

Assessing the Performance of Supply Chains from a Smallholder Perspective: A Model of Farmer-Buyer Engagement and its Application in Nepal



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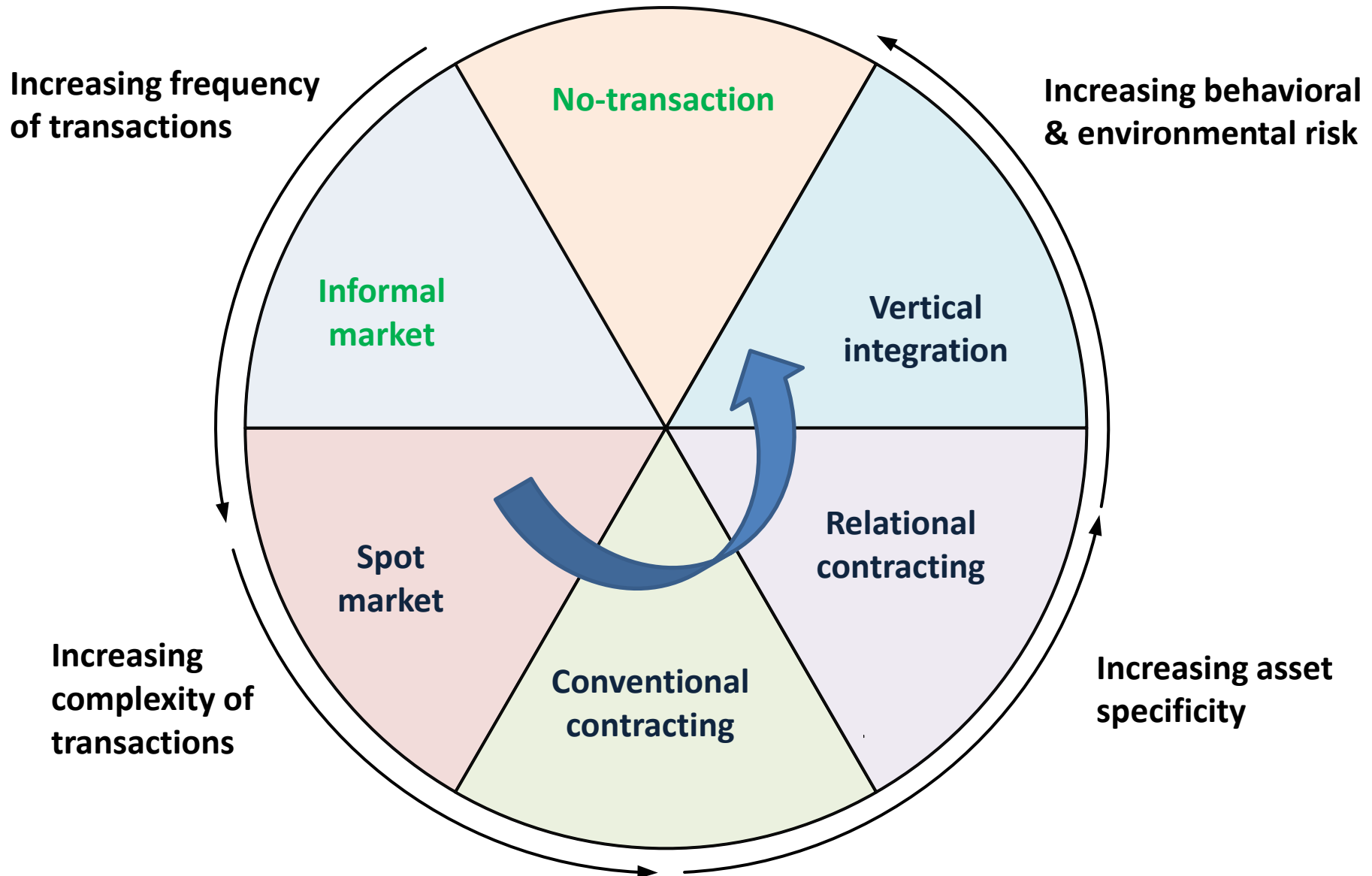
Introduction

- Linking famers to markets is crucial for livelihoods and food security
- Increasingly coordinated supply chain might exclude smallholders
- Explore the ability of supply chain to sustain smallholder engagement
- Analyse what channels are used (not used) by smallholders and why they are (or are not) used
- Suggest ways of increasing chain robustness for smallholders

Conceptual model

- Farmer-buyer dyad is a key interface
- This dyad is sustainable if it generates acceptable level of risk and rewards
- Chain is robust, if it contains one or more sustainable farmer-buyer dyad(s).
- The wider the range of sustainable dyads to choose from, the more robust is the chain
- Study uses a model based on transaction cost economics to analyse dyadic relationships

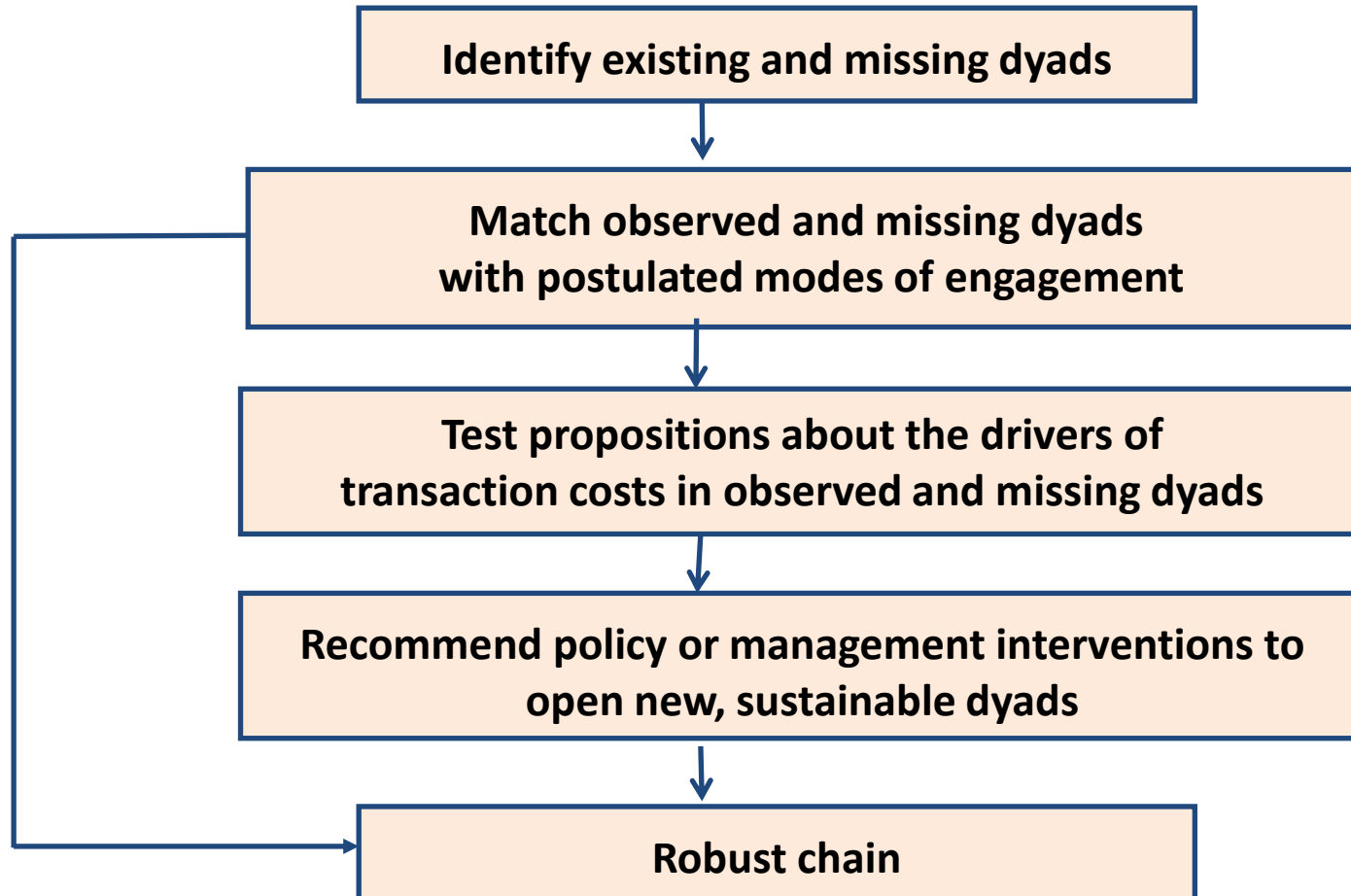
Conceptual model....



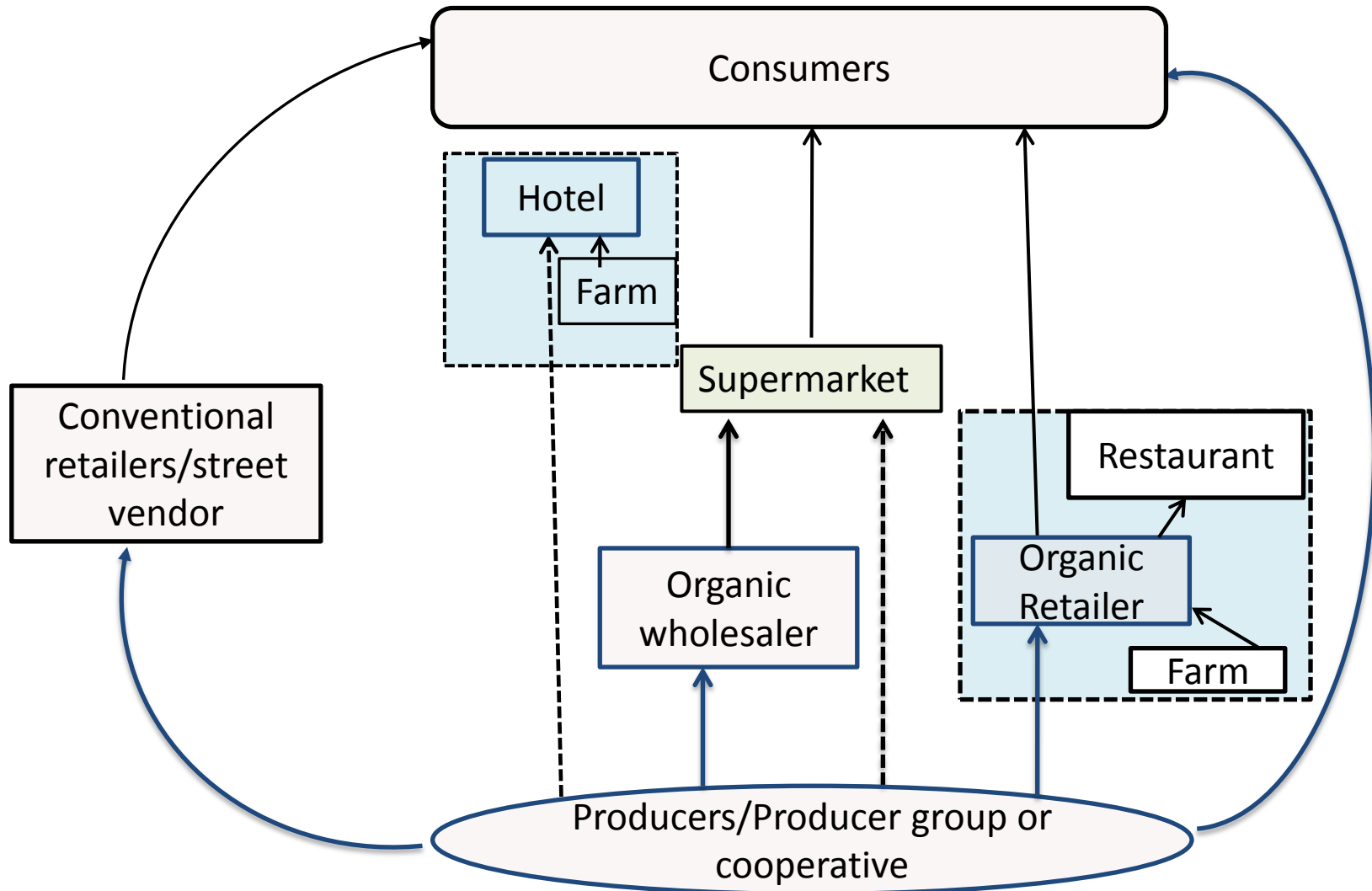
Research approach

- Four smallholder supply chains were studied. This paper relates only to the chain for organic fresh vegetable in Kathmandu
- Case study method
- Interviews with: Producers (6) , Immediate buyers (2), Potential buyers (2), Staff of government and non-government agencies (3)

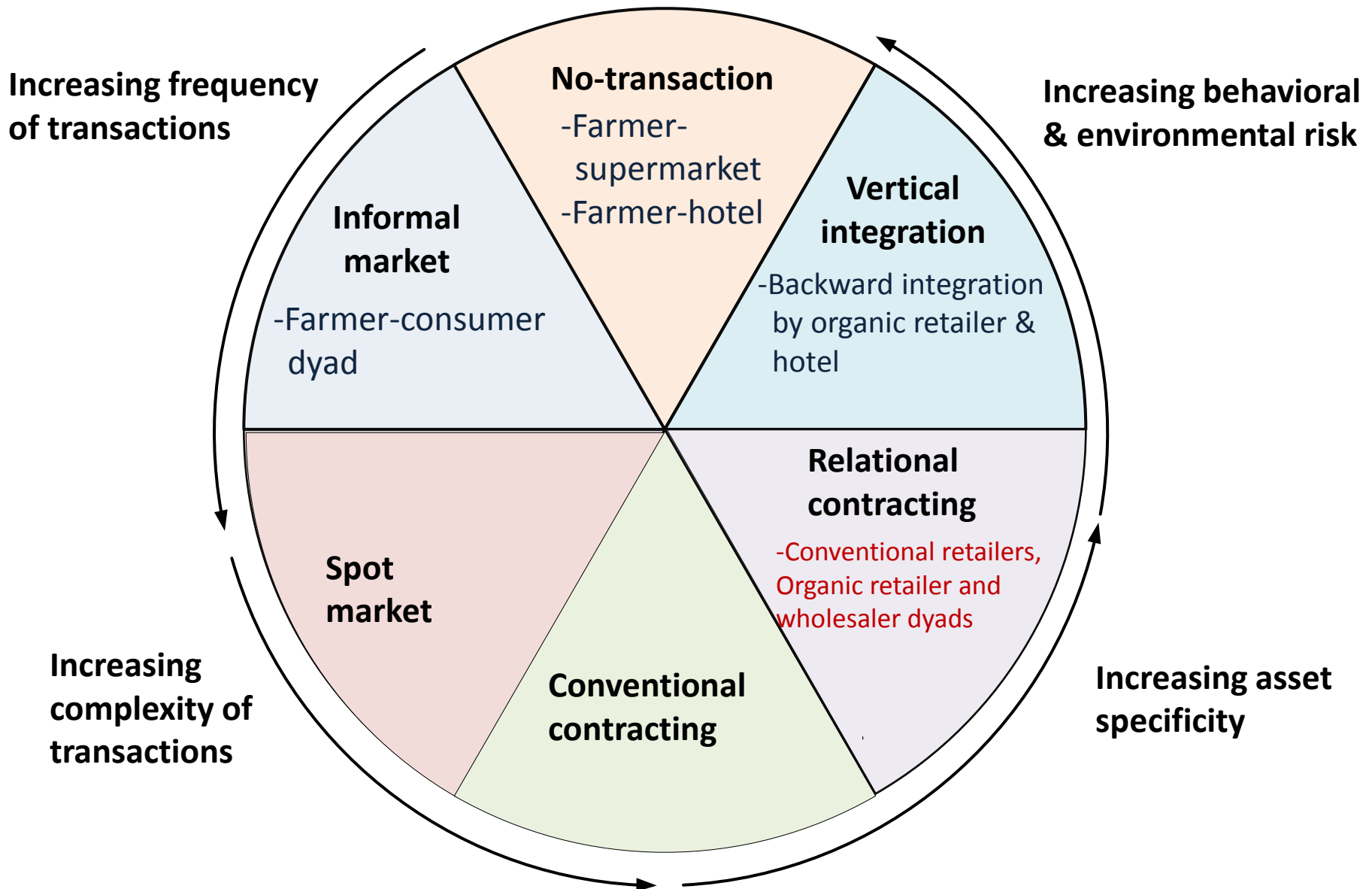
Research approach.....



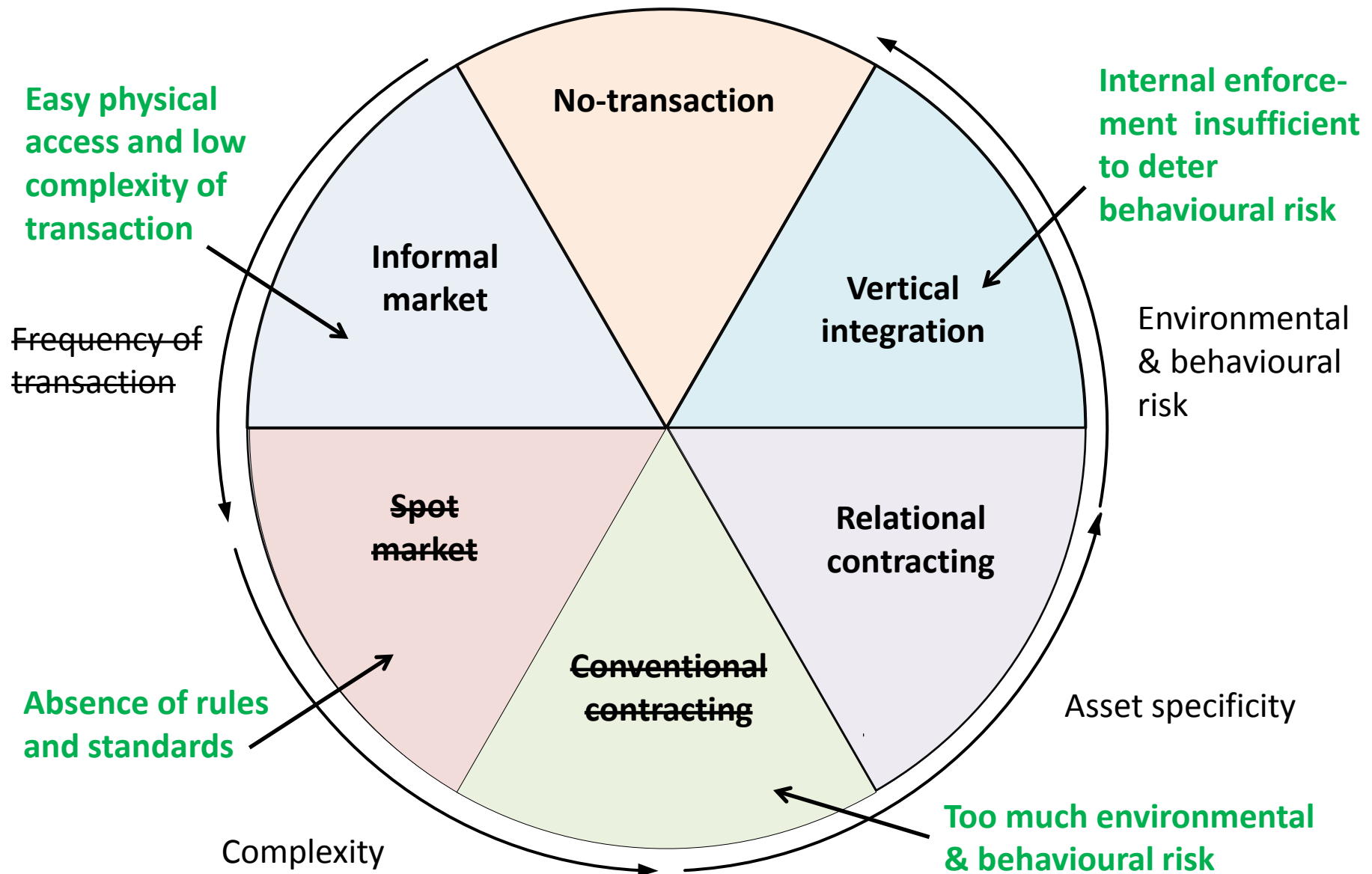
Organic fresh vegetable supply chain in Kathmandu



Where do these dyads fit in the model?



What drives the observed dyads and why are some modes of engagement missing?



Recommendations

- Promote shared investment in labelling and promotion
- Role for government extension agencies in creating new dyads
 - Establishing standards and rules
 - Facilitating farmer marketing groups and advising them on production plans, technology and Participatory Guarantee Systems
 - Improving physical and legal infrastructure
 - Mandating extension staff to facilitate and witness contracts, and
 - Providing easy access to legal recourse for small claims

Questions/suggestions



THANK YOU !!!

