

# AGRICULTURAL DEVELOPMENT AND VALUE CHAIN ENHANCEMENT (ADVANCE) PROJECT

## Summary

The USAID Feed the Future Agricultural Development and Value Chain Enhancement (USAID ADVANCE) project is a five-year project implemented by a consortium led by ACDI/VOCA. The project's main goal is to increase the competitiveness of the maize, rice, and soy value chains in Ghana. USAID ADVANCE achieves this goal through boosting the agricultural productivity of the three commodities, improving the value chain actors' access to finance and markets, and strengthening local capacity. The project developed an outgrower business model that centers on outgrower businesses and aimed to reach 113,000 smallholder farmers. The project ensures mainstreaming gender and youth empowerment as a deliberate strategy to empower them.

USAID ADVANCE adopts a value chain approach where smallholder farmers are linked to information sources, inputs, equipment, finance, and markets through nucleus (commercial) farmers and traders (aggregators) who have the capacity to invest in these value chains. The nucleus farmers and aggregators who play a pivotal role are referred to as outgrower businesses (OBs). The project also builds the capacity of farmers and farmer-based organizations to increase the scale and efficiency of their farm businesses, through improved production and post-harvest handling practices.

## Objectives

The main goal of the project is to increase the competitiveness of the maize, rice, and soy value chains through these objectives:

- Increased productivity in targeted commodities
- Increased market access and trade
- Strengthened local capacity

### Project Overview

**Project Duration:**  
2014–2018

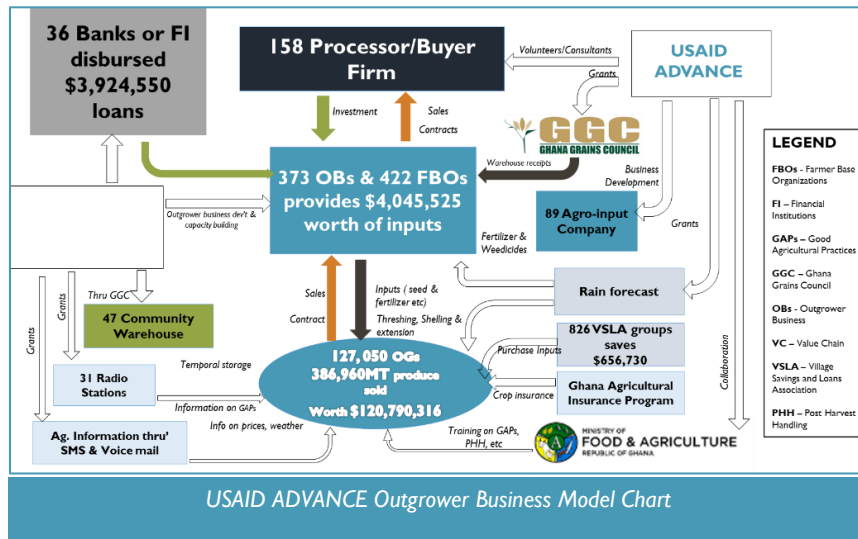
**Implementing Partners:**  
ACDI/VOCA, Technoserve,  
ACDEP, Pab Consult

**Funding:**  
\$37,000,000

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## Implementation Approach: The Outgrower Business Model



USAID ADVANCE designed the Outgrower Business model to achieve the project's goal in a sustainable manner. The model employs a facilitation approach that builds and strengthens incentives for investment, builds local capacity, and broadens and catalyzes relationships to increase agricultural productivity and expand access to markets and trade. It involves working

along the entire maize, rice, and soy value chains from the input supplier to the smallholder farmer (SHF) to the aggregator and processor, and finally to the end-market.

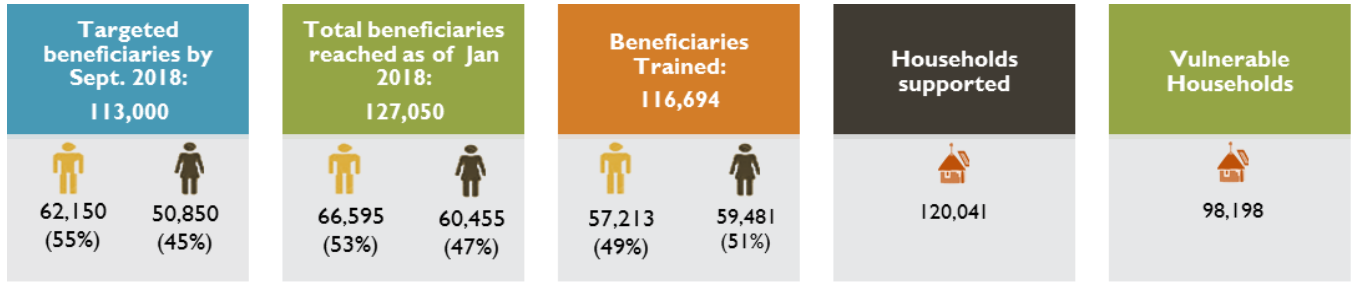
The project first surveys the value chains' end markets to identify demands before identifying intermediaries (outgrower businesses) and SHFs to meet markets' demands. The project's team supports the SHFs to improve their productivity and link them to OBs, who provide them with inputs, improved farming technologies and services. The project trains OBs to enable them to manage their SHFs effectively and also links them to input dealers and financial institutions to access input and financing.

USAID ADVANCE conducts good agriculture practice (GAPs) trainings in collaboration with the Ministry of Food and Agriculture's agriculture extension agents and disseminates GAP messages through radio and other electronic media. Through electronic service providers, the project delivers market and weather information, and mobile financial services to farmers via mobile phones.

USAID ADVANCE anticipates that the outgrower business model will entice major buyers to invest in the OBs to strengthen their supply chains, which in turn incentivize the OBs to invest in the smallholder farmers who constitute the production base. If each actor in the value chains makes profit from the business linkages, the core business between the SHFs, the OBs, and the end-buyers will be sustainable after the project ends.

One of USAID ADVANCE's strategies is to use an adaptive management approach, whereby the project team continuously assesses the project activities vis-à-vis the outputs, outcomes, and impact, and as a result, adjusts the implementation strategies accordingly.

## Key Results



### Improved production yields, sales' gross margins, access to cash, technologies; and expanded markets

