

Processor Business School

Agri-Business Facility for Africa (ABF)

Breitenwirksame Förderung von Investitionen ländlicher KKMU in Afrika



The opportunities

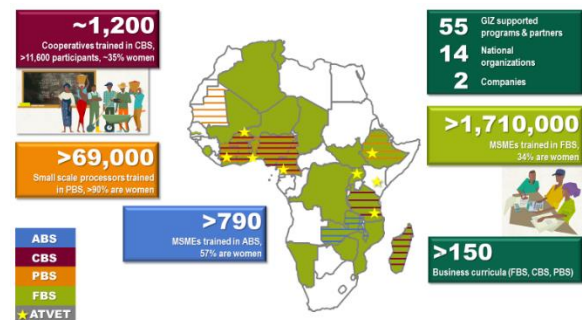
Processing of raw material from agriculture and of non-timber forest products provides higher value products for domestic and international markets. This creates millions of jobs in Africa. The range of products comprises for example parboiled rice, shea butter, fruit juices, alcohol, snacks, high value edible oils and energy providing substitutes for firewood or charcoal made from by-products of other processing steps. In Africa, the sector is dominated by non-formal Micro, Small and Medium Enterprises (MSME) and groups that are led in many cases by women.

However, MSMEs' business and technical skills are weak. Consequences comprise weak remuneration of the tedious work and untapped important market and technology opportunities due to missing or unclear investment strategies. Another result is that these MSME have low competitiveness in contexts where industrial processing is making progress. Intervening in such a context, destruction of jobs can easily become a first – negative – impact. To avoid any harm and to harness the potentials of MSME in processing and employment, strengthening their entrepreneurship, technical and commercial capacities is must.

The approach

Conscious of the risk to deplete jobs of women and youth and inspired by the successes of Farmer Business School (FBS), the Competitive African Rice Initiative (CARI) with support from SSAB has developed the first Processor Business School (PBS) training for rice parboiling groups in Nigeria, Burkina Faso and Ghana in 2015. Green Innovation Centre Nigeria has taken up this PBS and adapted it to the processing of cassava into gari. In 2018, the Forest & Environment Program in Cameroon developed PBS on non-timber forest products to add a new element to the forest protection strategy. This is adapted in Mauritania. So far 8 curricula are available and a PBS training on processing of cocoa by-products is in the making.

More than 69,000 African small-scale processors have undergone PBS training – more than 90% are women.



PBS Principles & Success factors

- ➔ Understand the **current situation and discover opportunities** of markets, core technologies for improved efficiency, quality and for marketing e.g. packing size and quality
- ➔ **Money-Out:** operating cost for labor, raw material, other inputs, packing, services, maintenance, repairs as well as investments and fix cost depreciations
- ➔ **Unit cost** of the processed product and envisaged **margins** for price negotiation
- ➔ **Money-In** (gross revenue) and assessment of profit or loss
- ➔ **Healthy nutrition and cooking**, hygiene of food preparation and consumption
- ➔ **Discovery: You are a businessperson!**

Impacts

- ✓ Core technologies adopted and more efficient work
- ✓ Use of services and better product quality
- ✓ New buyers and off-taking agreements
- ✓ Investments and access to loans from banks
- ✓ New jobs, increased turnover, and profits

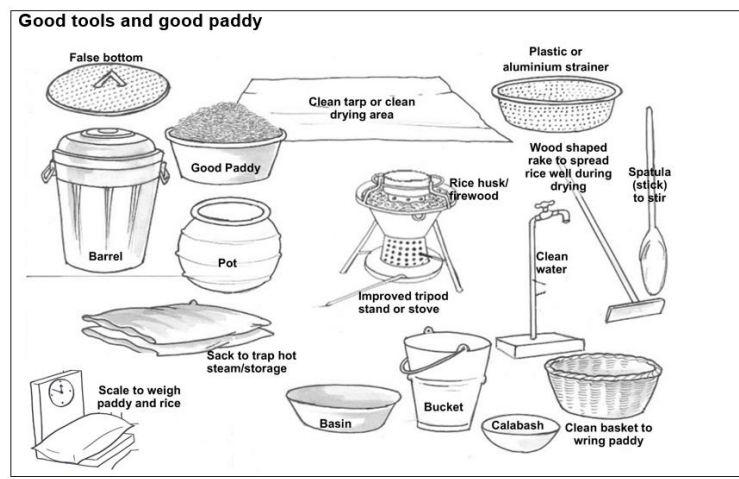
“I apply hygienic processing methods”



Aisha Ishola, Gari Processor from Baale-Ogunbayo, Ogun State, Nigeria. She participated in PBS training organized by Green Innovation Centre Nigeria and is very enthusiastic about best practices learnt at PBS. “These new methods have really convinced me. Everything is much more hygienic than the processes we used in the past.”

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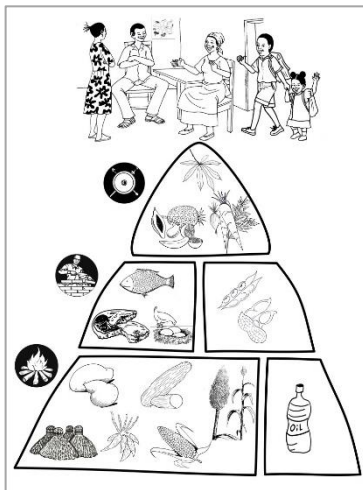
Rice parboiling economics for good business
Training Notebook and Workbook
Nigeria
September 2015



Skilled labour

Money

Gari processing economics for good business
Training Notebook and Workbook
Nigeria
August 2017



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On behalf of

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