

Introduction

The question central to this brief, which was extensively discussed with different stakeholder from East Africa during a workshop in Nairobi (November 2010), is how to scale developmental initiatives in the context of agri-food chains. The workshop included experiences from Kenya and Uganda. This brief builds on a specific feature of agri-food chains of undifferentiated products, namely the inclusion of large numbers of smallholder farmers into an organisation primarily functional to marketing and production. It summarises five different pathways for upscaling and working with large numbers of smallholder farmers.

Bulking and scale

In all cases a specific business model driven by sustainability or pro-poor development intentions surfaced. Variety in scaling pathways was related to the achieved fit of these developmental interventions with the realities of aggregating large volumes of raw materials produced mainly by smallholder farmer. The need to manage large groups of small holders complicated interventions. This raised the question how the practice of bulking, i.e. the activity of assembling volumes of agricultural products, acts as a process functional for both value chain performance and development. At these nodes, buying firms try to

manage this node for ensuring a reliable and consistent flow of volumes of agricultural products. Farmers and farmers' organisations target this node to negotiate terms of trade, for example based on their capability to reliably deliver produce. Volatility in transactions and vulnerability of down-stream chain actors, particularly small-scale farmers, is importantly shaped or confined at this node. In the example of EPK Tea Factories negotiating ownership and terms of trade was linked to the organisation of aggregating volumes and arranging transport and collection closer to farms. In the case of farmer field schools supported by Lipton Tea

and the Kenya Tea Development Authority agricultural practices were the basis for farmer association. Reconfiguring the institutional arrangements between levels in the chain for the purpose of scaling sustainable farm practices only came to the fore after piloting with selected groups of farmers. In the case of the oilseed subsector in Uganda, a policy-oriented platform (OSSUP) assembling different chain and non-chain actors who began to explore different types of bulking. This led to mutual appreciation of the roles of both buying lead firms and farmers groups in making the subsector more stable and predictable. Improved coordination in the sub-sector

Table: **Scaling pathways in five case studies from East Africa**

	Tea Farmer Field Schools	Tea EPK Factories	Coffee Societies	Chillies Contract Growing	Oilseed Subsector Platform
Number of smallholders	Piloted farmer field schools reached 700 tea farmers in 4 factories. Replication induced by certification targets 50,000.	Number of tea out growers increased from 700 to 7500 in 8 years' time	Buying company set minimum number for support program: varying between 10 and 25,000.	Work with 20 groups reaching > 6000 farmers managing a labour intensive crop.	Companies contracting >30,000 farmers. Subsector involved > 200,000 in 4 major regions.
Scaling pathway	Align farmers around practices in vicinity of factory. Field schools platform for certification.	Farmer-owned but not managed tea factories made terms of inclusion attractive for farmers	Improved management and planning capacity of farmer societies; level of autonomy.	Started with lead farmers in linking to groups and to expand network.	National platform linking to regional alliances and farmer groups



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