loaders and transporters belonging to the men. There were Queen mother Tomatoes and cassavas ruling the markets in their respective commodities. (Queen mother tomato is the leader of tomato traders in the market and



likewise for other commodities. She exercises high control on the entire sales of the commodity in the market - a form of traders association in the market and she is the leader, mostly elected).

Another amazing experience was the interest and enthusiasm of the participants to learn from each other and share their experiences. The diverse group that consisted of rural development

practitioners from NGOs, public development departments, researchers from universities, managers and policy makers showed the right commitment and resolve to make a difference in their fields. The participants brought a lot of energy and passion into the discussions.



My personal learning on organizing International courses of this stature has been also been tremendous. Meticulous pre-course planning and unambiguous directions that brought participants from far and wide without a hitch is laudable. Learning on innovative ways of ensuring adequate interactions and knowledge exchange among the participants assigning them to work in different groups and plenary sessions was quite enriching. Field visits and social trips sync well with the

course content and gave vivid understanding of the agrarian culture of Ghana.

I am glad that I could participate in the course and wish more participants from Extension fraternity attend this course.

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