



# Allanblackia Project

**July 2005**

## **REPORT ON SUPPLY CHAIN STAKEHOLDERS ANALYSIS**

## **1.0 INTRODUCTION**

### **1.1 Purpose of Project**

In February 2002, the World Conservation Union (ICUN) signed a contract with the Swiss State Secretariat for Economic Affairs (Seco) on the allanblackia project with emphasis on standard setting and sustainable supply chain management. Technoserve was assigned the responsibility on sustainable supply chain management. Under the terms of reference provided, Technoserve was to undertake the following specific tasks:

- Inventory of stakeholders in the supply chain
- Profile on stakeholders with regards to their respective roles and responsibilities
- Analysis of the stakeholders competitive strengths
- Assessment of their socio-economic and environmental capacity building needs

### **1.2 Scope of Supply Chain Analysis**

The study covered the following:

- Bio- data on the various stakeholders
- Institutional knowledge of the stakeholders
- Logistics needed for the success of the collection and mobilization of allanblackia
- Major constraints/opportunities
- Proposed Resolution of these constraints/opportunities

## **2.0 Analysis of Stakeholders**

### **2.1 Survey Structure**

A survey was conducted in communities considered allanblackia endemic areas in the Western and Central regions. The essence of the survey was to undertake a supply chain analysis of the various stakeholders. The period covered was from the inception of the allanblackia project to date.

Questionnaires were designed for the following stakeholders (collectors, focal persons, assemblers/transporters and primary processors) in the Western and Central regions to enable Technoserve come out with a comprehensive report on the performance of the stakeholders since the inception of the allanblackia project.

The study covered some communities in the following districts considered as allanblackia endemic areas in the Western and Central regions Three districts (Wassa West, Wassa Amenfi and Mpohor Wassa East) were covered in the Western Region and two (Lower and Upper Denkyira) in the Central Region:

**Table 1 2.2 Communities Visited**

REGION / DISTRICT	COMMUNITY	NO. OF COLLECTORS INTERVIEWED		NO. OF FOCAL PERSONS INTERVIEWED		COMMENTS
		M	F	M	F	
<b>WESTERN</b>						
<b>Wassa West</b>	Mpatahu	2	7	1		Purchases made
	Wassa Esikuma	4	6		1	Purchases made
	Wassa Nkran	2	6	1		Purchases made
	Wassa Breman					Awareness created but no purchases made
	Pieso					Awareness created but no purchases made
	Wassa Simpa					Awareness created but no collection and purchases made
<b>Mpohor East</b>	Apeasuman	1	7	1		Awareness created and purchases made
	Aboaboso 1	1	5	1		Awareness created and purchases made
	Senkyem					Did not meet focal person but nuts available in economic quantities.
	Plato					AB not available in economic quantities
<b>Wassa Amenfi</b>	Dawurampong	1	5	1		Awareness created and purchases made
	Suhyenso	2	8	1		Awareness created and purchases made
	Breprow	-	7		1	Awareness created, collection and purchases made
<b>Central Region</b>						
<b>Lower Denkyira</b>	Ankaako	1	7	1		AB not being collected in large quantities
	Gyankobo	2	9	1		Awareness created and purchases made
<b>Upper Denkyira</b>	Asma Camp	2	6	1		Awareness created and purchases made
	Zion No.1	2	7	1		Awareness created and purchases made
	Ntontomso					AB not available in economic quantities
	Denkyira Fosu			1		Awareness created

REGION / DISTRICT	COMMUNITY	NO. OF COLLECTORS INTERVIEWED		NO. OF FOCAL PERSONS INTERVIEWED		COMMENTS
		M	F	M	F	
	Buabeng Camp					Awareness created, collection took place but no purchases were made.

### 3.0 FINDINGS

#### 3.1 Collectors

##### 3.1.1 General Information

In all, ninety-six collectors were interviewed in both the Western and Central Regions. Sixty collectors were interviewed in the Western Region comprising of forty-seven females (78.3%) and thirteen males (21.7%). Whereas thirty-six made up of twenty-nine females (80.6%) and seven males (19.4%) were interviewed in the central Region.

In both regions, the average age of the collectors were between 18 and 40 years plus. The age distribution for the Western Region was as follows: 41.1% were between 18-29 years, 39.4% were between 30-40 years and 19.5% were found to be 40 years-plus. For the Central Region, 36.1% were between 18-29 years, 38.5% for the 30-40 year group and 25.4% were 40 years plus.

In terms of formal education of those interviewed in the Western Region, 35% had completed the middle school or junior secondary school while 60% had no formal education. In the Central Region, 45.5% had schooled up to the junior secondary school or middle school level

All the interviewees (100%) in both regions indicated that they were married.

##### 3.1.3 Collection and Sales

Of all the communities into allanblackia collection and sales surveyed, 40% entered into the activity in 2003/2004 season whereas the other 60% got involved in 2004/2005 season in the two regions.

In the Western Region, during the 2004-2005 season, average volumes ranged from 9-100 kg at a price of €1000/kg offered by Unilever which was also found to be the main buyer of the allanblackia nuts. This was considered as the highest price paid since the 2003. The highest recorded volume of 100 kg by an individual collector was mobilized at Mpatahu in the Wassa West District (other individual collectors might have mobilized more than that but sales were often not recorded by majority of the collectors). However, volumes recorded in the Central Region were relatively low. Records of volumes collected were not kept by majority of collectors (@95%). This did not help in providing figures for actual volumes collected in the two regions.

**However, all the collectors asserted that the revenue accrued from the allanblackia sales was not commensurate with the efforts put in right from collection to the processing stage.**

The nuts are processed into edible oil for domestic consumption and soap making in almost all the communities interviewed.

### **3.1.4 Other Competing Economic Activities**

The main economic activities allanblackia draws them from in the Western Region were:

- Cocoa farming
- Food crop farming
- Galamsey
- Gari processing
- Fish mongering
- Oil palm cultivation

In the Central Region, the following economic activities were listed:

- Cocoa farming
- Food crop farming
- Sale of agric produce
- Trading
- Food processing

### **3.1.5 Institutional Knowledge**

With regards to knowledge on allanblackia, @95% of the collectors were able to narrate the processes involved in allanblackia best practices. They listed the following processes:

- Collection
- Pod breaking
- Drying
- Storage

They also demonstrated knowledge in identifying quality nuts and were able to mention the following attributes:

- No mould
- Well-dried nuts
- Knocking sound.

### **3.1.6 Business Prospects**

In the Western Region, the collectors saw collection of the nuts as an alternative source of income and expressed their interest in engaging in the collection of nuts as a business provided the price was adjusted upwards.

Though similar views were expressed in the Central Region, there was an exception at Ankaako in the Lower Denkyira District. The reason being that a natural product “Amoto” used for medicinal purposes was being sold for ¢15000/small margarine tin (0.4kg) and this was more attractive to the local people than collection of allanblackia seeds as they made over tenfold more money from “Amoto”.

In all the communities visited in the two regions the collectors stated that they did not engage in child labour for the collection of the nuts and also indicated their commitment not to engage in child labour in the future.

They also said that commercialization of allanblackia was not harming the communities in any way.

### **3.1.7 Major Constraints**

Constraints expressed by collectors in the two regions were similar however, due to some unique differences; this report outlined the constraints separately.

### **3.17.1 Western Region**

The constraints faced were listed as follows:

- Low price for nuts for 2004/2005 season, the offer price was ¢1000/kg.
- At Mpatahu inhabitants were not permitted by the Forestry Division to collect the fruits within the forest reserve.
- At Wassa Esikuma, the buyers failed to turn up resulting in mistrust by the collectors towards the buyers.
- Competition of collectors with rodents for the fruit which often affected volumes collected
- The fruit was also said to have a pungent smell
- There were instances when the fruit was infested with worms which made its processing nasty.
- They also expressed threats of snake bites.
- Another major issue was the lack of gloves to protect their fingers from being scalded.
- At Mpatahu, near-by communities also collected the nuts for processing into edible oil.
- They also did not have protective gear to enhance their work.

### **3.1.7.2 Central Region**

These were the main constrained outlined by the collectors.

- Low and unattractive price offer for nuts.
- Another major issue was the lack of gloves to protect their fingers from being scalded.
- The nuts were also not in abundance
- The collectors complained of snake bites due to the non provision of protective gear.

### **3.1.6 Requirements for the efficient and effective collection of allanblackia**

In both the Western and Central regions, the collectors proposed the provision of the under listed items:

- Protective including gloves, rain coats
- Cutlasses to clear bushes under the trees
- Mats to dry the nuts
- Baskets and containers for collection
- Sacks
- Knives to break the pods

## **3.2 Focal Persons**

### **3.2.1 General Information**

Twelve focal persons were interviewed made up of ten males (83.3%) and two females (16.7%). Eleven of the focal persons had formal education (junior secondary school, middle school and commercial school) while one did not have any formal education (Wassa Esikuma). Their ages ranged from 18- 40+ years.

As regards the Western Region, 30% were between the ages of 18 and 29 years, 40% were between 30-40 years and 30% were 40 years plus.

In the Central Region, 15% aged between 18-29 years, 45% were aged between 30-40 years and 40% were 40 years plus.

They were all married.

### **3.2.2 Collection and Payment**

In the Western Region, it was only in Apeasuman (1.085 tons) and Aboaboso No.1 (400kg) (Mpohor Wassa East District) and Mpatahu (1.5 tons) (Wassa West District) where the focal persons provided figures of volumes mobilized for the 2004-2005 season. It was also disclosed that the price was always fixed by Unilever the main buyer.

All the focal persons indicated that they often used their own funds to pre-finance the purchases of the nuts from the collectors before they were re-imbursed by the Novella extension staff.

### **3.2.3 Institutional Knowledge**

They all acknowledged having received extension training from Unilever, education via radio broadcast at Wassa Esikuma (Wassa West District) and Asma Camp (Lower Denkyira District) and also sensitization through the screening of a film on allanblackia in almost all the communities visited except Gyankobo in the Lower Denkyira District of the Central region.

They in turn educate collectors on what they have been taught. The only exception was the focal person at Breprow who was yet to be formally trained as at the time of our visit.

The peak period for the mobilization was said to fall between September and May.

### **3.2.4 Logistics required for effective Mobilization**

Logistics mentioned were not different in the two regions. The focal persons indicated that the following items would enhance their work:

- Cash to pre-finance mobilization of the nuts
- Gloves to protect collectors hands
- Wellington boots
- Weighing scales
- Store rooms
- Means of transport (bicycles)
- Sacks
- Rain coats

### **3.2.5 Business Prospects**

They all asserted that they saw real business opportunity in allanblackia purchases but they should be motivated with a higher remuneration instead of the current commission of ¢100/kg being 10% of the per kg price of ¢1000.

### **3.2.6 Constraints**

#### **3.2.6.1 Western Region**

The constraints faced were listed as follows:

- Low price for nuts for 2004/2005 season, the offer price was ø1000/kg this affected volumes mobilized as the collectors were not willing to collect more fruits.
- They also stated they were financially handicapped in pre-financing the purchases of the nuts.
- Delay in carting of produce often led to a lot of inconveniences as these focal persons did not have storage facilities of their own.
- They also complained of low and non-payment of commissions due them.
- Lack of transportation often resulted in trekking long distances on foot and this affected mobilization.
- Focal person for Breprow did not have training in record-keeping as at the time of the survey.
- Communication was another constraint as most of the communities did not have telephone network.

#### **3.6.1.2 Central Region**

- The major constraint was at Ankaako where farmers preferred the collection of “Amoto” to allanblackia because they make over ten times more money from collecting “Amoto”.
- The farmers also saw the collection of allanblackia as being work for idle people. They argued that since other attractive options existed for generating income like collection of “Amoto” it was not worth the effort put in the collection of allanblackia.
- Low purchasing price for nuts since the inception of the project has been a major issue.
- The focal persons also complained of low commissions paid them (10% of price) for quantity of seeds purchased.
- Lack of transportation often resulted in trekking long distances on foot and this affected mobilization.

- The nuts were not endemic in some communities.

### **3.7 Proposed Solutions to Constraints**

#### **3.7.1 Western Region**

- i. It was proposed that Unilever should involve focal persons in planning and deciding on price fixing.
- ii. The focal persons also recommended the timely provision of cash for allanblackia purchases.
- iii. To enhance increased volumes, the focal persons requested that the purchasing price for allanblackia seeds should be reviewed upwards to at least ¢5000/kg.
- iv. They also wanted an upward review of their commission to make it more attractive since the current commission of 10% was nothing to write home about. Another proposal was for them to be provided with bicycles to facilitate their easy movement.
- v. Focal person for Breprow expressed interest in being trained on record keeping.
- vi. They also suggested the provision of incentive packages for high volume collectors and hard working focal persons.

#### **3.7.2 Central Region**

- i. The focal persons also requested for an upward review in price of the nut as well as their commission from the current 10% to @ 30%.
- ii. Timely release of cash to pre-finance purchases of the nuts.
- iii. Provision of means of transport (bicycles) to enhance their movement.
- iv. Supply of weighing scales
- v. Establishment of allanblackia plantations to address the current low volumes.
- vi. Timely carting of nuts by the assemblers.

## **PART B**

### **4.0 FINDINGS OF SURVEY**

#### **4.1 Inventory of stakeholders in the supply chain**

With regards to the stakeholders analyzed in the supply chain the following were covered under the study:

- Collectors
- Focal Persons
- Assemblers/Transporters
- Primary processors

An inventory of these fore-mentioned stakeholders is discussed in details below in respect of their roles and responsibilities chronologically.

#### **4.2 Roles and responsibilities of Stakeholders**

##### **4.2.1 Collectors**

Interviews conducted in the 5 districts in the Western and Central regions revealed that these are their perceived roles and responsibilities:

- i. The collectors are able to identify the allanblackia tree as they were able to give the attributes of not only the tree but its fruit and seed as well.
- ii. They are also directly involved in the picking and breaking of the allanblackia fruit and scooping of the nuts.
- iii. The collectors also dry the nuts for the recommended number of days as educated on the allanblackia best practices after which the seeds are then stored and finally sold to the focal persons.

##### **4.2 .2 Focal Persons**

- i. The focal persons move from community to community in their operational areas to identify the allanblackia tree and undertake awareness creation and sensitization in communities where allanblackia is discovered.
- ii. They also organize collectors in communities identified to have allanblackia
- iii. These focal persons disseminate information on allanblackia best practices

- iv. Another role is the direct mobilization of the nuts from collectors.
- v. They also provide limited amount of cash for pre-financing nut purchases.

#### **4.2.3 Assembler/Transporter**

The main transporter identified for the 2003/2004 and 2004/2005 seasons was Abepa Produce Buying Limited.

Their roles involved the following:

- i. Bulk lifting of nuts from designated communities
- ii. Education of focal persons on policies concerning the project
- iii. Served as a conduit between Unilever and the communities
- iv. Ensured quality control of nuts

### **5.0 COMPETITIVE STRENGTHS OF STAKEHOLDERS**

#### **5.1 Collectors**

- i. The Collectors have significant knowledge on allanblackia best practices.
- ii. They also expressed their willingness to collect the fruits if offered a competitive price.
- iii. Most of them are farmers in the endemic areas.

#### **5.2 Focal Persons**

The focal persons were found to be knowledgeable in the mobilization and purchasing of allanblackia. This could be attributed to the fact that a significant number of them (@70%) double as purchasing clerks for cocoa buying companies including, Cocoa Marketing Company, Abinkyi and Resigha.

- i. It was also realized that they had a strong commitment to work. They often had to trek long distances on foot or even paid their fares from their personal funds in the course of identifying new areas, educating the collectors as well as ensuring quality control.

ii. Discussions with the focal persons revealed that they were ready to use their own logistics though limited to facilitate the smooth running of the project. These logistics included providing their rooms or stores for storing the allanblackia, pre-financing the purchases of the seed while waiting for the assembler to re-imburse them. Using own scales (as evidenced at Aboaboso No. 1 –Mpohor-Wassa East District).

### **5.3 Assemblers/Transporters**

The main transporter for the 2003/2004 and 2004/2005 seasons was Abepa Produce Buying Limited.

The major competitive strengths of the assemblers and transporters were as follows.

- i. The company has a reliable fleet of vehicles for carting the produce.
- ii. They also have a strong knowledge base of the allanblackia endemic areas
- iii. They have consistently exhibited technical expertise in handling and processing of natural products.
- iv. It was also found out that the focal persons are willing to deal with assemblers due to the latter's credibility in terms of paying for the produce mobilized

## **6.0 WEAKNESSES OF STAKEHOLDERS**

### **6.1 Collectors**

A considerable number (65%) of collectors do not have formal education. Record keeping was not rife in all the communities visited. One reason was that importance was not placed on record keeping. Also, the limited education of the collectors has also constrained them in keeping formal records on business transactions.

The collectors did not see allanblackia collection as a business due to the unattractive price being offered. They also have limited business management skills.

They also exhibited low motivation to either continue or increase the volumes collected due to the unattractive price offered.

As regards health and safety, it came out during discussions with the collectors that they all lacked protective wear in the course of working. These are wellington boots, gloves, and raincoats among others.

They also have limited information on end use of allanblackia.

## **6.2 Focal Persons**

The constraints faced by the focal persons included the following;

- Limited logistics (means of transport, weighing scale, protective gear, storage facilities) in carrying out their task on mobilization of allanblackia effectively and efficiently.
- Not adequately resourced financially to pre-finance the nut purchases.
- Though they admitted having benefited from training in record keeping, (@ 20%) showed proper understanding in keeping records in the communities visited.
- Constrained in terms of communication as a result of poor communication network.
- They were also lowly motivated due to unattractive commission paid (10% of total revenue).

## **6.3 Assemblers/Transporters**

- Often covered extensive operational areas resulting in high operational costs.
- They were not motivated enough in carrying out the job due to low remuneration.
- Low volumes do not merit transporting produce from extensive operational areas.

## **6.4 Processors**

- The main processor visited was Mr. Hyernn Ayithey
- He asserts that the allanblackia idea was kick started by him and a friend in the Western region who was his agent in the purchase of palm kernels. This friend

presented to him allanblackia seeds as possible source of vegetable oil which the indigenes around the allanblackia endemic areas used as alternative cooking oil

- He has been in the oil seed processing business for up to a decade.
- He has had industrial working experience in Germany and knows the business up and down stream
- He is literate with post-secondary level educational qualifications
- Also performs the role of assembler and transporter
- Main constraint is the low volumes of allanblackia seeds available for processing.
- Sees allanblackia processing as a potential business but currently available volumes are less than a weeks processing time.
- Unilever is the sole buyer

## **7.0 RECOMMENDATIONS**

- The issue on price adjustment needs to be given the requisite attention to enhance the sustainability of the project.
- The focal persons appeared enthusiastic and have put in so much effort (though this cannot be quantified) to promote the collection of the fruit in the communities. It is therefore being proposed that they should be well motivated not only in monetary terms but also in kind as is being done by the Cocoa buying agencies since some of them double as purchasing clerks for these companies to enable them focus on allanblackia as well.
- The focal persons also need to be assisted financially to enable them pre-finance the purchases of the nuts however, stringent measures should be put in place to prevent embezzlement.
- The collectors need to be provided with protective wear such as gloves and Wellington boots and other items including knives, cutlasses and drying mats to facilitate the collection and processing of the fruits.

- Awards could also be given to collectors who have been able to mobilize high volumes in their respective communities to serve as a morale booster. These awards could include items like laundry soap, kerosene, salt, cutlasses among others.
- Provision of logistics that will facilitate the work of the focal persons. These could include bicycles, rain coats, weighing scales, Wellington boots and branded t-shirts and or overalls for easy identification.
- Sensitization and education on allanblackia need to be repeated in the communities so as to draw more farmers in its collection. Screening of the film on allanblackia came out as the most effective tool on awareness creation and education. Almost all the communities requested for a repeat of the film.
- The focal persons need to be re-trained on record keeping since majority of them were found not to be keeping records except the focal persons at Apeasuman, Asma Camp and Mpatahu. Mention should be made of the focal person at Apeasuman who kept impressive records considering his age (50 years+) which did not pose as an obstacle.
- Negotiations need to be held with the main transporter (Abepa Produce Buying Limited) to see how best rates paid are commensurate with the distances covered so that bulk lifting of the nuts would not suffer undue delays.