

Farmer Business School

Agri-Business Facility for Africa (ABF)

Breitenwirksame Förderung von Investitionen ländlicher KKMU in Afrika



Smallholders fit for business

Two thirds of Africans depend on agriculture for their livelihood and one third of African GDP is generated by agriculture. Rural areas are home to 70% of Africa's poor. Rural-urban migration, in particular of youth, is accelerating. Food imports to Africa cost 35 billion USD per year and are estimated to triple by 2025 if production does not increase significantly.

Micro, small, and medium agribusiness enterprises operate in national, regional, and international value chains. They provide incomes, jobs and feed the growing population of African cities. However, entrepreneurship, despite its importance to empower farmers for business and equitable participation in sustainable economic growth, remains a marginalized field.

The Farmer Business School (FBS) approach has been developed by GIZ in 2010 with partners and the support of the Federal Ministry for Economic Cooperation and Development and World Cocoa Foundation.

Agri-Business Facility for Africa (ABF)	
Funded by	Federal Ministry for Economic Cooperation and Development (BMZ)
Project region	Intervention zones of requesting partner programs, organizations and companies in Africa
Duration	01/2020 – 12/2023
Budget	8,450,000 EUR

What is FBS about?

FBS training strengthens agricultural smallholders' business skills for more income from diversified production. During five subsequent morning sessions, male and female producers discover that agriculture is business and how to improve it:

- Planning and economics
- Healthy nutrition and farm management
- Investment decisions and strategies based on cost and benefit analysis to diversify and increase incomes
- Financial management, savings, and credit
- Benefits from good quality produce (e.g. cocoa)
- Benefits from membership in producer organizations

FBS is a federating approach. Different public and/or private stakeholders pool resources to implement FBS trainings. By doing so they reduce risks of business and open access to a wider range of services and new business opportunities. In practice, FBS complements agricultural extension and financial services.

Achievements

Over 480,000 cocoa producers (29% women) in Côte d'Ivoire, Ghana, Cameroon, Nigeria, and Togo participated in FBS trainings under Sustainable Smallholder Agri-Business (SSAB), ABF's precursor project. Since 2012, 40 other development programs, their partners, national organizations and 2 companies adapted FBS with support from SSAB for 39 value chains other than cocoa. In total, more than **1,710,000 smallholders (34% women)** in 25 African countries have undergone FBS training.



FBS in action Enthusiasm © Klaus Wohlmann for GIZ



Use of calculator © Kvesi Asime for GIZ

Impacts

Evaluations of SSAB confirm impacts of FBS training: 50% of surveyed FBS graduates have savings at a bank or with their cooperative, 41% qualified for agricultural loans and 40% of trained groups registered or reactivated producer organizations. 74% use FBS tools for planning, records and calculation of profits and losses. Over 50% of FBS groups organize bulk sales and purchase of inputs. 45% of the groups registered as a cooperative or association. Income from food products has reached over 1,800 USD in real terms in 2017 (baseline 2011: 70 to 172 USD) and compensates volatile cocoa prices. Farmers re-invest additional income in production, replanting of cocoa and improved housing. 71% of FBS graduates pay school fees for their children and 85% use additional income to improve the nutrition of their families.



"I increased my profit from 1,200 EUR from 4 hectares in 2013, to 7,900 EUR from 8.8 hectares in 2017. I pay my children's school fees easily now. My son will take over."

Ndzana Toua Bibiane
Cameroon

Support to go for FBS in large scale

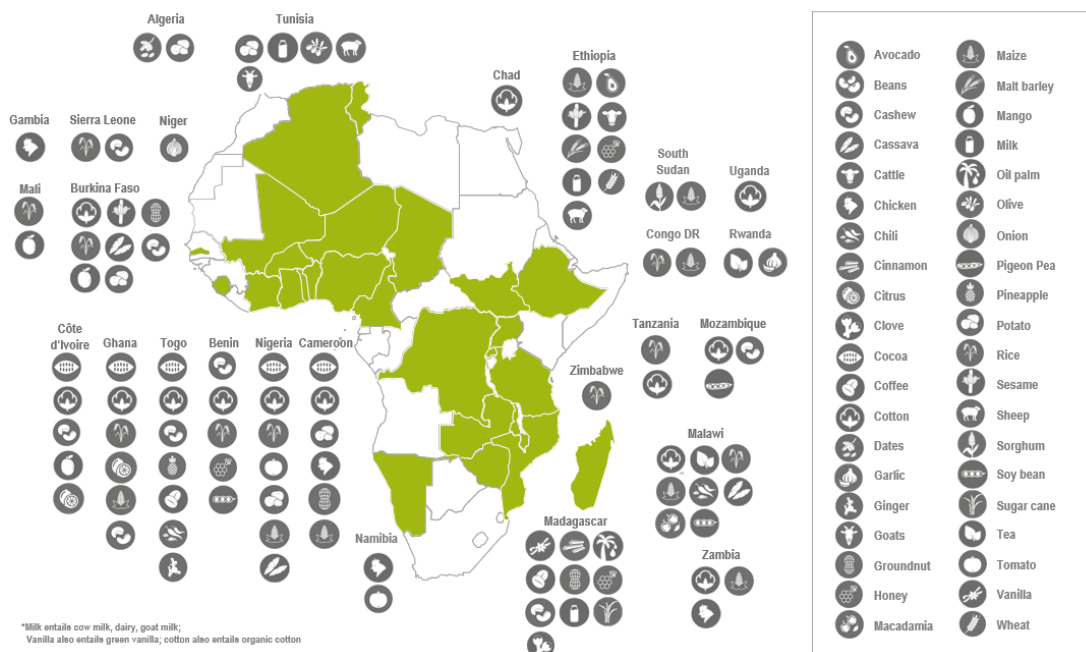
Demand for advice on adaptation of FBS and its implementation continues. The Agri-Business Facility for Africa (ABF) follows SSAB. ABF continues to support interested rural development institutions, companies, or development programs to adapt FBS to production systems other than cocoa, but also to introduce Cooperative Business School (CBS) and Processor Business School (PBS). Parties interested to introduce FBS can build on proven impacts, cost-effective standard tools, an Africa-wide network of practitioners and Master Trainers. The tool kit covers amongst others strategic clarification, economic and investment analysis, diversification, adult training, planning, M&E, budgeting, and contracts.



Peter S. Lubinda
Zambia

"Last season, I produced over 1,000 kg cotton per hectare compared to 450 to 600kg per hectare before FBS. I also diversify production, and now I produce maize, groundnut, cows, goats, chicken and vegetables to improve my family's wellbeing."

Farmer Business School in Africa



If you wish to implement FBS, please contact us



Published by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Registered offices Bonn and Eschborn, Germany

Agri-Business Facility for Africa
65760 Eschborn, Germany

Magnus Schmid, Head of Programme
magnus.schmid@giz.de

www.giz.de | www.agribusiness-facility.org

As at February 2023

GIZ is responsible for the content of this publication.

On behalf of

Addresses of the BMZ offices

Federal Ministry for Economic Cooperation and Development (BMZ)

BMZ Bonn
Dahlmannstraße 4
53113 Bonn, Germany
T +49 (0)228 99 535-0
F +49 (0)22899535-3500

BMZ Berlin
Stresemannstraße 94
10963 Berlin, Germany
T +49 (0)30 18 535-0
F +49 (0)3018535-2501

poststelle@bmz.bund.de
www.bmz.de