



COMMERCIALIZATION OPPORTUNITIES FOR ORANGE FLESHED SWEET POTATO: KENYA, MALAWI AND SOUTH AFRICA

CHAT TRANSCRIPT

OCTOBER 30, 2018

PRESENTERS

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MODERATOR

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April Thompson: Hello everyone! We'll be getting started in about 45 minutes . Feel free to enjoy the music until then :)

AV Tech: FYI, if you're removed from the room, please log in again after 10am EST ... we need to get our remote presenters online and into the meeting

April Thompson: Hello everyone and welcome to today's webinar! Please feel free to introduce yourself in the chat box. We'll be getting started in about 15 minutes.

Betty Adjei: hello my name is Betty Adjei joining you from Ghana

Tawanda Muzhingi: This is Tawanda Muzhingi Regional Food Scientist from International Potato Center(CIP) based in Nairobi Kenya.

Joaquim Govanhica: Hi there! this is Joaquim from USAID Mozambique

April Thompson: Welcome, Betty and Tawanda! Tawanda, I heard that you will be helping answer some questions in the chat box today.

April Thompson: Joaquim, bemvindo!

Beatrice Dingha: Hello everyone, I am Beatrice Dingha for NC A&T State University in the USA

Anthony Kunda: Hi everyone. Anthony from Zambia; Peace Corps

Joaquim Govanhica: Obrigado Thompson

Brian Ssebunya: Hello, Brian Ssebunya, Food for the Hungry, Uganda

April Thompson: Hello Anthony and Beatrice! Zambia will be one of the cases presented today so great to have you here

April Thompson: Oops! Actually Malawi :)

Noel Templer: Hello All, Noel Templer -- Independet Consultant, Seed, Food & Market Systems Development. Now in Kenya :)

April Thompson: Brian and Noel, great to have you here to

April Thompson: too

April - Agrilinks: And Kenya too will be one of our country cases.

April - Agrilinks: About to move to polls here....

Yolanda Paulette Manrique Hinostrroza: Hi EVERYONE. YOLANDA FROM HUANCAYO, PERÚ

April - Agrilinks: Bienvenudo Yolanda! How is the market for sweet potatoes in Peru? :)

Lisa Lauxman: Hi, this is Lisa Lauxman, USDA NIFA Center for Int'l Programs

Loretta Byrnes: Hello, this is Loretta in Seattle, formerly with BMGF and involved in a number of their sweet potato grants.

April - Agrilinks: Welcome Lisa and Loretta! Tuning in early on your end, Loretta, much appreciated.

AV Tech: We will be starting in a couple of minutes, in the meanwhile, feel free to introduce yourself and tell us about your work.

AV Tech: FYI, we want to thank CJ Fonzi for joining us from Rwanda!

Uwase Valentine: This Valentine from Rwanda. we deal with OFSP project

April - Agrilinks: Fantastic, Valentine! What are you doing with OFSP

Uwase Valentine: We distributed OFSP vine to farmers, then do nutrition education to caregivers, work with value addition from OFSP

April - Agrilinks: About to get started everyone. If you do have audio issues, please hover over the AV tech's name in the attendee list to start a private chat

Tawanda Muzhingi: My name is Tawanda Muzhingi I and work with CIP on orange fleshed sweetpotato for nutrition and incomes. we want to explore commercialization of the crops as one of the developmental pathways

April - Agrilinks: That's great, Valentine - how is it going?

Yolanda Paulette Manrique Hinostrroza: VERY GOOD PERU HAS 5000 potato varieties. most meals carry potatoes and rice

April - Agrilinks: I grow sweet potatoes myself and love to teach people here in the US about eating the delicious, nutritious leaves

Faith Njunge: My name is Faith Njunge and I work for CIP as a communication and Knowledge Management Officer.

Uwase Valentine: it's going well, we have been able to improve the nutrition knowledge of our beneficiaries and increase the production per hectare of OFSP

Tawanda Muzhingi 2: Joyce Maru - CIP Nairobi

April - Agrilinks: Fantastic... white potatoes are native to Peru, correct? Or somewhere in S. America... I'm frankly ignorant about how similar in terms of genetic stock white and sweet potatoes are

Nafis Muntasir : Hi I am Nafis Muntasir from MasterCard Foundation in Canada. Happy to be part of this webinar!

Tawanda Muzhingi: Thank you Aviva, great to be here and ready to take any questions

Claude Nankam: Claude Nankam Food For The Hungry Washington DC

Richard Bagada: Richard Bagada, Kampala Uganda and work with Peace Corps

James Yazman: Jim Yazman, consultant

*April - Agrilinks: Welcome Faith and Joyce - FYI you can change your name in the attendee list if you like
- there is a little arrow in the upper right corner and you can edit your info from there*

Austin Adobasom-Anane: Hello, Austin G. Adobasom-Anane, a Food and Nutrition security consultant from Ghana

William Mott: Bill Mott: I am with Dexis Consulting and we have worked in Malawi on the development. expansion and commercialization of orange flesh sweet potatoes. Hello to Twanda.

Jeanne Bartholomew: Jeanne Bartholomew joining from Los Angeles CA

April - Agrilinks: Thanks Nafis! Welcome Claude, Richard, Jim, Bill and Jeanne!

April - Agrilinks: and Austin (triple A - what great initials!)

April - Agrilinks: Once we start digging into the presentations, feel free to type in questions or comments here.

Lidia Guirguis: Hello, I'm Lidia Guirguis, from Solidaridad Southern Africa, based in Johannesburg, South Africa

April - Agrilinks: Welcome, Lidia!

Shelina Mallozzi: Shelina Mallozzi: Hello, I am with Catholic Relief Services in Tanzania.

Wilfred Odhiambo: Wilfred Odhiambo: Kisumu, Western Kenya. Seed Systems Consultant. Previously engaged in OFSP vines multiplication and promotion among farmers in western Kenya - under CIAT Nutrition interventions

April - Agrilinks: Welcome Shelina and Wilfred - great to have folks on the webinar today working in this space. Do feel free to share your own experiences here.

Meshark Sikuku: Hellow I am Meshark Sikuku, Food Security and Livelihoods for Food for the Hungry in Marsabit Kenya. Really intrested in the subject

Tawanda Muzhingi: please visit our www.sweetpotatoknowledge.org for more information on OFSP in Africa

April - Agrilinks: Karibu! Lots of folks from Food for the Hungry here - not familiar with your organization, would love to hear more.

April - Agrilinks: Thanks Tawanda - do also take a look at the links at the bottom left pod as well.

Rose Chesoli: Rose Chesoli: M&E research Assistant from International Potato Center based in Kisumu

*Eunice Minyatta: Eunice Minyattawork with Kenya Agriculture and Livestock Research organization
-Western Kenya*

April - Agrilinks: Hello, Rose and Eunice!

Yolanda Paulette Manrique Hinostrroza: The native potatoes of Peru are rich in anthocyanins which gives them certain characteristic purple or reddish colors

Eunice Minyatta: Hi. Happy to be part of this conversation

Sheena Jones: Is it possible to share the link on the new private sector engagement policy that Aviva referenced?

Jeffrey Gray: Hi, Jeff Gray from Save the Children, USA. Save is supporting the development and promotion of OFSP seed multiplier farmers under USAID/FFP UBALE program in Malawi.

April - Agrilinks: Ah yes, I love cooking with those potatoes... you can find them here in the US too. Potatoes sometimes get a bad rap for not having much nutritive value but not necessarily true! Hi Jeff, welcome!

Aviva Kutnick: The Private Sector engagement strategy will be officially released next month in November 2018. Please keep looking out on USAID's website.

Sheena Jones: Thanks, Aviva!

Toyib Aremu 2: Hello everyone. My name is Toyib Aremu from the Fertiliser Science and Technology department at the Mohammad VI Polytechnic University, Morocco

April - Agrilinks: Welcome Toyib!

Tawanda Muzhingi: Hi Toyb Aremu

Dick Tinsley: dick Tinsley on F2F assignment in Madagascar

April - Agrilinks: Dick! Good to have you. How is Madagascar? I just finished a F2F assignment in Senegal myself.

Markendy Desormeau: Hello My name is Markendy Desormeau from Dominican Republic Livelihood specialist at Food for the Hungry

April - Agrilinks: Hi Markendy, great to have you tuning in from the DR - we don't often get attendees from there!

Irene Mugo: Hi everyone, my name is Irene Mugo, from Food for the Hungry Kenya

April - Agrilinks: How many of you working in OFSP have a commercialization strategy you're working with?

April - Agrilinks: Hello, Irene!

AV Tech: Download --> [webinar screen, left side] --> ["File Downloads" window]

SARMA Mallubhotla: Sarma Mallubhotla: eHealth Africa Food Security & Nutrition Program, Nigeria. We are exploring investment opportunities for OFSP in Nigeria Food Processing Sector.

Richard Bagada: How have smallscale farmers been involved in the commercialization aspect of OFSP?

April - Agrilinks: Thanks great Mallubhotla! Hope this presentation gives you some new food for thought.

William Mott: We developed commercialization opportunities and worked with several processors...biscuits and chips.

Dick Tinsley: I always consider sweet potatoes as the ultimate survival crop. short duration so can be planted late when main crop appear to fail and still get a crop surviving into the dry season

April - Agrilinks: How has demand been for those products, William?

Tawanda Muzhingi: Hi Richard Bagada, small scale farmers in Kenya, Malawi and Rwanda have been selling OFSP to large processing companies making bread, puree and chips

Eunice Minyatta: Tried one on processing the flour and coming up with composite flour but sustainability was a challenge, after the end of the project. eager to learn from here

Tawanda Muzhingi: Dear William Mott can you share your report?

April - Agrilinks: "Invisible applications" is an interesting concept. Just got back from Senegal, where certain cereals are being substituted for wheat in bread as well and makes so much sense on every level.

William Mott: I will check with USAID re. sharing the Malawi report.

April - Agrilinks: Eunice, what were the issues with sustainability?

Yolanda Paulette Manrique Hinostraza: the potatoes are a source of carbohydrates necessary for the muscles .. they are necessary in moderate quantities. The mountains of Peru are planted potatoes in large quantities. It is one of the main crops.

Tawanda Muzhingi: Dear Eunice Minyatta processing OFSP into flour is okay but does not make a viable business. The flour is expensive to make and the products made from it also become expensive. Also you lose the beta carotene as you dry the flour. We advocate for using OFSP puree for more nutrition and profitability

Tawanda Muzhingi: Dear Yolanda Paulette Manrique as you may know CIP is HQ is in Lima Peru and we have a genebank for both potato and sweetpotato. Our sweetpotato breeding program in Peru also supports our regional breeding programs in Ghana, Uganda and Mozambique

April - Agrilinks: Tawanda, is that the case everywhere? I would think it might depend on cost of imported wheat, which might vary depending on import taxes/policies and other factors. Just thinking out loud, no idea if that's the case or not.

Mywish Maredia: At what stage are the three countries (Malawi, Kenya, S. Africa) in terms of OFSP adoption?

Nafis Muntasir : How big is the export market for processed OFSP - agro-processing markets do well where there is international market since processed products have a higher dollar value?

April - Agrilinks: Reminder that we will be taking questions throughout the presentation and then asking at the end of all speakers.

Tawanda Muzhingi: April_Agrilinks. You are right. However, using OFSP puree has additional benefits as compared to flour such as reducing added sugar by close to 70%, fat by 30% and food color

Eunice Minyatta: @Tawanda thanks will check out more on puree @agri link the costs plus other social economic issue such as group Dynamics contributed to failure

April - Agrilinks: Ah, I see - you mean for bread in both cases. Misunderstood your original comment!

April - Agrilinks: Mywish, I think you will hear this shortly!

April - Agrilinks: Keep the questions coming, thanks!

Tawanda Muzhingi: Dear Mywish the adoption of OFSP in Africa is still low and we actively promoting the diversity of OFSP utilization below just boiling and roasting. OFSP puree utilization is one such attempt to mainstream OFSP. But more more work is required on demand creation and advocacy

Carlijn Nouwen: Thanks for your question Nafis. We'll be talking about that for Kenya. The market is sizeable, specifically in Europe. Kenyan-grown OFSP can achieve a 'landed' price in Europe which is substantially below the current costs from other (international) providers

April Thompson - Agrilinks: Bird in the hand is worth two in the bush! How are those of you working with OFSP finding farmers are responding to interventions to promote it?

Nafis Muntasir : Thank you for the response, Carlijn

Dick Tinsley: if the processor is paying 140/ton, how does this back up to the farmgate price, and what is the shelf life from lifting to processing

Betty Adjei: in Ghana, Winrock MOCA project educating women on incorporating OFSP into the various local dishes and it is working

April Thompson - Agrilinks: Thanks, Betty - it's certainly less of a risk on the consumer side than the producer side to give it a try!

Carlijn Nouwen: That's great Betty! I think this is a great example of a business opportunity but not necessarily an investment opportunity

April Thompson - Agrilinks: Is it being substituted for other ingredients or just added?

Tawanda Muzhingi 2: OFSP offers farmers a significant increase over growing maize - do we have some figures to support this argument. There are issues around cultural perceptions and dietary habits that affect demand side and adoption of OFSP

Nafis Muntasir : Given that OFSP commercialization has so much opportunities for income growth, I was just wondering what are the bottlenecks that have been identified in the market for which there is a need for investment facilitation?

Carlijn Nouwen: the main bottlenecks are that the business case for processors is not a walk in the park. Some cases really hold but it needs to be focused.

Betty Adjei: the women are the producers but we wanted to promote the local consumption before upscaling production

Carlijn Nouwen: as CJ is explaining right now on bread (and as I said, for other products, OFSP may be too small an ingredient for processors to switch over). Across the opportunities, producing shelf-stable puree as an intermediate ingredient (for e.g., soups, baby food etc.) for high-end consumers and international market is the most viable case right now

Aviva Kutnick: Betty, thanks for bringing up the importance of fresh OFSP in culinary use. Nudging food preferences and accepting new varieties into food systems is no small task, so

congratulations to your program! We're not covering today, but local consultation and demand could play an important part of driving demand in the fresh market for OFSP for local consumption.

April Thompson - Agrilinks: Makes sense, Betty - and I would think that a favorable response on the consumer side would give them more confidence on the producer side.

Carlijn Nouwen: Dick, to your question on farmgate prices and shelf life: 1. Shelf life depends on the processing technique. It's possible to process into shelf-stable puree (and an exciting new technology is available at small scale that could make this viable). If you don't process into fully shelf-stable puree, you do need cold storage and short-term processing (which has implication for processor set-up)

Nafis Muntasir : So the bottlenecks are in the processors' end - thank you.

Carlijn Nouwen: 2. We were not able to confirm the OFSP farmgate price conclusively. The processors currently buying OFSP, did so at 140/ ton (and did get farmers to supply at that price). Assuming we had to assume this is a viable option for farmers as they would otherwise not sell to producers (but that needs to be confirmed)

Aviva Kutnick: Nafis, there are also significant bottlenecks on the producer side, getting enough volume of the right varieties for processing to be attractive for commercial processors to be able to aggregate and purchase at scale that makes sense for a processing facility.

Tawanda Muzhingi: Most consumers in east africa prefer sweetpotato that are starchy and most OFSP varieties promoted were watery and this affected the adoption of OFSP by adults and especially men. However, the children like the softer OFSP and that is huge because children are a vulnerable group to vitamin A deficiency. However, we are breeding for OFSP with high dry matter as well and also now conducting demand creation activities teach communities different ways to prepare and consume OFSP both rural and urban areas

Carlijn Nouwen: This exact point puts forward a need to dive deeply into the bread opportunity as the margin doesn't leave a lot of buffer to accommodate a much higher farmgate price (although the new processing technology is substantially cheaper than technology used to date)

Carlijn Nouwen: The export opportunity has a much bigger margin and thus more buffer for a higher farmgate price

Aviva Kutnick: Chilled shipping containers seems game changing for Africa!

Betty Adjei: right now we are looking at incorporating OFSP into gari processing which is often done on a large scale to supply schools and other institutions. Gari is a popular food

product in West Africa and its processing offers opportunity for investment. this will not only lead to a supply of nutritious food products but a secured livelihood to women farmers

April Thompson - Agrilinks: Interesting, Betty - that's substituting cassava then?

Nick Ramsing: Appreciate market segmentation (local: lower income, local: higher income). Q1: For Kenya, what about the HORECA market? Q2: What about increased demand by lower income (over time) as increased consumption in HORECA and higher income occurs?

Betty Adjei: OFSP is added to the cassava in acceptable proportions

Tawanda Muzhingi: Hi Nick what is meant by HORECA?

Nick Ramsing: Hotel Restaurant - tourism

Carlijn Nouwen: Assuming by Horeca you mean hospitality, Nick, then this is (1) largely not processing (but rather fresh culinary) and (2) still VERY small

Carlijn Nouwen: Yes, restaurants will buy OFSP as inputs for their menus but if you saw the analysis on upper and middle class being so small, these are not the big numbers.

Carlijn Nouwen: and won't drive investment but rather slightly more production (interesting, but won't draw in investment)

Carlijn Nouwen: Keep in mind that the \$ 5 mln opportunity in bread in Kenya, requires replacement of 50% wheat (!) in 8% of ALL bread

Carlijn Nouwen: And that is 'just' \$ 5mln which isn't a big opportunity from an investor perspective.

Nick Ramsing: No, not big numbers now. But, "exciting new" restaurants in NBO are gaining interest with their menu. This becomes aspirational and builds demand for culinary products

Carlijn Nouwen: Absolutely, Nick - and it's an interesting driver for consumer behaviour. But the numbers do not add up to sizeable shift - although it can be the first lead of a bigger shift

Tawanda Muzhingi: Hi Nick that's an interesting observation worthy pursuing. I have noticed that too even with the street level food vendors

April Thompson - Agrilinks: We have lots of time for questions everyone - feel free to type your burning questions here!

Sheena Jones 2: My name is LAWSON from CRS Togo. Please can we get the recorded of the presentation

April Thompson - Agrilinks: What do you thinking about CJ's conclusions about the investment opportunities? What do you think about the investment opps in the contexts you're working in, having heard these presentations?

April Thompson - Agrilinks: Sheena, yes, we will be sending out a link to that within a week or two max.

April Thompson - Agrilinks: You'll be able to find that, transcripts and other resources at the event page.

pamela muthuuri: it appears the export market too europe would be a big opportunity in expanding the market. How are efforts being done or being envisioned to open the expporting opportunity. What should current and potential processors set in place towards that?

Loretta Byrnes: How many commercial SP puree producers are there in Kenya? Are there challenges with regard to transportation costs, electricity for mechanization, clean water etc.?

William Mott: A big issue for processors is to have a year around supply of sweet portatoes....in countries that produce only one crop per year

Mywish Maredia: Did the study authors look into consumers' preferences and willingness to pay/purchase OFSP based processed products (e.g., bread)?

Tawanda Muzhingi: Loretta Byrnes. In Kenya we have one OFSP puree processors who have been trained on GMP and supplies puree currently using a cold chain to bakers in nairobi. its expensive and now we are looking for solutions such as shelf stable SP puree with SinnovaTek in Raleigh NC

Maggie Ngetha: The list of processors for Kenya represent small porcessors whose market sahre is smalll, were the big bread bakers involved , are they will to reduce the sue of wheat and reaplce with OFSP puree ?

SARMA Mallubhotla: This presentation is great and mainly focussed on 3 countries. Are you looking at any country in West Africa? For example, Nigeria?My organization, eHealth Africahas done a good work in resource-poor environmentsand working towardlinking Processing sector with investors and farmer.s

Tawanda Muzhingi: Mywish, we conducted those studies as part of OFSP product development with private sector partners and bakers in kenya sells at 10% higher price and this has been the case for the last 3 years

Tawanda Muzhingi: Maggie Ngetha thank you for the comments, that an opportunity for scaling OFSP puree bread in Kenya with industrial bakers and we looking into that now

Mywish Maredia: Thanks, Carlijn

*Shelina Mallozzi: This is very interesting. Has this approach been used for any other crop in Tanzania?
Or plans to do so? Thank.s*

*Shelina Mallozzi: Has this approach been for any crop in Tanzania, or are there any plans to do so?
Thanks.*

Nafis Muntasir : Are there any reports/market research available to back the presentation?

*Charles Davis: For the annual income analysis for farmers, how did you calculate costs to farmers and
what are the requirements for water access for OFSP?*

*Tawanda Muzhingi: Thnaks Carlijn I found that OFSP puree in bakery sector is more attractive because
of the reduction not only on wheat flour in the products, but added sugar.
Sweetpotato is naturrally sweet and bakers save 70% of sugar in bread and that
huge incentive*

William Mott: CJ- Is not orange flesh sweet potato quite successful in Rwanda?

SARMA Mallubhotla: Thanks, Carlijn and Fonzi.

*Anthony Kunda: the study can be an eye opener to also consider doing another research that can focus
on commercialisation of ODSP at economic regional blocks like COMESA and
SADC. other countries can be largely be encouraged to produce(like Malawi) the
and the countries could be encouraged to process(like South Africa)*

*Mywish Maredia: How much sugar is used in bread making? Are we talking about plain bread or
pastries (sweet and buttery bread products)? If latter, what happens to the
nutrition goal?*

April Thompson - Agrilinks: Thanks for all the great questions and comments, everyone!

*SARMA Mallubhotla: Dear Fonzi, I am Sarma Mallubhotla, Program Manager at eHealth Africa Nigeria.
I asked that question on Nigeria. I would be glad to interact with you further and
move forward with further discussions: my email:
sarma.mallubhotla@ehealthnigeria.org*

Abdul-Mumin YUSSIF: Abdul-Mumin from Northerg region of Ghana

Aviva Kutnick: Sinnovatek

Aviva Kutnick: www.sinnovatek.com

*Tawanda Muzhingi: Mywish maredia, sugar is about 10-25 % in baked and fried products but using
OFSP puree the levels can be below 5%*

Abdul-Mumin YUSSIF: Any plans for west Africa?

Abdul-Mumin YUSSIF: Ghana

Tawanda Muzhingi: Hi Abdul-Mumin CIP has offices and operations on OFSP value chains in Ghana and Nigeria and active collaborations with partners in other countries

Abdul-Mumin YUSSIF: Can you lin me up

Tawanda Muzhingi 4: In Rwanda Sina Gerard has been processing OFSP from 2013 where the first Akarabo Power Biscuit was launched. We also have more than 10 processors processing OFSP in Rwanda.

Abdul-Mumin YUSSIF: am running model called my school garden project and ofsp is part

April Thompson - Agrilinks: Poll time - let us know your thoughts about today's presentation!

April Thompson - Agrilinks: Nice to hear, Abdul Mumin -- there are lots of opportunities for the crop beyond processing /investment-ready opportunities.

Abdul-Mumin YUSSIF: kaabarah@gmail.com

Shelina Mallozzi: Can you please a bit more about USAID's private sector strategy? Thanks!

Shelina Mallozzi: can you please speak a bit more about USAID's private sector strategy? Thanks!

Abdul-Mumin YUSSIF: i looking forward for partnars as well as buyers

Charles Davis: Thanks!

Tawanda Muzhingi 2: Great discussion and insights! Thanks much

Uwase Valentine: Thanks for this interesting webinar

Adam Ahmed - Agrilinks: Thank you for joining us today everyone!

SARMA Mallubhotla: Hi Thompson/Agrilinks - This is a great presentation. We look forward to contacting you further and explore new oportunites in Nigeria. My email: sarma.mallubhotla@ehealthnigeria.org

Loretta Byrnes: I really appreciated the detailed and honest analysis.

William Mott: Thanks for pulling this information together!

Aviva Kutnick: USAID's Private Sector Engagement strategy will be released in November. Stay tuned!

Shelina Mallozzi: Thanks Aviva!

April Thompson - Agrilinks: Thanks everyone for such great engagement on this topic today!

Shelina Mallozzi: Thank you so much! Great discussion.

Tawanda Muzhingi: Thank you everyone. Excellent discussions

April Thompson - Agrilinks: Tawanda you were a rockstar! Thanks much

Tawanda Muzhingi: Thank you

Tawanda Muzhingi: I enjoyed it