

"STRENGTHENING LINKAGES BETWEEN SMALL ACTORS AND BUYERS IN THE ROOTS AND TUBERS SECTOR IN AFRICA"

PROJECT IMPLEMENTATION PLAN GHANA







Project background and context

The roots and tubers sector (R&T) is one of the most important food sub-sectors in Africa. For many parts of Sub-Saharan Africa (Africa), roots and tubers account for 20% of calories consumed. Crops such as cassava, yam and potatoes are not only important for food security but also increasingly for income for farmers and small businesses - particularly for women.

Market demand for roots and tubers is expected to continue to grow over the next two decades, due to increases in urban food markets and the increased use of cassava starch by food, feed and carton industries in Africa. Furthermore, in an effort to support smallholders to transition out of subsistence farming, governments in Africa are placing the commercialization of staple crops at the centre of national agricultural development strategies.

For the past two decades Ghana has worked on a number of R&T initiatives with support from development partners, notably IFAD, BMGF, WB and FAO. Initiatives include the Root and Tuber Improvement and Marketing Programme (RTIMP), the Cassava Presidential Special Initiative (PSI), the Market Oriented Agriculture Programme (MOAP) and FAO's on-going cassava value chain projects in the Northern and Central regions.

Against this background the project "Strengthening linkages between small actors and buyers in the Root and Tuber Sector in Africa" will be implemented in seven African countries: Cameroon, Benin, Ghana, Cote D'Ivoire (Ivory Coast), Malawi, Uganda and Rwanda. The project seeks to improve the livelihoods of small producers engaged in the roots and tubers value chain in the selected countries through the promotion of linkages to domestic and regional markets. Ghana will work on cassava.

The project is structured around four outputs:

- 1 Existing national and regional strategies are aligned with initiatives supporting the development of improved regional market integration for the roots and tubers sector in African ACP regions
- 2 The competitiveness and viability of R &T value chains is strengthened by improving inclusive business models, sustainable intensification of production, SME capacity and Farmer Organizations' capacity
- 3 Access to information services and finance is improved for smallholders
- 4 Small producers have access to climatic risk management instruments

The project will build on previous and current roots and tuber initiatives on cassava. Especially, the project will collaborate with FAO's on-going cassava value chain projects in the Gomoa East and Awutu Senya districts in the Central Region and West Gonja in the Northern region. The project will be extended to Nkwanta South and Kpando Municipal which are key cassava growing areas in the Volta Region.

Output 1: Existing national and regional strategies are aligned with initiatives supporting the development of improved regional market integration for the cassava sector:

The Government of Ghana's vision to commercialize the cassava sector has been supported through a number of initiatives funded by development partners. These initiatives have brought about a massive boost in cassava production as well as the development of various products which need to be integrated into the industrial market. Notable amongst these products are High Quality Cassava Flour (HQCF), cassava cake, chips and starch. However, the scale of production, consumer acceptability and product quality remain low. This is partly due to the absence of a policy and regulatory framework for the utilization of these products and lack of consumer awareness.

This Output aims to strengthen the policy and regulatory framework through the following activities:

- Work with relevant institutions on policy and legislation framework on the inclusion of cassava flour in the bakery and confectionery products: analyze experiences in Nigeria and likely impact and feasibility of various policy options (e.g. voluntary versus mandatory, progressive increase of percentages etc.) and make policy recommendations for Ghana
- Participate in regional workshop on regional trade in roots and tubers products, including on issue of tax exemption within Ecowas
- Undertake sensitization and awareness creation on the inclusion policy using a variety of communication strategies including local media, stakeholder meetings, the Agricultural Sector Working Group (AgSWG), and the food bazaars.
- Organize a national forum for knowledge exchange between key players in the agribusiness industry and academia on cassava - National Cassava Week. This will also be used to promote the activities of the recently established National Industrial Cassava Platform.

Key Partners: Food Research institute, Ministry of Trade and Industry and Parliamentary Select Committee on trade and industry, Agribusiness industry, academia, media, Ministry of Food and Agriculture, District Department of Agric and Statistical Research and Information Department (SRID).

Output 2: The competitiveness and viability of cassava value chains is strengthened by improving inclusive business models, sustainable intensification of production, SMR capacity and Farmer Organizations' capacity:

Output 2 will be carried out under four main sub-outputs:

Output 2.1: Inclusive business models developed for domestic and regional procurement

- The Public procurement policy has clauses that do not favour small-scale farmers and aggregators in the agri-food industry. A review of the relevant sections of the policy is critical to identify constraints and opportunities for linking smallholders to institutional buyers.
- Assess buyers' needs: sub-regional export markets (for Volta region suppliers), the industrial base in Greater Accra region (for Volta and Central region suppliers) and smaller buyers in the sub-region (particularly Burkina Faso) for Northern region suppliers marketing their products through the Community Development Centres.
- Facilitate producer buyer meetings to create awareness of potential business partners; for promising buyer-supplier matches follow-up with one-on-one business meetings to, start/improve business relation and to negotiate contractual agreement
- Provide follow-up coaching to business relationships; help address problems that may lead to contract breaks, identify training needs (to be addressed under 2.3 and 2.4) etc.

Key Partners: MoFA, MOFEP, Ministry of Trade, Value Chain Actors, Value Chain Actors, Producers, Buyers, Processors and Other Users

Output 2.2. Sustainable market-led production intensification

- Farmers' production and productivity depends on the adoption of improved varieties and the appropriate production and postharvest techniques. Improved production techniques and practices will be promoted through the Farmer Field Schools.
- Past initiatives in the cassava sector have developed a significant number of improved varieties based on their agro-ecological adaptability, domestic and industrial use (Value for Cultivation and Use (VCU) and Distinctness, Uniformity and Stability (DUS). There is however limited knowledge and awareness among producers, extension agents and research scientists about the various varieties released. The development of a compendium of improved cassava varieties released in Ghana is therefore critical to bridge the knowledge gap.
- Availability and access of clean planting materials by farmers is a major constraint. Key players in the Ghana cassava seed system will participate in a

- regional workshop to exchange lessons and learn from countries with a (better) functional seed system in the roots and tubers sector.
- Promotion of commercial production of cassava planting materials at the community level will give farmers access to reliable and cost effective planting materials.

Key Partners: Department of Agric in the Districts, CSIR-Crop Research Institute, RTIMP and WAAPP.

Output 2.3: Producer Organizations Skills Enhanced in Agribusiness Management Practices.

- Training of farmer organizations (whether managing a processing unit or not) involved in commercial relationships with privately owned SMEs and/or buyers (Volta region)
- Building capacity of female farmer group leaders to develop management, literacy, numeracy and interpersonal skills. Many women depend on the cassava sector for their livelihoods. Therefore building their capacity will improve their efficiency and profitability along the cassava value chain.
- Support to public private partnerships and commodity platforms such as Community Development Centers (CDCs). The CDCs are designed to serve as a platform for value chain promotion around key staple food commodities such as cassava. They are to serve as a hub for effective partnership and collaboration among stakeholders (farmers and processors, agribusiness practitioners, research and academia, development partners and policy makers). Support will include a mentoring programme for FBOs and other beneficiary groups using the CDCs.

Key Partners: Private and Public stakeholders, FBOs, Non-formal Division of the Ministry of Education

Output 2.4 Strengthened SMEs in value addition and better business practices

- Train processors and other value chain actors in value addition, food safety and quality management. Building capacity of actors in value addition is essential to improve their competiveness and incomes.
- Train processors and other value chain actors in business management practices, marketing and logistics.
- Organize a (national) training workshop on inclusive business models for SMEs (private SMEs, CDCs and processing units of farmer organizations), involved in cassava value chains supported under 2.1 to improve their coordination and commercialization skills.

Key Partners: Food Research Institute –CSIR, Value Chain Actors

Output 2.1, 2.3 and 2.4: Project stakeholders will participate in a regional workshop to exchange lessons on the inclusive business models and value chain development activities undertaken by the project.

Output 3: Access to information services and finance is improved for smallholders.

In general, agricultural financing is very limited due to the perceived riskiness of the sector. In cases where funds are available, interest rates are very high and preference is given to cash crops such as cocoa, oil palm and pineapple with little consideration to staple crop like cassava. In government programmes where funds are given at concessionary rates, they are often met with high bureaucracy and lack personnel with the requisite competence to administer the credit.

The following activities will address these constraints:

Output 3.1 Inclusive financial instruments for smallholders and rural areas developed

- There is lack of knowledge in developing and analyzing business plans by producers, processors and financial service providers in the cassava value chain. Fora for producers, processors and local financial service providers will be organized to exchange information and build capacity on business models and financial products to promote investment.
- Financial service providers will be trained on value chain finance approaches to cassava. This is to increase their capacity to lending to agribusiness initiatives.

Key Partners: Financial institutions, NBSSI, Producer groups,

Output 3.2 Strategies for increasing investment in cassava developed.

 Strengthen capacity of district and regional officers to collect data on production estimates and volumes of trade in the roots and tuber sector. This is necessary to provide potential investors with relevant data on which to make their investment decision.

Key Partners: Statistical Research and Information Services Directorate (SRID)

Output 4: Small producers have access to climatic risk management instruments.

National climate data has been monitored over the past 40 years and has shown significant changes in mean annual daily temperature and total annual rainfall across various ecological zones. Ghana is very vulnerable to climate change since the country depends on rain fed agriculture. Vulnerability assessments indicate that cassava yield could decrease by 43% by 2080 if the effects of climate change go unchecked.

Farmers need to be provided with adequate hydrological and temperature data. Intensive education programmes and capacity building on climate issues is needed for relevant staff of MDAs.

The following activities will address these constraints:

Output 4.1. Climate information services developed

- Analyze impact of climate variability on production and price fluctuations of roots and tubers
- Develop a platform for climate information services and user interface platform to enable better interpretation and application of climate information on production of cassava.

Output 4.2: Climate risk management tools developed

- Develop location specific climate risk management tools
- Organize training on climate risk management tools for agric support service providers
- Participate in a regional lesson learning workshop

Key Partners: EPA, MoFA, Ghana Meteorological authority, NADMO.

Table 1: Proposed Activity Schedule - Implementation Modalities, Partners and Budget

Task	Implementation Modality	Partner(s)	2015	2016	2017	2018
Project management						
Country Level Project Coordination and Support Cost	Country Project Focal person + FAOR operating costs	FAO -Ghana	×	×	×	×
Project Launch and Inception workshop						
Activity 1. Project Stakeholder inception workshop	Stakeholder workshop	Stakeholders -public and private	×			
Output 1. Existing national and regional strategies a sector in African ACP regions	are aligned with initiatives supporting the dev	elopment of improved regional market in	ntegrati	on for t	he R&T	
Output 1.1. Enabling policy, legislation and institution	ons strengthened					
Activity 1. Work with relevant institutions on policy and legislation framework on the inclusion of cassava flour in the bakery and confectionery products.	Consultations and discussions,	Food Research institute, Ministry of Trade and Industry and Parliamentary Select Committee on trade and industry.	×			
Activity 2. Build national level capacity in policy formulation, coordination and implementation.	Participation in national, regional and international level trainings, workshops and conferences	Project management, Collaborating institutions	×	×	×	
Output 1.2 Capacity to formulate and impleme	nt agri-food sector strategies improved.					
Activity 1: Undertake sensitization and awareness creation on the inclusion policy using a variety of communication strategies including local media, stakeholder meetings, the Agricultural Sector Working Group (AgSWG), and the food bazaars.	Sensitisation workshop, TV-Video documentary	Project management team, entrepreneurs		×		×
Activity 2: Organize a national forum for knowledge exchange between key players in the agribusiness industry and academia on R&T - National R & T Week.	Conference, debates and quizzes at national level (National R&T week)	Agribusiness industry, academia, media , MoFA		×	×	
Activity 3. Support the development and implementation of M&E Framework in the project districts.	Trainings, Workshops	District Department of Agric and Statistical Research and Information Department (SRID)	×	×	×	×
Activity 4. Participate in regional lesson learning workshop on trade	Regional Workshop	FAO Project Management Team (RAF,HQ & pilot countries)		×		

Output 2 Improved competitiveness and viability of	FROT value about through improved quateins	his intensification of availables and ava	fossion		/RAF/4	
organizations.	r K&T value chains through improved sustaina	ble intensification of production and pro	ression	anzatio	n or pro	uucer
Output 2.1. Inclusive business models developed for	or domestic and regional procurement					
			1	ı	1	ı
Activity 1: Review the Public Procurement policies to identify constraints and opportunities for linking smallholders to institutional buyers	Review of the public procurement policy	Mofa, Mofep, ministry of trade	×	×		
Activity 2:assessment of buyers needs	Consultancy	Consultant/Project Management	×			
Activity 3: Facilitate producer buyer meetings to negotiate contractual agreement	Meetings with value chain actors and all those who matters	Value chain actors, producers, buyers, processors and other users	×	×		
Activity 4: coaching of business relationships	Training	Consultant/Project Management		х	x	
Output 2.2. Sustainable market-led production inte	nsification				•	
Activity 1: Organize ToT training for Agric and Extension officers.	Consultancy	Department of Agric in the districts, Project Management	×			
Activity 2: Conduct farmer field schools for the promotion of improved production techniques and practices	Training and farm demonstration	Department of Agric, Consultants, Project Management Team		х	х	
Activity 3: Develop a compendium of improved cassava varieties released in Ghana	Consultancy	CSIR-Crop Research Institute and Private Consultants	×	×		
Activity 4: Organise a regional workshop on the efficient distribution of clean improved planting materials.	workshop	Department of Agric, Value Chain Actors and Project Management Team		х		
Activity 5: Promote commercial production of cassava planting materials	Collaborate with selected cassava farmers	RTIMP, WAAPP	×	×		
Output 2.3. Producer organizations skills enhanced	in agribusiness management practices.					
Activity 1: Training of FOs in contractual relationship with SMEs or buyers	Trainings Central , Northern and Volta; To collaborate with established entrepreneurs/managers	Project Management Team, entrepreneurs/managers, consultants, FBOs	×	×	×	
Activity 2: Build capacity of female farmer group leaders to develop management, and interpersonal skills	Consultancy	Non-formal Division of the Ministry of Education		×	×	
Activity 3. Support to public private partnerships and commodity platforms such as Community Development Centers(CDCs); and mentoring of FBO members of CDCs (north & central)	Trainings, Workshops (northern and central)	Private and Public stakeholders	×	×	×	

Output 2.4 Strengthened SMEs in value additio	n and better business practices			GCI /	11/11/7	10/ 11
Activity 1: Train processors and other value chain	Letters of	Food Research Institute –CSIR, Project	×	×		
actors in value addition , food safety and quality	Agreement/Consultancies/Training and	Management Team, Value chain				
management	demonstrations	actors				
Activity 2: organise a training workshop for SMEs	Tue to to a form about a co	Department of Agric, Value Chain Actors and Project Management Team		×	×	
on Inclusive Business Model, business	Training/workshop					
management practices, marketing and logistics.						
Activity 3: Organise a regional lesson learning		Department of Agric, Value Chain Actors and Project Management Team		×	×	
workshop on inclusive business models,	workshop					
professionalization of FBOs and strengthening of	•					
SMEs in the R&T value chains.		<u> </u>				
Output 3: Access to information services and finance Output 3.1 Inclusive financial instruments for small	•					
Activity 1: Organize forums for producers,	noiders and rural areas developed			.,	1	
processors and local financial service providers to		Financial institutions, NBSSI, Producer groups		×		
exchange information on business models to	Training					
_						
promote investment.						
Activity 2: Organize training for financial service	Companitor and Tradition	Financial institutions , Department of Agric		×		
providers on value chain finance approaches to R	Consultancy/Training					
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Output 3.2 Strategies for increasing investment in R	-		1		1	
Activity 1: Build capacity of value chain actors in	Consultancy/Workshop/	Value chain actors,		×		
contract farming operations	Training					
Activity 2: Strengthening capacity of district and		SRID, Department of Agric , Project Management Team		×	×	
regional officers to collect data on production	Training					
estimates and volumes of trade in the roots and	•					
tuber sector						
Output 4: Small producers have access to climatic ri						
Output 4.1. Climate information services developed	1					
Activity 1 : analysis of impact of climate variability	Consultancy	Department of Agric, NADMO, EPA, Project Management Team	×			
on production and price fluctuations						
Activity 2: Develop a platform for climate			×			
information services and user interface platform	Discussions and dissemination of climate information outcomes	EPA, MoFA, Ghana Meteorological authority				
to enable better interpretation and application of						
climate information on production of R&T.						

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Output 4.2: Climate risk management tools develop	ed				
Activity 1: Develop location specific climate risk management strategies in the R&T sector	Consultancy/Technical Backstopping	Department of Agric, NADMO, EPA,Value Chain Actors	×	×	
Activity 2: Organize training on climate risk management tools for agric support service providers	Training / workshop	Department of Agric, NADMO, EPA	×		
Activity3: participate in regional lesson learning workshop to exchange knowledge on climate risk management strategies.	Training / workshop	Department of Agric, NADMO, EPA,Value Chain Actors		×	×