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Integrating Food Security and Nutrition

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Session Introduction: Integrating Food Security

Ben Fowler and Bronwyn Irwin

Value Chain Programs and Food Security Programs

Value Chain Programs

- Goal to increase incomes
- Target productive populations

Food Security Programs

- Goal to improve nutrition and food security
- Target vulnerable populations

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Added Value of Integration

- **Systemic vision**
- **Incentives**
- **Sustainability**
- **Leverage**

Challenges of Integration

- Geographic targeting
- Value chain selection
- Reaching the food insecure
- Competitiveness
- Integrating nutrition

Emerging Good Practices

- **Value chain selection**
  - Upfront analysis of food security context
  - Support diversification
  - Consider cost reduction
- **Value chain analysis**
  - Understand gender
  - Consider price impacts
  - Map nutritional impacts

Emerging Good Practices

- **Design and implementation**
  - Incorporate needed skill sets
  - Assess risks
  - Look for complementary programming
- **Monitoring and evaluation**
  - Build in food security indicators
  - Incorporate consumption

Value Chain Wiki

microlinks.kdid.org/good-practice-center/value-chain-wiki/integrating-food-security-and-value-chain-approach

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VI. Integrating Food Security and the Value Chain Approach

View | Edit | Outline | Revisions

Structure

This section of the value chain wiki addresses the integration of food security objectives with the value chain approach. It consists of the following components:

1. Overall guidance for applying a value chain approach to implementation, including challenges and solutions to integrating food security and the value chain approach, as well as emerging good practices.
2. An overview and key considerations in using the value chain approach to address specific aspects of food security, including food availability, food access, and food utilization.
3. Interventions and case studies in using the value chain approach to address specific aspects of food security, including food availability, food access, and food utilization.
4. Other considerations in integrating food security and the value chain approach, including cross-cutting lenses, and reaching vulnerable populations.
5. Practical support for practitioners, including tools and resources.
6. Current gaps and opportunities for further research and tools.

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Thanks!

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Value Chain Investments and Improved Food Security Outcomes: Natural Partners or Arranged Marriage?

Duncan Boughton, Food Security Group,
Michigan State University

Roadmap for presentation

- What can past research tell us about:
  - Requirements for improved food security outcomes?
  - Comparative advantage and limits of VC approaches in relation to these outcomes?
  - Complementary investments needed to broaden and ensure sustainability of VC and FS outcomes?
- Implications for program design – arranged marriages have better outcomes!

Dimensions of improved food security

- Increased availability
- Increased access
  - Physical, Economic, Intra-household
- Increased utilization
  - Dietary quality (diversity), food safety
  - Sanitation and health
- Increased stability (predictability)

Gender is a crucial cross-cutting element

Direct vs. indirect benefits

Direct benefits (accrue to VC participants)

- Increased production (availability)
- Increased incomes (access)

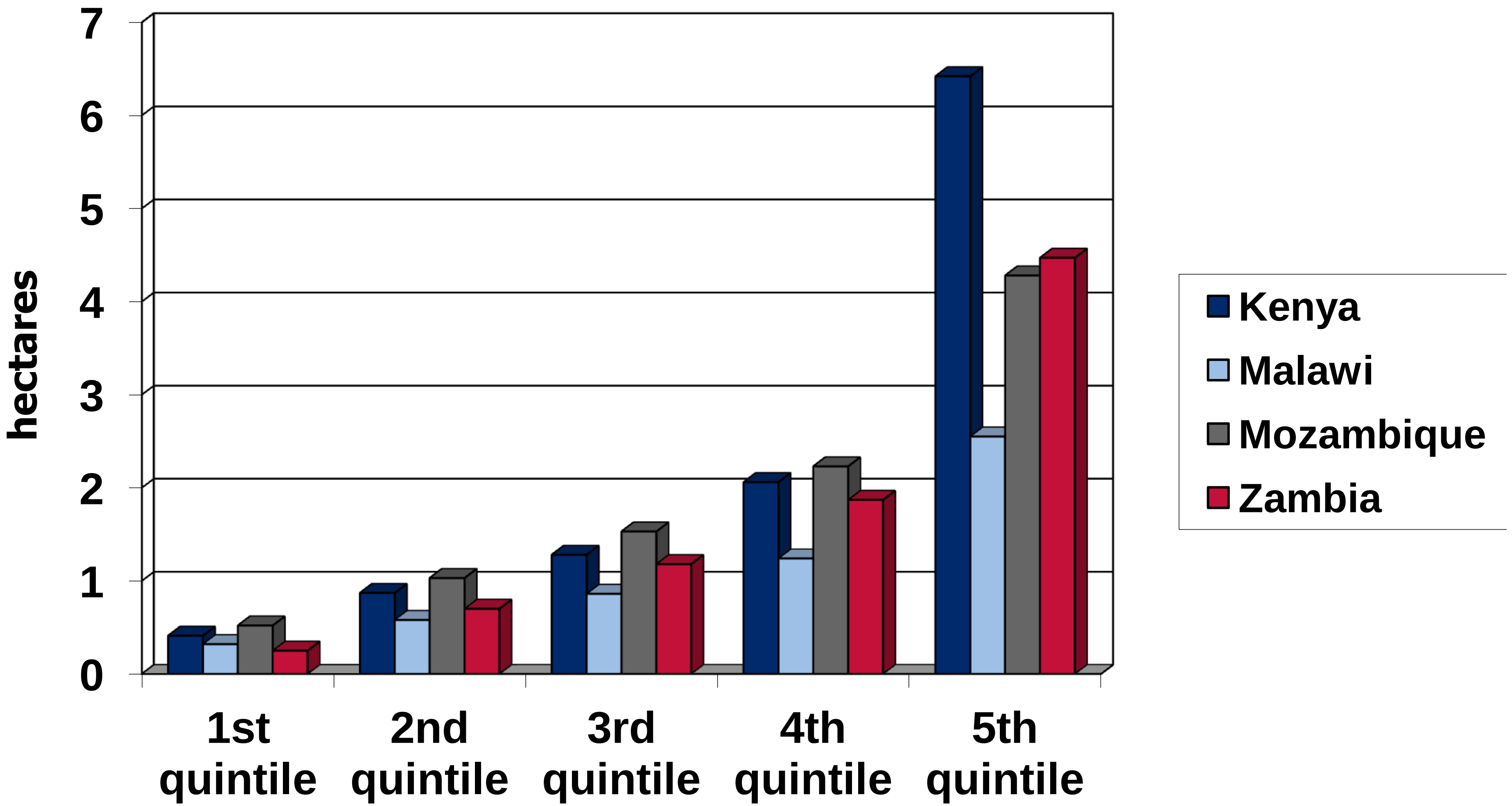
Indirect benefits (accrue to non-participants as well)

- Access to inputs/technology (availability)
- Lower prices of food (access)
- Employment (income multiplier) effects (access)
- Food quality/ safety innovations (utilization)
- Services financed out of VC profits (utilization)

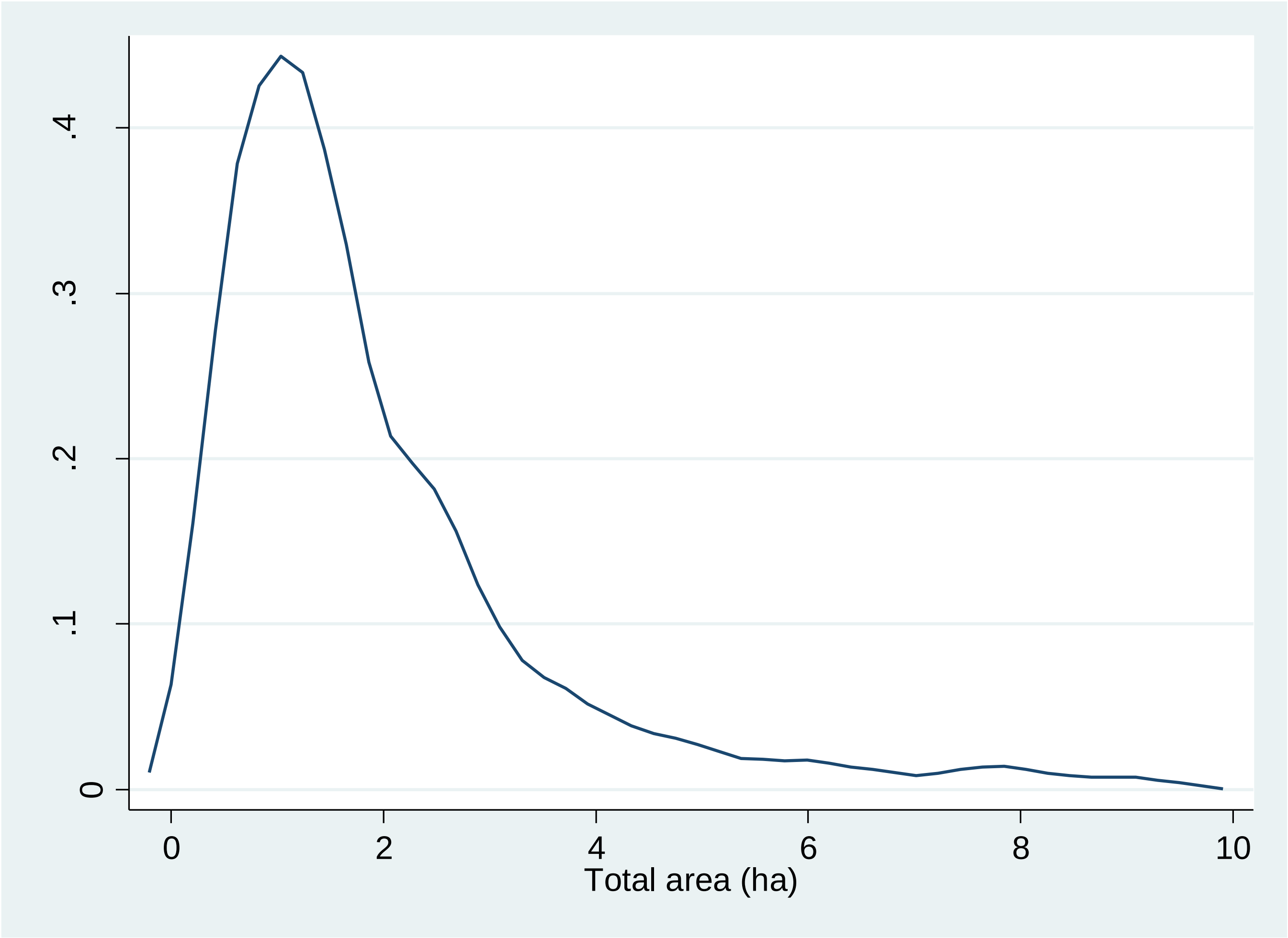
Limits to food security outcomes

- Most rural households are too asset poor to obtain ***direct*** benefits from crop production value chain investment
- Only a small proportion of households have sufficient land and other resources to participate in food value chains as net sellers
- Even fewer households can take part in non-food value chains requiring purchased inputs

Smallholder landholdings in ESA



Mozambique: Distribution of cultivated land area



Mozambique: market participation and land holding

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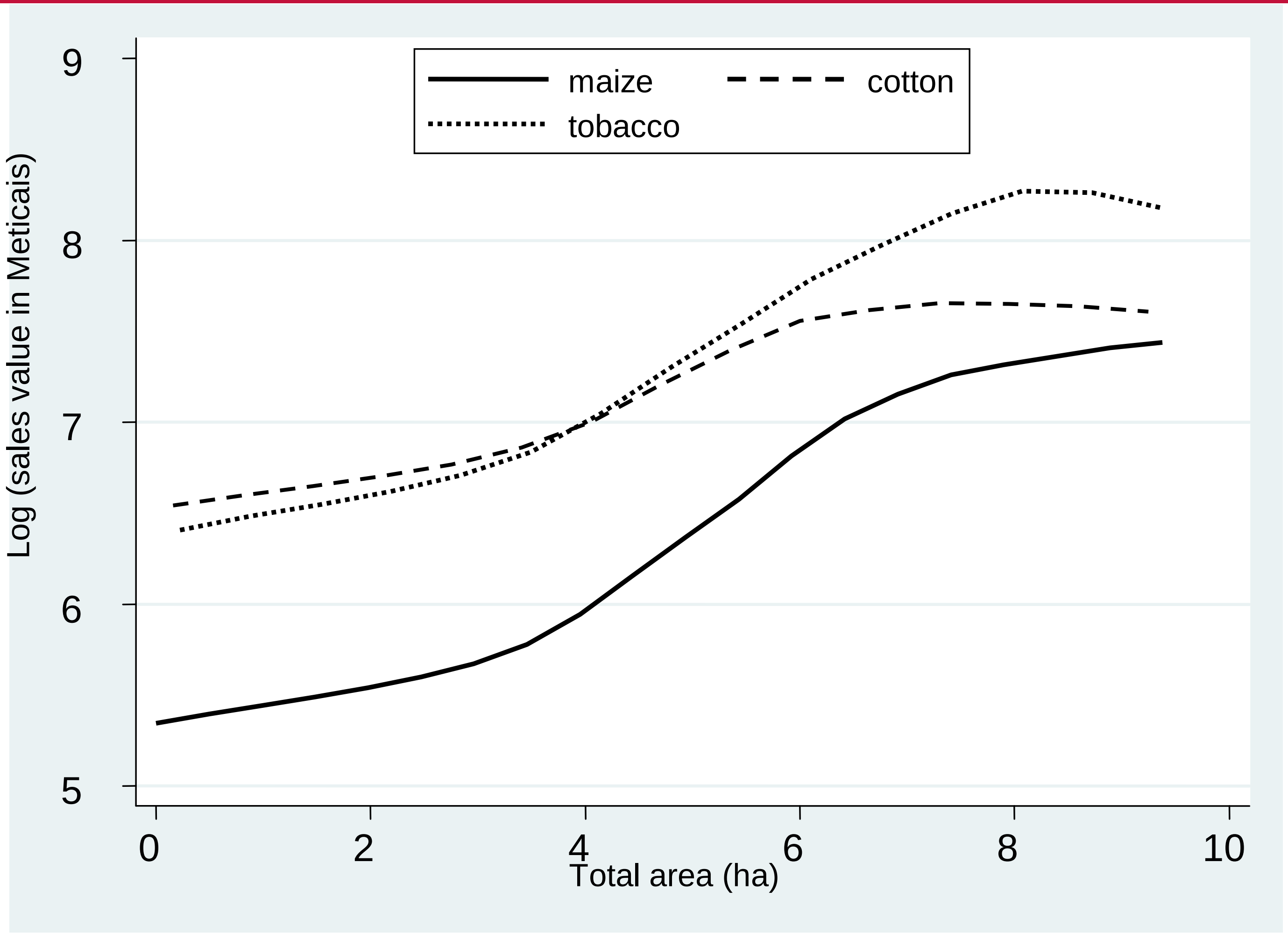
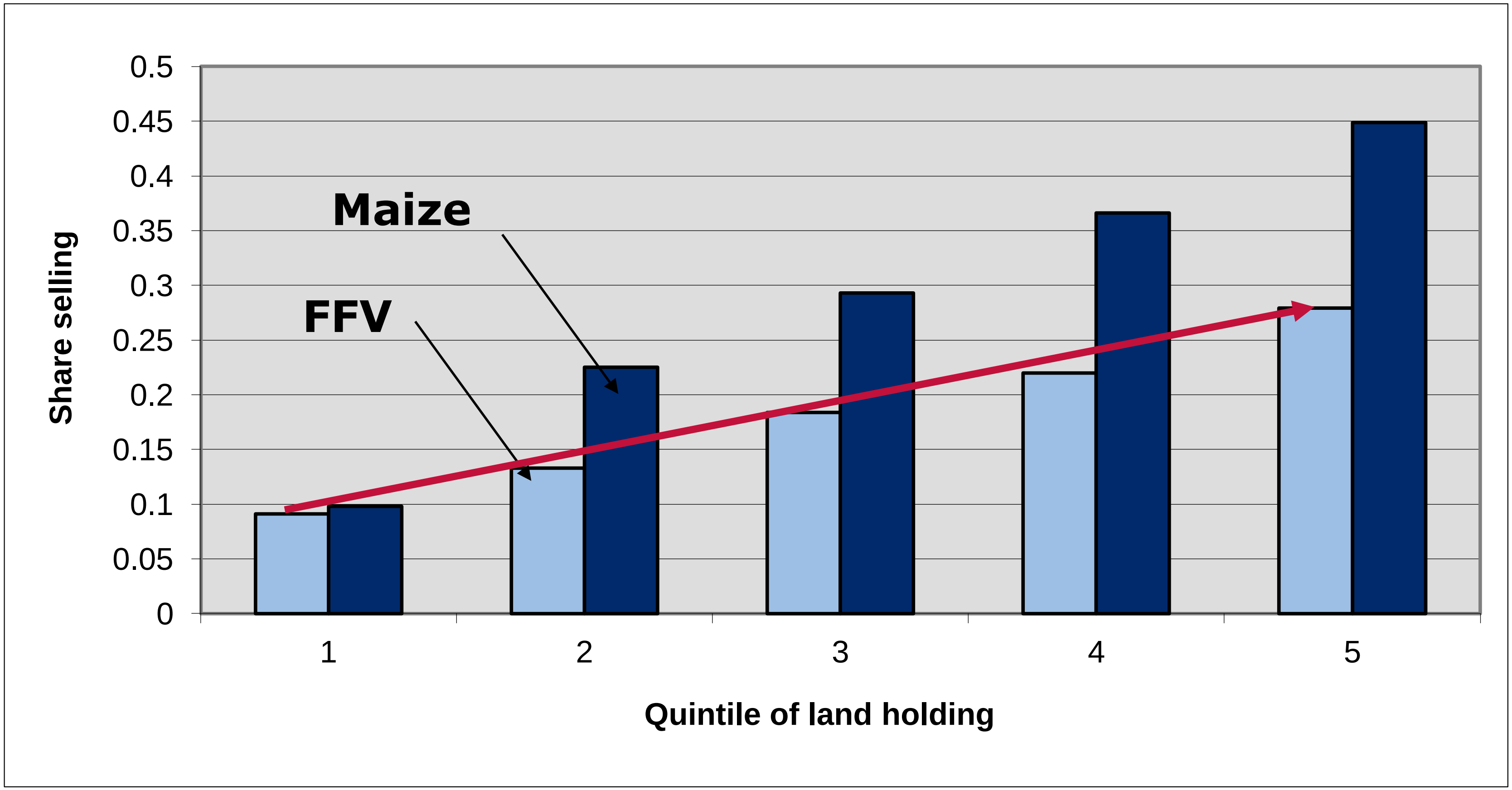
Mozambique: sales and land holdings

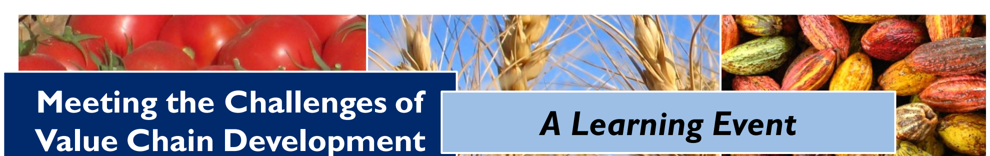


Market participation in Zambia



Complementary investments – household level

- Assets/services to raise labor productivity
- Increasing food crop productivity and diversity
    - Improved varieties
    - Conservation farming
- Nutrition education related to local agricultural context
- Assets/income earning activities for women



Complementary investments – food system level

- Re-engineering tertiary agricultural education to meet needs of private sector
  - Food technology
  - Agribusiness/finance
- Continued investment in agricultural technology and information dissemination (source of continued VC growth)
- Investment in local food and agricultural policy analysis and engagement capacity

Takeaways

- Value chain investments are a powerful tool for private-sector driven growth
- Indirect benefits at least as important for improved food security outcomes as direct benefits
- Complementary household investments need to be coordinated with VC investments
- Continued investment in future growth drivers: improved technology, human capital, organizational capital, governance

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Meeting the Challenges of Value Chain Development

A Learning Event

Market Linkages Initiative

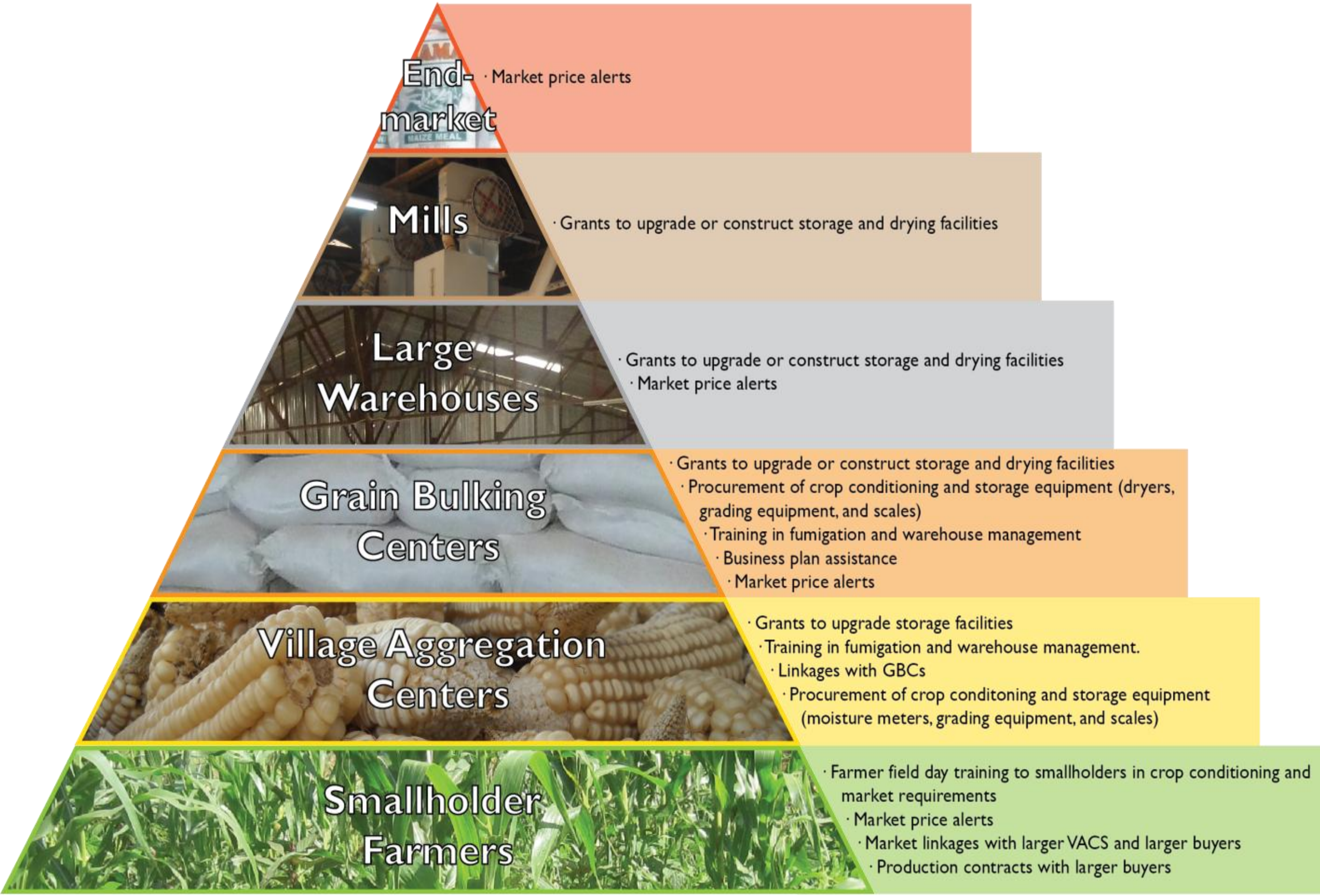
Sophie Walker, ACDI/VOCA

Goal of the Project

To promote growth of food staples and food security by integrating smallholder staple food producers into national and regional markets

- Kenya
- Uganda
- Rwanda
- Burundi
- DRC
- Malawi

- Implemented on behalf of USAID by Carana Corporation and ACDI/VOCA



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MWAILU ENTERPRISES
MARKET LINKAGES INITIATIVE
GRAIN BULKING/TRADE CENTRE

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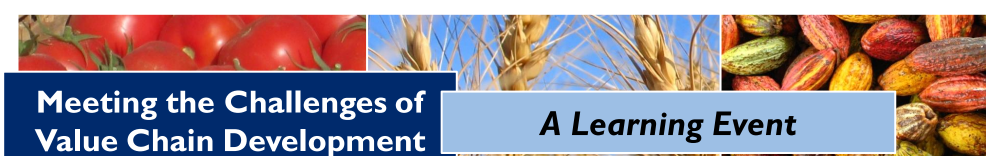
VC/Facilitative Approach: Maize in Uganda

Eric Derks, Tetra Tech ARD

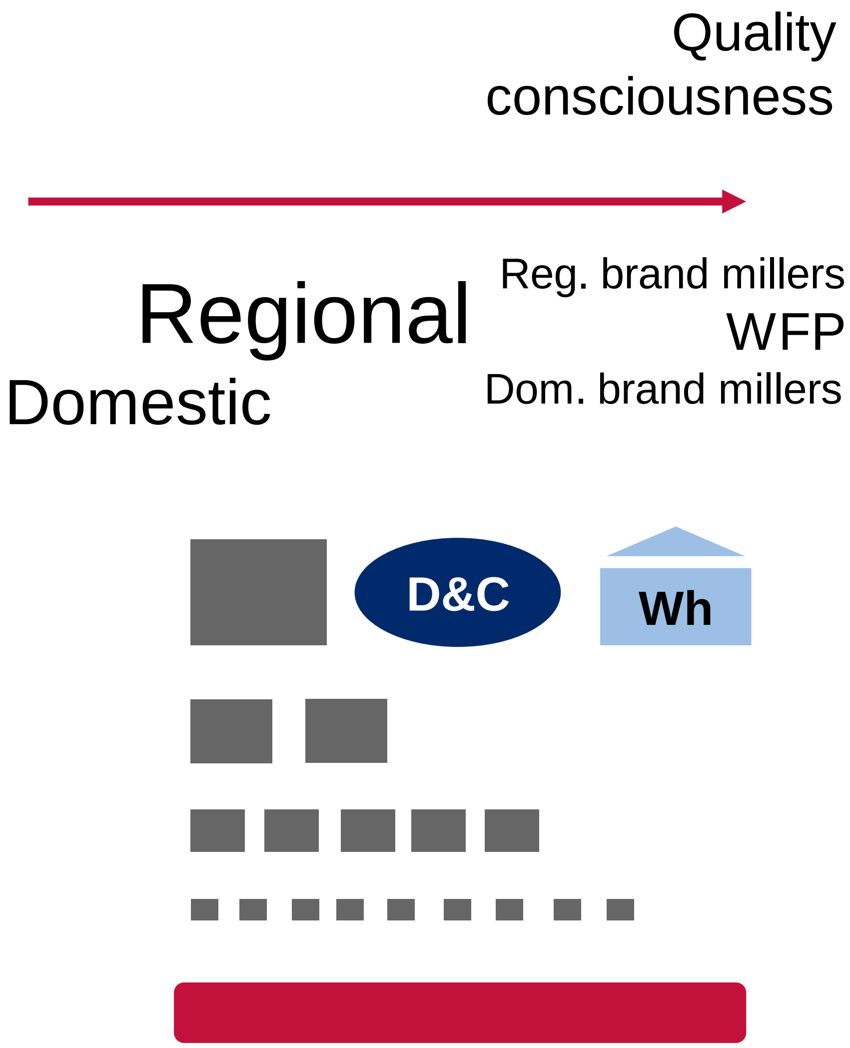
Ugandan Lineage

- Time before time…
- Direct lineage: IDEA, begat APEP, begat LEAD
- COMPETE, MLI, and many others
- LEAD v1.0: $35m, 5 years
  - LEAD v2.0: $6m & 2 years remaining
  - Feed the Future: maize/coffee/beans; food security; nutrition
  - Facilitative approach



Maize Sector Overview: Uganda

- Smallholder supply-base
- 2 seasons, cash crop?
- Quality undifferentiated markets for farmers
- Few quality-conscious buyers
- UCE & warehousing
- GoU: liberal market
- Price volatility / distortion
- Little application of existing grades/standards
- Quality issues:
  - Moisture, mold
  - Foreign matter
  - Infestation



Systemic Leverage Points

- Quality grades/standards <> Price differential
- Warehouse trading system / receipts
- Drying & Cleaning Services: decentralized / mobile
- Export quality control
- WFP tendering
- ???

LEAD v2.0 Outcome Goals

- Quality grades/standards <> Price differential
- Target firms: private rural bulking/trading centers
  - Assess quality, price accordingly
  - Feedback
  - Outreach
  - Access differentiated markets
- Relations: buyers, services, inputs, equipment, finance
- Sustainable, ongoing improvements/benefits: Production—Productivity—Incomes—Quality

LEAD v2.0 Facilitative Approach

- Test & refine outcome goals
- Support self-selecting early adopters
  - Ownership
  - Lightest touch
  - Leverage business partners and relations
- Evaluate continuously: progress and impacts
- Leverage momentum, inshallah
- Inputs: village agent retail, customer service, promotional activities

Lessons to date

- Promising leverage points tied to rules & norms
- Leverage points have a lot of hands involved: requires holistic perspective
- Short-comings of “no smallholder left behind” approach
- Organizational management of projects

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Overview of Partners in Food Solutions – A multi-sector approach to improving the food processing sector

Jeff Dykstra, Partners in Food Solutions

Who We Are

PARTNERS IN FOOD SOLUTIONS

GENERAL MILLS

Cargill™

DSM
BRIGHT SCIENCE. BRIGHTER LIVING.

What We Do

PARTNERS IN FOOD SOLUTIONS | GENERAL MILLS | Cargill | DSM BRIGHT SCIENCE. BRIGHTER LIVING.

Link remote expertise of volunteer employees to small- and medium-sized food processors in the developing world…

Why We Do It – Our Goal

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Improve the ability of the processors we assist to produce nutritious, affordable food, and increase demand for the crops of the smallholder farmers who supply them…

Helping advance the food value chain across Africa

Development Hypothesis

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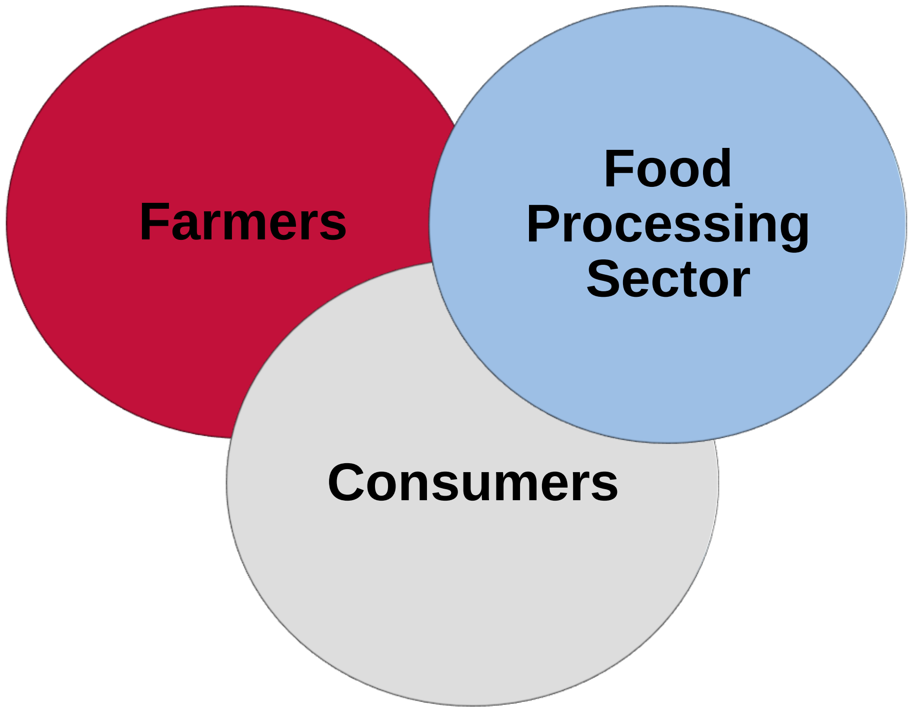
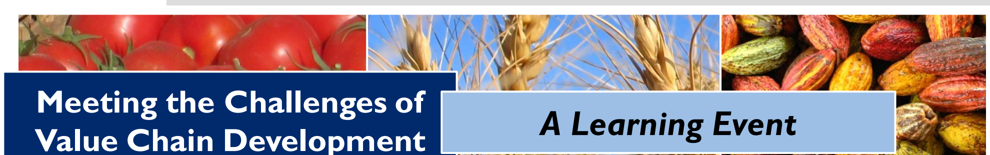
Stimulates volume of incremental raw materials sourced from smallholders.



Improving profitability and competitiveness will drive increasing incremental volumes of nutritious food processed and marketed to local populations.
Increases the value of incremental sales of assisted processors and creates jobs.

Increases availability of safe, affordable, nutritious foods, including for the most vulnerable.

Reduced poverty, improved nutritional status via strengthened value chains



Our Partners

- **USAID** – Public partner helping PFS expand via Feed the Future in Tanzania, Kenya, Zambia, Malawi, and Ethiopia
- **TechnoServe** – Implementing field partner providing project management and oversight
- **Root Capital** – Providing financing to qualified SME partners
- **World Food Programme** – Working together to improve local CSB suppliers

PFS Model

Remote **knowledge & wisdom transfer** between corporate volunteers and our partners in Africa.

‘Senders’ ‘Translators’ ‘Receivers’

Remote technology, science and business skills…

…through the support of on-site food technology and business specialists

…are applied to Africa-based small food enterprises

How We Work in a Country

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1. Map food processing industry at country level
2. Industry event(s) explaining program
3. Call for concept papers
4. Company visit by staff and info verification
5. Company selected
6. Projects chartered
7. PFS team identified
8. Iterative work process between PFS team and company commences

A Virtuous Cycle

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"Partners in Food Solutions is not just helping a company, you are helping Tanzania — farmers, company employees, people like me who sell the product and those who eat the food."

- Omaroi Omyo, Distributor for Nyirefami Grains Ltd., Arusha, Tanzania

Where we are…Where we are going

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June 2011

- 4 African countries
- 15 SME's
- 60,000 smallholder farmers
- 360,000 family members
- 1 Company – General Mills
- 300 Volunteers

1 Year

- 5 African countries
- 35 SME's
- 90,000 smallholder farmers
- 540,000 family members
- 3 Companies – General Mills, Cargill, DSM
- 400 Volunteers

5 Years

- 15 African countries
- 200 SME's
- 500,000 smallholder farmers
- 3 million family members
- 6-10 Companies – General Mills, Cargill, DSM, TBD
- 1,300 Volunteers

Challenges

- **Information gathering**
- **Infrastructure**
- **Currency fluctuation**
- **Need for broader consumer awareness around nutrition**
- **Lack of institutional support for food processing**

Lessons Learned

- **Targeted 1:1 support to dynamic processors is key, but for scale, and broader sector-level impacts, important to build the capacity of other actors in the ecosystem**
- **Importance of investing in the training of food technologists and business advisors who are in turn able to support growth of local processing industry**
- **Focusing on supporting processors to produce and market products with growing or stable demand – lots of processors are chasing unsustainable business**
- **Capacity building without cash investment in processors is like a car without gas – must go hand in hand**

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