Farmer skills set for sustainable market engagement

Presentation to the USAID Global Learning Experience and Exchange on
SCALING UP ADOPTION AND USE OF AGRICULTURAL TECHNOLOGIES

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Pathway to Prosperity

ASSETS

Entrepreneurial & thriving

Vulnerable but Viable

Highly vulnerable

SKILLS

RESILIENCE

SERVICES

Increasing HH resilience

Increasing market performance

Consistent market sales

Occasional market sales

Infrequent market sales
The 5 Skills

Innovation
Finance
NRM
Marketing
Group Organization

Introduction to the 5 skills

Promoting innovation

Natural Resource Management

Savings & Internal Lending Communities (SILC) Field Agent Guide

Financial Education

Marketing basics

Seven steps of marketing
Background to 5 skills set

• Catholic Relief Services (CRS) and the International Centre for Tropical Agriculture (CIAT) in 2002.
• Agro-enterprise learning alliances were co-facilitated by CIAT & CRS and commenced in East Africa and Central America, more have been formed in Central, Southern Africa.
• In 2005 the Learning alliance identified need to for a new approach to improve the capacity of farmers to link to markets.
• Study by Alliance in 2005 of farmer groups in Uganda, Bolivia & India.
• The successful groups from this study showed that groups with the 5 skills were much more successful.
5 Skills sets

• When CRS introduced this concept to producer groups in Tanzania, their products sales more than doubled in 2 years.

• Application of this approach makes a high demand on Field agents-CRS has produced manuals to guide training of each skill set (paper based, Web-based).

• Care should be taken on how to sequence the skills, which will depend on the type of group and their level of engagement (see the Pathway diagram)
A value chain links farmers with consumers

It includes all the activities and services involved in moving an agricultural product from the farm to where it is sold to a consumer. This is a value chain; it links farmers with consumers. Many people provide services that make the chain work smoothly.

- Group Organization
- Financial Education
- NRM
- Marketing
- Innovation
Purpose of Farmbook

- Register farmers
- Develop business plans
- Schedule crop production activities
- Calculate gross margins on site
- Register sales
- Enable field agents to collect production and crop performance data in agriculture
Generates Narrative Business Plans/Profitability Assessments

<table>
<thead>
<tr>
<th>Area planted to soybean Acres</th>
<th>Average of Total production Units</th>
<th>Average of Unit Kept for Food in kgs</th>
<th>Average of Total Units for Sale in kgs</th>
<th>Average of Hired Labor Costs ($)</th>
<th>Average of Family Labor Cost ($)</th>
<th>Average of Total Operational Costs ($)</th>
<th>Average of Profit Based on All Costs Excluding Family Labor ($)</th>
<th>Average of Profit Based on All Operational Costs ($)</th>
<th>Count of farmers</th>
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<tbody>
<tr>
<td>1</td>
<td>434</td>
<td>42</td>
<td>374</td>
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<td>85</td>
<td>1,778</td>
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<td>105</td>
<td>225</td>
<td>637</td>
<td>528</td>
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<tr>
<td>Grand Total</td>
<td>778</td>
<td>65</td>
<td>680</td>
<td>23</td>
<td>32</td>
<td>85</td>
<td>266</td>
<td>221</td>
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</table>
• Project subsidizes the first 8 groups (fixed group size and savings), for entire 1st cycle
• Guaranteed entry stipend (8 groups) for first 3 months, continue Stipend based on performance of groups
• Agents start charging their 9th group
• Revenue model blends:
  o base of 1st cycle groups (monthly payment)
  o Older groups (per-visit payment)
• The mature groups start receiving other skills sets depending on demand.
Scaling up model

• SILC offers two out of the five skills sets
• Community-based project paid agents are trained work, on project stipend for a year, examined(3 phase), certified as Private Service Providers (PSPs) and then offer services at a fee paid by groups.
• The Field agents will receive the extra 3 skills in phase based approach, can offer a whole package to the farmer groups.
Geographic Spacing

• Aim for eventual (post-project) saturation, using apprentices as needed.
• Each Field agent works on with 8 to 10 groups.
• A pilot study from 2008 to 2012 in Uganda showed that the PSPs were serving almost the same number of farmers as when they were paid field agents, the rate of replication of new groups was 1.99.
Expansion: current projects

- CRS Programs: Zambia, Zimbabwe, Madagascar, Malawi, Tanzania,
- Serbia 4H young farmers program,
- Bangladesh ICT4D software company,
- Kenya Ministry of Agriculture,
- Nicaragua Agro International
- Agro-enterprise Alliances between many organizations (CRS, ACCDI/VOCA, World Fish center).

- Murdoch University
- MEAS