



Universiteit Utrecht



NWO
Netherlands Organisation for Scientific Research



Ministerie van Buitenlandse Zaken

Solidaridad



Follow the food: Dutch agribusiness and local food security in Ethiopia, Kenya and Ghana



Urban food market in Accra, Ghana (December 19, 2015)

Notes kick-off workshops – multi-stakeholder meetings Ethiopia, Kenya and Ghana November-December 2015

***Kick-off workshops organized and hosted by:
St. Mary's University (SMU) – Ethiopia
Fair & Sustainable Advisory Services (FSAS) – Ethiopia & the Netherlands
Solidaridad – Kenya, Ghana, Ethiopia & the Netherlands
Utrecht University, International Development Studies (IDS-UU) – the Netherlands***

Introduction

The challenge of establishing a global food system that can deliver sustainable and equitable food security for a projected 9 billion people by 2050 has triggered a strong influx of foreign investments in African agribusiness. However, it is still largely unclear how these investments in global food supply affect food security at the local level in recipient countries.

How can foreign agribusiness investments in Africa foster inclusive and sustainable local development, including increased food security, for smallholders and poor populations? This is the central question of the 'Follow the Food' research programme.

As an official launch of our programme in the three countries of focus (Ethiopia, Kenya and Ghana), the 'Follow the Food' research consortium members have organised a kick-off workshop in each of the three abovementioned countries geared to:

- (1) consult and discuss our research programme with local representatives from private sector, government, civil society, and academia (multi-stakeholder meetings, day 1);
- (2) digest the input from day 1 in a research consortium meeting (day 2);
- (3) have interviews with local PhD candidates (day 2);
- (4) visit local agribusiness project (Meru Greens Horticulture Limited, Kenya, day 3).



Multi-stakeholder meeting in Nairobi, Kenya (November 26, 2015)

Follow the food: Dutch agribusiness and local food security in Ethiopia, Kenya and Ghana

Agenda kick-off workshops

Day 1: Multi-stakeholder meetings

- 10:00 – 10:30 Arrival with coffee and tea
- 10:30 – 11:00 Welcoming note – *Director of local host organisation*
Setting the scene – *Dr. Guus van Westen, Utrecht University*
- 11:00 – 11:30 Presentation on the 'follow the food' research programme – *Dr. Bram van Helvoirt, Utrecht University*
- 11:30 – 12:30 Discussion round 1:
Feedback and input from local stakeholders on the 'follow the food' programme – *Chaired by local host organisation*
- 12:30 – 13:30 Lunch break
- 13:30 – 14:00 Overview of agribusiness and food security programmes in Ethiopia, Kenya and Ghana – *First Secretaries Food Security, Embassies of the Netherlands in Ethiopia, Kenya and Ghana*
- 14:00 – 15:00 Discussion round 2:
How can 'follow the food' be connected with existing programmes on agribusiness and food security in Ethiopia, Kenya and Ghana? How can we join forces? – *Chaired by local host organisation*
- 15:00 – 15:30 Wrapping up & closing words – *Dr. Guus van Westen, Utrecht University*

Day 2: Consortium meetings and PhD interviews

- 09:00 – 11:00 Recapturing the input and feedback from the multi-stakeholder meetings: implications for the 'Follow the Food' research project in Ethiopia, Kenya and Ghana
- 11:00 – 12:00 Way forward: next steps to be taken in Ethiopia, Kenya and Ghana
- 12:00 – 12:30 Group preparation for PhD interviews
- 12:30 – 13:30 Lunch break
- 13:30 – 17:15 Interviews with local PhD candidates

Participating organisations

The table below gives an overview of the local organisations that have participated in the multi-stakeholder meetings in Ethiopia, Kenya and Ghana.

Ethiopia <i>(November 30, 2015 @St. Mary's University Main Campus, Addis Ababa)</i>	Kenya <i>(November 26, 2015 @Leon Villas Guesthouse, Nairobi)</i>	Ghana <i>(December 17, 2015 @Solidaridad West Africa office, Accra)</i>
Netherlands African Business Council	Rainforest Alliance	Emfed Farms
CommonSense (G4AW)	Utz certified	Utrecht University (2)
CASCADE project	SCOPEinsight	Cargill Ghana (2)
Fair Planet Ethiopia	Solidaridad East and Central Africa Expertise Center (4)	University of Ghana - Legon (3)
Integrated Seed Sector Development (ISSD) Programme Ethiopia	SoilCares Limited	Kwame Nkrumah University of Science and Technology (KNUST)
Koppert Biological systems	Netherlands Embassy in Kenya	Solidaridad West Africa (3)
ICCO Cooperation	Aqualife Solutions (2)	Netherlands Embassy in Ghana
SNV (IBM Project)	Solidaridad the Netherlands	Root Capital
Soil & More Ethiopia	Fair and Sustainable Advisory Services	Centre for Agriculture and Biosciences International (CABI)
Ethiopian Agricultural Transformation Agency (ATA)	Utrecht University (2)	Civil Society Coalition on Land Ghana (CICOL)
Nutrition Advisory Service to the EU	Sanergy Kenya	Agro Eco - Louis Bolk Institute Ghana
Netherlands Embassy in Ethiopia	University of Nairobi	Addicent Foods Ltd.
Utrecht University (2)		Touton Ghana
EU nutrition program Ethiopia		Ghana Ministry of Food and Agriculture
AgriProFocus Ethiopia		
Horn of Africa Regional Environment Centre and Network (2)		
St. Mary's University (3)		
Solidaridad Ethiopia		
Fair and Sustainable Advisory Services Ethiopia & the Netherlands		

Summary of multi-stakeholder discussions

Welcome and setting the scene

After a word of welcome by a representative from one of the local host organisations (St. Mary's University, Solidaridad Kenya and Ghana) and a round of introductions, the scene for the multi-stakeholder meeting was set by IDS-UU via an introduction into the 'Follow the Food' research project.



Welcome address by Prof. Wondwosen Tamrat, President of St. Mary's University in Addis Ababa (November 30, 2015)

This introduction not only touched upon the rationale, (local) relevance and overall goals of the project, it also highlighted how this project is fitted in the larger NOW-WOTRO Food & Business Global Challenges Programme. Furthermore, the research consortium members in the research project were introduced, as well as their division of labour. Finally, and importantly, the outline and goals of the multi-stakeholder meetings were addressed, so the local participants had a clear view on what to expect and how to contribute to (and gain from) the meetings.



Setting the scene, multi-stakeholder meeting in Addis Ababa, Ethiopia (November 30, 2015)

The key goals of the meetings were: presenting of the 'Follow the Food' project to local stakeholders; gaining input and critical reflection on the research plans by local stakeholders; discuss ideas for the local implementation of the research project (e.g. case selection, local food and nutrition security context, local policy context, etc.); exploring and finding common ground with local stakeholders for future collaboration.

Presentations: (1) 'Follow the Food' research project; (2) Netherlands Embassies' Agriculture and Food Security agendas

The 'Follow the Food' research project was presented by IDS-UU (see slides in annex 1). The presentation served as a more detailed introduction into the key research questions, concepts and methods for the local stakeholders.

As such, it served as the basis for discussion round 1 (feedback and input from local stakeholders on the 'Follow the Food' project).

The presentations by the First Secretaries on Food Security of the Netherlands Embassies gave an overview of their agribusiness and food security agendas and activities in Ethiopia, Kenya and Ghana.



Key discussion points

The first discussion round, chaired by a representative from the local host organization, was all about gaining feedback and input from the local representatives on the 'Follow the Food' research project. The discussions were structured as follows:

- (1) The first half of the discussion was open, to allow local representatives to share their feedback and input on the presented research project;
- (2) The second half was focused around a set of questions pre-defined by the research consortium (see slide below).

Questions discussion round 1

- Research area – prevalence of food insecurity, presence of Dutch agribusiness?
- Sectors/value chains and their relevance to food security in Ethiopia/Kenya/Ghana?
- Food security: pathways and related indicators? Link with nutrition security?
- Which gender issues are important when discussing local food security?

The second discussion round was focused on making the connection with other (research) activities in the field of agribusiness, food and nutrition security, and local development in the three countries. The presentations by the local Netherlands Embassies on their Agriculture and Food Security agendas served as the basis for these discussions. Again, these discussions were partly steered by a set of questions (see slide below).

Questions discussion round 2

- Additional projects (and other, e.g. private sector driven) related to food security in Ethiopia/Kenya/Ghana?
- Knowledge gaps/research agendas in the food security projects: links with follow the food?

Discussion outcomes

Most of the rich discussions were focusing on (the importance of) local contexts and how to properly embed these into the research project. In more general terms, the following topics were put on the table:

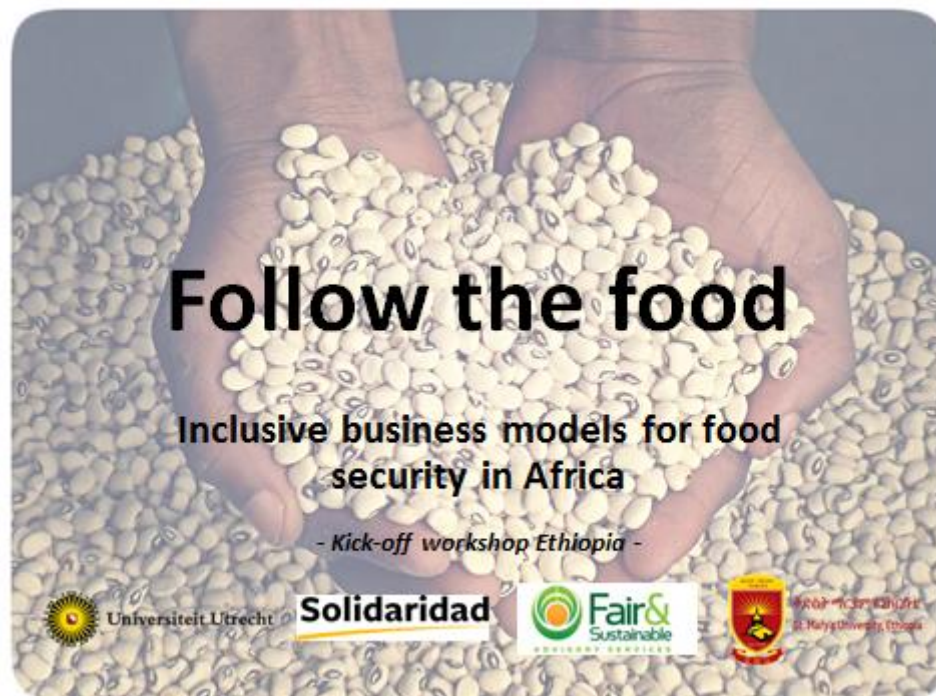
- We should be aware of indirect factors/effects on local food security, not directly connected with foreign investments;
- It may be interesting to include business development services (soil improvements, laboratory services, supplies, technical assistance) in our project overview;
- Nutrition: we have to incorporate this into our research scope. Different types of modernization may lead to income increase, but this does not automatically translate into increased nutrition security;
- We need to have a clear emphasis on food and nutrition security, specifically nutrition and its gender dimension. Intra-household dynamics will be addressed, taking into account the position of women in these households;
- The issue of a generation gap did not come up in Ethiopia, while in Kenya and Ghana it was an important issue (youth in agriculture and agricultural entrepreneurs were often mentioned during our kick-off workshops in Nairobi and Accra);
- Importance –and challenge– of accurately measured impacts, longitudinal dimension bridging time to some extent;
- It may be interesting to combine both business models with direct foreign management and locally managed business. We may include different business models on a continuum from fully commercial to more developmental-oriented PPPs;
- Connection between food crops and cash crops is included in the selection of different value chains, business models and impact pathways;
- The research project is to provide evidence-based conclusions and recommendations for decision makers, private sector actors and development practitioners;
- Location: perhaps not focus on one particular region, but a selection of different projects representing different models/crops that are taking place in different parts of the three countries;
- We talked about food security, but not about the perspective of families that are severely food insecure. For instance, in the case of Ashanti region in Ghana, there may be a low prevalence of food insecurity, but there may be changes in this due to foreign investments (especially when looking at it from gender perspective);
- We have to take into account the position and role of supply chain organizers (e.g. processors, warehouses, etc.).

Consortium meetings

On the second day of the kick-off workshops, meetings with the consortium members were held to digest the harvest from the multi-stakeholder meetings and to discuss how to incorporate this input into the research project. Furthermore, we discussed next steps. It was agreed upon with the consortium members that the first step to undertake would be to conduct a thorough agribusiness investment inventory in the three countries, which will serve as the basis for our case selection. These inventories will be conducted by the local consortium partners.

Additionally, the second day was used for face-to-face interviews with local PhD candidates for the 'Follow the Food' research project. These candidates were invited on the basis of their applications to our call for PhD proposals.

Annex 1 – Presentation 'Follow the Food' project



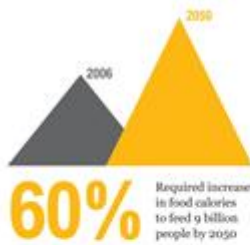
Background

How to meet the challenge of establishing a global food system that can deliver sustainable and equitable food security for a projected 9 billion people by 2050?

THE GREAT BALANCING ACT

The world must achieve a "great balancing act" in order to sustainably feed 9 billion people by 2050. Three needs must be met at the same time.

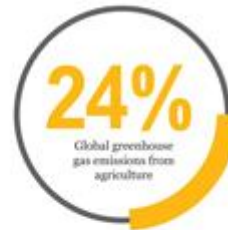
CLOSING THE FOOD GAP



SUPPORTING ECONOMIC DEVELOPMENT



REDUCING ENVIRONMENTAL IMPACT



 WORLD RESOURCES INSTITUTE

Background

Strong interest in business, policy community and civil society to guarantee global food security together with poverty alleviation and enhancing local food security.

In this context, there is a need to make businesses more responsible and search for more inclusive business models.

Background

Encouraged by development policy, international companies and investors (including Dutch) increasingly invest in African agribusiness to contribute to global food security.

'We have an outstanding agricultural sector and food processing industry. We have much experience of agricultural and other logistics, enabling us to contribute to global food security.'

A World to Gain – A New Agenda for Aid, Trade and Investment (DGIS)

Key questions

What are the effects of Dutch/foreign agribusiness investments on *local* food security in Africa (Ethiopia, Kenya and Ghana)?

How can Dutch/foreign companies foster inclusive and sustainable development, including increased food security, for local smallholders and poor populations?

Concept of food security

Food security: food and care-related aspects of good nutrition

Nutrition security: food consumption and how that food is utilized by the body



Sources: LEI Wageningen UR (2015); CFS (2012)

Inclusive business models

A business model is a way in which a company structures its resources, partnerships and customer relationships in order to create and capture value.

The degree of inclusiveness is measured by how ownership, voice, risk and reward are shared between the business partners.

- **Risk:** including commercial (i.e. production, supply and market) risk, but also wider risks such as political and reputational risks.
- **Voice:** the ability to influence key business decisions, including weight in decision-making, arrangements for review and grievance, and mechanisms for dealing with asymmetries in information access.
- **Ownership:** of the business (equity shares), and of key project assets such as land and processing facilities.
- **Reward:** the sharing of economic costs and benefits, including price setting and finance arrangements.

IFAD (2010)

Business models + crops

Pre-selection of business models to be analyzed in combination with different crops, based on their end-market:

(1) Traditional export crops (coffee, cocoa); often produced by smallholders organized in farmer associations or unorganized, but also on plantations.

(2) Non-traditional export crops (vegetables); capital intensive, high potential for employment and income generation. Also destined for local (urban) markets.

(3) Traditional staple crops (maize, sorghum, barley): mostly smallholder production, including subsistence farming, for domestic consumption and processing.

Business models + crops

Comparison of various crops along the domestic – export market continuum.

Crops are pre-selected on importance in terms of numbers of producers, contribution to income and food security, fit with the business models, and involvement of Dutch players.

Impact on food security

The study aims to clarify the links between agribusiness investment and local food security as mediated through:

- (1) business characteristics (i.e. business models and value chain);
- (2) (changing) resource use;
- (3) the functioning of local (urban) food markets.

This implies that we investigate three impact pathways of agribusiness investments on local food security.

Impact on food security

Three impact pathways of agribusiness investments on local food security:

- (1) Impact on local people directly involved in production (i.e. production and/or income effects, market access)
- (2) Impact on local people not directly involved in production, e.g. through changing resource use and land conversion
- (3) Impact on local (urban) food markets and consumers indirectly affected through changing food availability (e.g. product offering and quality, marketing) and prices

Methodology

Methods + level of analysis	Indicators + type of analysis
-Household panel survey* -Interviews with smallholders and workers	-Livelihoods (income, employment) -Ownership – voice – risk - reward analysis (inclusiveness)
-In-depth interviews with smallholders, cooperatives, business owners, experts -Focus group discussions	-Access/use/governance analysis of local agri-food production and natural resources
-Household panel survey* (community)	-Household level food security -Dietary diversity scale
-In-depth interviews with food traders, business owners, experts -Consumer survey	-Urban food market analysis -Consumer analysis (BoP)
-Key informant interviews	-(Comparative) policy analysis

*gender- and generation-disaggregated

Objective and outputs

Enabling stakeholders to make a positive contribution to local food security

Via:

- Improved awareness and understanding of agribusiness investors on their local food security impacts;
- Increased awareness and knowledge of local farmers on inclusive business and trade in equitable and food-secure ways;
- Increased understanding of policy makers, donors and NGOs on the opportunities, limitations and risks of enhancing local food security through agribusiness.

Spurred by the following outputs:

- Toolkit for agribusiness investors: food security risk assessment;
- Practical insights for farmers to engage in inclusive business;
- Recommendations for development policy makers, NGOs and donors;
- Advice for national food security policy makers.