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ENHANCING COMPETITIVENESS IN THE CASSAVA VALUE CHAIN IN GHANA (WACOMP)

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PRESENTATION OUTLINE

- WACOMP project
- Background and Ghana national Outlook
- WACOMP Cassava Clusters: Vision and Joint actions
- UNIDO Strategic Support to the Cassava Sector
- Success Story: Abura Cluster: Enhancing productivity, trust and opportunities



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WACOMP is a partnership initiative between the Economic Community of West African States (ECOWAS) and the European Union (EU).

Funded through a EUR 120 million contribution the 11th European Development Fund (EDF)

In Ghana, the EU is contributing a total of 6,200,000 EURO with other funding support of 150,000 EURO from UNIDO making a total of 6,350,000 EURO of donor fund.

The project started in February 2019 and has a duration of 4 years.



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The programme seeks to improve the competitiveness of Ghanaian exports with a focus on 3 selected value chains:



1. Fruits
(Mango & Pineapple)

2. Cassava &
Derivatives

3. Cosmetics and personal care
products



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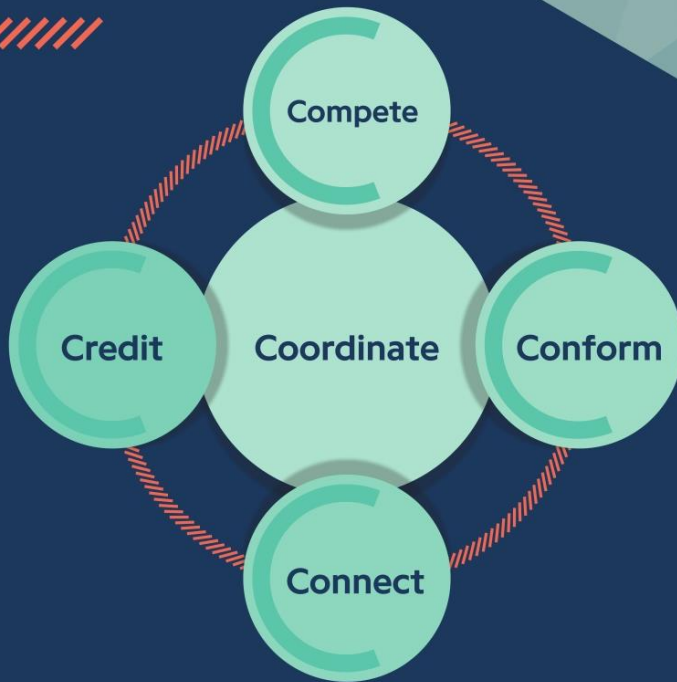


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Building competitiveness for exports



UNIDO's 5 C's of Competitiveness Approach

- **Coordinate:** Promote dialogue and synergies within the VCs through Value Chain Strategic Committees.
- **Compete:** strengthen competitiveness by upgrading SMEs through clusters and networks.
- **Conform:** Support Quality Infrastructure and SMEs to comply with market requirements.
- **Connect:** Promote efficient connectivity to markets (support to market hub)
- **Credit:** Link SMEs to financial institutions to access appropriate and affordable credit schemes.



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BACKGROUND

- Cassava has been an extremely important staple food in Ghana for decades
- It is comparatively, the ***most produced agricultural crop*** by quantity
- It is the **most processed** root and tuber crop with commercial production basis in almost all regions of Ghana
- Cassava is ***mostly cultivated by smallholder farmers***
- It has evolved over the last 3 decades from being a ***famine reserve crop*** to a ***promising industrial raw material***
- Common economic products include Fufu, Gari, Starch, High Quality Cassava Flour (HQCF), Cassava Chips, Cassava Beer, Atieke, Kaklo, Cassava Leaves



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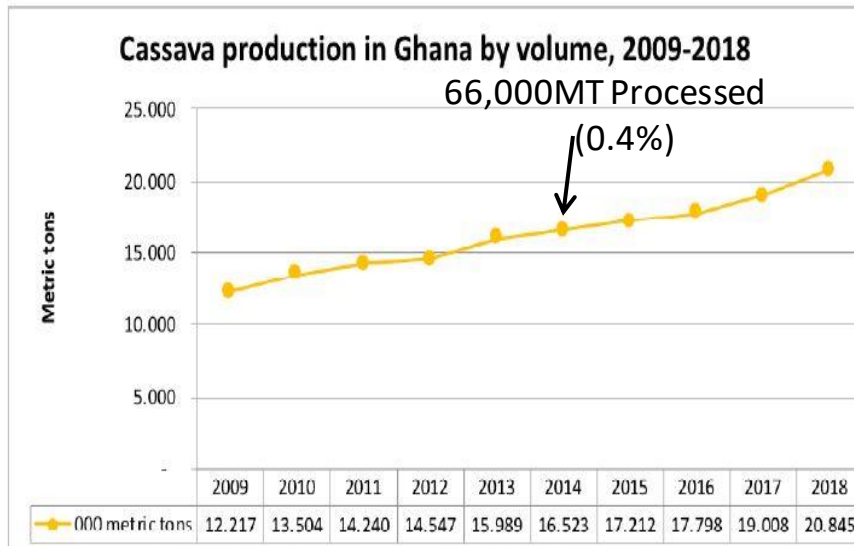


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NATIONAL OUTLOOK

Ghana is **6th** among the top 10 cassava producing countries in the world after Nigeria, Thailand, Brazil, DRC Congo and Indonesia. Angola is the 7th globally and 4th in Africa (FAO, 2019).

Cassava accounts for approximately **22 per cent of agricultural GDP**



Source: Ministry of Food and Agriculture/Statistics Research and Information Directorate (2019)

BENCHMARKING WITH OTHER LEAD CASSAVA PRODUCERS

	Ghana	Nigeria	Angola	Thailand
Variety	Sweet (staple food)	Bitter/Sweet (staple food)	Sweet (staple food)	Industrial crop
Production (million Mt)	20.8	54	9	30
Average Yield (Mt/Ha)	21.3	8.76	13 Estimate	30
Starch Factories	3 Native starch	40 Native starch	0 Government making plans	99 Industrial starch
Exports value	437,000	1.25 million	69,400	888 million



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GHANA IN PERSPECTIVE

WACOMP CASSAVA CLUSTERS

Non-cassava zone

Kintampo-Techiman Cluster

- Gari, Chips, Dough, HQCF, & Industrial starch

Atebubu-Amantin-Mampong Cluster

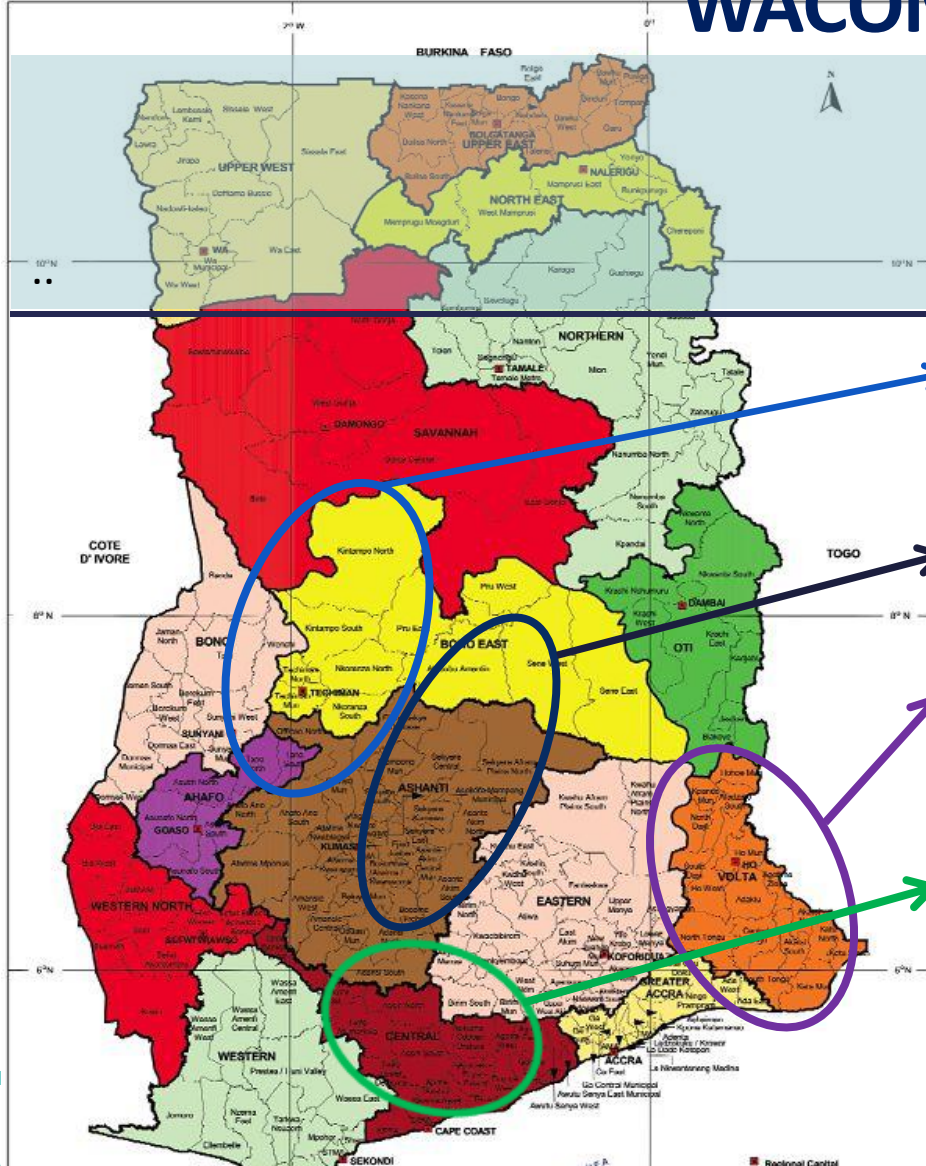
- Gari, Chips, Dough, HQCF, Industrial starch

Volta Cluster

- Ethanol, Starch (native), HQCF and Gari

Abura-Fosu-Bodwease Cluster

- Starch, HQCF, Gari, Industrial Starch





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EXAMPLES of CUSTER JOINT ACTIONS

- Upgrading the capacities of cluster member actors in Good Agricultural Practices (GAPs), Good Manufacturing Practices (GMPs) and quality management systems;
- Training of cluster members in mechanization of cassava production, product diversification, quality improvement, value addition to by-products and certification of products to enhance productivity and product quality;
- Strengthen linkages between producers and processors for market differentiation and better promotion;

OBJECTIVE = improved productivity, improved quality products and enhanced processing efficiency;



Ghana





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STRATEGIC SUPPORT TO THE CASSAVA SECTOR

1. National Cassava Strategy

WACOMP is engaging with stakeholders towards the **preparation of a national cassava sector strategy** to:

- Develop a comprehensive cassava sector **strategy** that addresses issues along supply/value chain
- Provide a **roadmap** for medium and long-term coordinated investments into cassava value chain
- **Identify** outputs & resource requirements; targets & timelines; roles of stakeholders in implementation

Some partners: MOTI, MoFA and Ghana Industrial Cassava Stakeholders Platform.



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STRATEGIC SUPPORT TO THE CASSAVA SECTOR

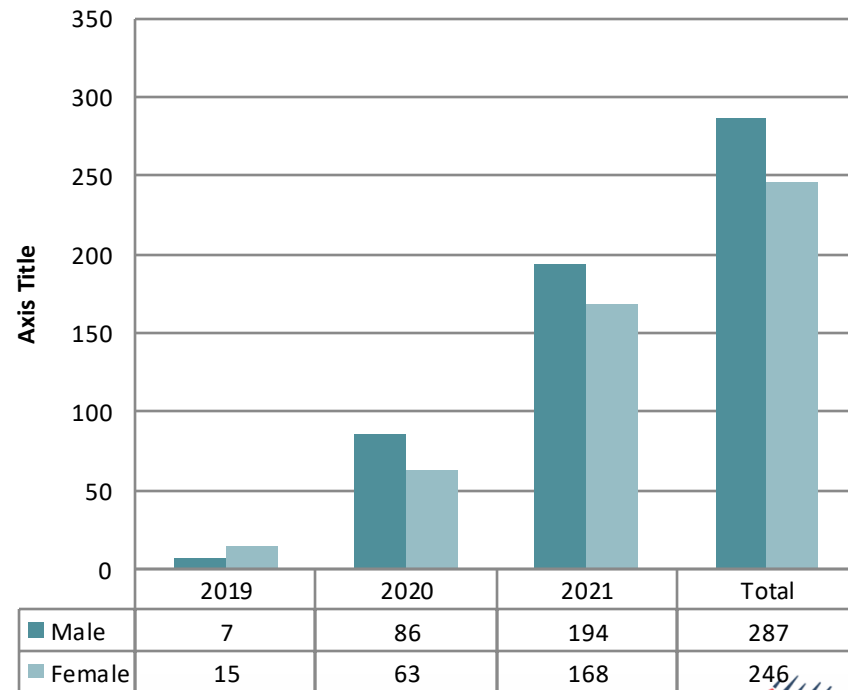
2. Cassava GAPs training

•Low technical capacity of cassava producers = root cause of the perennial low productivity and scarcity of fresh roots for processing

•This has implications for the efficiency, profitability and sustainability of the cassava industry

•WACOMP has therefore prepared GAPs training modules and trained 533 (287 males, 246 females) producers to enhance cassava yields to support industrial processing.

Cassava GAPs Training beneficiaries (2019-2021)





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STRATEGIC SUPPORT TO THE CASSAVA SECTOR

3. Sector Export Marketing Plan

A sector export marketing plan is being prepared with the national stakeholders to identify the gaps, market opportunities and the strategic direction for the sector over the short to medium term

Some partners: MOTI, GEPA, Ghana Industrial Cassava Stakeholders Platform and cassava products exporting companies.

Introduction

- March 2020: Kick-off
 - Good Practices
 - Justification and benefits
 - Process & Planning
- May 2021:
 - Market analysis completed
 - Strategic direction
 - Priority markets
 - Ambition

Thought bubbles: "Where do we want to go?", "What is our place in the world?", "a sense of direction", "a sense of location"

Logos: WACOMP, Ghana

Considerations: Opportunities and challenges

Red circles (Challenges): Competition from Asia and Latin America, Quality - ISO (NFG), Low mechanisation, Food grade, Poor warehousing, Traceability, Poor road infra, High cost of utilities

Green circles (Opportunities): Market diversification, EU tariff Advantage, Proximity, Beyond ethnic sectors, FDI, Least chemicals, Product diversification, Import substitution

Logos: WACOMP, Ghana

Planning

Timeline from March to September:

- MAR:** KICK-OFF
- MAY:** MARKET ANALYSIS (main and growing markets, trends, white spots, competitor performance, access requirements, buyer perception)
- JUNE:** STRATEGIC SESSION (I) (ambition, strategic direction, priority markets)
- JULY:** STRATEGIC SESSIONS (II) (report development, agenda, promotion, interventions)
- AUG:** STRATEGIC SESSIONS (III) (action plans, budgets, stakeholders roles, management mechanism, sustainability)
- SEP:** STRATEGIC SESSION (IV) (formal approval, sign-off, initiate implementation phase)

Participants: UNIDO EXPERT, VCS MEMBERS

Logos: WACOMP, Ghana



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Success Story: Abura Cluster: Enhancing productivity, trust and opportunities

Some challenges of the Cluster before joint action:

Low raw material supplies at high prices

Low Access to credit

Poor cooperation among the actors

Objective of Joint Action:

To strengthen cluster engagement, Increase collective productivity, Ensure economies of scale in production, Access new markets and Enhance the potential for export of starch and cassava flour.





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Success Story: Abura Cluster: Enhancing productivity, trust and opportunities

WACOMP'S Actions:

1. Provision of technical guidance for cluster vision building and action plans preparation
2. Training on Good Agricultural Practices (GAPs)
3. Supply of basic production inputs and improved planting materials
4. Follow up meetings

Positive Outcome of Joint Action for Tropical Starch, a cluster member:

- Cassava producers are supplying 8 tons per day to one of the processors in the cluster;
- No raw material purchase needed from other regions;
- Reduction in production cost for both starch and flour;
- Thanks to efficient supply a freshly signed contract to supply 5 tons cassava starch per month has been increased to 10 tons per month within couple of weeks;
- Based on successful experience, cluster members are developing a more ambitious marketing plan





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<https://wacompghana.org/>

Thank you!
Muito obrigado!

 **WACOMP**
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Ghana

