

# "Building Farmers' Income and Safety Nets while Securing Local Energy Supplies in West Africa"



**MBSA Holding, Mali**



**Faso  
Biocarburant,  
Burkina Faso**

**Farmer  
Cooperatives,  
Burkina Faso**



1. Smallholders / shareholders
2. Smallholder intercropping
3. Food AND Fuel



# Why a Partnership IFAD/MBSA?



## IFAD

1. Main focus of IFAD operations is on improving smallholders livelihood ;
2. IFAD showed specific interest in Jatropha: a Global Consultation on “Pro-poor Jatropha Development” organized in Rome in April 2008, which resulted in providing a research grant to ICRISAT

## MBSA

1. MBSA developed a smallholder-focused approach capable to increase beneficiaries’ availability of food and incomes by making use of agro-forestry models (based on Jatropha);
2. The MBSA’s approach is based on country’s foundations responsible for its deployment at national level.

# OBJECTIVE /CURRENT ACHIEVEMENTS



## SCOPE

1. The **scope** of the MBSA grant is therefore to scale-up the MBSA experience in Mali and Burkina Faso to a total of 5 countries in WCA so as to allow smallholder farmers to benefit from improved food production, biofuel production and the carbon credit market.

## CURRENT ACHIEVEMENTS

1. **Additional Funds acquired** for FMB and FFB from ADECIA and 3 cooperatives (linked to FMB) from a multi-actors partnership ICCO/Terrafina to cultivate cereals for food security;
2. **Management support** provided by the RPDU to the Foundations (GA, monitoring of certification process in Burkina, learning event session, identification of cooperatives to be involved in the new foundations in Senegal and Ivory Coast)



## New Foundations to be established

Creation of 3 new foundations: in Senegal and Cote d'Ivoire by the end of 2012 and in Guinée in early 2013. The objective of the work of each foundation is to involve 10 000 small farmers per country into MBSA's work.

## Link between the Foundations and the IFAD Country's Project

The IFAD country projects have the opportunity, by investing into the Foundations, to increase and make more sustainable small farmers' incomes. How?

Through the Foundations, producers get: (i) services improving their business in a sustainable way, (ii) a secure market for their agro-forestry production, (iii) a net profit as shareholders of MBSA and (iv) carbon credits.

# Opportunities offered by the MBSA PPP



## For IFAD

1. A new, alternative way to support rural poor
2. A way to diversify the incomes of smallholders through the involvement of the private sector

## For MBSA/PRIVATE SECTOR

1. Increase likelihood of having larger/more consistent feedstock supplies
2. Increase potentials for longer-term partnerships (with POs, local institutions etc)

## For SMALLHOLDERS

1. Benefit of a secure market for final products and hence more sustainable revenues
2. Easier access to support services (directly from Foundations)
3. Strengthening smallholders relevance within the value-chain

# Potentials risks of the MBSA PPP



## IFAD

1. Loose control over the management of the intervention.
2. Undesired impacts result from the intervention .

## MBSA/PRIVATE SECTOR

1. Excessive dependence from just one funding source.
2. Relations with POs and IFAD become too bureaucratic.

## SMALLHOLDERS

1. Organizational and climate risks impede matching company's requirements (volumes, feedstock quality).
2. Risks related to company/business mismanagement – so that dividends cannot be paid.