

Factsheet final findings Global Challenges Programme Call 2



Intermediaries in inclusive business networks for scaling food security in East & West Africa

Summary

An increased number of cross-border public-private partnerships aim to realize inclusive business (IB) for business growth and development impact at scale, also in the field of food and nutrition security. These partnerships often face institutionally and culturally distant environments, internally and in surrounding spheres, and therefore experience cooperation governance challenges. Dedicated internationally operating intermediaries have emerged that enhance these collaborations. It was unknown how these intermediaries position themselves to obtain a credible position and how they become effective contributing to overcome the challenges. Therefore, this project studied how such intermediaries facilitate North-South partnerships on inclusive business for improved food security in East and West Africa.

Final research findings

Inclusive business models aiming at improving food security of low income markets and consumers can be clustered in five business intervention strategies (BIS): 1. Farmer development services, 2. Secured sourcing schemes, 3. Rural retail hubs: acting as intermediary between (smallholder) producers and consumers; 4. Food product adaptation: market expansion towards BOP consumers with existing healthy and nutritious food products; 5. Hybrid market creation: market creation towards BOP consumers with new healthy and nutritious food product. The project revealed that:

- a. IB models for improved food and nutrition security consist of; foundation level components, alliance building strategy, upgrading strategies and IB "Ecosystem" strengthening strategy.
- b. Features identified in 16 analysed cases are: 1. distribution and marketing to get products and services to low income food producers and consumers; 2. added value of cross-border partnerships connecting companies to fringe stakeholders and development of break through inclusive business innovations; 3. the role of international intermediaries to support them.
- c. A mapping of international intermediaries contributing to inclusive business revealed that they assume the convener, broker and/or co-creator role. The co-creator role is a more recent role being assumed, and seems to be stimulated by changing funding requirements and institutional voids encountered by companies when entering low income markets. These conditions stimulate intermediaries to assume a more proactive role of initiator and/ or co-creator of the innovation.
- d. However, most intermediaries are challenged by lack of funding in the development of these cross border partnerships. This often hampers their engagement in all 4 phases of partnership development, being design, initiation, implementation and evaluation/ scaling. Often there is only funding to engage intermediaries in the ideation and engagement phase, but it is more difficult for them to stay involved during the implementation phase due to a lack of willingness of other parties in the partnership to finance the participation of the intermediary. This may limit the full implementation of recommendations defined in the design phase as other parties may underestimate the relevance of some of them as they are more focused on their own needs instead of the needs of the common which is more the agenda of the intermediary organisation.

- e. The innovation system in which the IB model will be developed has great impact on its initiation and development. IB innovation systems consists of market, institutional and cultural characteristics. Assessing these features prior to designing and introducing inclusive innovation is helpful to identify potential opportunities and constraints of the innovation context and to define measures for risk mitigation to reduce the eventual negative impact of constraints.

Achieved outcomes

The project developed an IB market assessment tool that provides up front insights in the strengths and the weaknesses of markets for inclusive innovation on food and nutrition security. Presentation of this tool was welcomed by experts of intermediary organisations and representatives of the public and private sector. The tool helps them to define upfront additional measures in the institutional environment to assure a more smooth introduction of the inclusive innovation, during the initial phase of the partnership development.

Research findings have been used for practical trainings for representatives of intermediary organisations facilitating cross border partnerships in The Netherlands, Nigeria and Kenya. Besides, also technical advisors of research institutes, public entities and NGOs attended the trainings. They learned about inclusive business models that contribute to business intervention strategies on food and nutrition security, and also about tools and practices to act as a broker in multi-actor initiatives, and to better understand needs and constraints of parties they are involved with, and lastly how to assess an inclusive innovation system in a country.

Messages to

A) Intermediaries:

- Your added value to inclusive innovation development is significant.
- The innovation context in low income markets requires a more proactive creator role of the innovation due to the institutional and cultural gaps encountered in low income markets.

B) Actors from private sector:

- Allow intermediaries to be part of all the phases of a partnership development process, and not only during the initial phase.
- Include budget for the involvement of an intermediary when you want to develop an inclusive innovation.

C) Civil society and practitioners organizations:

- Be careful not to assume roles and responsibilities of companies and/ or the public sector just because you want to move faster forward, as the investments in innovations need to be maintained by the private sector, and changes in the institutional environment often depend on decision by the public sector.
- The negotiations with public entities are most of the time led by the international companies involved in a cross border partnership. Their power position can help civil society to reach better and more sustainable changes in the system.
- Tendency to build heavy governance structures in an attempt to overcome the complexity of cross border and intercultural partnerships is not helpful for inclusive innovation.

D) Policy makers:

The inclusive business market assessment tool can provide useful insight on needs for institutional improvement to facilitate successful inclusive innovations that cause scalable impact.

Knowledge products

- Training material: a) brokering and facilitation skills, b) negotiation skills for intermediary organizations, c) role and profiling your intermediary organization, d) proven business models for inclusive innovation.
- [Video about brokering module](#), by ICRA (September 2018)
- [Presentation](#) at Frugal Innovation Conference (November 2017)
- [Presentation](#) at 12th European IFSA Symposium on International Transitions (July 2016)

Knowledge networks

[Food & Business Knowledge Platform](#), [IFSA](#), [ANDE](#), [European BoP Network](#)

Co-creation

The collaboration with IFDC and BoP Inc has helped to gain trust by the case interviewees. Collaboration with ICRA has helped to convert research finding in training material that fits better to the needs of practitioners. In that way the research material becomes more accessible and increases the likeliness that the findings will be used and will influence practice. The periodic meetings with consortium members have contributed to a frequent review and update of the project Theory of Change. The data collection for the 4 case studies was done in close collaboration with the international intermediary organizations involved. This facilitated the trust building with the experts the project approached and made them willing to share information.

Consortium partners

- [Knowledge, Technology and Innovation Group](#), Wageningen UR (NL)
- [BoP Innovation Center](#) (NL)
- [IFDC](#) (Kenya and Ghana)
- [iCRA](#) (NL)
- [AABS](#) (Kenya)

Contact person

Myrtille Danse, myrtille.danse@gmail.com

Project websites

[F&BKP Research Project page](#)