



C:AVA

Cassava: Adding Value for Africa

# Research

Progress & lessons learned?

# C:AVA research questions

1. How does staple crop value chain development influence **food security, gender benefits, household income and cropping choices**? (Impact)
2. What are the **spill-over benefits** of HQCF value chain development and both positive and negative unintended consequences? (Impact)
3. How do you create **coordination and advocacy** in a staple crop value chain **that empowers smallholders** in market development, research agenda-setting, and supportive policy change? (Advocacy)
4. What are the most **effective strategies for development of input markets, extension of knowledge** along the value chain, and **import crop substitution**? (Strategy)
5. What are the **most effective strategies for provision of business and financial services** along the staple crop value chain? (Strategy)
6. How can you **learn rapidly about successes and failures** and adapt? (Strategy)

# C:AVA research: household impacts + spill-over benefits (Q 1&2)

- Baseline + end-of-project surveys
- PhD Lora (Malawi, Nigeria)

BASELINE SURVEYS	Nigeria	Ghana	Tanzania	Malawi	Uganda
Data collection	Oct-09	Feb-10	Jun-10	Feb-11	Mar-11
Dataset sent to NRI	Aug-10	Nov-10	Dec-10	Mar-11	
Consultants' reports submitted	Sep-10	Nov-10	Dec-10		
In-depth data analysis at NRI					
Final baseline report					

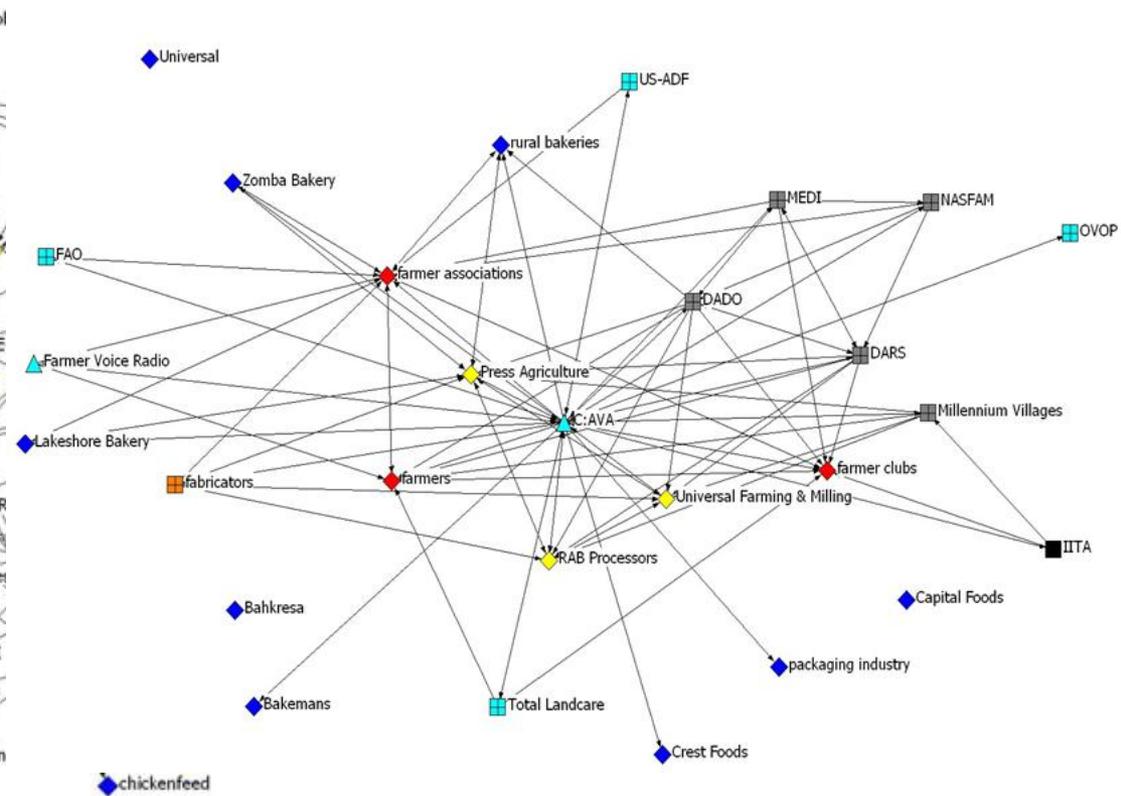
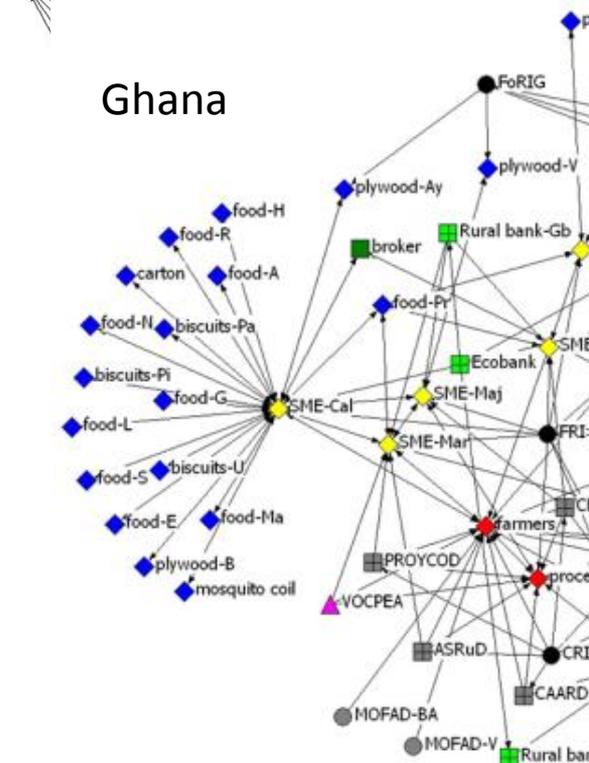
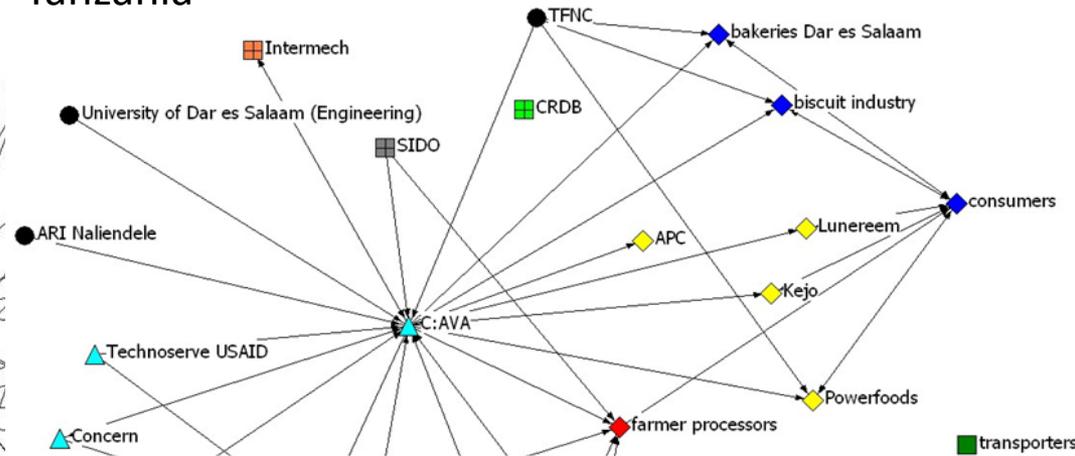
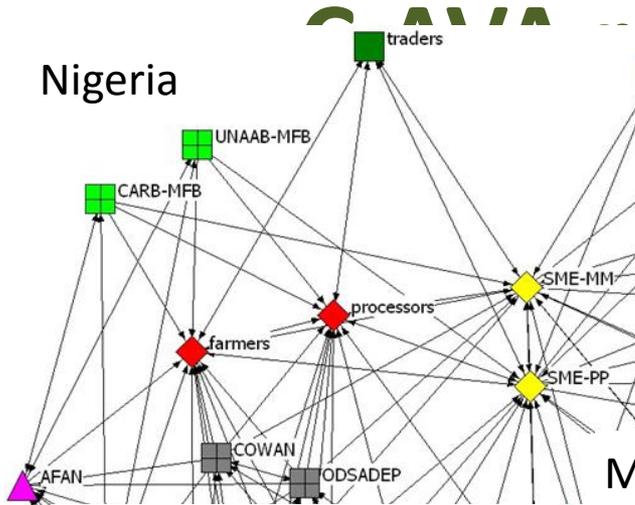
Additional question: To what extent does staple crop value chain development address poverty or benefit the poorest smallholders?

# Tanzania

# Malawi

# Nigeria

# Ghana



- LEGEND:**
- ◇ materials
  - transport
  - knowledge
  - △ advocacy
  - ▣ services
- Producers / processors
  - Industrial processors
  - End users
  - Traders
  - Research institutes
  - Service providers
  - transporters

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  - Service providers
  - Associations
  - Financial services
  - Development programme
  - Private enterprises

# C:AVA research: market development (Q 4)

“What are the most **effective strategies** for development of input markets, extension of knowledge along the value chain, and import crop substitution?”

- How do you ensure a **reliable supply of farm inputs and yield-enhancing technology** that is affordable to smallholder farmers without distorting the market and therefore creating dependence on unsustainable government-supported input supply programmes?
- How do you **create incentives for substitution** of imported staple crop derivatives such as flour and starch?
- How do you ensure that productivity and market efficiency interventions do not have **unintended consequences** that result in **supply glut and lower prices** for smallholders?

# C:AVA research: market development (Q 4)

New interpretation of question: what are effective strategies for developing value chains, creating sustainable supply and demand sides?

- Literature review on linking smallholders to farmers (briefing paper no. 2)
- Benchmark exercise to assess costs and profit margins along value chain (Andrew S. & Helena)
- Paper on value chain development, exploring the importance of transaction costs and institutions (Gideon & Helena)

# C:AVA research: financial services (Q 5)

- Case study Loan Portfolio Guarantee fund, Ghana
- Working paper on best practices in financial services for value chains (ESFIM) – Gideon & Helena

# C:AVA research: lessons (Q 6)

- Documenting lessons / project narrative
- Still need to do synthesis for first half of project (up to strategy refresh)
- Contributing to practitioners book on developing domestic value chains, coordinated by KIT?

# C:AVA research outputs

Research outputs	Nigeria	Ghana	Tanzania	Malawi	Uganda
<b>Question 1: Household impacts of staple crop value chain development</b>					
<b>Question 2: Spill-over benefits of HQCF value chain development</b>					
Scoping study reports	Aug 2008	Aug 2008	Mar 2009	Oct 2009	Jun 2009
Dataset baseline survey	Aug 2010	Nov 2010	Dec 2010		
Consultants' baseline reports	Sep 2010	Nov 2010	Dec 2010		
Learning visits reports Richard & Rory	Mar 2010				Aug 2010
PhD research Lora		N/A		N/A	N/A
<b>Question 3: Coordination and advocacy in the value chain</b>					
Social Network Analysis	Oct 2009	Feb 2010	Jun 2010	Feb 2011	
Lessons learning advocacy	Oct 2009	?	N/A	N/A	N/A
<b>Question 4: Effective strategies for value chain development</b>					
VCA reports	Yes	Yes	Yes	Yes	Yes
Bench marking	Model constructed Oct 2010; no report has been written				
Report on linking farmers to markets (desk-based study), Apr 2010					
Briefing paper on linking farmers to markets, Mar 2010					
Paper on value chain development in preparation					
<b>Question 5: Effective strategies for financial services in value chains</b>					
Paper on best practices in financial services for value chains					
<b>Question 6: Lesson learning</b>					
Draft report lessons learned till mid-term review (process documentation), in preparation					

# C:AVA research activities

Research outputs	Nigeria	Ghana	Tanzania	Malawi	Uganda
<b>Question 1: Household impacts of staple crop value chain development</b>					
<b>Question 2: Spill-over benefits of HQCF value chain development</b>					
Final baseline reports					
Project evaluation	Sep-Dec 2012	Sep-Dec 2012	End 2011?	Jan-Mar 2013	Jan-Mar 2012
PhD research Lora		N/A		N/A	N/A
<b>Question 3: Coordination and advocacy in the value chain</b>					
Social Network Analysis	M&E visits	M&E visits	Evaluation visit	M&E visits	M&E visits
Lesson learning advocacy	M&E visits	M&E visits	N/A	N/A	N/A
<b>Question 4: Effective strategies for value chain development</b>					
Bench marking	M&E visits	M&E visits	Evaluation visit	M&E visits	Yes
Paper on value chain development	Draft by end of May 2011				
Reports on industrial trials		Plywood	N/A	Cardboard	N/A
<b>Question 5: Effective strategies for financial services in value chains</b>					
Review of case studies	May to August 2011				
Paper	Draft ready by end of November 2011				
<b>Question 6: Lesson learning</b>					
Process documentation (2008-2010)	Draft report lessons learned till mid-term review ready by May 2011				
Process documentation (2010-2013)	On-going till end of project				

# C:AVA lessons learned

A cross-cutting strategy for HQCF is not possible given the various end-user preferences and stages in the development of cassava processing practices across different countries and regions.

High transaction costs (transport, lack of market information, lack of established linkages along chain, etc) hamper value chain development.

Need to engage 'champions' who are willing to invest in value chain development, e.g. for CSR reasons (Malawi / Nigeria).

Competition between interventions / donors can be hindering the development of a sustainable value chain (Tanzania).

Collaboration, on the other hand, can accelerate it.

# C:AVA lessons learned

The availability and capacity of the drying technology is key in establishing an HQCF value chain.

Working with the value chain approach, and being market-led and market integrated, means that potential impact is built from the market opportunities backwards down the value chain to targeting smallholders.

There is competition with local products / markets for raw materials, resulting in high prices for raw materials; smallholders consider return to labour rather than profit margins.

Quality assurance and consistency in supply (quantity and quality) is crucial in establishing working value chains.

# C:AVA lessons learned

Value chain development cannot depend on Govt policies because of its inconsistent nature, *but* policies do influence markets and investment climate (Nigeria).

Intermediary processors need large working capital to: a) pay cash to farmers while selling on contract to end users; b) cushion effects of fluctuating prices for cassava roots. They face most financial risk within the value chain (Ghana / Nigeria).

HQCF as wheat substitute is only attractive in countries where wheat flour is expensive due to high transportation cost / import duties (Uganda, Tanzania).

# C:AVA lessons learned

..... (to be continued)