



Building Local Networks for Integrated Agribusiness Development

Learning Module Series

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local networking & empowerment

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This learning module series is based on ICRA's 30+ years of knowledge and expertise on functional capacity strengthening in agriculture and is produced by ICRA within the framework of the 2SCALE programme during 2012–2017. 2SCALE – "Toward Sustainable Clusters in Agribusiness through Learning in Entrepreneurship" – is implemented by a consortium of IFDC, BoPinc and ICRA and funded by the Dutch government (www.2scale.org).

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MODULE 1

Module 1: Introduction to local networking and empowerment

Foreword

This module is the first in the learning series and introduces basic knowledge on the concepts and values that underpin its approach. This series aims to build local networks for integrated agribusiness development and to help agribusiness coaches to set-up and support agribusiness clusters (ABCs) in the field.

The module specifically unwraps fundamental concepts such as systems, actors (stakeholders), ABCs and value chains. It is important to start by exploring the participants' current knowledge, to reach a common understanding before deepening these concepts, as they represent the basis of the approach. We will introduce these concepts using visual pedagogical tools, such as 'Rich pictures', 'Cluster mapping', 'matrix analysis' and educational videos. Starting with participants' current knowledge and practices, their learning can be further enhanced through analysing and discussing case studies, videos, exercises and evaluation grids that make the new concepts come alive.

This and the rest of the series of modules is based on an experiential learning approach of 'learning by doing'. This means that facilitators heavily involve the participants in discovery learning exercises and activities.

About this module

Learning objectives

At the end of the workshop, participants will be able to:

- Identify the concepts of 'systems', 'actors', 'value chains', and 'clusters/ABCs'
- Identify specific local ABCs within value chains
- Make functional and organisational analyses of a value chain
- Understand the balance between competition, coordination, and competitive strategies
- Understand the concept of innovation
- Position themselves as coaches in the set-up and support to agribusiness clusters, and the promotion and development of value chains

Proposed outline of the sessions

The workshop comprises 8 sessions, including introduction and evaluation. Following the general introduction (Session 0), Session 1 aims at reviewing the participants' diverse experiences and working environments in view of commonly understanding the concepts of systems, value chains, actors, and agribusiness clusters. Thereafter, we will narrow down the context of learning and study a specific field case presented in a short movie (Session 2). This will allow the participants to have a closer look at competition, coordination and competitive strategies using a case presented in the form of an educational video (Session 3). Compared to the exchange with actors in the field, the short movie presents the business situation in a more condensed and focused way. However, the participants will have to structure the information presented in the film, using the mapping tool. This will allow them to have a more detailed look at competition, coordination and competitive strategies.

Thereafter, another movie extract is presented, followed by an animated version of the business situation, using the mapping tool (Session 4). Based on the value chain and the agribusiness cluster presented in the film, the participants will elaborate on innovation and on the role of the agribusiness coach. Session 5 then brings all learning together and summarises the approach in the form of its key values, followed by an initial understanding of how to facilitate the approach. Session 6 aims at preparing the field work and developing the terms of reference for field coaching and lastly, Session 7 concludes with the assessment of the workshop.

Please note that the time indications in the table below are not set in stone. Depending on the context, it might take more or less time. We are well aware of the fact that this first module which forms the basis of a series of learning cycles, may require more than the standard 3-day workshop. Therefore, depending on time and resources, you could decide to leave out some sections, for example Session 2, which involves a field visit.

Session title	Session activities	Time involved
Session 0: Introduction to the workshop		1.5 hours
Session 1: Putting our working environment into perspective	Exercise 1: Rich picture of participants' work context Plenary introduction Individual making Gallery walk Summary	2.5 hours
Session 2: Mapping and analysing a commodity value chain and business networks	Visit to field stakeholders Mapping value chains and business relationships Characterising value chains and business relationships	3 hours 1 hour 1 hour
Session 3: The ABC: competition and coordination	Introduction Mapping to understand the business Watch Video : <i>From Golden Grains to Golden Eggs</i> Exercise 2, part 1: Map the Value chain and ABC Coordination and competition within actor groups, the	About 3-4 hours

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	<p>ABC and beyond</p> <p>Exercise 2, part 2: Identify examples of Competition and Coordination</p> <p>Discussion and conclusions</p>	
<p>Session 4: Innovation and the role of agribusiness coaches</p>	<p>What is innovation</p> <p>Exercise 3: Discuss Innovations</p> <p>Innovations to improve ABC competitiveness</p> <p>Watch Video: <i>Rising rice</i> (two versions)</p> <p>Exercise 4: Analysing value chains in the film <i>Rising rice</i></p> <p>Discussions and conclusions</p>	<p>About 4 hours</p>
<p>Session 5: Building local networks: the key values of the approach and how to facilitate it</p>	<p>The core values of the approach to building local networks</p> <p>Exercise 5: Analyse the three values needed for building local networks</p> <p>Putting the core values to use</p> <p>Exercise 6: Role play on facilitating an ABC meeting</p>	<p>2-3 hours</p>
<p>Session 6: Preparation and ToR for field work</p>	<p>Plenary introduction</p> <p>Group work on TORs and discussion</p>	<p>2-3 hours</p>
<p>Session 7: Workshop assessment</p>		<p>1-2 hours</p>

Session 0: Introduction to the workshop

Introduction

If this is the first time that the participants and facilitator meet, this session can be quite elaborate. Some time needs to be taken for the participants' introductions and presentations as well as for presenting the context of this first module within the series of modules (see general introduction).

Learning objectives

At the end of the session the participants will be able to:

- Understand the context of the learning module series for building local agribusiness networks
- Comprehend the philosophy of interactive learning and coaching
- Understand the workshop objectives and relevance of the sessions
- Position themselves within the group of workshop participants

Procedure

List of tools/equipment required

- Flip chart, markers
- Coloured cards
- Sticky tack

1. **Participants' introductions:**

- Depending on the time available, ask participants to present themselves in pairs. Ask them a number of questions to discuss: name, where they work, with which commodity, which type of agribusiness, why they are here, etc. If there is time, you can ask them to make a poster about themselves, or organise a walking gallery, etc.;
- Without going into details, some of the relevant information to be presented by the participants relates to their experiences in agribusiness support, the institutions they are working for, and the business context in which they specifically work for the moment.
- Another idea: It can be fun to ask each participant to picture themselves with a specific expression, gesture or object, that characterises him or her. Ask them to present this to the group.

2. **Facilitator presentation:** Explain the general context of the series of learning modules and philosophy of interactive learning and coaching: Prepare and present a short powerpoint presentation using some of the images and key words of the introduction (See general Introduction).

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3. **Participants brainstorm on expectations and concerns:** Ask participants to write down their expectations and concerns on coloured cards; use green cards for expectations and red for concerns. Summarise and group these expectations and concerns and hang them out on a flip chart on the wall so they can be seen during the whole workshop.
4. **Facilitator presentation:** Present the specific objectives of the workshop as well as the program sessions. Briefly introduce the concepts of systems, actors, value chains, coordination-competition, innovation, and the role of coach.
5. **Reflection Diary:** Introduce the idea of keeping a reflection diary in which each participant writes down his/her reflections of the day using a standard format, indication what was done, interesting, important and applicable (see general introduction; Annex 1).



Session 1: Putting our working environments into perspective

Introduction

In this session, we will deal with the wide range of experiences working with local agribusinesses in the different environments of the participants. The idea is to exchange professional experiences and to associate these experiences and working environments with concepts like systems and systems thinking, actors/stakeholders, value chains, and agribusiness clusters. In this way, the concepts become very practical and relevant to participants, and the idea of building local agribusiness networks will not be totally new. In fact, we show that the basic principles and concepts coming up in this module are in fact very much related to the experiences and working environments of the participants. This helps to make them confident to step in and adopt the approach, and makes them aware that almost every open-minded person involved in rural development is able to do this as well.

Learning objectives

At the end of this session, the participants will be able to:

- Relate their own experiences (and working environment) and that of the other participants to the concepts of agricultural systems, actors, value chains, and business clusters
- Understand and explain the basic principles and pillars of the approach to building local networks for integrated agribusiness development

Procedure

List of tools/equipment required

- Flip chart, markers
- Coloured cards
- Sticky tack

1. **Plenary:** Start the session with a short introduction (see introduction, objectives and procedure) and introduce the first exercise, which allows participants to map out their professional working environment and related key experiences. Ask each participant to make a Rich Picture on a flip chart paper (**see Exercise 1**).
 - If participants are not familiar with visualisation or with Rich Pictures, some basic principles of how to make a Rich Picture may be explained and the participants can consult **Reference Sheet M1/1**
2. **Individual exercise:** The participants have about 20 minutes to make their Rich Picture
Hang the sheets on the wall
3. **Organise a gallery walk:** Ask each participant to present their picture (5 to 10 minutes), and allow time for a short discussion after each individual presentation. Make assure that the discussion relates to key aspects of systems, actors, value chains, and agri-business clusters (see the Box below to get tips on how to facilitate this

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session).

Note: Depending on the number of participants, the gallery walk may take a couple of hours.

Advice for the facilitator to orient the discussion during the gallery

You as facilitator need to understand these concepts very well before facilitating this session. Below is a summary of them, but it is very important to read the Reference sheets below well for more guidance.

About the 'systems' concept:

- Do we see different types of elements or components in this picture? Which ones? (look for the following types of systems elements: physical, information, money, people, ...)
- What are the interactions? Are there different types of interaction, flows, webs, networks, feedback?
- Can we consider some of the elements 'inside or internal' (this means 'under control') and others 'outside or external'; can we have some kind of 'boundary' and 'environment' (outside the boundary)?
- We might then relate this to inputs and outputs that cross the boundary
- What are internal "control" mechanisms?
- Is there anything that typically "emerges" from the interactions, something that would not be possible if no interactions take place ...

All this relates to what we call a 'system'.

About actors/stakeholders - looking specifically at 'the people' in the system:

- The facilitator introduces the words actor (or stakeholder) and then asks who has a "stake" in the system
- Do we see "internal" and "external" actors or different "organisational levels" among the actors?
- How do actors relate to each other; what is the intensity or frequency of the relations?

All this relates to what we call "actors or stakeholders" and to "actor analysis".

About the value chain:

- Are there agricultural products being produced, processed, transported, marketed, sold, consumed?
- Does the picture present some more detailed operational functions, inputs/means to make it happen?
- Which actors are directly involved (e.g. produce, process, package...) the products and which are indirectly involved (or support) the operations?

All this relates to what we commonly call the value chain, the segments of the chain, the operations, supply (or commodity/product value chain) and input value chain.

About the agribusiness cluster (ABC):

- Do we see actors involved in a certain product value chain who coordinate their activities to supply a certain market? Are these direct or indirect actors?
- Do these actors operate in a more or less "local" environment, are they often in contact with each other, how do they coordinate?
- Is there also some form of competition and does this create some form of "drive" to do things differently or better, as to be more competitive and remain in the market?

All this relates to what we call agribusiness clusters (ABCs).

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4. **Plenary session by facilitator:** After the gallery walk, summarise the discussions in the form of an interactive exchange of ideas.
5. **Facilitator presents on flip chart:** Write down the key elements characterising the concepts “systems”, “actors/stakeholder”, “value chains” and “agribusiness clusters (ABCs)”, on four flip charts.
6. **Evaluate the session:** Conclude with a brief evaluation and review of to what extent the learning objectives have been achieved.
7. **Distribute the Reference Sheets:** Encourage participants to read these.

In preparation of the next day's field visit (see session 2) the group of participants is sub-divided into 4 sub-groups, who will visit in turns the 4 (types of) actors involved in a specific value chain, that was identified beforehand by the facilitator. Each sub-group will elaborate a short checklist for the next way's meetings with the actors; each sub-group exchanges the proposed checklist with the other sub-groups and amends if needed.

Additional reading

Reference sheet M1/1: Rich picture

Reference sheet M1/2: Systems thinking and approaches

Reference sheet M1/3: The actors and stakeholders



Session 2: Mapping and analysing a commodity value chain and business networks

Introduction

In this session, we narrow our focus so that we can analyse a business situation and commodity value chain in greater detail in terms of a 'system'. The participants will visit key actors involved in a specific value chain and discuss how it is going with them. These can be actors that effectively deal with the flow of the product (so real or direct value chain actors) or those that support one way or another the direct actors of the chain (these are called support actors or indirect actors). The objective is to jointly map and analyse in detail the specific value chain and local level business relationships among the actors involved and to come up with strong and weak elements at the level of the different actors and segments of the chain.

Please note: In case of limited time and/or resources, this session can be skipped and you can opt to directly go to Session 3; in that case you will have to introduce some of the basic concepts and tools introduced in this session into the discussions of Session 3.

Learning objectives

At the end of this session, the participants will be able to:

- Map value chains and local business relationships and networks on the basis of exchanges with key stakeholders in the field
- Define the concept of agribusiness clusters (ABCs) more deeply
- Analyse the roles and functions of the major value chain actors and support services
- Identify weak and strong elements in the functioning and internal organisation of a value chain and local level business relationships

Procedure/Tools

List of tools/equipment required

- Transport facilities to go to the field
- Big table (allowing participants to all stand around it)
- Large sheet of packing paper to cover the table
- Coloured cards (different shapes and colours)
- Scissors, markers, masking tape.

Step 1: Field visit to stakeholders

1. Divide the participants into 4 groups; each group will visit one or two of the selected key stakeholders.
2. Ensure that each group has a copy of the checklists prepared the previous day.
3. Depart for the actual visits which should take about 3 to 4 hours, including transport.
4. Visit and discuss with key stakeholders involved in a commodity value chain and that are doing business together at the grassroots level, including both:

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- (1) direct business actors that deal with the specific commodity and
- (2) support services or indirect chain actors (like technical, organisational and financial) that are related one way or another to these direct chain actors.

Advice for the facilitator to prepare the field visit

- Identify a specific value chain and the related grassroots level actors. It is best if they already have some working experience, they can be: **direct chain actors**, like farmers (men and women), farmers' organisations, processors, traders, input providers, and also **indirect actors** like technical services (governmental and NGOs, bankers, ...).
- Visit the different actors: explain the objective of the exercise and make appointments, name day and time, if indeed the actors show clear interest in participating
- Confirm the visit on the day previous to the visit
- Organise transport facilities for the 4 groups

Step 2: Mapping of the value chain and business relationships

1. **In plenary:** Gather the whole group around a big table on which a large sheet of paper is fixed; this is to visualise/map the value chain and business relationships together.
2. Start with the identification of the different stakeholders involved, their activities, functions or operations, stages (or segments) of the value chain
3. Write on separate (individual) coloured cards the names of the each stakeholder; be as precise as possible; e.g. don't write 'the input dealer' but put the name of the person in the company.
4. Place the cards on the table starting with the stakeholders that actually deal with the commodity:
 - Start at the right side of the table with the different market outlets and think back through the chain placing the actors one by one to the left of each other;
 - To the left of the market will be the seller (retailer and wholesaler, if applicable);
 - More to the left are e.g. the processors;
 - Again more to the left are the producers' group, the producer;
 - Normally the most to the left will be the input dealers (seed, fertilisers, etc.)
5. Place arrows between the stakeholders so as to visualise the flows of the products (from their production to the market) and the links between the actors, showing the relative importance of the linkages.
6. Place the cards with the names of the service providers: technical services, business services, financial services, etc.
7. Place arrows from these service providers to the respective beneficiaries (the business actors).



Advice for the facilitator to focus the discussion during the analysis around the big table

- Brainstorm to identify and list all stakeholders directly or indirectly involved in the value chain.
- Brainstorm and list the fields of activities/functions and link them to the identified actors.
- Distinguish between ‘actors’ of the value chain (direct chain actors) and ‘other stakeholders’ (indirect actors and support services/actors) and write down each of them on coloured cards. Use distinct shape and colour of cards for each stakeholder category, i.e. value chain actors and other stakeholders.
- Position the value chain actors and the stakeholders in a flow diagram from the input supply to the market/consumer functions.
- Also position them according to the geographic scale covered by their activities; are they operating at local, regional, national or international levels?
- Link the value chain actors by drawing arrows (in a specific colour, e.g. black or blue) between to indicate the direction of the flow of the commodity.
- Also draw arrows showing the direction of the flows of services of other stakeholders to the specific actor to whom a service is provided (use another colour for the ‘services’ flows, and where needed add a name of the flow).
- The size of the coloured cards can also symbolise the relative importance of actors, products or services; the size of the arrows can be an indication of the relative intensity and volumes e.g. quantity of products being moved, added value along the chain, etc.
- Ask what is the meaning of ‘proximity’ of the actors (also called ‘local’ actors) and what are the implications of this proximity for the functioning of the system.
- Isolate the ‘network of local actors’ that we from now on call an Agribusiness Cluster or ABC; note that there can be several value chains according to their specific market outlet or consumers.

Step 3: Characterising value chains and business relationships

1. **In plenary:** Discuss and summarise at the same time, the following key elements characterising value chains, their functions and business relationships:
 - What a value chain is and what characterises it; making the distinction between ‘input’ and ‘supply’ chains or ‘product/commodity’ value chains;
 - The products and the flow of the products within the chain;
 - The actors involved; the direct and indirect chain actors (like service providers, financial institutions, ...);
 - The relationships and types of relationships by specifying if it concerns internal (within the enterprise/actor groups) or external (between the enterprises/actor groups) - also referred to as *intra* and *inter* enterprise (firm or farm) relationships; specify where possible according to gender¹;
 - The value creation and what ‘value addition’ is;
 - The functions (or stages or segments) within the value chain: production, processing, marketing, the market/ final consumer;
 - The technical and management operations and the means used to do the technical operations;
 - Upstream and downstream functions and integration; and

¹ We use the terms

- ‘enterprise’ for both farms (basically agricultural production enterprises) or firms (such like processing or marketing enterprises)
- ‘industry’ refers to all actors involved in the same activity; e.g. all farmers involved in potato production in a particular region (like Sikasso in southern Mali).

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- What 'proximity' of actors means and the term 'local actors', and what the importance is for local actors to be in business and regularly meet and negotiate; what difference it makes when actors are not in regular contact; the network of local business actors and the services they are linked to is called an agribusiness cluster (ABC).

An agribusiness cluster (ABC) consists of a group of local stakeholders (input dealers, farmers and their organisations, processors, traders, and specialised institutions) interacting in a well-defined area around an agricultural product that is to be commercialised. The actors of an agribusiness cluster undertake action individually but they have the will and the interest to coordinate these activities and to work together in order to supply specific market segments.

2. Recall the reason for mapping the value chain and ABC; orient the debate towards the identification of the strong and weak elements in the functioning and internal organisation of a value chain and ABC levels (i.e. inter-enterprise/actor relationships), and at the individual segment and actor levels (intra- relationships).
3. Close with a brief evaluation and review of the extent to which the learning objectives have been achieved.
4. Distribute the Reference Sheets and encourage participants to read these.

Additional reading

Reference sheet M1/4: The value chain

Reference sheet M1/5: The agribusiness clusters (ABC)

Reference sheet M1/6: The flow diagram and functional analysis of the chain

Reference sheet M1/7: Organisational analysis

Reference sheet M1/8: Short stories from the field



Session 3: The ABC: Competition and coordination**Introduction**

In this session we first deal with the concepts of competition and coordination and then deepen the understanding of balance relationships within an ABC and thereby the importance of competition and coordination in business. We do this with the help of a short film called *From golden grains to golden eggs*, on an ABC in Togo.

Learning objectives

At the end of this session the participants will be able to:

- Map value chains and ABCs on the basis of a case story presented in the film *Rising Rice*
- Identify weak and strong elements in the functioning and internal organisation of a value chain and ABC
- Understand the importance of a balanced relationship between the major stakeholders of an ABC and the playing fields of coordination and competition
- Identify options for improving coordinated actions in view of improving competitiveness of the business

Procedure**List of tools/equipment required**

- Image of the two lizards (see below)
- Pinboards and pins
- Coloured cards (different shapes and colours)
- Scissors, markers, masking tape.
- Laptop or video player with speakers
- Educational video on USB: From Golden Grains to Golden Eggs.
- Several computers from which to watch the film. For the version in plenary, be sure to have speakers that allow people to hear well.

Step 1: Introduction to the concepts of competition and coordination

1. **In plenary:** Introduce the concepts of 'competition' and 'coordination', and especially the importance of the balance between the two.
Show the image of the two lizards (symbol of the chieftom of a clan in Ghana) and then give participants three minutes to reflect on it, in silence.
2. Ask each participant to write on a card an idea/word expressing their understanding of this image.
3. Then display and group the cards into similar



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answers.

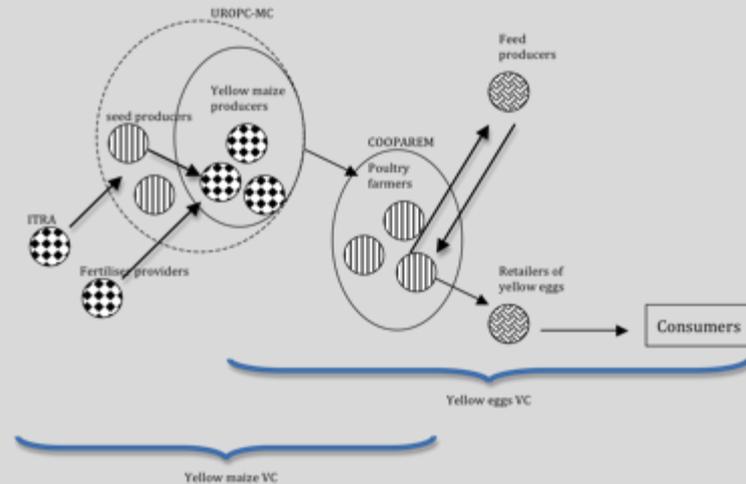
4. Discuss the various 'grouped ideas'.
5. Conclude by explaining that this is a symbol full of wisdom, that it exists of 2 lizards with 2 heads and 2 tails, but 1 stomach only; the two lizards compete for food, but all food enters the shared stomach. This symbol allows us to introduce the concepts of competition and coordination.

Step 2: Mapping to understand the business: the case of yellow maize - eggs in Togo

1. **Start in plenary:** watch the video on a yellow maize ABC in Togo (See video: *From golden grains to golden eggs*, from the video *United through markets*)
2. **Discuss:** Organise a short plenary discussion on the participants' general understanding of the ABC and context.
3. **Group exercise:** Split the participants into four groups and work on **Exercise 2**, starting with **part 1**:
 - The participants first view the film again, within their groups.
 - They then map the value chains and ABCs, using a similar procedure as the mapping done in Session 2, but this time using a pin-board and cutting the coloured paper into circles and other symbols. They identify the different stakeholders involved, their activities, functions or operations, stages (or segments) and place them on the board. Then they identify the flows of the products, subsequent links between the actors, showing their relative importance. Finally, the VCs and VC actors and ABC(s) are positioned
 - Each group will then make a brief functional and organisational analysis of value chains.
4. **Groups exchange:** Thereafter, the groups meet two-by-two, and present their mapping and comments to one another. The objective is to come to agreement and so make a commonly agreed map of the VCs and ABC(s) presented in the film.
 - Intervene where required and assure that all relevant elements of the VCs and ABC are presented and discussed.
5. **Finally back in plenary:** Bring together the two groups. Ask them to present their respective maps and comment simultaneously, and then make a final commonly agreed map.
6. Summarise this exercise by reviewing the step-wise changes and adaptations that the groups made by bringing together their maps.

Advice for the facilitator during the pair-wise exchange of the group findings

- VC stakeholders: poultry farmers, Cooparem (as the union of poultry farmers), transporters/retailers of eggs, feed producers, yellow maize farmers, and UROPC-M (in this VC, the poultry farmers are in the centre with yellow eggs as produce, and with yellow egg consumers - including restaurants – as the market)
- There are in fact 2 VCs represented in the film; the other VC is with yellow maize farmers at the centre, grouped into UROPC-M and Cooparem (with poultry farmers) as market (apart from the open market for yellow maize) and (yellow) seed providers (as a sub-group of the yellow maize producers, members of UROPC-M), ITRA (providing basic seeds to seed producers and fertiliser suppliers).

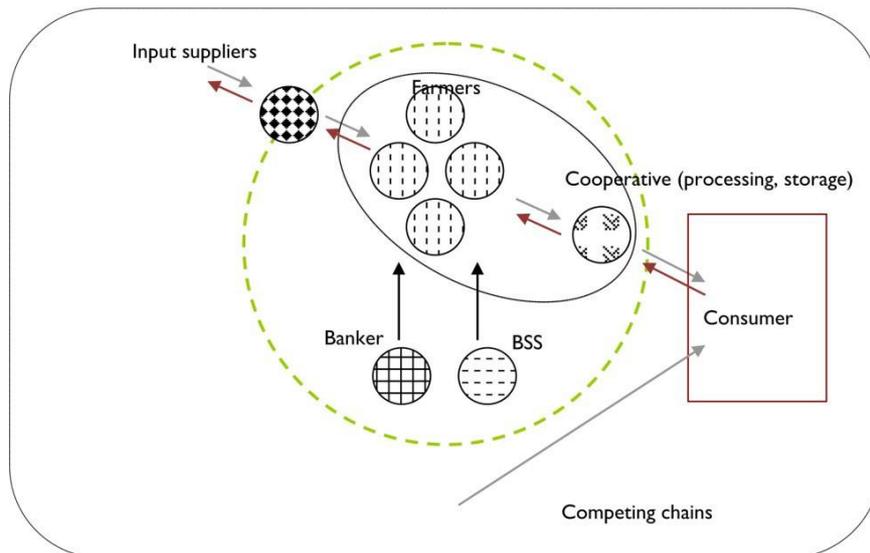


- The other stakeholders (support services or indirect actors, not dealing with the commodities) are the Bank (BRS), ICAT (the extension service providing advice to seed producers and yellow maize farmers) and IFDC (as the 'facilitator' of the ABC)
- The yellow maize eggs ABC representation could look like this, as pictured below; note that IFDC has to be considered as 'temporary' facilitator (see session and debate on business coaches), as the idea is to have some local service provider take over this role. The fertiliser provider is not really part of the ABC; the position of the retailer of eggs as ABC member is questionable...

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Step 3: Coordination and competition within actor groups, the ABC and beyond

1. **Group exercise:** Explain that Part 2 of Exercise 2 consists of identifying the actual aspects and characteristics of coordination and of competition within each of the major actor groups and between the actor groups of the ABC and other (non-yellow maize-egg ABC) actors. The exercise is done in the same groups as in part 1 of Exercise 2 (see Exercise 2, Part 2). Explain the different categories:
 - Between similar actors and stakeholders (or individuals within the same actor group) involved in the same ABC (= intra-actor relationships). For example, farmers in competition with each other to optimise agricultural productivity; economic interest groups controlled by farmers, pooling demands for inputs or collecting and distributing market information; study groups investing and working together to solve particular problems; this can also include actors, like farmers, who are linking with other farmers to bulk and clean their produce before selling, which is a form of vertical integration. Specify actor groups according to gender.
 - Between the different actors and stakeholders involved in the same ABC (inter-actor relationships). For example, farmers negotiating with support services on the content and costs of their services; farmers working with local entrepreneurs to analyse the opportunities for the market and the market sector; processors negotiating with farmers to fix the price of the products;
 - Between the actors of ABC and value chains and other actors of competing ABCs or value chains, including the government; e.g. competition or coordination between public and private enterprises, or dialogue with decentralised authorities to define a complementary public investment strengthening the performance of the enterprises.
2. **In plenary:** Get the groups to present and discuss their findings. Orient the discussion in terms of:
 - Identifying complementary findings between the groups, and
 - Finding out which aspects of coordination and/or competition have been key in the 'success' of the yellow maize-eggs ABC.
3. **Plenary presentation by Facilitator:** Summarise the discussion by using the figure below, picturing the major (and possible) areas of competition and coordination in agribusiness: between farmers (and within the other actor or firm groups), between the stakeholders of the same agribusiness cluster and value chain, and between the actors of the cluster and actors of other (competing) value chains (and perhaps clusters)



Advice for the facilitator during the identification of coordination and competition aspects and their impact on the functioning of the ABC

- Role of Cooparem and horizontal relationships between poultry farmers
- Role of UROPC-M and horizontal relationships between maize farmer
- Vertical relations between Cooparem and UROPC-M: volume and price negotiation of yellow maize
- 'Competition' with the open market, and role of bank and cash credit to deliver maize to UROPC-M
- Role of good seed (ITRA) and of the BSS: ITRA and ICAT; sensitive role of IFDC
- Competition of cheap imported (white and yellow) eggs

4. **Plenary discussion:** Conclude the exercise with a discussion on the identification of options for improving coordination and thereby strengthen the competitiveness the yellow maize-eggs ABC.

Advice for the facilitator during the identification of options for improving competitive ABC strategies

- Need for further horizontal relationship building within UROPC-M (how to increase production and number of adherents?) and within Cooparem
- What would be the effect of further improving vertical relationships? And improving access to seed?
- Possibilities for reducing costs of production and processing?
- Role of bank for input credits?

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5. **Evaluate:** Close Session 3 with a brief evaluation and review to what extent the learning objectives have been achieved.
6. **Distribute** the Reference Sheets and encourage participants to read them.

Additional reading

Reference sheet M1/9: Competition and coordination

Reference sheet M1/10: The competitive strategy

Session 4: Innovation and the role of the agribusiness coaches

Introduction

In Session 4 we start with an exercise and exchange of ideas on the concept of innovation, its role, and options for improving ABC competitiveness. This will allow us to elaborate on the role and position of the agribusiness coach within the ABC. We will use a short film on a rice ABC in Bolgatanga, Northern Ghana (called *Rising Rice*), to make things as practical as possible.

Learning objectives

At the end of this session, the participants will be able to:

- Understand the concept of innovation and recognise the role of innovation in improving ABC competitiveness
- Identify options for improving ABC functioning and competitiveness
- Clarify the role and position of the coach within the ABC

Procedure

List of tools/equipment required

- Pinboards and pins
- Coloured cards (different shapes and colours)
- Scissors, markers, masking tape.
- Educational videos on USB: *Rising Rice* and Animated version of *Rising Rice*.
- Several computers from which to watch the film. For the version in plenary, be sure to have speakers that allow people to hear well.

Step 1: What is innovation?

1. **Exchange in plenary:** Exchange ideas on the concept of innovation: What does this mean to the participants?
2. **Group exercise:** Follow the instructions for **Exercise 3**. It is important to identify the different opinions of the participants and thus to understand the diversity of their perceptions with regard to innovation.
3. **Plenary presentation and discussion:** Ask each of the groups to present an example of what they consider an innovation.
4. Continue exchanging ideas to deepen the participants' understanding on various aspects of innovation and innovation systems, e.g.:
 - The context of innovation
 - Sources of innovation (internal and external)
 - Types of innovations (technological, organisational, institutional, political, ...)
 - The products or outcomes of innovation and the innovation process
 - Actors involved in innovation

MODULE 1

Note for the facilitator for use during the exchange of ideas in the difference between innovation and invention

Innovation has been defined as the process by which individuals or organizations master and implement the design and production of goods and services that are new to them, irrespective of whether they are new to their competitors, their situation, their country, or the world. The enterprise thus adapts when challenges occur and responds readily when opportunities arise. On the other hand, an invention is a totally new creation of something. It has been said that competition spurs innovation. This is to say that for an enterprise to remain competitive, 'new' ways of doing things (innovation) must be devised to remain in business.

The participants can read Reference Sheet M1/11, followed by a short exchange of ideas if needed.

Step 2: Innovations to improve ABC competitiveness

1. **Plenary introduction:** Explain that the participants will elaborate on the identification of innovative options for improving ABC competitiveness using a specific ABC context.
2. Watch a short video on a rice ABC in Bolgatanga (**see video: Rising Rice**).
3. Still in plenary, exchange ideas on the value chain and ABC represented in the film.
4. Explain that for reasons of time limitation, the participants will not map the value chain and ABC themselves. Instead, they will watch the **animated video part 1**, presenting the value chain and the rice ABC in Bolgatanga in a format similar to the one the participants developed for the film 'From golden grains to golden eggs'.
5. **Group exercise:** Split into groups and work out **Exercise 4**. First view the film again in your group, and then (1) summarise the areas and domains where the coach/BSS have intervened and (2) identify innovative options (opportunities) to improve ABC competitiveness and thereby domains where the coach/BSS could intervene (in future).
6. **Plenary presentations:** Present and group the findings of the groups.
7. Watch the **animated video part 2**, which summarises some of the options for alternative coach intervention.
8. Still in plenary, engage the participants in an interactive discussion that reviews the key role of the coach in terms of coaching ABC actors to strengthen their capacities to develop competitive strategies and thus to find a balance between a healthy competition and a well- reasoned/efficient collaboration. Be sure the following comes up:
 - This could involve actions at the actor level (farm or firm level), or ABC - value chain level.
 - The important point to note is to start small and to 'learn-by-doing'; start with some concrete activity and gradually develop trust through repeated exchange, analysis of lessons learned, and transparency in investments, returns, risks and evaluation of common interests.
 - It is also important to analyse and consider the various possibilities for improving the competitiveness. It would be risky to limit the competitive strategy to one single option.
 - Below we review the different options for improving competitiveness/competition

(including the development of coordination alliances or mechanisms), doing so with an open mind. See the following examples:

- At farm or firm level (individual): improvement of the profitability through (1) increase of the efficiency of the inputs use, leading to a better output or (2) decrease of production costs.
 - Between similar farms or firms (of the same 'agri-food industry'), e.g. within a given ABC: we talk of *integration/horizontal (intra) relationships*. Example: farmers' associations pooling demands to buy fertiliser in order to get reduced prices, or to obtain credit with attractive interest rates, or to collectively sell in larger quantities to reduce transport costs.
 - Between the agribusiness cluster actors: we speak of *vertical (inter) relationships*. Example: between farmers' organisation and input dealers (upstream the chain), or processor or trader (downstream).
 - The farmers' organisation could embark on the processing of products and thus provide a supplementary role; this is known as *vertical integration*.
 - Between farms or firms of the same agri-food industry (or value chain), but possibly involved in competing ABCs and so which are in theory 'rivals' on the same market.
 - The farmers' organisation could plan to create relationships with 'alternative' processors and/or traders, who are not (yet) part of the ABC.
 - Through an extension of the market (consumption segment) or a product that is better adapted to the demand, the competitiveness can be improved; this is typical for some competition between agribusiness clusters or value chains and through the use of e.g. a product brand, for the same market segment.
 - A competition with 'substitution' products.
 - Etc.,
9. **Evaluate:** Close the third session with a brief evaluation and review to what extent the learning objectives have been achieved.
10. **Distribute** the Reference Sheets and encourage participants to read them.

Additional reading

Reference sheet M1/11: Innovation and innovation system

MODULE 1

Session 5: Building local networks: the key values of the approach and how to facilitate it

Introduction

This session deals with the core values of our approach for building local networks, and it also offers ideas to agribusiness coaches on how to facilitate such an approach at the ABC level.

Learning objectives

At the end of this session, the participants will be able to:

- Understand the core values of the approach to building local networks
- Understand the position of agribusiness coaches within the ABCs and recognise the key role of the agribusiness coach in facilitating change while implementing the approach

Procedure

List of tools/equipment required

- Pin-boards and pins
- Coloured cards (different shapes and colours)
- Scissors, markers, masking tape.

Step 1: The core values of the approach to building local networks: ownership, empowerment and sustainability

1. **Plenary exchange:** Write the three values each on a separate card and hang the 3 cards up on the pin-board in a random way. Ask participants to give their ideas on what the terms mean for them (NB: If there is enough time, you can also ask for people to first exchange in pairs and then in the larger group).
2. **Group exercise:** Introduces **Exercise 5**, which helps the agribusiness coaches to understand their interventions can have an impact (negative or positive) on any of these 3 values.
3. **Plenary presentation and exchange:** Ask participants to present their results. Discuss them together until everyone understands.
4. **Facilitator presentation:** Summarise some of the key findings and stress the importance of the coaches, keeping in mind these 3 values while facilitating the approach and providing services to the ABC set-up and support.

Step 2: Putting the core values in use

1. **Plenary presentation:** Introduce the exercise by describing what a role play is. Explain that participants will now perform a role play on facilitating an ABC meeting.
2. **Group exercise:** Split up the participants into groups representing a small team of coaches with representatives of the ABC members: the farmer organisation, processors, traders, the bank, and input dealers (see further instructions in **Exercise 6**).

Participants prepare and do the role play.

3. **Back in plenary:** Evaluate the role play together and specifically review the roles of the agribusiness coach on how to intervene as a facilitator and on the 3 major domains of intervention.

Note for the facilitator on the role and the main intervention domains of Agribusiness coaches

Roles of the agribusiness coach

- To strengthen local capacities - which is not the same as training
- To support ABC members to get access to information and to financial resources
- To improve the 'horizontal organisation' of the actors' group vis-à-vis other actor groups within the agribusiness cluster
- To strengthen the 'vertical organisation' of the agribusiness cluster vis-à-vis other actors upstream the value chain or in other agribusiness clusters
- To strengthen the capacity of the ABCs to make transparent transactions
- To track and record the experiences of the ABCs over time ('capitalisation')

The 3 main ways that coaches support the ABCs

1. Creating/strengthening of networking skills, making linkages and strengthening of the relationships between the actors - in order to facilitate the establishment of vertical and horizontal linkages, team management, advocacy and lobbying.
2. Offering training, coaching and support to strengthen the (technical) capacities (in different fields such as working out the diagnostic, economic/ financial analyses, marketing, different aspects of production, processing, monitoring&evaluation, etc.).
3. Facilitating interactive learning for innovation processes: facilitation, problem solving, participation, communication, capitalisation.

MODULE 1

Session 6: Preparation of the ToR for field coaching

Introduction

As we have presented in the Overall Facilitators' Guide to our series of learning modules, each module forms the basis of a learning cycle that starts with a workshop for the coaches. We are now almost at the end of the first workshop for the first learning cycle. Soon after this workshop, the coaches will begin working in the field with the business actors of a particular commodity value chain. The idea behind the learning cycles is that each of the agribusiness coaches trained during the workshop will then go on to use their newly acquired competences during coaching sessions with selected business actors in the field. For this to work, such coaching sessions need to be prepared and this is what Session 6 is about.

This session comprises two major steps: Reviewing the various workshop sessions, and then designing Terms of Reference for future coaching sessions. As some of the participants may never have carried out field coaching before, the facilitator-mentor will introduce practical aspects around preparing and implementing a coaching session. Note that according to our approach, the facilitator-mentor should join at least one session in the field to support the coach.

Learning objectives

At the end of the session, the participants will have:

- Reviewed the applicability of the concepts and tools within the framework of their working environments; and
- Developed Terms of reference for conducting field coaching activities with a group of local-level actors that are interlinked with each other within a selected commodity value chain.

Procedure

List of tools/equipment required

- Paper and writing implements
- Flip chart, markers
- Coloured cards
- Sticky tack, pins or tape – depending on the location

Step 1: Reviewing the sessions

1. **Plenary reflection:** Review the different sessions and tools used during this workshop; for each session, note down:
 - what topics were treated and what tools used
 - what did you learn
 - what can be relevant for use and application in the field

			WHAT WILL BE RELEVANT TO BE
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SESSION	TOPIC	WHAT I LEARNT	APPLIED
1.			
2.			
...			

Step 2: Preparing Terms of Reference for field coaching

1. **Plenary presentation by Facilitator:** Present the logic of organising coaching sessions, as a follow-up to this workshop, making sure to include the following points.
 - As coaching is key to supporting a value chain and cluster actors in the field; this means stimulating innovation through collective and experiential learning.
 - This will probably be the first time for the coach to organise a coaching session within the framework of building a local network (ABC) of grassroots-level actors involved in a particular commodity. So the question is of course: ‘where/how’ to start?
 - A good starting point would be a more or less well-defined business idea formulated by one or more business actors; we can call such an actor ‘a business champion’;
 - There might be two situations that are relevant for organising an initial coaching session: (1) a farmer organisation (or group of farmers) wants to sell their produce on the market or (2) an aggregator/processor wants to buy produce (volumes, quality) to sell on the market.
 - The coach should do some initial investigations with the business champion, regarding the business idea: feasibility, competitive advantage, effective marketability, scalability and inclusiveness, meaning to what extent would the business contribute to include small-scale farmers and lower-income communities in the value chain.
 - Of crucial importance is to investigate the champion’s real interest in developing sustainable local business networks and going through a process of setting-up and developing such local network of business and support actors related to the specific commodity and value chain.
 - On the basis of this, the coach, together with the champion, should develop a list of possible interested ‘future’ cluster actors to be invited to the first coaching session. Depending on the specific commodity and situation, this could include representatives of marketing actors, producers, their organisation, aggregators, processors, but also support actors like finance institutions, technical and business support services. It is important to start with a ‘small’ group of 10 to 15 actors that are already in one way or another related to the champion and business idea.
2. **Group exercise:** Split-up into groups to develop a 3 to 4 hour coaching programme (including sessions/steps/activities and tools) for the invited group of local-level actors related to the champion and business idea. The coaching session follows the same principles of adult learning as those of the learning workshops for the coaches. This means that:

MODULE 1

- The coaches must start the coaching session by investigating the actors' current perceptions, knowledge and practices and let them talk about their experiences, problems and challenges.
 - The coach is not there to teach – but to facilitate. The coach picks up on a problem brought up by the cluster actors, and then analyses it with them, to try to solve it together.
 - The coaching programme might involve the following sessions:
 - Reviewing the business idea and the perception/interest of it by the different actors
 - Mapping the local value chain and relationships between the different actors
 - Characterising where dynamics of coordination and competition lie within and among the actor groups
 - Identifying (initial) desired changes
 - Identifying and prioritising needs and themes for future support activities
 - The first coaching session should lead to the initiation of the ABC, led by the champion and involve some relevant value chain actors and support services.
3. **Plenary presentations:** Ask the groups to make presentations of their work, and follow this up with discussions. Be sure that by the end of the discussion, the participants understand that the role of the coach is to lead the cluster actors in such a way that they come up with clear outputs in terms of action points to resolve the problem. Some of these could be put into action on a short term, while others will be subject to more or less longer-term planning.

Session 7: Workshop assessment

Introduction

This is the final session of the workshop. It is good to take a moment to assess the workshop, but if you follow the suggested learning cycle approach, it will become more relevant to complete this assessment at the beginning of the reflection session (following the field work).

Questions that need to be asked during this session are: Did this training session fit the participants' needs and has it satisfied their expectations? Do they now feel able to coach local-level agribusiness actors and to support services and initiate the formation of an ABC?

Objective

This assessment allows the facilitator to find out whether the workshop was appreciated by participants, and will give ideas on how to adjust follow-up workshops if necessary.

Procedures

There are several ways and tools to assess a workshop, from the beginning to its end, and during the sessions as well. Here some options:

- **Review expectations and concerns:** At the beginning of the workshop, each participant wrote down their expectations and concerns; these were summarised and hung up on the wall. The facilitator now reviews these cards and discusses with the participants to what extent their expectations have been met and concerns let go (or dealt with).
- **Review reflection diary:** At the end of each day (even for a 2-day session), the participants were given the opportunity to reflect on what was done during the day in a Reflection Diary. Ask each participant to indicate how well they appreciated each session, why, and if relevant to propose improvements to the content.
- **Final workshop reflections:** Ask participants to either in plenary, or individually, to reflect on how they experienced the workshop.
 - One option: At the end of the workshop, ask participants to fill in the following table – to maintain anonymity and confidentiality, either completed individually on sheets to hand in - or allowing all participants to mark an 'x' on a flip chart sheet on the wall, and to write comments on cards to be gone through by the facilitator.
 - Another option: This could alternatively be done in plenary if participants feel comfortable enough to speak out.

Session/topics	Good	Average	Poor
S0: Introduction			
Session 1: Putting our working environment into perspective			
Session 2: Mapping and analysing a commodity value chain and business networks			
Session 3: The ABC: competition and coordination			
Session 4: Innovation and the role of			

MODULE 1

agribusiness coaches			
Session 5: Building local networks: the key values of the approach and how to facilitate it			
Session 6: Preparation and ToR for field work			
Your opinion of the facilitation			
Give general or specific comments on the workshop			

Advice to the facilitator

An often recurring issue in a workshop is that time is too short to go through all planned activities. This often affects the time taken for assessment. This final part is very important, however. So, do not forget to assess how it is going at the beginning, during, and at the end of the workshop. This will give you very useful information.

Before starting this session, prepare the synthesis on the participants' expectations.

Instruction on group work and exercises

Before starting each exercise and the group work, please verify that all group members have well understood the exercise or the assignment at hand.

To the facilitator:

- Make sure participants are distributed into groups of interest, based on gender, or at random, whatever is needed.
- Make sure each group receives adequate tools and materials such as flip sheets, markers, etc.
- Assign an appropriate place/location to each group and sufficient chairs and tables so that they can work comfortably.
- Make sure the participants have good understanding of the task at hand before they split into their groups so that they do not spend unnecessary time in trying to understand the assignment.

To the participants:

Discuss and exchange within the group about your individual understanding of the expected outputs of the exercise and make sure to come to a common understanding on:

- The objective of the exercise (what is expected and why?)
- How to proceed to answer the question as a group
- How to 'visualise' your findings (using poster paper or pin board and coloured cards or the computer)
- Who to appoint to lead/moderate the discussion
- How and who to present results during the plenary session
- Who will be in charge of the final electronic write up?

Exercise 1

In this exercise, you as participants will visualise (or illustrate) on a poster page “the actual context” in which you operate as a service provider or development worker, by means of a diagram called *Rich Picture*. As much as possible, represent people, place and interests with pictures and avoid using text. Both internal and external forces that influence your work will be included. A very important part of a Rich Picture is to discover the links between actors, products, issues, etc. to get a better understanding of your context.

You have about 15 minutes to make your Rich Picture on the poster page, after which you will pin it on the wall.

1. Read more about Rich Pictures, start by reading Reference Sheet M1/1.
2. For the rich picture, start by putting the element you consider the “central element” of the system you operate in, in the middle (e.g. a particular product). Consider the main geographical features of the context, for example is it mountainous, are there rivers, deserts, forests, fields of crops? Or is it an urban environment? Draw what is relevant as a background. Make a list of ideas or elements (products, persons, structures, processes, institutions, but also problems, challenges.....that you consider to be part of your context environment) in relation to the central part. Draw them in the picture.
3. Think about how these elements or issues are connected to the central element, and also the links between the individual elements.
4. Take each of the secondary ideas or elements and start again identifying other linked ideas or elements. Think of the different existing “levels” (e.g. fields, farm, firm, departments, region, or country).
5. Pin the posters on the wall.
6. Participants present their picture for 5 minutes in a Gallery walk. After each individual presentation, there is an in-depth discussion.
7. Participants move around the displayed rich pictures in an organised way and discuss in smaller groups (3 to 4 persons each) on what you see as the elements of a system.

Exercise 2

After watching the film *'From Golden Grains to Golden Eggs'* in the plenary session split up the participants into 4 groups (of 4 to 5 participants each, ideally).

Part 1a

1. The participants will first view the film *'From Golden Grains to Golden Eggs'* again within their group and, if required, review parts of it in the course of the exercise.
2. Map the value chain(s) and picture the ABC(s) on a pin board; you may use the following procedure (see also the procedure followed in session 2):
 - Brainstorm to identify and list all stakeholders (directly or indirectly involved) in the value chain(s).
 - Brainstorm and list the field of activities/functions and link them to the identified actors.
 - Distinguish between the 'actors' of the value chain and 'other stakeholders' and write down each of them on coloured cards. Select a specific shape and colour for each stakeholder category, i.e. value chain actors and other stakeholders.
 - Position the value chain actors and the stakeholders in a flow diagram from the input supply to the market/consumer functions.
 - Link the value chain actors by drawing arrows between them to show the flow direction of the commodity.
 - Draw arrows to also show the direction of flow of services of other stakeholders to the specific actor to whom a service is provided.
 - The size of the coloured cards can also represent the relative importance of actors, products or services; the size of the arrows can indicate the relative intensity and volumes, e.g. the quantity of products being moved, value addition along the chain, etc.
 - Isolate (an) ABC(s) or even various value chains according to specific market outlet or consumers
3. After the mapping of the VCs and ABC, the group makes:
 - a short functional analysis of the VCs, indicating for the major segments (stages) of the value chain, what is happening: key technical operations, means used and actors involved, and
 - a short organisational analysis, indicating the operations that are interlinked, who acts, how the actors are organised within each segment (stage) and between the segments (stages), how transactions are made, and what type of agreements/arrangements exist.

Part 1b

4. After finishing mapping and making a brief functional and organisational analysis in the groups, pairs of groups share each other's work, and agree on a common vision and mapping of the VCs and ABC.

Part 1c

5. Thereafter, the groups share the two re-constructed maps in a plenary session and highlight

commonalities and differences. The objective is to come to a common understanding and agreement of the VCs and ABC, as were presented in the film.

Part 2

6. Participants continue the work in the same groups. Each group, with the film still in mind, identifies some key examples of competition and coordination – complete the table below:
- among the “same” actors of the ABC (Intra-actor), including any form of vertical integration
 - between “different” actors of the ABC (inter-actor)
 - between ABC (and its actors) and “competing” VC (or ABC) actors (or “Government” sectors)

Fields	Competition	Coordination
Between “same” actors of the ABC (including any form of vertical integration)		
Between “different” actors of the ABC		
Between the ABC (and its actors) and “competing” VC actors (or “government” sectors)		



Exercise 3

Form groups of 4 to 5 participants to exchange views on 'innovation'. Do this as follows:

1. First take 5 minutes individually to think of a concrete innovation in which, in one way or another, you have been involved.
2. Within the group, all present their example of innovation and share experiences.
3. Agree on which example to present in a plenary session. The presentation should deal with:
 - the context in which the innovation took place (conditions, where, what, how, ...)
 - the source of innovation (did the original idea come from the actors involved, or did it originate outside the area?)
 - the type of innovation (technical, organizational/management, institutional, political)
 - actors involved: who, when and how
 - real products or outcomes of the innovation
 - the innovation process: recall ALL essential steps from the original idea to the real outcomes
4. Make a visual report on the innovation.
5. In plenary, the groups present and discuss the innovations.



Exercise 4

1. View the film 'Rising Rice' AND the first part of the animated version of the film (up to time set 5:40) representing the 'mapped version' of the value chain and ABC.
2. Split up into 4 groups (of 4 to 5 participants ideally)
3. In the groups, first watch both the film and the animated video part 1 again and, if required, review parts of it in the course of the exercise. Then proceed through the following steps:
 - Briefly review the functioning and organisation of the VC (and ABC) and identify the major domains of coordination and competition.
 - Identify the areas in which the BSS intervened (what was done), according to the domains of intervention:
 - o among 'same' actors of the ABC, including vertical integration (Intra-actor)
 - o between 'different' actors of the ABC (inter-actor)
 - o between ABC (and its actors) and 'competing' VC (or ABC) actors, including 'government' sectors ...)
 - Identify what could have been done better by the BSS (options/opportunities for innovation in order to improve the competitiveness).
4. Finally, the groups summarise their findings in a table as pictured below and present them in a plenary session, followed by a discussion and a viewing of the second part of the animated video, which summarises some options for alternative BSS intervention.

Fields	What was DONE by the BSS	Opportunities for improvement; for doing better
<u>Between 'same' actors of ABC (including vertical integration)</u>		
Between different actors of the ABC		
Between ABC (and its actors) and 'competing' VC (or ABC) actors (including Government sectors)		

Exercise 5

1. The facilitator first writes out the 3 values of the approach to building local networks (*ownership, empowerment, and sustainability*) on cards, and pins them randomly placed on a pin board.
2. The participants brainstorm on what these words mean to them. Once sufficient points are raised that indicate a certain understanding of the terms, the results are summarised, using the brainstorm output of the participants.
3. The participants are split into groups and continue brainstorming. Each person identifies some of their specific interventions from the past that had a positive or negative impact on any of the 3 values. Share this with the other members of the group, who will challenge you to explain your cases.
4. The participants then write out their 'experienced impact' on coloured cards (green for positive, and red for negative).
5. Thereafter, the participants one by one present their cards and pin them into the (according to the participant) appropriate column (ownership, empowerment or sustainability).

Ownership		Empowerment		Sustainability	
Positive impact	Negative	Positive impact	Negative	Positive impact	Negative

6. A plenary session ends this exercise: the participants in an interactive discussion summarise what is presented on the pin board, so to come to a common understanding. Stress the importance of the BSS having these 3 values in mind while facilitating the approach and providing a service to the ABC.



Exercise 6

This exercise is a role play on the facilitation of an ABC meeting with representatives of producer organisations, processors, traders, bank representatives, and BSS (in the role of the facilitator).

1. Make 6 groups, each group representing an actor of the ABC as follows:
 1. Retailers (a family business with 3 brothers) that were informed about a governmental programme that aims to promote locally produced cereals for a school feeding programme.
 2. Maize producers, organised in a cooperative of 50 members
 3. Processors, an association of 50 women, with a maize mill
 4. Agricultural development bank
 5. Input dealers specialised in providing large quantities of fertilisers
 6. BSS that will play the role of facilitator of the meeting

There are also 3 people who act as 'observers'.

General information

There is a market for 100 tonnes of good quality maize flour (without dirt or stones) per year, to be delivered in bags of 25 kg each to 5 schools, implying 20 tonnes /school/year (or 500 kg in each of the 40 school weeks).

2. Provide each of the six groups of actors with specific information (see below) that is not known to the others. With this information, each actor group will work out its competitive strategy to reach the objective to market 100 tonnes of quality maize flour for the 5 schools, while defending its own stake and interests as an actor.
3. The participants then begin the role play within their 7 groups (6 actor groups plus the observer group), as follows:
 - Each actor group has 30 minutes to work out a negotiation/exchange strategy before going into the ABC meeting. With the specific information, they will have to agree on their expected outputs of the meeting and on how they are going to 'negotiate' to obtain these.
 - The meeting will be facilitated by the BSS and will take a maximum of 60 minutes.
 - The final objective is to commonly agree and plan to positively respond to the market demand.
4. After the role play, the observers present their comments, and start a general discussion.

Specific information to be given to each of the actor groups

Information for the retailers

- The retailers need about 100 tonnes of maize flour on a yearly basis (this is about 2 tonnes per week) to sell to the schools.
- The schools are ready to pay 1€/kg flour but not more. The schools insist on bags of 20 kg and on a good quality/variety white flour without any dirt/contamination.
- The schools are ready to pay 0.9 €/kg to the processors if they are assured of good quality maize flour.

- Schools opt to buy good quality rice (so the retailers could also sell good quality rice instead of maize flour.)
- The retailers can stock a maximum of 40 tons of maize flour.

Information for the processors (women)

- There is now one association of 50 women that has a mill.
- The capacity of the mill is 500 kg of flour/week.
- There are three associations that do not have their own mill. There is no adapted storage place.
- The milling percentage is 60% which means 100 kg of maize yields 60 kg of flour (using the 'old' variety of maize they generally mill). To fulfil the demand of 2 tonnes/week, approximately 3 tonnes of maize are needed (about 170 tonnes of maize for 100 tonnes of flour). How to get this quantity?
- There are many maize producers but there is only one farmers' organisation with 50 members. The women want to sell their flour (good quality, without any dirt) at 1 €/kg; they do not want to go below 0.85 €/kg.
- They want to buy the maize at a maximum of 0.4 €/kg and preferably at 0.25 €/kg. They will need credit to buy the maize.
- There are different banks that can give credit.
- The processors do not want to pay more than 2% interest/month.

Information for the producers

- The producers need to produce 170 tonnes (about 170 tonnes of maize to yield 100 tonnes of flour) to be able to respond to the demand.
- On average, a farmer has an area of 1 ha, which produces 2 tonnes of maize. As they are only 50 farmers, they cannot deliver enough.
- There is one FO (Farmers' Organisation) with 50 maize producers.
- There are producers that are not organised in a FO.
- The FO may opt to increase the yield and they can try to get sufficient produce through increasing the number of farmers in the FO, or they may try both.
- An increase in yield will require an increase of fertiliser. Fertiliser costs 0.6 €/kg on the market.
- The FO does not want to pay more than 0.4 €/kg fertiliser through collective buying; they also want to be sure about the quality of the fertiliser.
- There will be a need for credit to buy this fertiliser. The producers do not want to pay more than 2% interest/month for this credit. There are several banks.
- The producers of the FO want to sell at 0.35 €/kg and cannot go below 0.1 €/kg as then they would lose.
- The producers could produce for alternative (i.e. better paying?) markets.

Information for the input dealers

- The price of fertiliser on the market is 0.6 €/kg but some input dealers agree to sell fertiliser at a lower price (with a minimum of 0.45 €/kg) if the producers buy as a group and if they pay in cash at delivery.
- How much fertiliser are we talking about?
- The input dealers want to get paid in cash but realise this may be difficult for the farmers.

Information for the banks

- One bank is ready to give credits, but there are other banks. The farmers will need credits to buy fertilisers.
- The processors (women) will also need credits to buy the maize from the farmers. The women can stock a part of the maize as possible warranty.
- The interest rate of the banks is 3% per month; they do not want to go beyond 2.5%.

Information for the BSS facilitator

- The major objective of the facilitator is to arrange for a win-win situation for all stakeholders involved.
- They know that this requires trust and confidence.
- They are keen on the 3 values of the approach and want to develop a sustainable ABC.
- Apart from the direct stakes expressed by the different stakeholders, the BSS needs a global view of the institutional environment.
- There is need for a more complete picture of the costs and benefits for each actor. How can the BSS reach its objective? Perhaps by starting small?
- The BSS can ask for support.



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