

## Report on the Midterm Review Joint Meeting Food & Business Global Challenges Programme Second Call



Nairobi, Kenya  
16 - 18 January 2018

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## Executive Summary

This report is based on proceedings of the [Global Challenges Programme](#) (GCP2) joint midterm review meeting and the Public Seminar on Inclusive agribusiness strategies held on 16<sup>th</sup> and 18<sup>th</sup> January, 2018 respectively.

### *Overview of the Joint Midterm Review Meeting*

The Joint Global Challenges Programme Midterm Review Meeting by the [Netherlands Organization for Scientific Research \(NWO-WOTRO\)](#) and the [Food & Business Knowledge Platform](#) was held from 16-18 January, 2018 in Nairobi, Kenya as a knowledge sharing platform. It brought together a total of nine fast track (FTR) and integrated projects (IP) funded under the GCP2. The objectives of the meeting were to promote shared learning and exchange based on the projects' findings, and self-assessments of best practices and challenges. To ensure participants got the most out of the meeting, sessions were organised as plenary presentations, panel discussions and breakout group discussions. Each of the projects presented either on preliminary or final research findings in which they showed key activities conducted and results of their studies. Participants also shared lessons learned.

### *Lessons Learned: challenges and best practices*

Challenges experienced by the projects were centred on partnerships and managing teams, navigating differing contexts which came with divergent cultures and attitudes, and government involvement which was seen to cause interference rather than create enabling environments. Overarching best practices emerging from the midterm review which had a broad scope or cut across the different projects brought out some important success factors for projects. Building strong partnerships with stakeholders such as regulatory authorities, communities and even funding institutions was cited by various projects as one of their key best practice. Solid long term planning, and effective communication strategies among team members and partners were also commonly identified as integral practices. In ensuring that projects outlive the initial donor-funded phase, sustainability strategies such as training, inclusion of marginalised groups and knowledge transfer were regularly identified. Co-developing the business strategy with technology also stood out as an important best practice.

### *Inclusiveness Agribusiness Models in GCP2*

The nine GCP2 projects also identified areas of inclusivity in their projects and presented these during an internal pitch on inclusiveness on Thursday 18, January. There were commonalities in a number of projects in terms of their emphasis on the inclusion of women, youth, smallholder farmers and the poor in core activities throughout the value chain, that is, production, processing and distribution. Some projects looked at inclusion from innovative angles, for instance spacial inclusion in the [SUPERSEAS project](#). In breakout group sessions, participants identified communication strategies such as policy briefs, journal articles and multi-stakeholder workshops to share knowledge on inclusive business.

## Table of Contents

Executive Summary.....	i
Table of Contents.....	ii
List of abbreviations.....	iii
Introduction and Background.....	1
Research Findings.....	2
Thematic discussions on preliminary/final research findings.....	6
Best Practices and Challenges.....	8
Thematic discussions on challenges and best practices.....	10
Inclusiveness in Business.....	12
Thematic discussions on cross cutting issues on Inclusiveness in Business.....	14
Wrap up session: Opportunities and initiatives.....	16
Public afternoon on Inclusiveness in Business.....	16
Field visit to Latia Resource Center.....	16



## List of abbreviations

ABM	Agent Based Model
CABE	Centre for African Bio-Entrepreneurship
F&B	Food and Business
F&BKP	Food & Business Knowledge Platform
FTR	Fast Track Project
GCP	Global Challenges Programme
IBM	Inclusive Business Model
IP	Integrated Project
IPS	Industrial Promotion Services
MTR	Mid-Term Review
NWO	Netherlands Organization for Scientific Research
RPG	Role Playing Games
WFE	Women Food Entrepreneurs
WOTRO	A division within the Netherlands Organisation for Scientific Research (NWO) funding Science for Global Development

Tuesday 16 January, 2018

## Introduction and Background

The midterm review (MTR) joint meeting of the Second Call Food and Business Global Challenges Programme (GCP) was organised by the GCP Secretariat (NWO-WOTRO) and the Food & Business Knowledge Platform (F&BKP). It was intended to meet two main objectives which were 1) joint learning, and 2) assessment of progress for GCP2 projects. This report focuses on the first objective of joint learning through sharing research findings, best practices, challenges and way forward. The joint learning was conducted through plenary presentations and group discussions in breakout sessions. Participants of the Joint GCP2 MTR meeting were representatives of nine GCP2 consortia.

### **Welcome note:** *Hannington Odame - Centre for African Bio-Entrepreneurship*

Food and business is an area of great importance in the face of declining global production and increasing food consumption globally. The work done by the GCP is relevant in efforts towards addressing global food challenges. Finally, creativity, communication and trust in policy and institutions are important values in moving the GCP agenda forward.

### **1. Introduction of Food & Business Programme Committee:** *Jose Vogelezang - Topsector and TU*

This session introduced the objectives of the joint meeting as being joint learning and accountability. Feedback was also provided to participants highlighting general observations from their mid-term reports. The reports were considered to have been of good quality, with a lot of information on process but could have been improved by adding quantitative information on food production and planned improvements. Teams could also include information on uptake and next steps after project completion, as well as visualize how their products and results are embedded in the community.

### **2. Introduction of Food and Business Research and GCP:** *Monika Brasser - NWO-WOTRO*

NWO-WOTRO Science for Global Development funds and monitors innovative research on global issues with a focus on sustainable development. In this regard, it manages food and business research through the twin instruments of Food and Business Global Challenges Programme (GCP), and the Food and Business Applied Research Fund. The GCP2 phase focus is on Inclusive Business Models and Regional Trade and Food Security. Under the GCP2 a total of six Integrated Projects (IPs) and 3 fast track projects (FTRs) have been funded against the overall 30 GCP projects.

### **3. Co-creation and Theory of Change:** *Corinne Lamain – GCP programme coordinator - NWO-WOTRO*

Some best practices and challenges have already been identified in the process of working within GCP. The challenges include differing expectations of projects and partners, complex nature of trans-disciplinary and multi-disciplinary collaborations, maintaining research rigor, and difficulties associated with policy engagement. Best practices such as proper utilization of the theory of change, networking and building onto complementary skills, and documentation of collaboration and research uptake can help promote successful projects.

In the GCP approach, knowledge is linked to the food systems and goes beyond scientific evidence to include different dimensions such as geographical and sectoral. Engagement in knowledge may occur through dialogue and partnerships, and knowledge co-creation.

In this approach, the Theory of Change (ToC) framework is used for problem analysis and identification of impact pathway helping define research outputs, outcomes, and impact. By the time of the MTR meeting, all projects had reported on their insights. Mentorship sessions were also held to support participants in output and outcome reporting. Research uptake encompasses all activities integrated throughout the research project. The main strands are context analysis and stakeholder engagement, M&E and communication. Additionally, capacity development for research uptake involves awareness creation to promote peoples understanding of people's needs.

#### **4. Introduction to the Food & Business Knowledge Platform: *Vanessa Nigten – Food and Business Knowledge Platform***

The Food & Business Knowledge Platform (F&BKP) is one of the five knowledge platforms initiated by the Dutch Ministry of Foreign Affairs in the field of global development. It is an independent knowledge broker for food and nutritional security connecting businesses, science, civil societies and policy. It connects knowledge supply and demand of various stakeholders by jointly developing knowledge, synthesizing and disseminating knowledge and professional learning to adapt policy and practices. The goal of the platform in food and nutrition is to strengthen research impact particularly in inclusive business models. The role of the F&BKP in food and business research is first, to develop scope definition and second, enhance knowledge sharing and research uptake through information exchange with networks, co-creation, and strengthening research uptake skills.

## Research Findings

In this session, representatives of six GCP2 IPs and three FTRs presented their key research findings. The presentations were followed by a question and answer session, and important themes were identified for further discussions in the ensuing plenary session.

#### **Presentation 1: Project Title: Women Food Entrepreneurship (WFE) in Peri-Urban Areas in Kenya and Burkina Faso: Building inclusive business models for food security in the city slums of Kisumu and Ouagadougou - *Nicky Pouw- University of Amsterdam***

The WFE project aimed at strengthening women's food entrepreneurship with integrated interactions between soil quality, food production and nutrition quality for vulnerable groups. The project had conducted food and nutrition baseline surveys in both Kenya and Burkina Faso, developed a category index of household food diversity. In both Kenya and Burkina Faso, 13 and 17 soil surveys were conducted respectively, as were water quality tests. Two geological surveys, rock sampling and rock dust analysis were done in both countries. The project also identified barriers associated with women food entrepreneurs' access to processing and marketing opportunities. Preliminary findings showed that soils in Kisumu were richer than expected and water quality was affected by salination. Most of the WFE were found to be survival entrepreneurs with low growth orientation and typically embedded in short value

chains. There was limited value addition (cleaning, drying, and packaging) and little control over prices. Dietary diversity scores showed that WFE had slightly more diverse diets than non-entrepreneurs.

### Discussion

Justification for the focus on soil in the project: There is a link between soil, water quality and food quality. This was an interdisciplinary approach and scientific knowledge was important and related to socioeconomics. Moreover, women's knowledge on soil overlaps with scientific knowledge in some areas, e.g. improving fertility.

### Presentation 2: Improving livelihood by increasing livestock production in Africa: An agribusiness model to commercially produce high quality insect-based protein ingredients for chicken, fish and pig industries (ILIPA) - *Chrysanthus Tanga: International Centre of Insect Physiology and Ecology*



ILIPA project's goal was to commercially produce high quality, low cost insect-based protein for livestock. A socioeconomic baseline survey was undertaken with 1625 farmers. Findings showed that mass rearing of the black soldier fly is possible. Interestingly, more than 70% of farmers were willing to rear insects commercially. A further 80% were willing to buy insect-based formulated feed, and more than 90% were willing to consume poultry products reared on insect based feeds. Feeding trials showed positive growth rate for livestock, and increased egg production. Policy and standards for insect based protein feed supplements in Kenya and Uganda, production of different insect-based feed formulations for feeding trials were developed. Sensitization and training of trainers was done in four counties, including 63 government staff, 8 feed manufacturers and 24 model farmers. Farmer field days involving 277 farmer groups and 4919 farmers were held. There was extensive coverage in 4 major media outlets in Kenya, training of youth entrepreneurs, and enrolment of 5 masters students studying the value chain.

### Discussion:

Business angle of the project: The use of low cost and locally available material for production helps lower startup capital.

### Presentation 3:

#### Project Title: Information transparency system as a low cost scalable solution to farmers' access to credit and services in Ghana - *Diana Kos: Wageningen University*

The project aimed at testing whether an information system could help farmers get access to finance by reducing transaction costs, moral hazards and risks at low costs on a large scale. Partial data collection with a baseline survey of 1503 farmers, and 2 field experiments were conducted. Findings show that there was a high uptake of savings accounts especially by young farmers. Female farmers were more likely to take up the savings facility, but there was very low use of this facility. There was however continued use of mobile savings accounts.

#### Discussion:

Existing savings and investment models for cocoa farmers: saving is mainly done through informal models especially local money lender (SUSU) where borrowers pay back every week. Investment is concentrated in cocoa and other non-farm activities.

#### Presentation 4:

**Project Title: Supermarket supported area-based management and certification of aquaculture in Southeast Asia (SUPERSEAS) - Mariska Bottema: Wageningen University**

The SUPERSEAS project assessed a risk sharing model for sustainable aquaculture and engaged with the Asian supermarket sector to explore how vulnerable producers and consumers can benefit from risk reduction. Preliminary findings showed considerable variation in the types of area-based approaches utilized. There was also little experience and knowledge about risk transfer around aquaculture in South East Asia. Other findings showed zero successful aquaculture insurance initiatives; potential for risk transfer by insurers and financiers in and outside aquaculture value chains; more risk driven collaboration in open systems, environmental risk management was still very individualistic, and external actors played a prominent role in eliminating certain risks.

#### Discussion.

Insurance and savings can be considered to be ways of dealing with risks. It needs to be determined the scale of production at which it makes sense for the farmer to insure crops in order to benefit.

#### Presentation 5:

**Project title: Follow the food: Dutch agribusiness and local food security in Ethiopia, Ghana and Kenya - Ellen Mangnus: Utrecht University**

The project assessed the effects of Dutch investments in agribusiness models in Africa. It found that setting up a successful business always involves exclusion, particularly of the poorest. Inclusive business models (IBM) are promising, but only if certain preconditions for inclusivity are met e.g. deliberate targeting of poor farmers in trainings. Achieving food security in the short term can come at a cost of achieving food security in the long-term. Assessing direct impact of inclusive business overlooks unintended effects. Evaluations should take into account unintended spill-over effects.

#### Presentation 6

**Project Title: Local and international business collaboration for productivity and quality improvement in dairy chains in Vietnam, Indonesia, Tanzania and Kenya (LIQUID) - Jos Bijman: Wageningen University**

The LIQUID project was intended to improve quality, productivity and inclusiveness in dairy value chains by studying the impact of various business models and quality systems through multidisciplinary research, international comparisons and combining academic research with capacity building. Creating awareness among government and cooperative authorities about the role of women in the dairy sector was found to be imperative. Farmer collaborations / cooperatives were highly appropriate for quality improvement since they had proper incentive structures. Production in the informal value chains was risky since farmers did not invest in quality improvement, although there were no differences in quality and safety practices between formal and informal value chains. Formal systems were likely to be more sustainable

because of the inbuilt business support systems. Sustainability of dairy farming was important in distinguishing the different zones and typologies based on the differences in distances between the farmer and the processing unit.

### Discussion

- Women's perceptions on inclusion in the value chain: It is important to get the perceptions of women and provide services or products they are interested in
- Determination of quality standards was done using international benchmarks
- Incentives are important in encouraging participants to take part in trainings

### Presentation 7

**Project title: Assessing the learning effects of games on attitude of stakeholders towards sustainable shrimp farming in Mekong Delta in Vietnam: ALEGAMS – Arend Ligtenberg: Wageningen University**

ALEGAMS project aimed at assessing the learning effects of combining role playing games (RPG) used for Agent Based Model (ABM) on farmers knowledge, attitude and adoption on related technologies and policy makers knowledge and opinion. Activities undertaken included developing monographs of the study, role playing and gaming expert workshop, and completion of the final version of the RPG. Preliminary findings showed that role play games were an effective participatory model for engaging farmers. However, learning through trainings was less effective owing to the limited accessibility and relevance of teaching methods applied. Farmers had different degrees of risk taking and therefore designing RPG was an interactive process that required their active involvement. Combining RPG and computer simulations was found to be promising. Other findings showed that: academicians were not the best farmers, farmers were responsible for the farming systems they chose, and made decisions as the behaviour in the simulation process changed. Finally, RPGs were considered to be effective participatory models of engaging farmers.

### Discussion

Risk perceptions may differ in games and real life. The study did not explore risk perceptions in real life situations. Further research is needed to understand how programmes and policy practitioners can make use of RPG in policy development. There is also need to study different cohorts during the RPGs.

### Presentation 8:

**Project Title: Aquaponics Ethiopia: Developing a business model for sustainable implementation of small scale aquaponics systems for improving food and nutrition security of rural and peri-urban households in Ethiopia – Abebe Tadesse: Debre Berhan University**

The project aimed at increasing the production of fish and vegetables through transfer of prototype aquaponics system to rural households in Ethiopia. It developed three aquaponics systems in three different regions. The models paid particular attention to inclusivity of women and youth. Findings from this project indicated that all three business models were economically viable, but that reinvestment of proceeds from the sale of fish was a challenge to farmers.

### Discussion

- Affordability of the aquaponics systems to small holder farmers: The systems were affordable to farmers who can also obtain micro-loans from the government against savings. However, an evaluation of startup costs was necessary.
- Feasibility of aquaponics in Ethiopia: Ethiopia has low fish production and faces land scarcity, which are some of the issues the project is trying to address hence its success.

#### Presentation 9:

##### **Project Title: Bringing food security to scale in East and West Africa: Understanding and supporting the role of inclusive innovation intermediaries in inclusive business networks - Peter Wachira: University of Nairobi**

The project aimed at enhancing the understanding of the roles of intermediaries in creating viable and scalable inclusive innovations on food and nutrition security in developing countries. Most intermediaries were found to be foundations (44%) or private entities (24%), with high dependency on external funding. Majority of the intermediaries help the private sector in adapting the high end market solutions to low end users. They provided support in the early stages of partnership development and innovation and provided services related to market analysis, network building, getting embedded locally. However, it was found that structured market analysis were rarely used in extracting data, and that cultural differences affected operations. Additional findings showed that businesses developed some governance structures to facilitate decision making and reduce conflict, and that public partner performance in most cases had been poor. The private sector eliminated intermediaries to deal directly with the public sector, and scaling was generally a challenging.

#### Discussion

- i. Typology or classification of intermediaries: Classification is done based on the nature of work e.g. agents/brokers linking the private sector to funding sources or users. Additional analysis could be done by differentiating by type of intermediary.
- ii. Further discussion should be had on the spread, brand orientation, scale and scope.

The main themes emerging from this presentation session were risk transfer and investment strategies, direct and indirect contribution to food and nutrition security, role of intermediaries, role of technology in promoting inclusive business models, and regulations.

#### Thematic discussions on preliminary/final research findings

In this session, group discussions were held based on five thematic issues emanating from presentations and discussions in the research findings session. The themes were 1) risk transfer and investment strategies 2) direct and indirect contribution to food security 3) role of intermediaries 4) role of technology in promoting inclusive business models (IBMs), and 5) regulations. Group representatives presented the feedback in plenary.

##### **i. Risk transfer and investment strategies**

Risk transfer strategies such as savings, insurance and price control help mitigate against losses. Different investment strategies apply for banks and insurers on the one hand and farmers on the other.

Information transparency from suppliers on historical prices and operational details could enable investors estimate and mitigate against risks. Women inclusion was also considered to be a business reinvestment strategy. Farmers can safeguard their investment through income diversification. However they still face challenges of land scarcity and access to credit. Supply chain partners have a role in inclusive business, though this may create problems of over-dependency on one buyer.

## ii. Direct and indirect contribution to food and nutrition security

The focus is primarily on the direct effects of inclusive business projects without consideration for indirect effects such as change to cash crops which reduces availability of food crops, increasing dependency on external inputs, price distortions, low quality products in the local markets and employment creation. Indirect effects could be addressed through participatory assessments with community; and integration of area based approaches in making choices on the trade-off between inclusive business strategies and poverty alleviation strategies. Government involvement is also crucial in addressing these indirect effects.

## iii. Role of intermediaries

Intermediaries were considered as critical friends in business. Institutional, social entrepreneurs and state intermediaries are all evidence of the diverse nature of intermediaries. While engaging with intermediaries, credibility, legitimacy, level of authority were critical aspects to take into account. The timing of engagement is an important aspect to avoid replication of efforts by many actors. Regulations were imperative in governing participation of intermediaries in IBMs. It was also important that suppliers take responsibility for some since buyers disproportionately absorb a lot of risks.

## iv. Role of technology in promoting inclusive business models

The role of technology should be viewed from both technical and social perspectives. Technology incorporates both top-down and bottom-up approaches, but this may not always be the case. Sustainability of technologies beyond the project duration may be enhanced through co-ownership of knowledge and resources, and ensuring economic viability. Technology used in IBMs should be Adaptable, Affordable and Applicable (AAA) and should engage leaders, champions and ambassadors who are critical in mobilization or obtaining buy-in. Long term impact should be evaluated, possibly 3-6 years after the end of the project.



## v. Regulations

The scale of regulation, whether at local or national level, is important in product and process improvement. There is need to improve and realign informal types of regulations with formal regulations. Formal regulations create avenues for market opportunities and promote regional brands. Regulations on subsidizing inclusive business lack appropriate governance structures. It is left to individual countries to formulate relevant legislation and provide suitable inclusive business environments.

## Best Practices and Challenges

### **Presentation 1. Project Title: Women Food Entrepreneurship in Peri-Urban Areas in Kenya and Burkina Faso: Building inclusive business models for food security in the city slums of Kisumu and Ouagadougou**

*Hannington Odame – Centre for African Bio-Entrepreneurship*

*Best practices:* Working with existing WFE groups; use of evidence based capacity building and communication tools; and cross fertilization between women’s knowledge and scientific knowledge.

*Challenges:* Researchers’ assumptions on soil fertility were proved to be false; rural-urban food linkages

*Discussion:* There were changing scenarios and dynamic contexts of operation. For instance, arable land is now being used for construction.

### **Presentation 2: Improving livelihood by increasing livestock production in Africa: An agribusiness model to commercially produce high quality insect-based protein ingredients for chicken, fish and pig industries**

*(ILIPA): Jonathan Munguti – Kenya Marine and Fisheries Research Institute*

*Best practices:* i) Food safety guarantee was a key concern among consumers ii) Nature of projects required use of Training of Trainers (ToTs) for dissemination of information iii) Effective use of local and international media was useful in creating awareness of insect- based feed iv) Choice of partners is important and can determine the success or failure of a project. For example the Kenya Bureau of Standards assisted the project to achieve the standards required in the country, and v) Regulatory issues and managing inputs play a key role in scaling up production.

#### **Discussions**

- Project inclusivity: In the third phase the project will have the market components which link up smallholder farmers to institutions and establish micro-enterprises. The project will work with actors in the market to address issues of market access.
- Trainer of Trainers model: The project trains ministry heads who then train model farmers feed manufacturers, and government extension workers.
- Business case for investing in the model: There is a high profit margin and evidence of benefits, such as improved quality of feeds.

### **Presentation 3: Information transparency system as a low-cost scalable solution to farmers’ access to credit and services in Ghana** *Diana Kos –Wageningen University*

*Best practices:* Having a lot of partners and clear task separation made it possible to divide and conquer.

*Challenges:* There were delays in information system development and data collection.

*Discussion:* Data privacy was maintained and only information on whether farmers were saving, and how often they did was captured.

### **Presentation 4: Follow the food; Dutch Agribusiness and local food security in Ethiopia, Ghana and Kenya – Maru Shete Bekele –St. Mary’s University**

*Best practices:* planning for long term evaluation in order to evaluate both intended and unintended consequences of large investment models.

**Presentation 5: Supermarket support area-based management and certification of aquaculture in Southeast Asia (SUPERSEAS) – Simon Bush: Wageningen University**

*Best practices:* The project had a direct line with funders, was opportune, provided PhD opportunities and had high level engagements with stakeholders which were considered best practices.

*Challenges:* Having the project as a formative idea in a region without many area-based approaches, and engaging people with limited knowledge on aquaculture insurance. There was also difficulty gaining commitment from producers due to their perceived minimal benefits from the project. They were also reluctant to share data. However, opportunity costs to them in the long term may be high.

**Questions:**

**How do you manage challenges of mobilizing and working with partners?**

It is a challenge and not all partners are supportive in this. The reason for having a broad range of actors was that it was not disruptive, but only few committed. It was difficult to engage at the producer level because these actors already have personalized relationships and were difficult to streamline into the project.

**Presentation 6: Local and International business collaboration for productivity and Quality Improvement in Dairy chains in Vietnam, Indonesia, Tanzania and Kenya (LIQUID) - Jos Bijman Wageningen University**

*Best practices:* Approaching the project from a business perspective, and having an opportunity for internal discussions on inclusiveness.

*Challenges:* Changing business interests of partners over time, and gaining access to particular data from organizations. The project found that although capacity building may occur, it is mostly targeted at 'own' groups. There is however a window of opportunity to extend the business' perceptions of inclusiveness. Businesses are also starting to do more on women inclusiveness.

**Presentation 7: Assessing the Learning Effects of Games on Attitude of Stakeholders towards Sustainable Shrimp Farming (ALEGAMS): Tran Thi Pung Ha - Can Tho University**

*Best practices:* Good long-term planning from the beginning; regular contacts with team on progress focusing on the deadline; good communication; timely Mid-Term Stakeholder Meeting

*Challenges:* High attrition rates; farmers were more interested in technical training than in playing games; some found the games difficult and benefits not clear; finding updated data of the farming systems; and bureaucratic government processes; disinterest from government staff in learning farmers' attitudes; funding challenges as the temporary IUCN grant came to an end interrupting project activities.

*Discussion:* Implications for attrition could be eliminated by having a large sample at baseline. Determination of the level of simplicity of the games was done through testing by researchers and farmers, and adjustments were made severally after trials in the field.

**Presentation 8: Aquaponics Ethiopia: Developing a business model for sustainable implementation of small scale systems improving food and nutrition security of rural and peri-urban households in Ethiopia – Maja Slingerland – Wageningen University**

*Best practices:* Supporting the practical aspects with research, co-developing the business environment with technology, development of centers of expertise to support project results in future, and setting up of a multilingual website with practical information.

*Challenges:* Guaranteeing availability of inputs in the Ethiopian context. It was not easy to transform from project to business, but this challenge was addressed by selecting motivated women and youth and building their capacity to become suppliers or entrepreneurs.

*Discussion:* In order to motivate the locals to take up entrepreneurship, they need to be shown the link to income. The aquaponics technology is new in the Ethiopian context and faces resistance in uptake. Technology needs to be market driven to overcome such challenges. Government involvement was weak and appeared to be driven by (mis)conceptions of international actors or researchers by locals.

### **Presentation 9: Bringing food security to scale in East and West Africa: Understanding and supporting the role of inclusive innovation intermediaries in inclusive business networks - Peter Wachira: University of Nairobi**

*Best practice:* Remaining focused on objectives; use of technology at every opportunity; awareness of cultural differences between teams and organizations.

*Challenges:* Like the ALEGAMS project, this project also experienced challenges in inconsistency of donor / partner support as funding ended mid-project; managing team since members are dispersed and in different countries; collecting and analyzing qualitative data in context which differed across different countries; political instability and policy changes affected suppliers e.g. policy requiring coffee farmers to sell all their produce to county government despite pre-existing contracts.

*Discussion:* There is a long duration between research and rolling out information to stakeholders at policy level. This should be addressed at project design stage with consideration for any unexpected changes that may occur in the field. Also develop dissemination mechanisms such as policy briefs, and training modules.

## **Thematic discussions on challenges and best practices**

Four thematic areas were identified in the challenges and best practices presentation session for further discussion. These were: 1) post-project sustainability 2) knowledge sharing 3) scaling and generalization, and 4) navigating cultural differences. Representatives of the groups then made panel plenary presentations.

### **Discussion 1. Post project sustainability**

Sustainability can be enhanced through developing an exit strategy which involves having a transfer of ownership plan and setting up of institutional frameworks in advance. Projects need to be aligned with the interests of business partners, and the project may call for more partners to pool resources.

Need to be careful, built on local partners- local strategic partners. However, the consortium should be kept small and limited to committed partners. Partners could also be engaged at different stages as need arises. Different agreements could be formulated for different aspects of the project.



### **Discussion 2: Knowledge co-creation with other partners, including private sector partners**

Different partners are involved in knowledge sharing including granting agencies, academic intuitions, NGOs, and businesses. These have different interests and timelines hence the importance of discussions on assumptions and managing expectations of partners. Intermediary results such as literature reviews, market studies, value chain analysis, sector analysis, videos and workshop reports are all useful avenues for sharing progress. Researchers can further familiarize partners with research process, and create a feedback loop with them. Importantly, research rigor should be maintained against partner demands. A suggestion was made to develop a code of conduct for co-creation.

### **Discussion 3: Scaling and generalization**

Projects undergo three key phases, which are research phase, pilot phase which could include working with model farmers, and dissemination. Resources are required for effective scaling. After proof of concept, the project should engage relevant stakeholders and private sector actors in addressing challenges. An effective strategy would be to identify a sphere of influence. Policy makers may not require prior proof of concept. Scaling up does face limitations in the form of globalization, political engagement, and dependency. Sustainability is a pre-condition for scaling up.

### **Discussion 4: Navigating cultural differences**

Cultural differences exist through different typologies, such as business/science, different languages, different disciplines, and local/scientific knowledge. While businesses are oriented towards profit goals, science is oriented towards academic rigor which may require proof of concept. In terms of sharing information, business may be concerned about money and thus do not share information whereas science produces knowledge and updated information. To navigate these cultural differences various strategies were identified.

- i. Have more business to business approach in organizing meetings to transact and interact
- ii. Develop a multi-disciplinary approach to identify the differences upfront and address the cultural differences
- iii. Assess the impact of sharing data and agree on intellectual property rights
- iv. Address cross cultural differences and find a balancing point
- v. Funding pegged on certain cultural aspects is still a challenge.
- vi. Where language differences exist, there is need to be considerate of other people's culture

Thursday 18 January, 2018

## Inclusiveness in Business

Facilitator: *Jose Vogelezang - Topsector and TU*

The session began with a key note, followed by representatives of the 9 GCP2 projects presenting pitches on inclusive business aspects of their projects. Based on this key themes on Inclusiveness in Business across projects were identified and discussed.

### Key note by Guus van Westen – Follow the Food project

Inclusive business models - The inclusion of poor/marginalised in core activities in a company

Inclusive models in production – (as opposed to inclusive consumption). Means including produces in commercial value chains, meaning increased competition and selectivity. Ultimately leads to exclusion by definition. To what extent should be place emphasis on business to deal with poverty.

Inclusive business policy – regulation of targeted poverty alleviation. State can play an important role. Funding and subsidies also key in support to IBM. But if it undermines the long term poverty outcomes it can be effective.

Are IBMs key to solving food security? Interaction between three factors to lead to food security outcomes:

- Value chain
- Business model
- Local context

### Presentation 1:

**Project Title: Women Food Entrepreneurship in Peri-Urban Areas in Kenya and Burkina Faso: Building inclusive business models for food security in the city slums of Kisumu and Ouagadougou – Hannington Odame - CABE**

WFE project promotes inclusivity starting with women in production, processing and marketing. It recognizes that women have experience and knowledge to be able to solve problems facing them. It employs the sustainability approach from a social, environmental, and economic perspective, and runs through the entire value chain. Vulnerability in women results in difficulty in accessing markets. There is however heterogeneity in women, and some are likely to move up the value chain.

### Presentation 2:

**Project Title: Improving livelihood by increasing livestock production in Africa: An agribusiness model to commercially produce high quality insect-based protein ingredients for chicken, fish and pig industries (ILIPA) – Marcel Dicke: Wageningen University**

Food is produced as waste, and is used by farmers to produce protein. This means farmers are no longer dependent on external protein. It also ensures cheaper inputs that farmers can afford. The technology is also transferred to the farmers, which promotes their inclusivity.

### **Presentation 3:**

**Project Title: Information transparency system as a low cost scalable solution to farmers' access to credit and services in Ghana** - *Diana Kos: Wageningen University*

The approach to inclusivity is in improving farmers' access to finance thereby helping them escape from poverty.

### **Presentation 4:**

**Project Title: Supermarket supported area-based management and certification of aquaculture in Southeast Asia (SUPERSEAS)** – *Simon Bush: Wageningen University*

SUPERSEAS has a special approach to inclusivity, which is due to complex agro-systems in Asia. The area-based management model promotes environmental, social and economic integration, encourages risk-sharing and promotes knowledge-sharing. It involves identification of where incentives lie along the value chain.

### **Presentation 5:**

**Project title: Follow the food: Dutch agribusiness and local food security in Ethiopia, Ghana and Kenya** – *Wilfried Schasfoort: Fair & Sustainable Consulting*

The project seeks to include women in the value chain from production to processing and distribution. It looks into whether women have tools or access to resources which includes assets and finances; whether they have the power to act including self-confidence and capabilities such as management skills. There are several advantages for women inclusiveness such as increased business efficiency. Gender strategies to ensure more women participate include providing good working conditions, equal pay and flexibility

### **Presentation 6**

**Project Title: Local and international business collaboration for productivity and quality improvement in dairy chains in Vietnam, Indonesia, Tanzania and Kenya (LIQUID)** - *Jos Bijman: Wageningen University*

From a business angle, this project targets cooperatives which are present in almost every country. It targets women and youth in these cooperatives. The challenge is in the intergenerational exchange in inclusion of youth, and in transformation of cooperatives into businesses.

### **Presentation 7**

**Project title: Assessing the learning effects of games on attitude of stakeholders towards sustainable shrimp farming in Mekong Delta in Vietnam: ALEGAMS** – *Bosma Roel: Wageningen University*

Inclusiveness in the ALEGAMS project is in ecosystem services through engaging farmers, extension workers and policy makers. The approach to inclusive business is to develop an Agent Based Model demonstrating the economic benefits of the project. It will initially work with farmers to demonstrate the economic prospects then engage the rest of the actors.

## Presentation 8:

**Project Title: Aquaponics Ethiopia: Developing a business model for sustainable implementation of small scale aquaponics systems for improving food and nutrition security of rural and peri-urban households in Ethiopia – Maya Slingerland: Wageningen University**

Inclusivity in this project is in bringing foods to the countryside through a business model, rather than charity. Sustainability can be achieved through upscaling. The project had both small and large businesses and an aligned value chain.

## Thematic discussions on cross cutting issues on Inclusiveness in Business

A number of cross-cutting themes were identified, on which break outgroups discussed in more detail

OVERALL FOCUS: Typologies of business models (overarching) and their role in food/nutrition security. These should come back in the following cross cutting themes.

### 1. Risk sharing approaches

- Need to recognise different forms of risk – financial, production process, market, social (including Exclusion and/or adverse incorporation)
- Two dimensions of risk sharing. Vertical, along the value chain, and horizontal, between farmers.
- Role of private actors/governance models is key for encouraging development of risk sharing strategies
- Is there a role for government? Can they play a role in reducing price risk, environmental risk related to shared resources, or upgrading skills to reduce production risks.



### 2. Bottom up vs. company led inclusivity

- There are different interests if actors initiating IBMs, leading to variation in models.
- IBM characteristics: 1. Vertical integration, 2. Horizontal integration, 3. Hybrid integration (actors with equal decision making control)
- Both inclusivity and exclusivity need be uncovered
- Intermediaries play a role and further increase the diversity of IBMs.

### 3. Durability/viability of models over long term

- Transition from subsidy to market-based models are needed
- If only subsidy based durability of IBMs will be limited
- Empowerment is key – building capacity, and addressing health and nutrition
- Government should legislate inclusiveness: ‘force companies to hire’, ‘stimulate companies to recruit’

- Inclusive business is not aid.
4. Information sharing – within value chain and with extra-transactional actors
- Information sharing depends on public and private incentives
  - Key disincentives for the state are : sovereignty of information, unwillingness to disclose the 'dark economy' of state-business activity
  - Incentives for state transparency: regulatory requirements of international treaties and regimes (e.g. CBD, WTO etc.), durability of economic sectors faced with high levels of moral hazard and weak innovation, public actors realise value of private actors as a source of public information.
  - Key disincentive for private actors: transparency can undermine bargaining power.
  - Incentives for private transparency: need to address common problems across value chains (that effect productivity or meet market requirements for instance), negotiate acceptable level of information aggregation.
  - Further note: technology can play a role in increasing transparency, but it is not a panacea. Technologies reflect interests of different actors that apply them.
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5. Defining of the public sector
- Public sector can make or break inclusive business
  - Policy should be coherent, not undermine IBMs
  - Research needs to focus on different governance levels – local to international. How does policy shape norms around IBM
  - Public sector can play different roles: facilitating, hindering, competing.
6. Role of technology in affecting inclusiveness
- Technologies existing within and outside the chain have different impacts on inclusiveness
  - Technology application requires policy to provide an enabling environment
  - Technology can play a role in facilitating information provision

**Themes also identified, but not discussed**

1. Gender - women and youth
2. Intermediaries – variation in roles and role in developing IBMs
3. Can we generalise findings? e.g. Role of the state in supporting IBMs

## Wrap up session: Opportunities and initiatives

Corinne Lamain: NWO-WOTRO

Participants had an opportunity in this session to share on upcoming opportunities as well as make propositions on initiatives for further collaboration. The opportunities/initiatives are listed below with names of point persons.

- LANDac annual conference, June 2018 in Utrecht. There was a proposal to hold a food security and inclusive business group presentation – *Guus van Westen*
- Gender workshop – *Nicky Pouw*
- International Conference on Cooperatives, 4-6 July 2018 in Bergenen - *Jos Bijman*
- Conference in SE Asia: Opportunity for participation in an international Fish Symposium – *Roel Bosma*
- Possibility for joint presentation at cocoa conference – *Maja Slingerland*
- Capacity building for community to inform policy – *Hannington Odame*
- End of integrated project meeting - *WRO Annex 1: Thematic discussions on preliminary/final research findings*



### Public afternoon on Inclusiveness in Business

After these internal exchange days amongst consortia, a public afternoon was held, for which additionally some 45 stakeholders were invited from research, private sector, government and NGO working on IBMs in Kenya. These stakeholders gathered to discuss Inclusiveness in Business development and the way forward for Inclusive Business within development efforts. GCP2 consortia engaged to exchange on knowledge acquired within the first stage

of their projects. [Please see the report and short video of this public meeting.](#)

### Field visit to Latia Resource Center

Lastly, on Friday a part of the GCP-2 group visited [Latia Resource Center](#) in Kajiao, South of Nairobi. In this demonstration centre some 25 training officials organize training, coaching and advice in business incubation to some five thousand Kenyan small and medium agripreneurs. Trainings are given on-site at the centre with various demonstration plots, cattle and (from simple to hydroponic) green houses, and off-site in the agriculturalists' own farming areas. Exchanges between the Latia professionals and the research group members appeared to be mutually fruitful.

