USAID
FROM THE AMERICAN PEOPLE

microlinks
Breakfast Seminars
http://microlinks.kdid.org/breakfast

Participate during the seminar

twitter #MLevents

Follow us on Twitter
twitter.com/microlinks

Like us on Facebook
facebook.com/microlinks

Assessing the Business Environment of Value Chains: A Case Study of Tanzania

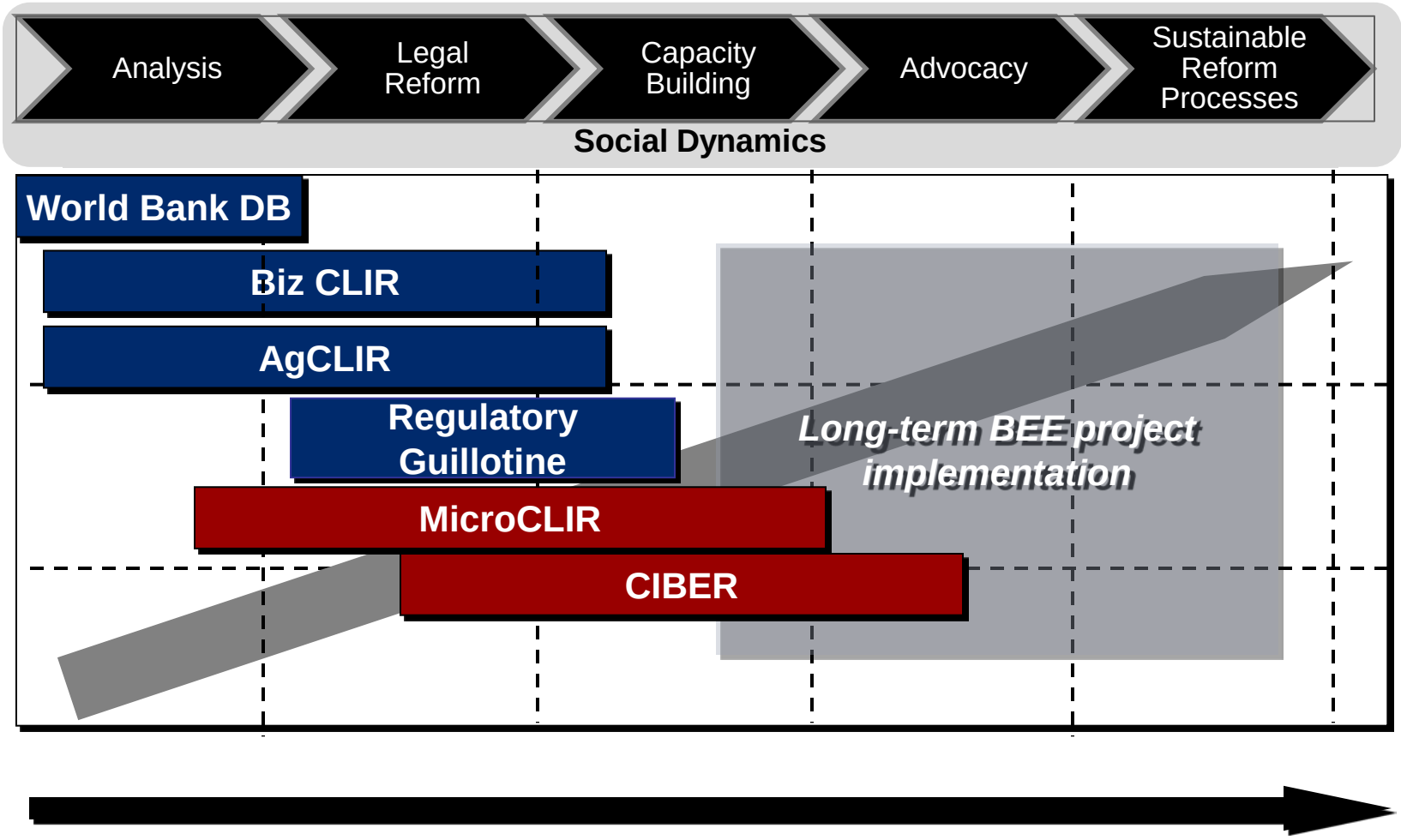
Emily Friedberg
Friedberg_Emily@bah.com

Bryanna Millis
Bryanna_Millis@dai.com

April 28, 2011

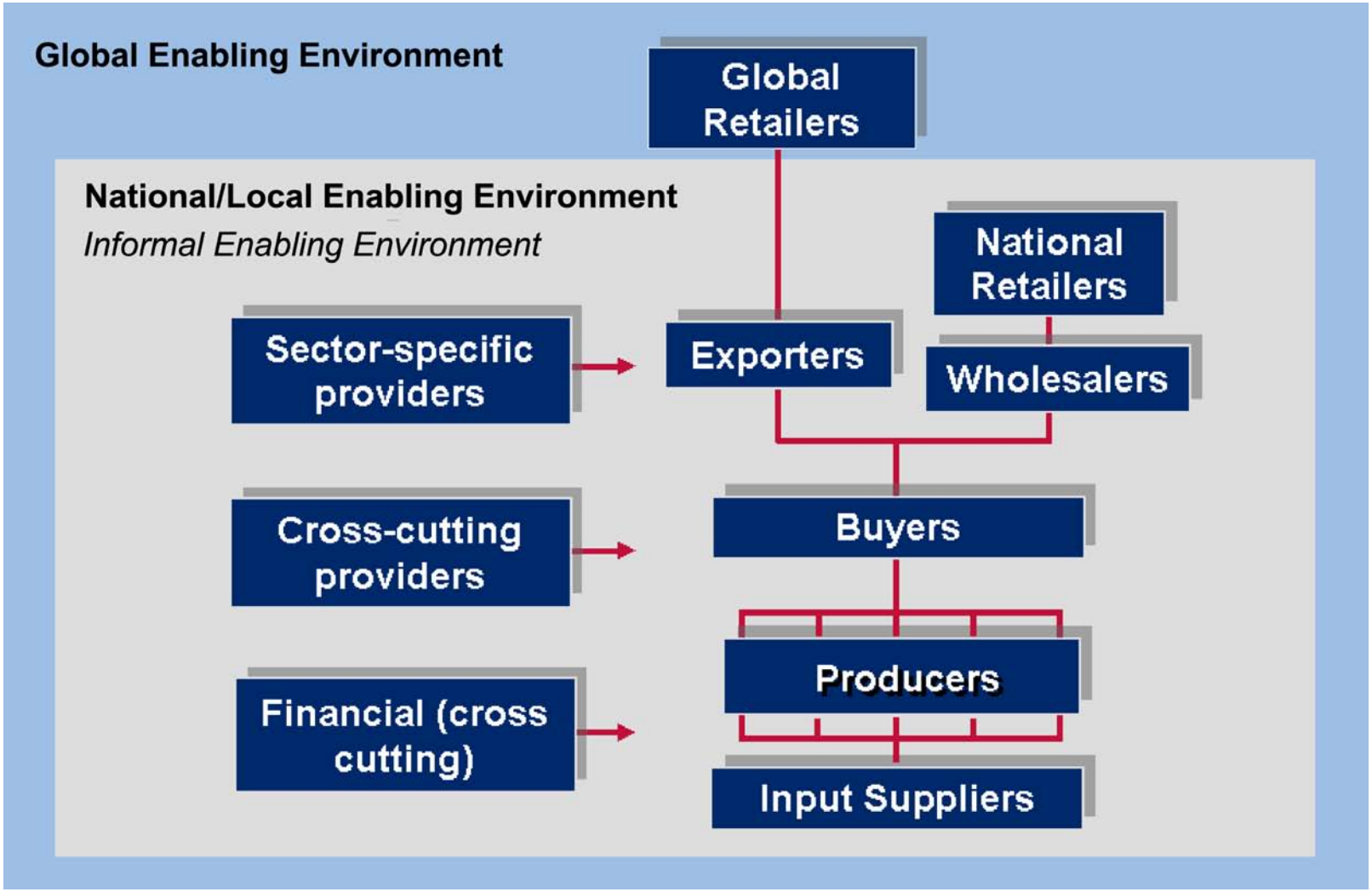
Table of contents

Brief overview of BEE reform tools

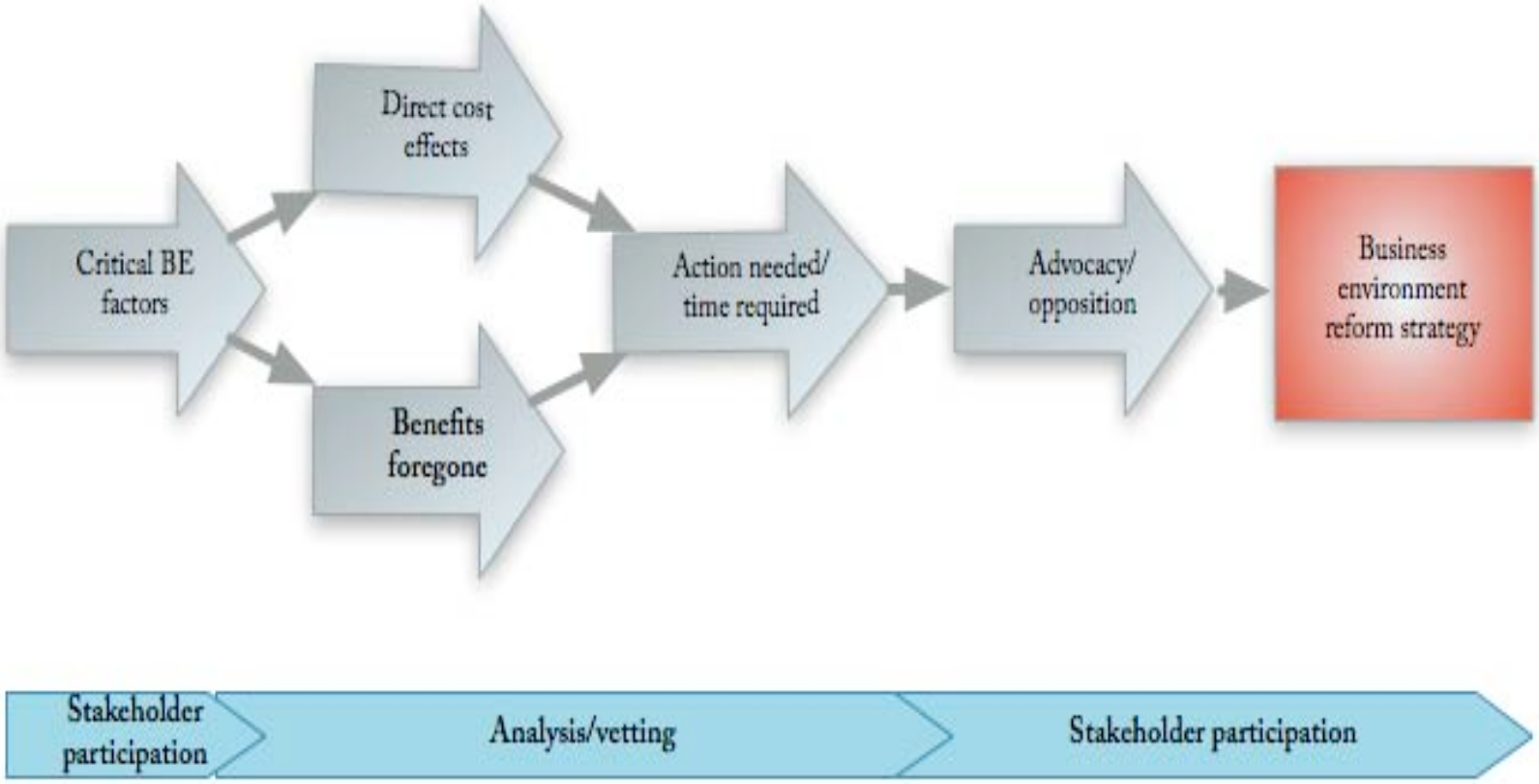


Business Enabling Environment Reform Process and Tools

The role of the value chain in BEE



Value chain assessment tools: CIBER



Value chain assessment tools: MicroCLIR

Legal Framework

Implementing Institutions

Supporting Institutions

Social Dynamics

Quickly identified and prioritized key constraints

Examined constraints from four dimensions

Prioritize practical recommendations

MicroCLIR and CIBER in Tanzania (TZ)

Tanzania Pilot

MicroCLIR

- Framing identified issues in terms of:
  - Legal Framework
  - Implementing Institutions
  - Supporting Institutions
  - Social Dynamics
- Top-down comprehensive assessment

- Quickly identified and prioritized key constraints but on broader basis than within the context of a project
- Examined constraints in terms of CLIR framework
- Cost model for selected constraints for illustrative purposes

CIBER

- Quickly identifying key value chain issues
- Developing cost modeling of constraints to use as a tool for reform
- Bottom-up tactical assessment
- Political and administrative feasibility analysis
- Stakeholder involvement

MicroCLIR and CIBER in Tanzania (TZ)


Paddy Storage in Kilombero


Road Side Meeting with the Kiteto DALDO

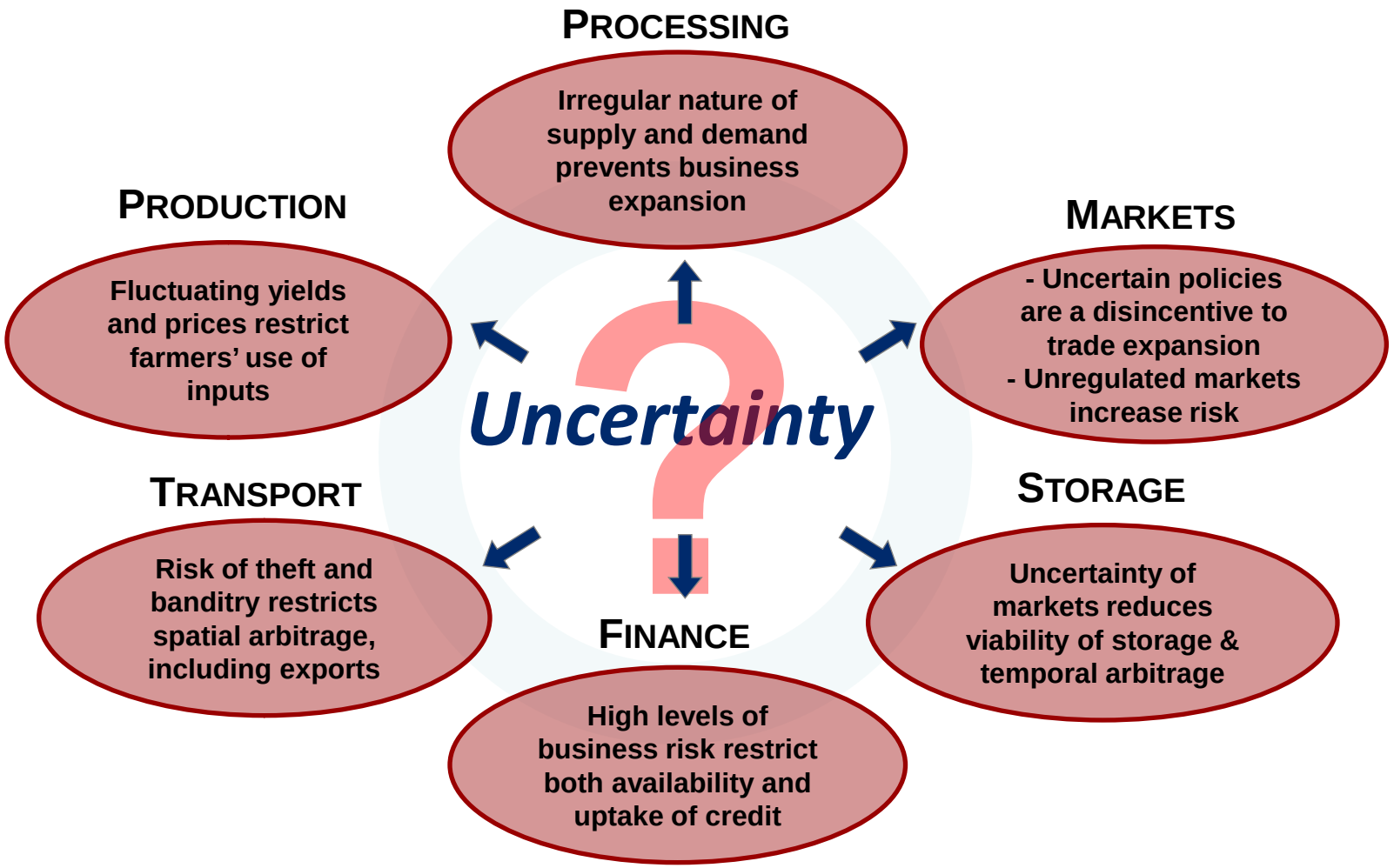
Kibaigwa SACCO


Weighing Paddy in Ifakara


Small Traders at the Kibaigwa Maize Market


Irrigation Scheme in Kilombero

MicroCLIR and CIBER in TZ: Results



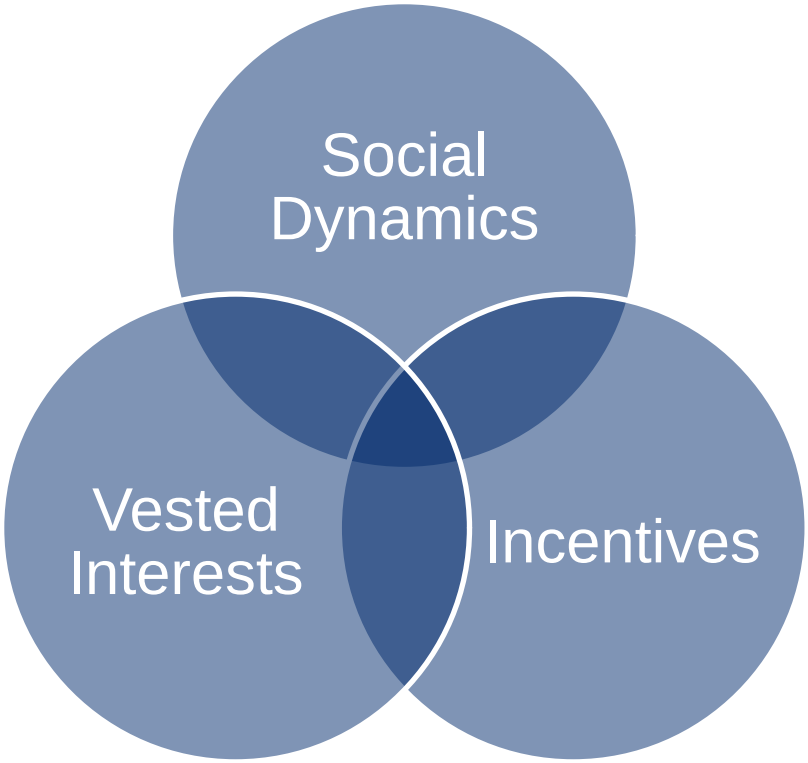
MicroCLIR and CIBER in TZ: Results

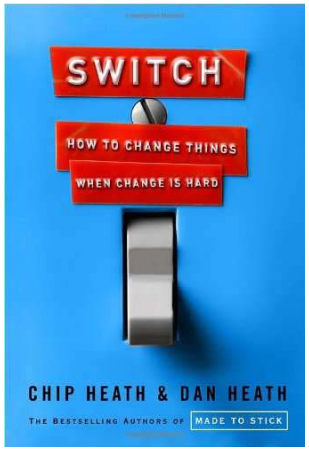
PARTIAL BUDGET ANALYSIS OF MAIZE IN TWO DIFFERENT SALE PERIODS IN KIBAIGWA				
Technology	Traditional	Traditional	Improved	Improved
Price	Low	High	Low	High
Expected grain production (kg/ha)[1]*	773.50	773.50	4400.50	4400.50
Grain price ($/kg) [2]	0.19	0.31	0.19	0.31
Total Revenue ($/ha)	**149.29**	**241.33**	**849.30**	**1372.96**
Seeds ($/ha)	—	—	2.97	2.97
Fertilizer ($/ha) [3]	—	—	8.65	0.48
Tractor ($/ha)	—	—	4.75	4.75
Weeding ($/ha)	—	—	4.75	4.75
Harvest labor ($/ha)	—	—	7.42	7.42
Storage cost for 3 months ($/ha)	—	29.64	—	168.61
Fee paid by farmer at maize market ($/ha)	—	0.01	—	0.06
Transportation ($/ha)	—	31.50	—	179.23
Total variable costs ($/ha)	**0.00**	**61.15**	**28.52**	**368.27**
Gross income ($/ha)	149.29	241.33	849.30	1372.96
Net income ($/ha)	149.29	180.18	820.77	1004.69
Marginal net benefit ($/ha) from storage over traditional without storage	—	30.89	671.49	855.40
Marginal rate of return (%) from storage	—	104.23	—	507.32

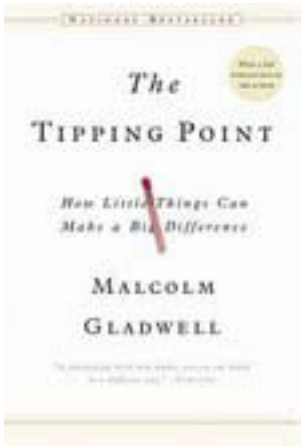
MicroCLIR and CIBER in TZ: Recommendations

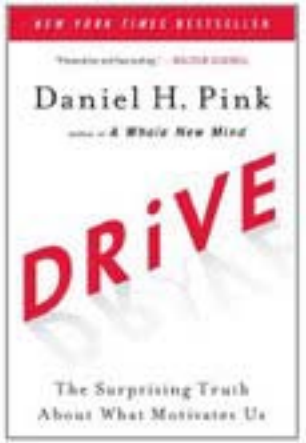
- More effective storage is needed. Is that enough?
- Support implementation of a national grain reporting/inventory management system

BEE implementation: Behavior Change









BEE Resources

- USAID:
  - microLINKS Wiki
  - Competitiveness Impacts of Business Environment Reform (CIBER)
  - BIZCLIR
- OECD: Regulatory Reform
- World Bank/IFC: Doing Business
- The Regulatory Guillotine

USAID
FROM THE AMERICAN PEOPLE

Emily Friedberg

Friedberg_emily@bah.com

Bryanna Millis

Bryanna_Millis@dai.com

April 28, 2011

microlinks
Breakfast Seminars

THANK YOU!

Please visit
http://microlinks.kdid.org/breakfast
for seminar presentations and papers

Microlinks and the Breakfast Seminar series are products of Knowledge-Driven Microenterprise Development Project (KDMD), funded by USAID's Microenterprise Development office.