



CAVA II

Cassava: Adding Value for Africa Phase II

Cassava: Adding Value for Africa Phase II (CAVA II)

Annual Review Meeting

26-29 January, 2015

Silver Spring Hotel, Kampala, Uganda



IITA
Research to Nourish Africa



CAVA II's seeks to increase the incomes of smallholder farmers and community processors through participation in profitable and sustainable value-added cassava chains in five African Countries



**Well established
cassava sector**

**Less established
cassava sector**

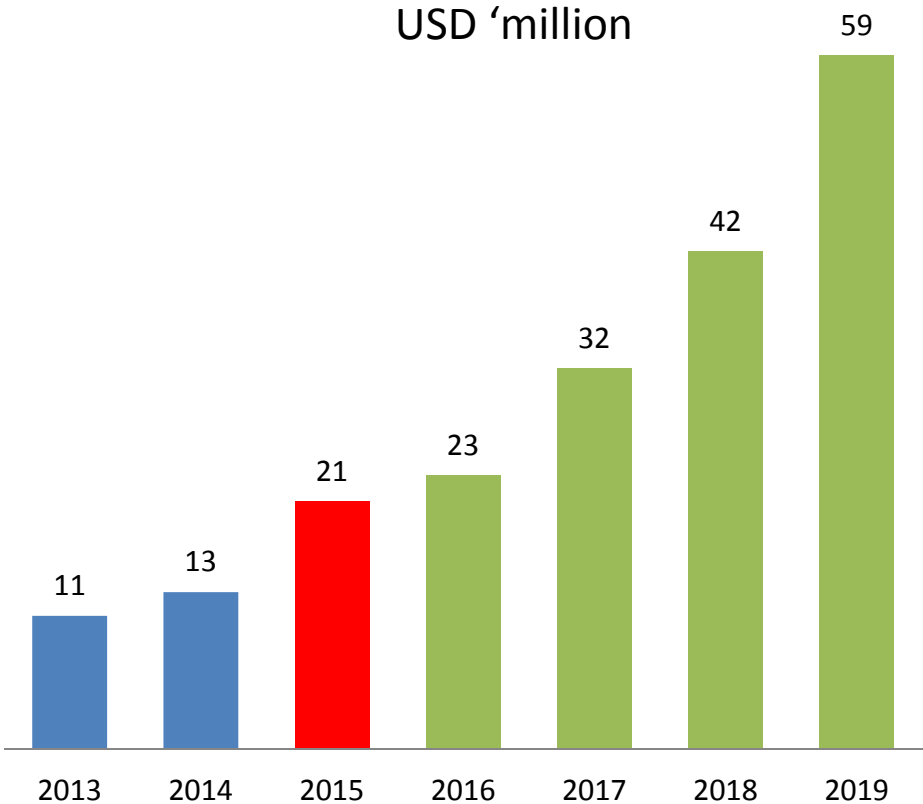
Each country team will:
provide

- some background on how this was done in 2014
- smallholder farmer and/or community processor incomes in 2013 versus 2014

Target countries for C:AVA II

Country teams will also show some emerging evidence that the project has provided the opportunity to contribute to national economic growth in 2014 by:

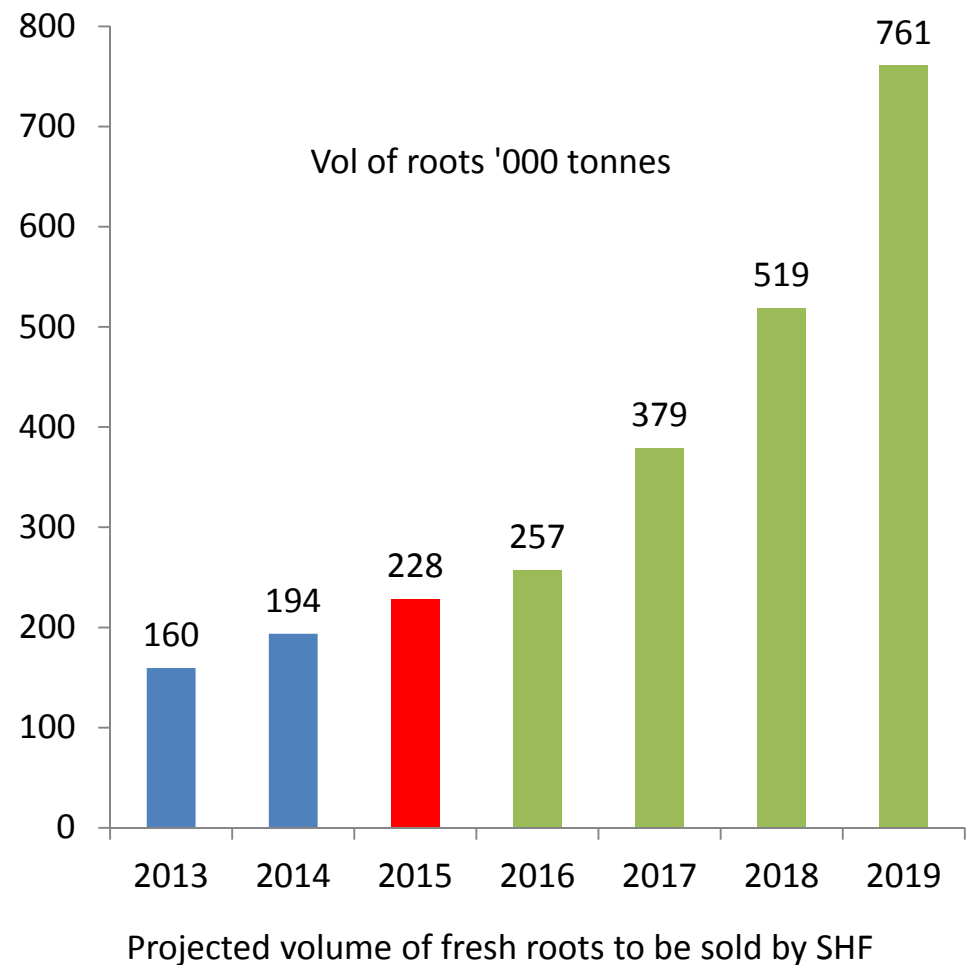
- 1. Improving incomes of SHFs,
- 2. Providing employment opportunities
- 3. Improving balance of payments by reducing imports
- 4. Create demand for appropriate technologies



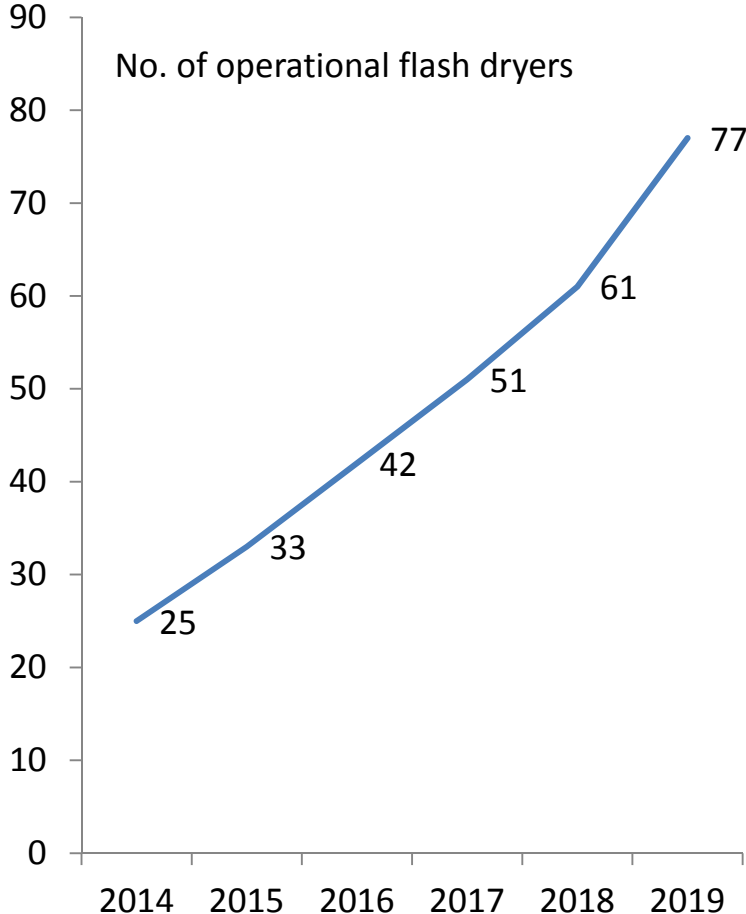
Overall projected impact of CAVA II project

Project will demonstrate progress towards facilitating systems where smallholder farmers sell more than 2 million tons of fresh cassava roots in Nigeria, Ghana, Tanzania, Uganda and Malawi

1. Scaling-out and scaling-up the development of HQCF and IGCF value chains to create a demand for 700,000 tons of fresh cassava roots.
2. New, profitable value chains based on market and investment studies undertaken in C:AVA demanding 300,000 tons of fresh roots
3. Profitable and sustainable smallholder-inclusive supply chains for 470,000 tons fresh cassava roots primarily for large scale buyers
4. Benefit from sales of cassava roots into traditional value chains

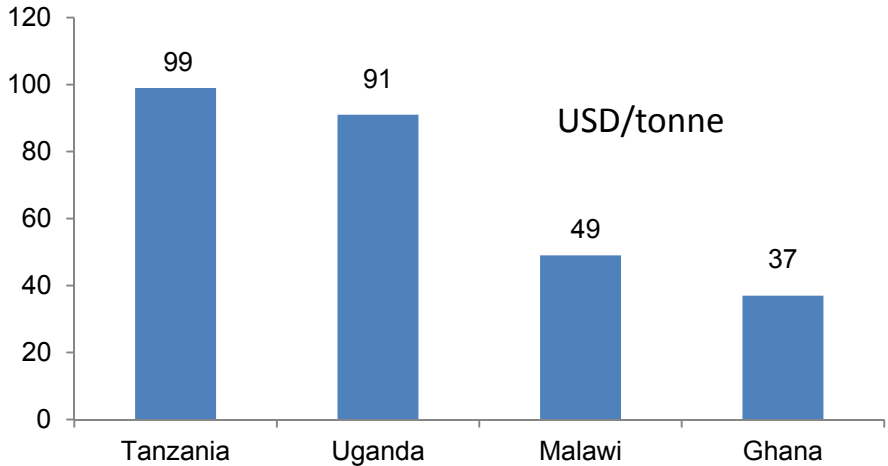


And progress towards facilitating investments in 77 operational, fuel-efficient flash drying (plus 20 bin drying) technology by 2019



Nobex six cyclone flash dryer developed with C:AVA technical support in Nigeria

- 6 Cyclone flash dryer
- Output 330 kg/hr
- Overall operating efficiency of 55% (excellent by industry standards)
- 2.92Mj/kg of HQCF (2.87Mj for primary heat & 0.051Mj/kg for power)
- Cost: ~US\$50,000 per unit



Profitability of flash drying technology in Tanzania, Uganda, Malawi and Ghana
 Note: All profitability models based on flash dryer base cost of USD55,000 plus a minimum of USD15,000 for transportation, installation, and spare parts. Operating model accounts for 2 shifts, except for Uganda (1 shift)

While there is increased interest from producers, processors and end users, access to finance and high production costs remains key bottlenecks

	WHAT IS WORKING	WHAT IS NOT WORKING/KEY CHALLENGES
Tanzania	<ul style="list-style-type: none"> • Increased interest from farmers and farmer groups to grow and process cassava respectively • Stakeholder engagement/linkages across the chain 	<ul style="list-style-type: none"> • Low awareness of cassava processing technology and value added products • Limited access to finance – and high interest rates
Uganda	<ul style="list-style-type: none"> • Increased market interest for cassava value added products from the brewery and bakery industries • Development of partnerships across the value 	<ul style="list-style-type: none"> • Limited access to finance • Low volume production of HQCF – largely driven by limited equipment use especially flash dryers
Malawi	<ul style="list-style-type: none"> • Increased interest from farmers and farmer groups • Presence of knowledge sharing platforms for stakeholders e.g. Root and Tuber Crops Innovation 	<ul style="list-style-type: none"> • High cost of roots – driven by high transport costs • Poor business management skills across SMEs and use of low volume technology e.g. sun drying
Ghana	<ul style="list-style-type: none"> • Significant presence of funding agencies willing to fund investments in the value chain • Renewed interests from the brewery sector 	<ul style="list-style-type: none"> • High production and supply costs for processing cassava • High interest rate from funding agencies
Nigeria	<ul style="list-style-type: none"> • Strong support from funding agencies- Bank of Industry (BoI) and Bank of Agriculture (BoA) etc. • Increased establishment of large scale processors 	<ul style="list-style-type: none"> • Few processing SMEs are proactively accessing the available funding from Bank of Industry • Starch content determination is still a major issue

CAVA II is working to facilitate expansion of profitable sun drying of cassava products in, and beyond the C:AVA project locations

Rural Entrepreneurs (295) profitably and sustainably producing HQCF by 2019

Community Processing Groups (1,015) profitably and sustainably producing HQCF by 2019



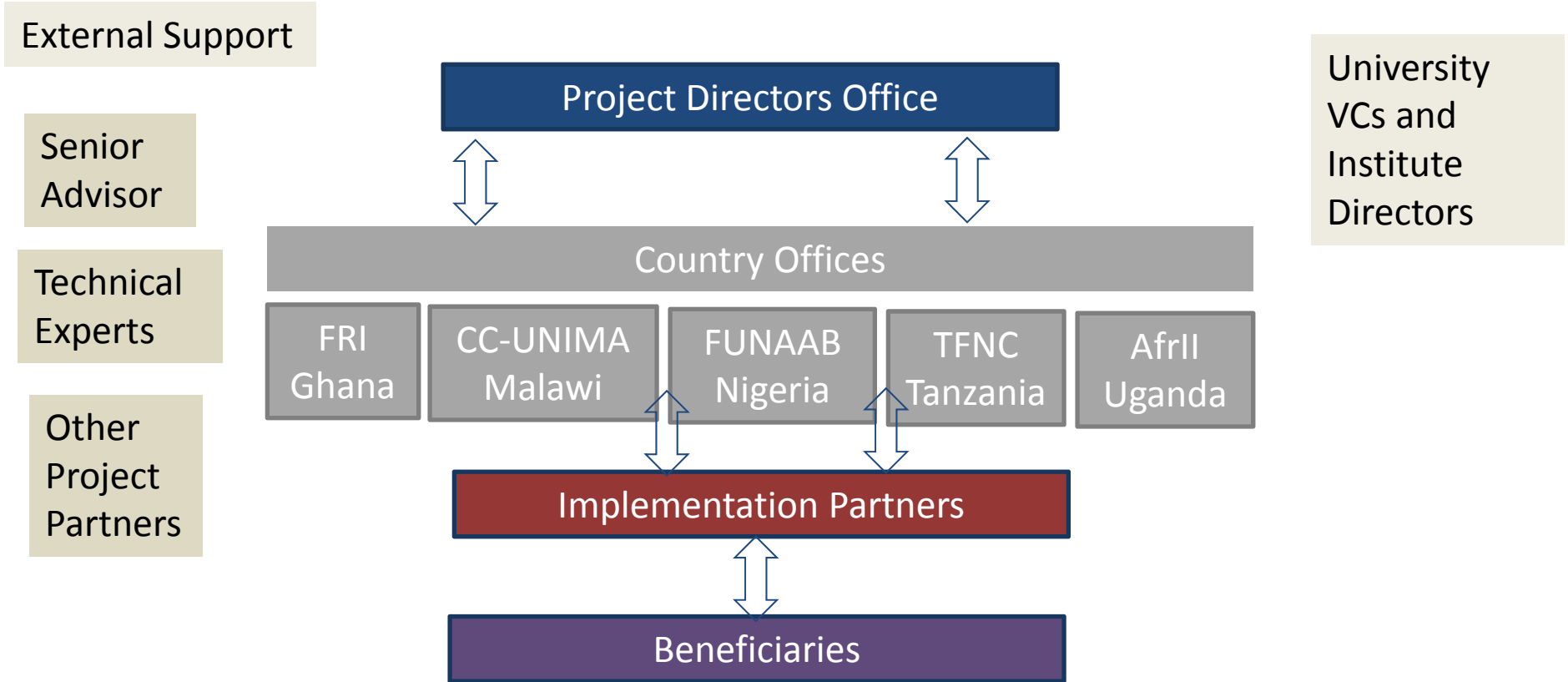
	Nigeria	Ghana	Tanzania	Uganda	Malawi
Locations in C:AVA	Ogun and Ondo States	Volta, Brong Ahafo and Greater Accra Regions	Mtwara Region	8 districts in Teso and Pallisa sub-regions	Mulanje, Blantyre, Zomba, Salima, Nkhoskot a, NKhata Bay
Additional Locations in CAVA II	Southwest, South - South, Southeast and North-Central	Ashanti, Eastern and Central Regions	Lake Zone; Coastal region	Lango and Nalasongola/Nakaseke sub-regions	Nation-wide

CAVA II is developing value chains for cassava-based alternative raw materials

Country	Cassava-based alternative	2014-2019 Projected Market size (tons of fresh roots)
Nigeria	HQCF/Grits for aquaculture feed	120,300
Ghana	HQCF/Grits for pig feed	84,560
Tanzania	HQCF, HQCG Grits for poultry feed	23,571
Uganda	HQCF, HQCG Grits for poultry feed and beverages	58,313
Malawi	HQCF/Grits for poultry and aquaculture feed	17,295

Based of 2013 Market study

Project Management and Coordination now fully in place except for the Ghana country team that is being re-constituted



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Monitoring, Learning and Evaluation structure now in place, but will benefit from sentinel grants intervention from 2015

- Framework for project MLE activities has been developed and being implemented;
- Data tracking template developed and in use by country teams for use in gathering data to monitor progress;
- Digital data capture, storage and management system funding accessed (through the BMGF Sentinel Grants). System to be piloted in Tanzania and Nigeria and rolled out project wide soon.
- Fostered interaction, learning and information sharing amongst country teams.

Sample progress data...so far

Uganda:

- Over 5,000 tonnes of FCR produced for the brewery industry;
- 3700 tonnes of FCR produced by SHF towards the traditional value chains;

Tanzania:

- 1427 tonnes of FCR produced by SHF towards traditional value chains;
- 7 rural entrepreneurs and 15 CPGs produced 350 tonnes of HQCF

Nigeria

- Over 179000 tonnes of FCR produced for targeted value chains;
- 2726 tonnes of cassava root equivalent produced in the starch industry;
- 25 SMEs using flash dryers to produce HQCF

Malawi

- Over 1400 tonnes of FCR supplied to enterprises in the value chain;
- 7973 SHF sold roots to processing plants.

Investments in cassava processing still limited across most countries – very low investments per population across Tanzania, Malawi and Uganda

Country	Current investments							Future investments	
	Estimates of total cassava processing SMEs	# SMEs actively engaged with CAVA	Ratio of CAVA engaged SMEs (%)	Estimates of current value chain investments (\$'000)	Cassava processing investments ratio (\$/per pop.)	# of flash dryers in country	Ratio of flash dryer usage by total SMEs	Projected # of new SMEs to be brought onboard (2019)	Level of CAVA engagement with new investors
Tanzania	14	7	50%	180	< 0.01	1	14%	43	◐
Uganda	22*	22*	100%*	978*	0.03	0	0%	106 (5 flash dryers, mostly sun drying)***	●
Malawi	14	5	36%	1,550	0.09	3	21%	6	◐
Ghana	16	12	75%	9,500	0.35	1	0.06%	4	◐
Nigeria	156	25	16%	51,000	0.28	153**	98%**	15	●

Efficiencies still to be driven in Ghana with sizeable investments but limited flash dryer usage – improved engagement with new investors will be key to turn this around

Notes:

(*) – To be validated

(**) – exact numbers to be validated as most of the flash dryers are idle and not operational

(***) – to be validated but mostly sun-drying SMEs

● High engagement ◐ Medium engagement ○ Low engagement

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