

## AGRA Impact Series

# AGRA's Inclusive Market Systems Approach Triggers Mechanized Threshing Services For Village Based Advisors

### Agricultural Transformation in the steps of Mr. Castro Manuel Dos Santos

Castro Manuel Dos Santos, 61, is a farmer and smallscale entrepreneur in Calio-Domue, Angonia district, Tete province in Mozambique. He is also a Village Based Advisor (VBA).

As a member of the “Associação Agropecuaria de Chinguirizano”, Castro is a beneficiary of several trainings that have contributed to the use of better agricultural techniques and practices leading to increased production and productivity. He is also in the catchment of Kugulissa Consortium, an intervention funded by AGRA and partners since 2018, modelling a service delivery vehicle for smallholder farmers served by agro-dealers.

AGRA's extension delivery model is centered on VBAs, lead farmers and community agricultural entrepreneurs (CAEs). These are business-oriented, community extension services offered to farmers who would otherwise have walked long distances to access knowledge and markets for inputs and produce. Castro, a father of nine; three boys and six girls, whose household livelihood revolves around the production and commercialization of maize, soybean and beans on four hectares of land, was selected as a VBA in the 2017/2018 cropping season to assist 280 farmers.

In the 2019/2020 cropping season, Castro started aggregating and marketing surplus, as well as providing support to other VBAs. By this time, he had established linkages with a processor, Escolha do Povo, to facilitate the purchase of maize and soybean for processing



into flour and oil. In that same season he aggregated and sold 240MT of maize and 60MT of soybean, at an average of 1MZN per kg of produce sold, earning MZN264,331 (US\$4,286). When his family harvested 16 MT of maize, they sold 15MT to Escolha do Povo at MZN13.5 per kg and were paid MZN178,420 (US\$2,893). In addition, 3MT of soybean was produced of which 2MT was sold at MZN23 per kg, attracting MZN 40,519.2 (US\$657). In that cropping season Castro and his family earned a total of MZN 483,270 (US\$7,836) and that greatly enhanced his family business.

AGRA's consortium intervention approach is market-driven with a focus on the creation and strengthening of local SMEs, among them, agro-dealers and traders; processors and out-grower firms; farmers and farmer organizations as well as strengthening their managerial abilities and market linkages.

As a result of Castro's dedication and commitment, in 2020, Escolha do povo facilitated the acquisition of a threshing machine to provide services to other farmers, an action that contributed to improved quality and a reduction in post-harvest losses for maize and soybean. This step led to the diversification of Manuel Dos Santos family's economic activities. Castro has received training in business management and threshing operations, facilitating the elaboration of a business plan involving 11 VBAs to mobilize farmers to access threshing services. Ms. Regina Minesio is one Castro's clients who recorded improved threshing time of 75% and

14% savings in costs after threshing 2.3MT of maize and 0.3MT of soybean. He looks forward to recruiting at least 2,000 more farmers.

Between May 2020, when Casto started the threshing business and December 2020, the business charged MZN20/kg to thresh maize and MZN0.5/kg for soybean earning MZN596,960 (US\$8,528). He has two employees. In 2020 he threshed 1,508.4MT of maize comprising 16MT of his own production and 1,492.4MT from 1,063 smallholder farmers generating a total of MZN529,936 (US\$8,592).

