Preparing farmers to supply to school feeding programs

INCLUSIVE PUBLIC PROCUREMENT:
Connecting Farmers to School Feeding
April 12th, 2016
Cloyd Hech Marvin Center, Washington DC
What is a PO

The producer organisations (POs) are formal rural organisations whose members are smallholder farmers who organise themselves with the objective of improving farm income through improved production, marketing, and local processing activities.
Why a PO?
SNV works to strengthen inclusion of SHF in HGSMP

Intervention areas

I. Manage supply risk
II. Strengthen membership
III. Management of the PO as a Co.
IV. Develop market & buyer relationships
V. Optimise financial capacity of the PO

SNV’s interventions in strengthening the PO for inclusion in school feeding programmes
Manage the supply risk

Quantity

Quality
Manage the supply risk – Kuona Mbele Cooperative

Kuona Mbele Institutional sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>10,000</td>
</tr>
<tr>
<td>2014</td>
<td>20,000</td>
</tr>
<tr>
<td>2015</td>
<td>50,000</td>
</tr>
</tbody>
</table>
Strengthen membership

Member benefits

Transparent rules & delivery agreements
Strengthen membership – Sigoro Cooperative

New member services

✓ Marketing of grains (maize & beans)

✓ Access to inputs thr’ the check off system

✓ Extension services in collaboration with partners

Membership

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>283</td>
<td>57</td>
</tr>
<tr>
<td>2014</td>
<td>512</td>
<td>102</td>
</tr>
<tr>
<td>2015</td>
<td>758</td>
<td>213</td>
</tr>
</tbody>
</table>
Manage the PO as a Company

- An agent btw SHFs and the market
- Competitive performance
- Outsourcing Vs self operating activities
- Staffing
Manage the PO as a Company – Schemers CBO

- Two permanent staff
- Warehouse certification
- Computerization of records
- BP facilitated access to a loan of US$ 360,000
Develop buyer and market relations

- Strong & long term relations
- Better understanding of the buyer
- ↓ transaction costs ↑ margins
- Secured market
- Access to finance
Buyer and market relations - PMO

Mt. Kenya PMO Sales in US$

- 2013: 12,000
- 2014: 10,000
- 2015: 12,000

sales to schools
Total sales
Optimize the financial capacity of the PO

Sources of funds for POs (WC & Investment)

- Registration
- Shares
- Monthly contributions
- Margins

Members

- Loans
- Grants
- Donations

External
Sales performance combined

SHF sales to School Feeding

- Sales performance combined
- Q1 2013 to Q2 2015
- $- $100,000.00 $200,000.00 $300,000.00 $400,000.00 $500,000.00 $600,000.00
- Persons
School feeding & other SD markets can trigger PO development!