



Food Security and Agricultural Development



Second Flour Value Chain Coordination Group Meeting

“Food Security and Agricultural Development in the Republic of South Sudan” Identification of Agricultural Value Chains

4/12/2011

Kola Lieta



Table of Contents

1	Background	3
2	Welcome Address	3
3	Official opening	3
4	Process	3
4.1	Review of Commitments	4
4.1.1	Keliko Farmers Association	4
4.1.2	County Agriculture Department (CAD) Morobo;.....	4
4.1.3	Palotaka Basic Seed Centre.....	4
4.1.4	Ministry of Agriculture & Forestry.....	4
4.1.5	Magwi County Agriculture Department	4
4.1.6	Ministry of Cooperatives and Rural Development.....	4
4.1.7	Nyongale Multi Purpose Cooperative Society.....	4
4.1.8	South Sudan Chamber of Commerce.....	4
4.1.9	University of Juba.....	5
4.1.10	Agriculture Development Bank	5
4.1.11	GIZ-Food Security and Agriculture Development Project	5
4.2	Presentations	5
4.2.1	Grain Pro.....	5
4.2.2	The Cassava Project: 'Firm Africa'.....	6
4.2.2.2	Practical Approaches to Value Chain Development.....	7
4.2.2.4	Good Practices for Upscaling Value Chain Development.....	8
4.3	Review of Operational Plan	8
4.3.1	Outcome	9
4.4	Commitments	9
5	Closing	10
6	Annex 1: List of Participants	11
	Annex 2: Workshop Schedule	13
	Annex 3: Background Information on Flour VC	15
	Annex 4: Previous Stakholders Commitments (1 st Flour CG Meeting, September)	16
	Annex 5: Presentation 'Farm Africa' (Jacob Mutemi).....	17
	Annex 6: Presentation 'Practical Aspects of Value Chain Analysis' (Tony Swetman).....	17
	Annex 7: Presentation 'Good Practices for Upscaling VC development' (Margret Will)	27
	Annex 8: Project Operational Plan	32
	Annex 9: Action Plan.....	36

1 Background

This report refers to the proceedings of the 'Flour Value Chain Coordination Group Meeting' which was held at The Grand Regency Hotel, South Sudan on 22 November 2011. The meeting brought together stakeholders to continue the process of change towards developing 'Flour Value Chain' to a targeted goal by the anticipated project end (September 2012).

This report covers all the proceedings from the opening to closing of the workshop, a review of commitments, guest presentations, the question and answer sessions, revision of the project operational plan as well as the commitments entered to by the stakeholders. The workshop attracted around 33 participants. [See Annex 1: List of Participants](#)

2 Welcome Address



Mr. Jurgen Koch, Project Manager of the GIZ-FSAD Value Chain Program addressed all the participants with a warm welcome and re-stated GIZ commitments to ensure every support necessary to all stakeholders to achieve their anticipated commitment goals to drive forward the 'Flour Value Chain'.

3 Official Opening



The workshop was officially opened by Mr John Chuol Dhol, Director General of the Ministry of Agriculture and Forestry; he reiterated the pleasure of being part of the workshop. Mr Dhol informed participants that agriculture as a business requires all actors in the room namely traders, producers, processors the World Bank e.t.c to work together. He recalled that finance is an important area of concern involving government role, farmers, millers, traders, and financiers. Mr Dhol lamented that agricultural activities require money for sowing, seeds, preparing land, harvesting and transporting. He explained that inputs from MAF will focus on priority areas i.e. maize, tools, and fertilizers for value addition, and that processing machines are required in many counties to prevent post-harvest losses. Mr Dhol stated that government budget is not enough hence private sector participation is crucial to facilitate to markets, traders and processors. Finally, he declared the workshop as officially opened and wished a successful outcome to all participants.

4 Process

The planning process was as per the schedule i.e. starting with introduction of all participants, presentation from various stake-holders including GrainPRO and Farm Africa. All participants underwent a schedule of the day's events, the areas to be achieved, followed by a revision of the project operational plan, and commitments. [Annex 2: Workshop Schedule](#).

4.1 Review of Commitments

Stakeholders entered into commitments in the previous meeting which mainly dealt with planning in June 2011. Updates are as follows on the Flour VC. [Annex 4: Previous Commitments made on the Flour VC workshop \(September\).](#)



4.1.1 Keliko Farmers Association

Ambrose Akimu: - obtained land title deed and keen to make representations to financial institutions as 'collateral'.

4.1.2 County Agriculture Department (CAD) Morobo;

Christine Rojo, mobilised farmers and processors for 'roundtable' discussions to bulk the grain. Negotiations were

cordial.

4.1.3 Palotaka Basic Seed Centre

Full details can be obtained from Consultant – Facilitator 'agricultural stakeholders' (FSAD).

4.1.4 Ministry of Agriculture & Forestry

MAF focal person (Mr Gibson Taban) was unwell and absent with apologies.

4.1.5 Magwi County Agriculture Department

Operations were closed in Magwi due to regional clashes.

4.1.6 Ministry of Cooperatives and Rural Development

Lino Lumori highlighted that three dilapidated storage facilities identified in Juba belonging to the state equatoria government are available. Refurbishment works will be required and would urge all stakeholders to show interest.

4.1.7 Nyongale Multi Purpose Cooperative Society

Emmanuelle Baba Alex explained that loan application with the banks is still ongoing. He was encouraged by the construction of a storage facility by the FSAD team.

4.1.8 South Sudan Chamber of Commerce

Anyama Charles informed the workshop that the Chamber of Commerce is three months ahead of its commitment goals and that the chamber in collaboration with the International Finance Corporation (IFC) is in partnership to deliver the business edge partnership training in South Sudan. The business edge program will train six trainers in a 'Training-of-Trainer' (TOT) program to increase access to business training among SME's.

The Chamber in realizing the proposed IFC business edge program will be able to provide T.O.T for selected farmer groups, NGO representation, extension workers, project staff, etc in value chain development and farming as a business (FaaB). This will be in line with the FSAD strategic objectives.

4.1.9 University of Juba

The proposed trip to the focused regions of Yei, Morobo will be coordinated by FSAD to enable the UoJ to carry out soil analysis this will be possible early part of 2012 due to travel commitments by key members of the team.

David Lomeling, Lazarus Lugoi, Dennis Duku and Dr Salah Jubarah had presented a draft on 'Incorporating VC approach into curricula of the College of Natural Resources and Environmental Studies' (CNRES) to the FSAD team. The curricular will be presented to the university senate for approval. The university will require FSAD assistance with content material for lecture/teaching handouts.

4.1.10 Agriculture Development Bank

The bank has been unable to procure the 100 tractors as planned due to regulatory legal framework and incomplete memorandum of understanding with the Ministry of Justice and other co owners of the former 'agriculture bank'.

In principle the bank will offer one hundred tractors, ten per state on a five year lease contracts. Ox Plough will be made available on a fifteen month lease cycle and other financial products will be offered to purchase seeds; for cultivation; weeding; harvesting; inventory loans; and fuel will be made available in kind.

4.1.11 GIZ-Food Security and Agriculture Development Project

Jurgen Koch apologised for the late arrival of the CG meeting notes. Consultant's Margret Will tasked with revising the project operational plan and Tony Swetman with a study of market potential for locally produced flour/oilseeds. The work on the investor's brochure is ongoing and a study tour on worldwide models for appropriate technology is being arranged.

4.2 Presentations

4.2.1 GrainPRO: Improved Storage Systems



Grain Pro offers short and long term storage without pesticides, insect-free, eliminates cost. Featured organic storage systems included (a) Grain Pro Cocoons, (b) Grain Pro Grain Safe, (c) Grain Pro Collapsible Dryer Case, (d) Grain Pro Hermitic Bunkers, (e) Grain Pro Oxygen Meter, and (f) Grain Pro Aflatoxin Test Kits.

4.2.1.1 Question & Anwers / Discussion

After the presentations, time was given for question and answer from all stakeholders. Time was given on a collaborative basis for a general discussion with the presenter and participants.

Raised Questions:

1. If you take off top layer can you re-seal, and is the cocoon very tight for storage?

2. What is the cost of a cocoon and 50kg bag?
3. For the purposes of the FSAD project is the kit appropriate?
4. Are samples available?
5. Please provide full prices of the various kits?
6. The farmers do not have enough money for the complete kit?
7. Can damp/moisture develop?

Answers in brief:

1. The cover can be taken off and re-sealed, different capacities from 5 tons, stored according to capacities.
2. 1'000 tons (\$80,000) benefit equals long term storage.
3. Yes, as communal kit purchases are possible and encouraged.
4. Yes as the kits are mobile from one state to another, dependent on demand. The samples are supplied to FAO but most mainly in Kenya.
5. Will make available prices to the FSAD project team with a full list of the advantages compared to other products.
6. Communal storage is possible rather than individual purposes due to cost.
7. Not possible due to the material content and safeguards.

4.2.2 The Cassava Project (Farm Africa): Opportunities

Jacob Mutima presentation was based on the role of Farm Africa a non profit making organisation encouraging farmers to produce cassava to provide the raw materials to South Sudan Beverages Ltd. [Annex 5: contact details.](#)



The project 'cassava promotion' is partially funded by the African Enterprise Development Fund (AEDF) in close collaboration with SAB Miller / SSBL. Farm-Africa is currently working with over 2,000 farmers in eastern and central equatoria; the project is in its 16th month and provides training to facilitate clean materials to enhance productivity. The project is based in Juba county and a processing machine is now available. The mobile processing unit can be transported to other areas depending on demand (Yei, Magwi).

The concept is that the farmer produces the cassava root, the processor pay the farmer and the cassava is processed into a cake which as a by product can be dried as cassava flour for "posho", and "spaghetti". The project and in time the processing unit would like to expand to other areas of Morobo.

4.2.2.1 Question and Answer's

After the presentations, time was given for question and answer discussion these are summarised below.

Raised Questions/Comments:

1. A very good project illustrating an end user in mind i.e. the buyer (SSBL)?
2. Why are they limited to Juba?
3. Which type of cassava, sweet or bitter?
4. Are the mobile processors in operation?

5. What prices will the farmers get from the processors?
6. Ownership structure
7. Which other states are you involved in?

Answers in Brief:

1. Yes! As the purpose was to encourage farmers to provide raw material of cassava to SSBL;
2. Based on logistical issues a decision was made to relocate further into central and eastern equatorial;
3. SSBL interested in both;
4. The mobile processing units will be in South Sudan next year. Morobo will be a target. The unit processes 2 tons per hour hence farmers must expand production;
5. Prices range from 50-70 dollars per ton for raw materials only i.e. the cassava root;
6. Future ownership likely to be an identified local processor the hope is that the local partner will be local personnel;
7. Entirely dependent on funding but for now in Yei, Morobo and Magwi, the initial aim is to create a market;

In conclusion the guest presenter re-iterated that 'Farm - Africa has two approaches i.e. farm assistance approach and post-harvest solution approach. It's not only an approach for SSBL but for other end users.

4.2.2.2 Presentation 'Practical Approaches to Value Chain Development'

Consultant Tony Swetman specialist in crop processing, visited South Sudan (19 September and 13 October 2011) to assess the possibility for post-harvest interventions in cereal and oilseed crops, he intended to provide guidance to the objectives of GIZ's Food Security and Agricultural Development (FSAD) programme and its operational partners.

The presentation on 'Determining the weight of commodities sold in markets' purposefully looked into why sellers in local and town markets sell staple goods, not in weighed amounts, but by volume in a wide variety of containers. The consultant aim was to determine what the calibration weight of each bucket is and validate it in measured terms to be used by FSAD and others. [Annex 6: Featured Power Point Presentation.](#)

4.2.2.3 Raised Questions / Comments

1. What could the stakeholders do better?
2. Why has a new 'sultana' (bucket) calibration system?
3. In some markets some traders hide the bottom of the bucket?
4. Why not just make use of the existing laws?
5. Some traders 'make more' so difficult to quantify the size of the quantity?



Answers in brief:

1. Would be advised to look into price transactions costs of bags of maize as 'weights'.
2. Once weights and measures comes into place in South Sudan then the universal system can be introduced.

3. It's never possible to cover all options in market research study however having the information sheet can guide for now.
4. It takes a long time to introduce the scales/calibration measurements in an emerging market. The information being gathered is a tool for the FSAD; others may also opt for access in essence providing information for everyone.
5. Yes, that's absolutely true.

Comments in brief:

"The introduction of a developed calibration system is not the appropriate way forward. As laws exist (Weights and Measures Bill) the traders should be encouraged to implement the law. The FSAD approach is unnecessary as it is not encouraging citizens to use proper universal measuring units as required by the laws of South Sudan". 'Chamber of Commerce Agriculture & Industry'

4.2.2.4 Presentation: 'Good Practices in VC Development'

Margret Will, Consultant introduced to the Coordination Group '*Good Practices for upscaling the value chain development*'.

Areas covered were (a) value chain system for competitiveness, (b) South Sudan value chain reality, (c) reducing currently high wastage along the value chain, (d) FSAD's approach to developing good practices for value chain development, and (e) farmers marketing service centres (hubs). [Annex 7: Featured Power Point Presentation.](#)



Margret Will then led members of the coordination group into discussion on areas of the FSAD strategic re-orientation which need to be reviewed and validated by all members of the 'Flour/Oilseed CG'.

4.2.2.5 Comments noted:

Once again participants felt that in order to deliberate on the revision of the operational plan (project) timescale was a factor in that either FSAD should extend the program length beyond September 2012 to incorporate some of the more 'ambitious' targets or lower expectations in terms of achievable targets by the program end date.

4.3 Review of Operational Plan

Jurgen Koch and Margaret Will stressed the importance of highlighting and revisiting what is to be achieved and measuring commitments in the short timeframe of the project.

The participants felt that in reviewing the project operational plan, FSAD should either extend the program length beyond its anticipated end of September 2012 or be more realistic with the 'Result' and 'Activity' areas being focussed on to be realistic targets for September 2012.

[Annex 8: Reviewed Project Operational Plan.](#)

4.3.1 Outcome

The most important output of this planning workshop was (a) the general consensus to review the project operational plan, (b) the commitments for the next two months, and (c) the decision to continue with the review of the project operational plan on the 'Second Oilseeds Coordination Group Meeting'. The project operational plan would be in line with the original 'action plan'. [Annex 9: Action Plan](#).

4.4 Commitments

Stakeholders participating in the meeting and part of the 'Flour CG' entered into measurable commitments based on the reviewed project operational plan for the coming two months, which in turn aim to move the VC forward. Accordingly, the following commitments were noted.

1. Mugabe Benjamin:-to find a solution to maize branding;
2. Morobo CAD: - to mobilise progressive farmers to encourage joining groups and the training (agri-business) of payam extension workers to extend to the Bomas.
3. Nyongale Multi-Purpose Coop Society:- will mobilise more farmers;
4. Keliko Farmers Association:-
 - a. Will work on a first season work plan;
 - b. Arrange for 150 members to only harvest maize each member 2 feddans.
5. Nadia Rosslyn (Yei Business Trader: - committed to training.
6. Ministry of Cooperatives & Rural Development :-
 - a. The ministry in collaboration with GIZ –FSAD will continue to identify viable financial institutions for e.g. farmer's co-operatives to be registered.
7. Baba Francis:-
 - a. mobilise the farmers to convince them the importance of groups;
 - b. To increase from 50 to 100 feddans;
 - c. Currently have 25 men and 5 women will hope to improve the gender imbalance;
8. Clement Paul (EFEAA):- Within the next two months;
 - a. Embark training on 'good agricultural practice' and post-harvest handling (at least 8);
 - b. Each group will have at least 2 days worth of training;
9. Nzara Farmers Association (NARA): - Will increase from 30 to 150 feddans by next harvest;
10. Commissioner of Kajokeji:- Will advice farmers on 'monocropping';
11. David Bala:-
 - a. 3 tractors to hire;
 - b. Will provide 3-9 months training on 'agri-business'; and
 - c. Value chain development introduced and ongoing;
12. Yambio:-
 - a. GOSS will train 5 farming groups to increase feddans; and
 - b. Will engage millers to process enough maize.
13. Yugufe:-
 - a. will cultivate 20 feddans of maize;
 - b. pushing for contract to be signed for those coming to dry maize (Nyongale); and
 - c. Will push for bulking to be carried out locally.
14. South Sudan Business Forum:-
 - a. By January 2012 MAF working group on concessions for VC;



- b. Will give feedback on the national program for VC incentives (1st week of Jan); and
- c. The financial services working group (2nd week of February).

8. GIZ-FSAD will

- a. Provide presentation of Margaret Will project operational plan.
- b. Commit to providing report before Christmas holiday.
- c. Will present the outcome of the study tour for cassava, chipping processing milling.
- d. Present the conversion table and its application.
- e. Develop business plan for the miller.
- f. Model for financing for farmer groups with Equity Bank.
- g. Organise and plan training workshop for traders i.e. farming as a business training.

5. CLOSING

The Flour VC workshop was closed by 17:30 local time. Mr Jurgen Koch thanked all participants for their inputs including Margret Will and Tony Swetman for their expertise and findings. He wished all participants a safe journey home.



5 Annexes

Annex 1: List of Participants



Deutsche Gesellschaft für Internationale
Zusammenarbeit (GIZ)



FLOUR VALUE CHAIN - COORDINATION GROUP MEETING
ATTENDANCE SHEET
VENUE: JUBA REGENCY HOTEL
22ND NOVEMBER 2011

No.	NAME	SEX F/M	INSTITUTION	POSITION	PHONE No.	E-MAIL	SIGNATURE
1.	Christine Rajo Samson	F	AGRICULTURIES	Morobo County, A/Commissioner	090582648 097721568	-	
2.	Jacob Yongo	M	AgIA/Commissioner KNC	AgIA/Com. KNC	0925812815	-	
3.	Mogga Lubang	M	Farmer	Kasutreji Farmer	0991906216	-	
4.	CHENGEI METALORO Paul	M	FFEAA	Director	097711555 Metaloro.clement 7@gmail.com	-	
5.	Ambrost Akumu Simon	M	KELIKO FARMERS ASS. SOCIETY	DIRECTOR	0977294959	-	



Deutsche Gesellschaft für Internationale
Zusammenarbeit (GIZ)



No.	NAME	SEX F/M	INSTITUTION	POSITION	PHONE No.	E-MAIL	SIGNATURE
6.	BARA FRANCIS	M	Jimmy farmer Co-op. SOCIETY	Chair Person	09772066 50	-	
7.	Nadia Roseline	F	Farmer	Trader	0955190772	-	
8.	Margret Wipp	F	GIZ-FSAD	Consultant		margret.wipp @gmx.net	
9.	Benjamin Labida	M	Private	Farmer	0977102603		
10.	Charles Anyama	M	Chamber of Commerce	Consultant	0955027791	masicchals@yahoo.com	
11.	SICHANGI EVANGELINE	F	GIZ-FACILITATOR	FACILITATOR	0955562164	evangelinesich@yahoo.com	
12.	KOLA LIETA	M	GIZ-FACILITATOR	CONSULTANT	09292785 24	lietakola@yahoo.com	
13.	John Christ	M	MAFF/RSS	DA Agric.	0955235979	lcmutzg @yahoo.com	



Deutsche Gesellschaft für Internationale
Zusammenarbeit (GIZ)



No.	NAME	SEX F/M	INSTITUTION	POSITION	PHONE No.	E-MAIL	SIGNATURE
14.	LINO Lumoli	M	MAFCRD	DDIRECTOR	0955204867	—	
15.	Jingen Koch	M	GIZ, FSAD	Project Manager			
16.	James NIKOLE	M	GIZ, FSAD	SME Adviser.	0955314900		
17.	Mugabe Benjamin	M	Thunni Investment Company	Manager	0955318130	mugabebenjamin@yahoo.com	
18.	Aloro Babanish	M	GIZ	Project Office	095511959	babanish@yahoo.com	
19.	TONY SWETMAN	M	CONSULTANT FSAD - GIZ	Consultant	0956144372	Tony.Swetman virgin.net	
20.	Alana Sebit Qwot	M	Palotaka Basic Seeds Centre. MAF.	Farm Manager	0955305360	alana_sebit@yahoo.com	
21.	Emmanuel Baba Alex	M	MYONGALE Multi- purpose Coop Society	Secretary	0977415867	babaemmanuel@yahoo.com	

No.	NAME	SEX F/M	INSTITUTION	POSITION	PHONE No.	E-MAIL	SIGNATURE
22.	Mathias Duki	M	Auguta m. P. C. S. Farmers Ngindo Cooperatives	Chairperson	0977452947		
23.	Bullen N. Murangi	M	Heller WES Yabu	Managing Director	0955342066	binginzd@yahoo.com	
24.	David Beld	M	CIC - YEG	Project pub	0951045978	ctyeg@yaho.com	
25.	KENYI SPENCER	M	World Bank	Consultant	0955188857	Kenyi.spencer@yahoo.com	
26.	Matata Sadi	M	MIOB Goes website	Journalist	0955106400	Matatasadi@yahoo.com	
27.	ALPHA MIKE	M	LIVER'S MEDIA	JOURNALIST	0955088849	a/phs.mike12@msn.com	
28.	MARIO T. MENEZ -NGLOZI	M	IVZAP (NAFA) FARMERS ASSOCIATION	Secretary	0918928738	-	
29.	KAMAL RAJPURDHI	M	Grain Pod Inc USA Pinnacle	Director	0955944657	kamal@	
30.	JACOB MUTEMI	M	FARM-Africa	MANAGER	0955850689	pinnacleruae.com	
31.	UKUWI KIPU	M	SSBF Afro wife LTD	Program Officer	0926540	Jacob@farm-africa.org	
32.	Morris Felix Juma			Managing Director	095141538	goldmarr@yaho.com	
33.	Jessica Kaku	F	FSAD-GIZ	Project Officer	0955104104	jessica.kaku@yaho.com	

Annex 2: Workshop Schedule



Food Security and Agricultural Development Programme



FLOUR VALUE CHAIN-COORDINATION GROUP MEETING

AGENDA

VENUE: JUBA REGENCY HOTEL -DATE: 22ND NOVEMBER 2011

No.	TIME	ACTIVITY	RESPONSIBLE
1.	09:00	Registration	GIZ
2.	09:30	Opening	D/G Mr. John Chuol Dhol
3.	09:45	Introduction	Participants
4.	09:55	Recap & Program presentation	Moderator
5.	10:05	Update on Commitments	Participants & Facilitators
	10:30	TEA-BREAK	
6.	10:45	GrainPRO: Improved Storage Systems	Rep. GrainPRO
7.	11:30	Working Groups: Farming as a business	Ines & Margret
	12:30	LUNCH	
8.	13:30	Amiran –Agrolife: Farmer's Kit	Rep. Amiran S. Sudan
9.	14:15	Practical Approaches to Value Chain Dev't	Consultant Mr. Tony Swetman
	15:15	TEA-BREAK	
10.	15:30	Good Practices in VC Development	Consultant Ms. Margret W.
11.	16:30	Revision of Project Operational Plan	Participants
12.	17:15	Commitments for next CG Meeting	Participants
13.	17:45	Decision on next meeting/Closing	Mr. Juergen K.

Annex 3: Background Information on Flour VC

VC Flour (Maize, Cassava)

- Staple food, widely grown (southern parts), both commodities (and other grains) are low value, high volume, average 1 ha under cultivation, but commercial growers emerge.
- Low margin crops for farmers , net annual income from cassava and maize equally at about 150 US\$ per feddan, about half is sold, half consumed
- Flour producing crops share similar target groups (farmers, millers), supply lines, sales channels and markets, consumers blend different flours for consumption
- High margins for traders, landed cost of Ugandan cassava flour in Juba is around 1100 US\$/t, but sold at 1700 US\$. Maize flour grade 1 is sold at 1450 US/t (landed cost 1000 US\$/t)
- Value addition in processing, packaging and labeling, local production can (just about) be competitive based on current farm-gate, transport and milling prices
- High annual price variations for both commodities, storage can provide value add, better storage for maize imperative
- SABMiller/SSBL cassava beer project: 3000 farmers, currently in test phase, plan to push yield to 15 - 20 ton; commercially viable at 50U\$/t of fresh tubers (current prices are 5 times higher!), test a new technology for rural processing of (cassava cake, can also be input to milling)
- Most farm-side interventions target maize and cassava producers (USAID Farm, GIZ DETA, and others), few target processing and product marketing
- Very "political" commodities, lots of market distortion, commercial approach not always applied and welcome
- Other crops could be added

Annex 4: Previous stakeholder commitments from the first Flour CG Meeting (September).

5.1 Commitments

Stakeholders who have partaken on the planning process have entered into commitments for the coming two months to accomplish some activities to move the VC ahead. Accordingly, the following commitments were captured.

9. SSMDF will develop a guide on how to get SSMDF support and to advocate for agri lending among MFI's during its monthly meetings.
10. Magwi CAD will make sure that farmers have supplied processors with grains from September 2011. The processor to sign MoU with farm groups within 2nd week September 2011.
11. MAF agreed to have available data from the production of grains and cassava.
12. Mugabe Benjamin:-to make available data on the purchase of inputs from farmers groups and production capacity especially in 'tonnes'.
13. Chamber of Commerce:-
 - a. To have at least ten trainers trained in SME Business Management provided by local companies by March 2012.
 - b. Five SME training providers by March 2012.
14. Morobo CAD: - will mobilise more farmers to join co-operative and to supply maize to the processors and take record.
15. Nyongale Multi-Purpose Coop. Society will
 - a. Send two co-operative members to Uganda for training to be drivers and mechanics.
 - b. To set up one USLA for five farmers group.
 - c. To train five farmers groups on flour value chain.
16. Keliko:-
 - c. To secure land title deed
 - d. To work with SSMDF to set up a SACCO with objective of acquiring a micro-agricultural loans.
 - e. To apply for finance with Equity Bank.
17. Agric. Bank :- Commitments ongoing as per previous meeting (June 2011) in the process of procuring one hundred tractors of which ten will be distributed to each state
18. Ministry of Cooperatives & Rural Development :-
 - b. The ministry in collaboration with GIZ –FSAD will continue to identify viable financial institutions for e.g. farmer's co-operatives to be registered.
 - c. Consult further with relevant stakeholders regarding tax exemption.
19. Morobo GIZ: - will collaborate with Morobo CAD to assist with their duties.
20. GIZ-FSAD will
 - a. To distribute the revised OP.
 - b. To present study of market potential for locally produced flour.
 - c. Ongoing work on investor's brochures.
 - d. To make available facilitators to support value chain.
 - e. To provide stakeholders with worldwide models for appropriate technology.



Annex 5: Farm Africa

Mr Jacob Mutemi, <http://www.farmafrica.org.uk/>.

Annex 6: Practical aspects of value chain analysis

Practical aspects of value-chain analysis

Tony Swetman

Consultant FSAD – GIZ

South Sudan Markets

Goods sold by volume in a wide variety of containers

What weight of goods do sellers sell?

What is the price per kilogram?

What containers?

- Glasses
- Glass mugs
- Plastic mugs
- Tin mugs
- Large tin mugs
- Medium tin mugs
- Small tin mugs
- Bowls, basins, buckets, dishes, spoons
- Anything else they can think of

Examples of container



Common bucket sizes



What do they sell?

- Maize in grain form
- Sorghum in grain form
- Other grains
- Maize flour (imported)
- Maize flour local
- Sorghum flour local
- Millet flour
- Cassava – chips and flour
- Groundnuts
- Sesame seed
- Groundnut and sesame seed paste
- Lots of other goods

What does a bucket of maize or cassava flour look like?



How much does that bucket of flour weigh?

FSAD aims to find out

What is the size of that bucket?

Is it the same size bucket in all markets?

What is the cost?

Do they overfill in all markets?

By the same amount?

Why does it matter?

- Value chains are based on prices and weights
- Unless the weight is known, what use is the price?
- Known prices per unit weight allow comparisons to be made both between markets and within markets
- Price per weight also allows margins to be assessed along value chains

So what?

- If a differential in unit price is known between links in a value chain it provides an indication of likely transaction costs
- Provides information to the customer and competitors in the chain
- For FSAD it provides essential information for strategic decisions to be made about resource use and programme inputs

What markets?

Markets to be visited:

- Juba
- Yei
- Morobo
- Kajo Keji

How will this information be gathered?

- All containers in use will be noted and examples purchased
- Volumes will be assessed by weighing water (since the specific gravity of water is one then this will demonstrate the weight of the level volume in the container)
- All container dimensions will be noted

Then?

- All commodities of interest to FSAD will be purchased at all markets using all the containers
- The SOLD weight and the sale price of the transaction noted

Weighing

- The commodity as sold will be weighed using an accurate and precise balance with a certification document issued by the National Bureau of Standards
- The cost per kilogram of the commodity can then be calculated

Use of information

- An information sheet will be prepared for each container being used
- The sheets will be used for reference so that FSAD staff who need to know the weight of a “large tin mug” of shelled groundnuts sold in Konyo Konyo market for example will be able to use it to calculate the cost per kilo
- Each container will have a separate sheet

Information sheet example

SOUTH SUDAN MARKET CONTAINERS: Description, capacity, foodstuffs measured, weight as sold
LARGE KHARTOUM BUCKET - CAPACITY 11298cc



Dimensions (cm): Height: 27.5; Top diameter: 28.5; Bottom diameter: 18.5

Used for selling:

Maize grain - weight as sold: 10365 grams

Sorghum grain – weight as sold: 10576 grams

Maize flour -

Sorghum flour -

Cassava flour -

Updating process

- Sheets will be updated and new sheets added according to the requirements of the FSAD Programme
- The sheets will be made available for other organisations who need to use such information in their programmes
- Will be useful for use in conjunction with the FAO CLIMIS market price information system

Tony Swetman

Email

Tony.swetman@virgin.net

South Sudan phone number

0956 144372

Other topics in Tony Swetman's presentation 22 November 2011

Assistance to Yei Millers as a showcase milling operation

The co-owner has already shown initiative in purchasing equipment and selling the outputs at initial start-up. The factors which prevent him from continuing should be investigated so the mill can continue to function. A preliminary business case indicates that using credible assumptions, a substantial positive margin is possible over a 5-year period. FSAD will provide a short-term specialist consultant with experience in plant layout, service provision and GMP/HACCP systems to examine the maize supply and pricing, transport costs, building costs and materials and so on to provide precise indications of plant viability.

Maize quality

Little is known of the quality of maize along the value chain. FSAD could usefully link with the WFP P4P programme by carrying out a survey in the FSAD target areas of maize along the post-harvest value chain. WFP has the requisite kits for grain quality testing. FSAD could feed into this programme by identifying suitable individuals to carry out the testing, liaising with WFP to training the staff, both in testing and also in where to obtain the necessary representative samples, funding the travel to the areas and collect data, and then to tabulate and make available to all agencies with interest in the field.

The data would give a comprehensive idea of the quality of grains in FSAD areas and identify where interventions could be best placed. For instance moisture content may be high at all stages in the chain. High moisture content can lead to high levels of the mycotoxin *aflatoxin* but not necessarily at the primary harvesting site. Data collected may provide sound indications of where drying activities would be best placed to prevent aflatoxin contamination occurring. This type of approach – Hazard Analysis Critical Control Point (HACCP) would help to ensure that maize quality has the best chance to be assured.

Maize shelling

Interviews with those selling maize in rural areas indicate that maize shelling is carried out by hand. This is an arduous and slow process. There are several maize shellers available to carry out this task. However they all have a cost and need to be imported. Given the low incomes available in the village areas where maize is grown a simple and low-cost sheller would be appropriate. A simple wooden sheller was designed several years ago for use in African rural locations. This wooden implement is simple to make by local craftsmen and is an effective tool. Subject to a positive outcome, several more shellers will be requested and an arrangement made to make them available to villagers.

Grain drying

FSAD will collaborate with the Farmer Based Organizations to promote the use of improved cribs. It must be recognized that a storage crib also performs an **important drying operation** for maize at the farm level by allowing the maize to reach equilibrium moisture content optimally. Monitoring would provide important data for feedback to FSAD to demonstrate the effectiveness of the cribs.

Annex 7: Good Practices for upscaling value chain development



Food Security and Agricultural Development Programme

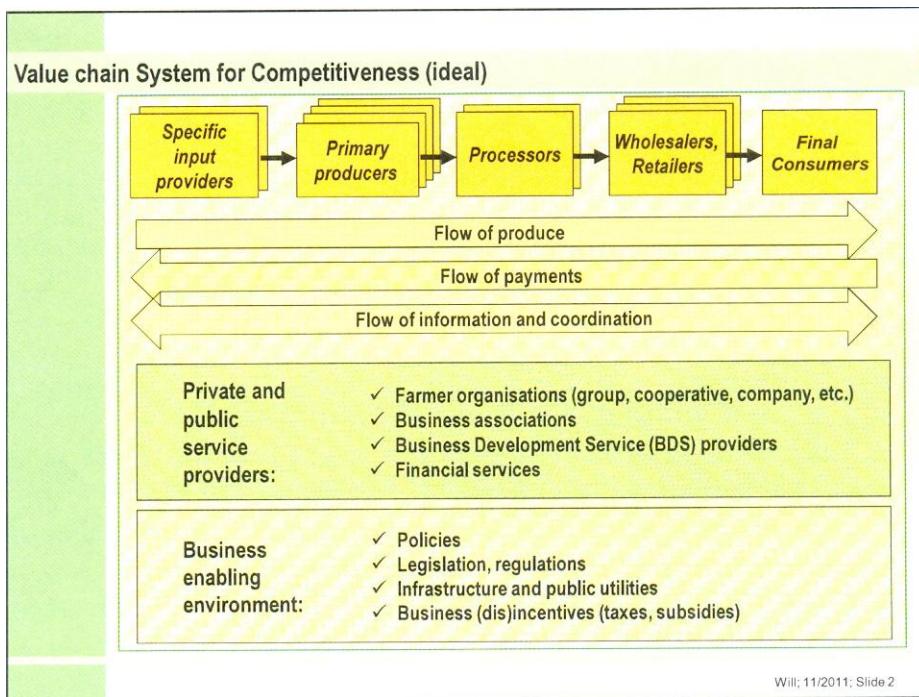
**Good Practices
for upscaling value chain development**
– strategy (slides 5-8) as validated by the CGs –

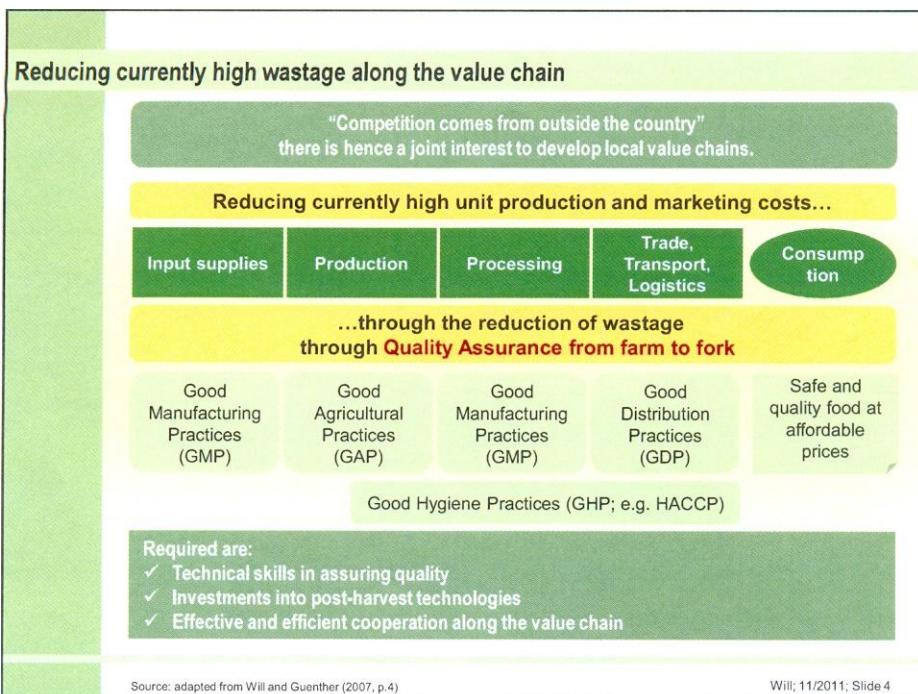
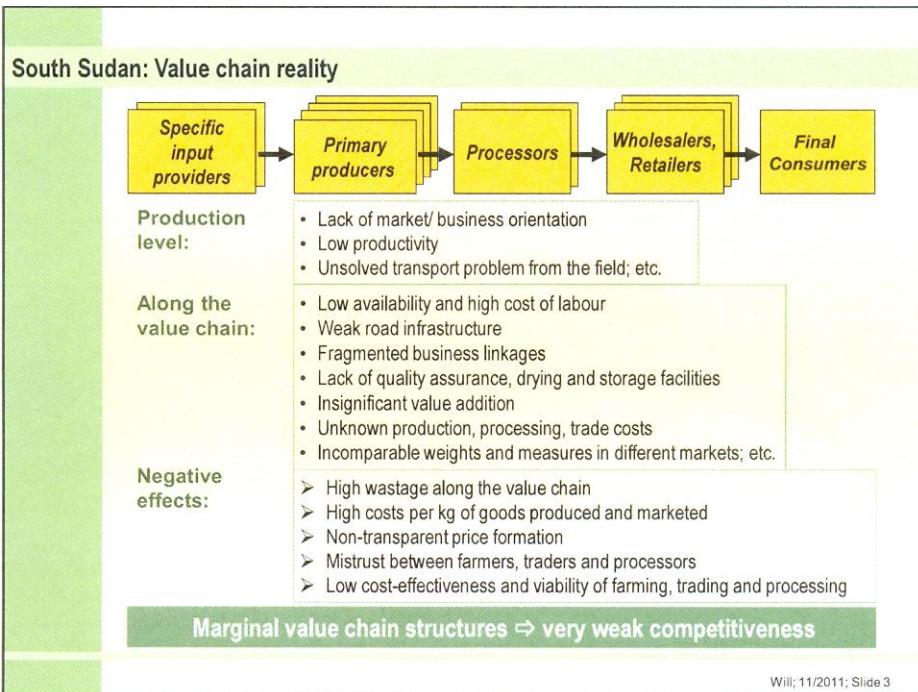
**Flour and Oilseeds Value Chains
Coordination Group Meetings**

Juba Regency Hotel
Juba, 22nd and 23rd November 2011

Margret Will, Consultant

German Development Cooperation
Federal Republic of Germany **giz**





FSAD's approach to developing good practices for value chain development

1. Development of appropriate solutions and success stories (until 06/2012)

Farmers' marketing service centres (hubs):

- ✓ Post-harvest technologies
- ✓ Collection centre and market access
- ✓ Non-financial services
- ✓ Financial services

Market-oriented & more competitive flour and oilseed value chains

Processing:

- ✓ Processing technologies
- ✓ Raw material access
- ✓ Non-financial services
- ✓ Financial services

Wholesale trade:

- ✓ Transport solutions
- ✓ B2B meetings
- ✓ Non-financial services
- ✓ Financial services

2. Good Practice documentation for (until 06/2012):

- ✓ Lobbying for improved framework conditions (e.g. County Commission, SSBF)
- ✓ Identification of and support to appropriate institutions for upscaling

Will; 11/2011; Slide 5

Farmers' marketing service centres (hubs)

1. Selection of farmer organisations already active in collective marketing

2. Capacity building:

- ✓ Farming as a Business
- ✓ Collection centre/ warehouse management

3. Development of a business and investment plan



Improved crib

Farmers' marketing service centre (hub) for collective marketing and other services



Transport solution

4. Farmer organisation strengthening:

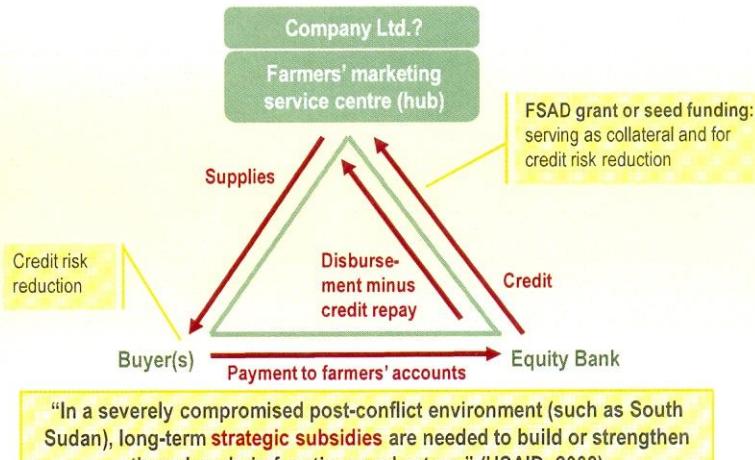
- ✓ If necessary, review of registration (legal form)
- ✓ Internal organisation and management

5. Access to financial services

Will; 11/2011; Slide 6

Farmers' marketing service centres (hubs)

Continued: 5. Access to financial services (initial idea)
(similar opportunities for investment projects of processors and traders)



Will; 11/2011; Slide 7

Recommended strategic re-orientation

Principles for FSAD's support to value chain development

- Adopt approaches that are appropriate for the country's current economic context and the **low-profile development stage of the existing value chains**.
- **Build on existing initiatives to create success stories and derive good practices** for replication (don't start from scratch).
- Support potential investors (farmers, traders, processors) in business / investment planning **cost-benefit analysis and business/ investment planning** (especially in the case of business investments involving credits).
- Identify projects that **promise win-win-solutions for actors along the value chain** to achieve commitment and sustainability.
- Establish **strategic partnerships** with other national and international projects for achieving broader impacts.

Will; 11/2011; Slide 8

Recommended strategic re-orientation

Present results	Results as validated by CG
Result 1: Post-harvest handling improved.	Result 1 (ex result 1): Concept of farmers' marketing service centres (hub) developed and adopted.
Result 2: Information on locally produced competitive and marketable ... products available.	Result 2 (ex results 5&6): Farmers' linkages to traders and processors consolidated for market access.
Result 3: Investment in the value chain increased by improved knowledge of business skills.	Result 3 (ex result 4): Investments into appropriate processing technologies increased.
Result 4: Processing technologies improved and adopted...	Result 4 (ex result 2 and partly ex result 3): Access to support services for farmers' hubs, processing and trade increased.
Result 5: Basic requirements for a marketing body are defined.	Result 5 (partly ex result 3): Access to financial services increased for post-harvest operations.
Result 6: Farmers' access to markets improved.	Result 6 (new): Public-private dialogue for upgrading the flour and oilseed value chains established.

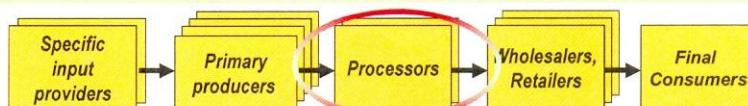
Will; 11/2011; Slide 9

Annex 8: Project Operational Plan

<p>Result 1: Concept of farmers' marketing service centres (hub) developed and adopted..</p>		
	Adapted 1.1	Identify innovative key farmers and farmer organisations and assess their investment and capacity building needs (e.g. transport, drying, storage, packaging).
	New	Create awareness among emerging commercial farmers on opportunities of small-scale „Farming as a Business“ (for the selected farmer groups).
	Adapted 1.3/ 3.1/ 6.4	Realise training, arrange backstopping and monitoring in cooperation with support service providers (see result 4) in: (i) Value chain development, (ii) Farming as a Business (FaaB), (iii) collective marketing, (iv) Good Handling Practices (GHP), (v) storage management, etc.
	Adapted 1.2/ 3.2	Support the development of business and investment plans (using cost-benefit analysis) for transport, drying, storage, etc. and link to financial service providers (see result 5).
	Ex 6.3	Train farmer groups in organisational development for collective marketing.
	New	Derive and document good practice models as a showcase and assure institutionalisation (see result 4) for replication and upscaling (e.g. model business and investment plans; training courses, etc.).
	Will; 11/2011; Slide 10	

<p>Result 2: Farmers' linkages to traders and processors consolidated for market access.</p>		
	Ex 2.3/ 5.1	Conduct a survey on potential of the domestic market for flour products as well as local, regional and international markets for oilseed products.
	New	Develop conversion table for prevailing volume-based measures in different markets into comparable weight-based measures.
	New	Analyse marketing/transaction costs along the value chain.
	Adapted 2/ 4.4	Develop a system for the collection and distribution of information on harvest volumes and qualities of selected farmers' marketing hubs to traders and processors.
	New	Assess needs and support training of traders and processors (e.g. value chain development, finance and marketing management) to feed into their investment and marketing strategies.
	Ex 3.4	Organise business-to-business meetings (B2B) of farmers' hubs with processors (e.g. Yei, Yugufe, SSBL), traders and institutional customers (e.g. WFP, schools) to facilitate contract (informal and formal, possibly with a 3 rd party witness) negotiations.
	New	Derive and document good practice models as a showcase and assure institutionalisation (see result 4) for replication and upscaling (e.g. organisation of B2B-meetings, model supply and off-take contracts, etc.).
	Will; 11/2011; Slide 11	

Result 3: Investments into appropriate processing technologies increased.



New	Identify innovative processors and assess investment and capacity building needs.
Ex 4.1	Conduct study tours (e.g. on flour processing technology) for private sector and policy makers.
Ex 4.3	Assess current processing operations and make recommendations for appropriate business solutions (including financial viability, technical solutions and marketing as well as testing and adaptation of processing technologies).
Ex 3.2/ 4.2	Develop business and investment plans for processing through the engagement of service providers (see results 4 and 5).
Adapted 4.5	Identify and introduce standards for (i) product quality and (ii) weights & measures (local, regional, international standards; e.g. East African Community/ COMESA).
New	Realise training in: (i) business and investment planning, (ii) quality assurance (e.g. GMP and HACCP, including control of incoming raw material, drying and storage operations as well as processing management).
New	Derive and document good practice models as a showcase and assure institutionalisation (see result 4) for replication and upscaling (e.g. model business and investment plans; training courses, etc.).

Will; 11/2011; Slide 12

Result 4: Access to support services for farmers' hubs, processing and trade increased.

Private and public service providers:	<ul style="list-style-type: none"> ✓ Farmer organisations (group, cooperative, company, etc.) ✓ Business associations ✓ Other Business Development Service (BDS) providers
--	---

Adapted 2.1	Upscale existing Market Information System (CLIMIS, CRWR) in further markets.
Ex 6.1	Relate Market Information System (MIS) to media.
New	Realise Training-of-Trainer (ToT) for selected farmer and NGO representatives, extension workers, project staff, etc. in value chain development and FaaB.
New	Support the development of university and secondary school agriculture curricula in value chain development and FaaB.
New	Support the development of embedded services suited to the capacities of farmers' marketing hubs, traders and processors.
Ex 3.3	Contribute to investment promotion in agribusiness through development and dissemination of (3,500) investment brochures.
New	Derive and document good practice models as a showcase and assure institutionalisation for replication and upscaling.

Will; 11/2011; Slide 13

Result 5: Access to financial services increased for post-harvest operations.

Private and public service providers: ✓ Financial services

New	Develop models for co-financing of post-harvest technologies of farmers' marketing hubs (e.g. storage and drying cribs and transport from field).
Adapted 1.2	Link farmers' marketing hubs with financial institutions and support investments into farm technologies (based on the business plan developed; see result 1).
New	Develop models for co-financing selected processing technologies as well as processing and trading operations.
Adapted 4.2	Link processors to financial service institutions and support investments into improved processing technologies and operations (based on the business plan developed; see result 3).
New	Derive and document good practice models as a showcase and assure institutionalisation (see result 4) for replication and upscaling (e.g. models for co-financing; relations to financial institutions, etc.).

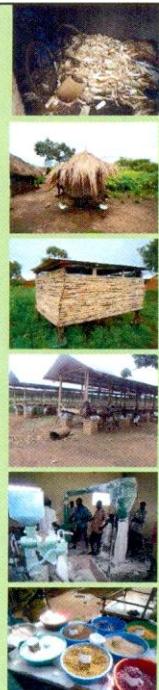
Will; 11/2011; Slide 14

Result 6: Public-private dialogue for upgrading the flour and oilseed value chains established .

Business enabling environment: ✓ Policies
✓ Legislation, regulations
✓ Infrastructure and public utilities
✓ Business (dis)incentives (taxes, subsidies)

Ex 2.4	Assist the South Sudan Business Forum and Chamber of Commerce, Industry and Agriculture in information exchange with value chain actors and policy makers.
New	Assist selected county and payam Agriculture Commissions to coordinate value chain development activities at county and payam levels through public-private dialogue.
Adapted 6.2	Support value chain actors in lobbying at county, state and national levels in the areas of activity of the CGs.
New	Develop good practice principles for upscaling.

Will; 11/2011; Slide 15



Food Security and Agricultural Development Programme

**Thank you
for your attention!**

Annex 9: Action Plan

PROJECT PLANNING MATRIX (PPM)			
Food Security and Agricultural Development Operational Plan for Flour Value Chain		Project-No.: Planning Period: 23 June 11 – 30 September 12 Date of Elaboration: 23.06.11	
Strategy	Objectively Verifiable Indicators	Sources of Verification	Important Assumptions
<u>Overall Goal:</u>			
<u>Project Purpose:</u> South Sudanese stakeholders in the value chain find increasing opportunities in the developing flour market.	<ul style="list-style-type: none"> ✓ 70% of the value chain stakeholders confirm that their business linkages have improved by September 2012 ✓ 40% of the value chain stakeholders confirm that their income has increased by 20% by September 2012 ✓ 50% of the value chain stakeholders confirm increased investment along the chain 		
<u>Outputs/Results:</u> 1. Post-harvest handling improved 2. Information on locally produced competitive and marketable products available for potential investors, farmers traders, and policy makers 3. Investment in the VC increased by improved knowledge of business	1. Indicator for R-1 1.1 Marketable value of harvested products increased by 30% 2. Indicator for R-2 2.1 50% of VC stakeholders elaborated new projects, plans and or products developed 3. Indicators for R-3 3.1 Appropriate investments		

PROJECT PLANNING MATRIX (PPM)			
Food Security and Agricultural Development Operational Plan for Flour Value Chain		Project-No.: Planning Period: 23 June 11 – 30 September 12 Date of Elaboration: 23.06.11	
Strategy	Objectively Verifiable Indicators	Sources of Verification	Important Assumptions
skills 4. Processing technology improved and adopted and – opportunities 5. Basic requirements for a marketing body are defined 6. Farmer's access to markets improved	undertaken 3.2 20 VC stakeholders are using appropriate VC tools 4. Indicators for R-4 4.1 2 major processors are using new technologies 4.2 At least 2 established contracts or contractual agreements with suppliers of raw material in place 4.3 Quality standards are applied 5. Indicator for R-5 5.1 Study with applicable recommendation made available to decision makers 6. Indicator for R-6 6.1 Contractual agreements signed		

Detailed Plan of Operation

Activities	Timeframe	Organization/Person in Charge	Budget
1. R-1 1.1 Identify potential actors for appropriate storage management	By 10/ 2011	<ul style="list-style-type: none"> • MAF, Department of Extension and Post Harvest Marketing • GIZ-FSAD 	
1.2 Facilitate the financing for constructing 3 warehouses	By 10/ 2011	<ul style="list-style-type: none"> • MAF, Department of Extension and Post Harvest Marketing 	
1.3 Introduce improved storage management by training and procedural set up	By 04/ 2012	<ul style="list-style-type: none"> • MAF, Department of Extension and Post Harvest Marketing 	
2. R-2 2.1 Start market information system in at least 2 states 2.2 Develop 20 business cases related to flour VC 2.3 Study market potential of domestic flour products 2.4 Assist Southern Sudan Business Forum and Chamber of Commerce, Industry and Agriculture in information exchange with VC actors and policy makers	By 09/ 2012 By 09/ 2012 By 12/ 2011 By 09/ 2012	<ul style="list-style-type: none"> • MAF, directorate of extension and agricultural statistics • MAF, MoC, GIZ FSAD • MAF, GIZ FSAD • MAF, MoC, GIZ FSAD 	
3. R-3 3.1 Train 40 VC stakeholders on VC development and business management skills	By 02/ 2012	<ul style="list-style-type: none"> • MAF • GIZ 	
3.2 Support potential investors in business plan preparation	By 09/ 2012	<ul style="list-style-type: none"> • MAF • GIZ • MoI 	
3.3 Develop and print 3,500 investment brochures	By 10/ 2011	<ul style="list-style-type: none"> • MAF • GIZ • MoI 	
3.4 Business to business match meetings	By 06/ 2012	<ul style="list-style-type: none"> • MAF • GIZ • MoI 	

Activities	Timeframe	Organization/Person in Charge	Budget
4. R-4 4.1 Conduct study tour on flour processing technology for private sector and policy makers	Fourth quarter 2011	<ul style="list-style-type: none"> • Processors • Ministry of Commerce and Industry, • Financial Institution, • GIZ-FSAD 	
4.2 Facilitate funding of procurement of prototype for improved processing technology	Until 03/ 2012	<ul style="list-style-type: none"> • MAF, • Financing Institutions • GIZ 	
4.3 Testing and adaption of improved processing technology	Until 06/ 2012	<ul style="list-style-type: none"> • MAF • MoC • Private Sector • Standard Measurement Bureau • GIZ 	
4.4 Identify reliable suppliers for qualities and quantities demanded by processors	2 nd quarter 2012	<ul style="list-style-type: none"> • MAF • GIZ • Processor • MCRD • Cooperatives society 	
4.5 Introduce internationally acceptable processing standards (HACCP, Codex Alimentarius for flour products)	3 rd quarter 2012	<ul style="list-style-type: none"> • MAF • GIZ • MoH • MoC • Standard Measurement Bureau 	
5. R-5 5.1 Conduct Market Survey	By 09/ 2012	<ul style="list-style-type: none"> • Cooperatives • MAF • Registered Farmers' Associations 	
6. R-6 6.1 Relate MIS to media	Until 9/2012	<ul style="list-style-type: none"> • Department of Information within the MAF • MCRD • Registered Farmers' Associations 	

Activities	Timeframe	Organization/Person in Charge	Budget
6.2 Train VC actors in using available data for effective lobbying to influence decision making on feeder road rehabilitation	06/ 2011- 06/ 2012	<ul style="list-style-type: none"> • Ministry of Roads and Bridges • MAF • GIZ 	
6.3 Train Farmers' Groups on Organizational Development	By 06/ 2012	<ul style="list-style-type: none"> • MAF • MCRD • Farmers' Unions 	
6.4 Train Farmers on "Farming as a Business"	By 06/ 2012	<ul style="list-style-type: none"> • MCRD • Cooperatives • MAF • NGOs • GIZ 	