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Commercially Sustainable, Quality Assured Cassava Seed System in Tanzania:

A Pilot Innovation Project

Presentation made at Corridor Springs-Arusha; May 10 -12, 2016
(In Sweet Potato Seed Systems Community of Practice)

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MEDA Tanzania

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Introduction

MEDA is an international economic development organization whose mission is to create business solutions to poverty. Founded in 1953 by a group of Mennonite business professionals, we partner with the poor to start or grow small and medium-sized businesses in developing regions around the world. The head quarter is in Waterloo, Canada

Current MEDA Projects in Tanzania

MMB Project – Cassava Seed System project

SSBVC -The Strengthening Small Business Value Chains project.

MASAVA – (Mafuta Asili ya Alizeti yenye Vitamin A) / Food Fortification Project

HASA – Hati Salama Project (Secure Voucher test: To Enhance the Use of Electronic Voucher to Test Demand & Behavioral Change)

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Muhogo Mbegu Bingwa (MMB Project)

Problems

Farmers obtain cassava planting material from :

Current distribution methods/challenges	
Re – use of saved planting materials	Reduce production, Spread of diseases
Close friends and relatives	Not a reliable source, Spread of diseases
Informal farmer to farmer	Not reliable, Spread of diseases
Donor sponsored programmes	Time-based programme, fixed budget not sustainable
National sponsored programmes	Not sustainable, budget constrain

Solution

Commercialization of the seed system by enabling a new breed of local cassava seed entrepreneurs (CSEs) who provide to farmers a consistent supply of certified cassava planting material in new and improved varieties, responding to local preferences and selling at prices that are affordable to the farmers, and sustainably profitable to the entrepreneurs

Goal-To advance understandings and acceptance amongst stakeholders of the scope for using, and how to use, market-based methods to enable small farmers to obtain high quality cassava seed.

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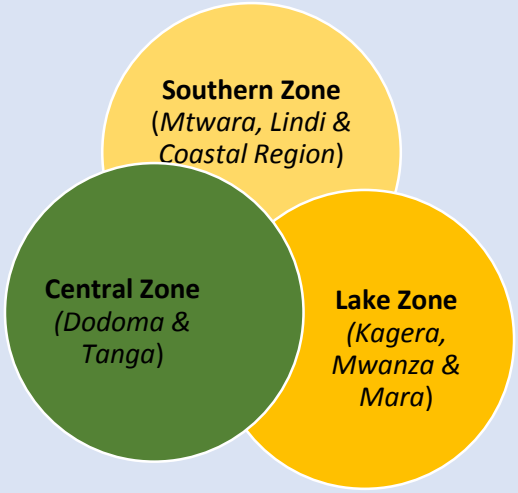
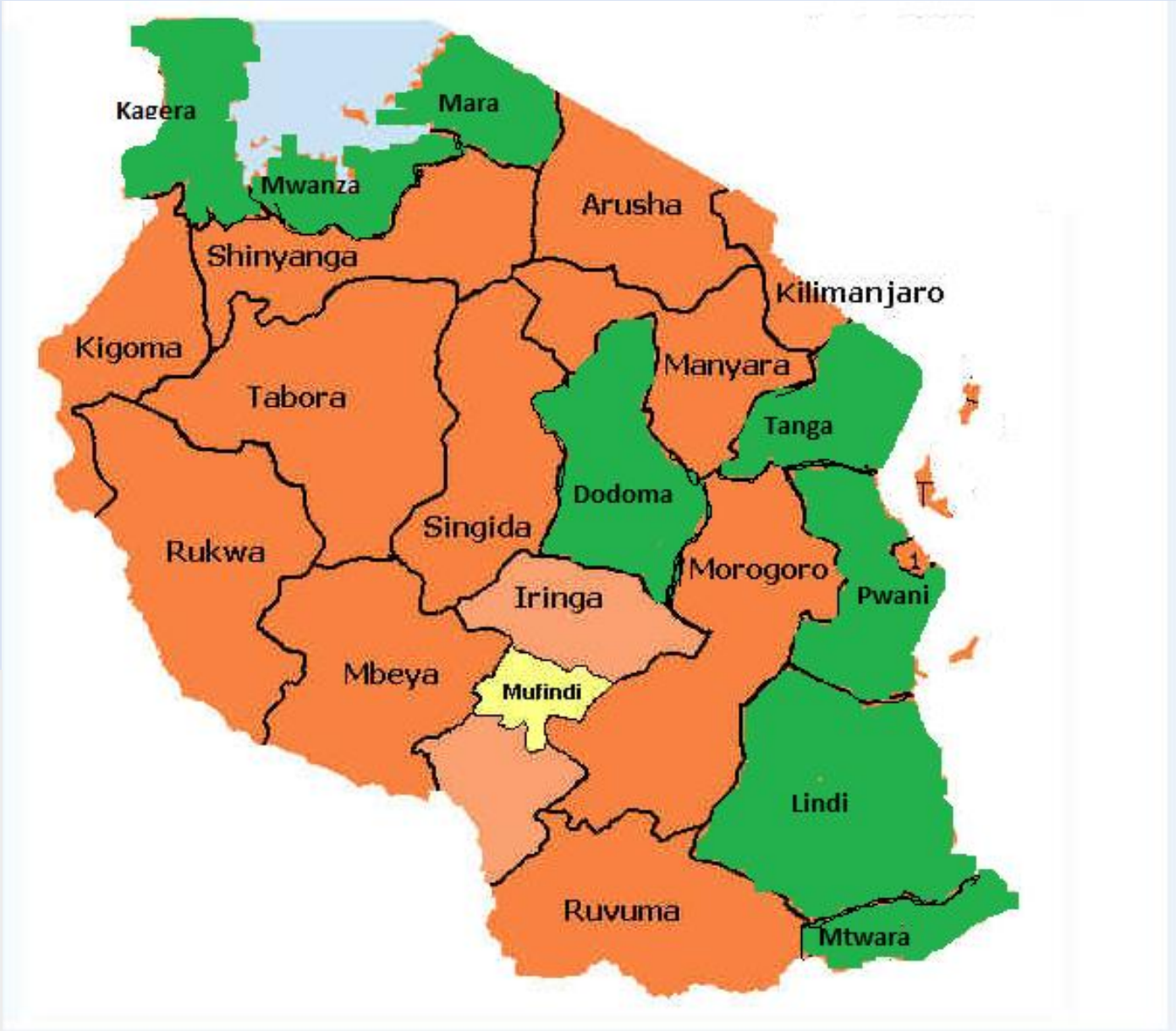
Where we work

Project areas





Our Partners

- International Institute of Tropical Agriculture (IITA)
- National Agriculture Research System (NARS)
- Tanzania Official Seed Certification Institute (TOSCI)
- Agriculture Seed Agency (ASA)

Project Duration June 2012 - Dec 2016

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Four Key Specific Objectives

1. Business planning, cost modeling, and implementation planning for the market viability of the a commercially sustainable cassava seed supply chain

Plan

2. Facilitate and support commercial cassava planting material production, and marketing of pilot supply chain models.

Do

3. Design and test, in partnership with the government seed regulatory agency a rigorous seed quality monitoring and certification protocol that is affordable to the all levels in the supply chain.

Validate

4. Learning – Analysis of issues that constrain development of seed systems that leads to course corrections.

Share

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Implementation Model *(How it Works)*

Designing

- Prepare profoma cost and revenue
- A tool for attracting entrepreneurs/farmers to venture into business

selecting CSEs through a competitive process

selection criteria

- Entrepreneurial spirit
- Funds availability
- Sufficient &appropriate land
- Literate

Training Workshops

- business planning
- agronomy
- pests/ diseases
- certification
- record keeping
- marketing

Cost sharing agreement with CSEs

- by budget lime
- Approx. 50% first year start-up costs
- To make ROI attractive, new model not tested-high risk to a farmer

Backstopping, Mentoring and Monitoring

- MEDA staff with Agric. Ext officers
- Multiple visits each month
- Collect data using Iformbuilder (on agronomy & business)

Marketing

- MEDA assists with general market awareness
- Individual marketing guidance
- Facilitate CSEs in participating in farmers shows, b-cards, brochures and poster

- MEDA plays a facilitation role in establishing seed multiplication sites BUT does not own or manage the sites
- Note: CSE is cassava seed entrepreneur

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Cassava Seed System (Levels of seed system)

- **Pre-Basic** – breeder seed, cultivars developed and produced by researchers (IITA, NARS)
- **Basic** – ASA, Researchers/Registered seed company can run sites at this stage.
- **Commercial** - These purchase planting material from Basic seed sites - Sell stem only, no tuber harvest included, 2 ratoons so planting year plus two other harvests . Commercialized CSEs run these sites.
- **QDPM** - Purchase planting materials from the Commercial sites - grow and harvest each year both QDPM stem and tubers.

Challenges on Commercialization of Seed System

These are the 4 most important challenges in commercialization of cassava seed system

- **CSE Selection** - Cultural/Mindset shift from casual farmer to entrepreneur who takes ownership.

  Isolation distance is also a problem

- **CSE Management** - Model of monitoring and training on business and Cassava seed growing not a one-time activity, requires significant follow-up and mentoring – expensive!
- **Certification Process & Costs** - TOSCI inspection is centralized which is too expensive for many CSEs. It needs to be decentralized.
- **Demand for Quality Assured Cassava** – Low demand especially for the areas with low disease pressure eg Tanga

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Drivers for business success-Lessons

1. Stakeholder Collaboration

Involving local leadership creates acceptance

- *From project start-up through implementation, leveraging government structures enables information dissemination, acceptance in the local area and outreach, their influence create demand , conflict resolution*
- *Involving important partners in the seed system such as TOSCI early in the project as they have crucial role for the project success*
- **Coordination with district authorities** - *District level relations can help to encourage policy decisions that create the ideal market conditions, such as the choice to not conduct free giveaway schemes or farmers not to recycle, providing extension staff for continued CSE support.*
- **Coordination with aligned projects creates sustainable market *linkages*-** *Establishing sites where there is demand for seed created by the presence of other projects – eg. CAVA,CARE-Pathways Project, Aga Khan*

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2. Field Establishment and Management

1. Start with the right entrepreneurs

   Establish a recruitment process that seeks business men and women who look for market opportunities to move their product forward

2. Right business Model

   Committed entrepreneurs with an invested interest in maintaining quality and accuracy in their farming

3. Right business and agronomy processes

   Proper disease management through monitoring and tracking guarantees value

4. Clean Material

   Ensuring clean start up materials availability is essential to creating a differentiated value proposition

   *Example: **In Lake Zone CSEs started with materials which were tested in the laboratory – there is no disease symptoms to date***

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Example of supporting Right Business and agronomy practices

3. Training and Capacity Building

Fostering entrepreneurial farmers with a strong understanding of the business model and value offering is important

- Provide the tools to be successful: educate on business and agronomy best practices
- Ensure the understanding of the products value proposition
- Emphasize the importance of marketing and sales – generate demand through emphasizing added-value to farmers
- Emphasize correlation between quality, quantity and profit.

Workshops provide a good foundation but fall short

- Continued monitoring is especially necessary in disease management and ensuring quality
- Support in reporting accuracy helps the entrepreneur to better understand their business model

Training

- **Agronomy**
- **Pest & diseases**

Field Management

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Training and Capacity Building cont. ….

Training is great but demonstrating is better!

- Profit is a strong motivator – after realizing profit, demonstration plots, word of month and networking CSEs encourages involvement and disseminate knowledge

Working with Extension staffs

- Working with local extension staffs and district authorities it help to provide close follow up and support to CSEs hence guarantees sustainability of the project.

Training extension officers and local inspectors

- Training of extension staffs on business and agronomy aspects and local inspectors on certification processes and requirements makes them re efficient, reduce costs and sustainable

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4. Marketing and Promotion

Conveying value to farmers through marketing can be cost-effective

- Use of public and social gatherings are cheap, effective and able to reach more people quickly and at a low cost
- Word of mouth, promotional flyers and roadside signs help to generate interest
- Radio programs and farmers show creates more awareness and demand

Local leadership and networks assist in generating demand

- Local leaders have been key in influencing farmers to buy cassava seeds
- Creating market linkages with processors or near processing helps generate demand for clean stems
- Agricultural extension officers have helped to promote stems in their networks

Establishing a sales pipeline in advance ensures greater success

- Entrepreneurs need to continually focus on generating and following up with sales leads

Proving value proposition is the next step

- Product is still new and demand is still growing
- Demonstrating value through example plots and small-scale research projects is MEDAs next step in supporting marketing efforts of the commercial cassava seed system, Yield study done by ARI Kibaha has given a good results

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ASANTENI SANA