

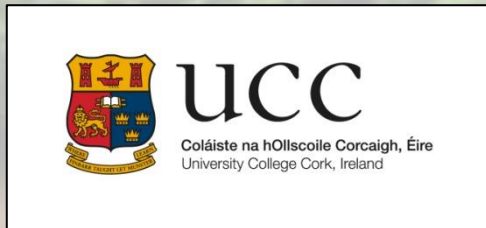
Setting Standards for the Development of a Sustainable Groundnut Value Chain in Malawi

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Main Objective

Examine the advantages that both farmers & buyers can gain from the development of a high quality groundnut market in Malawi.



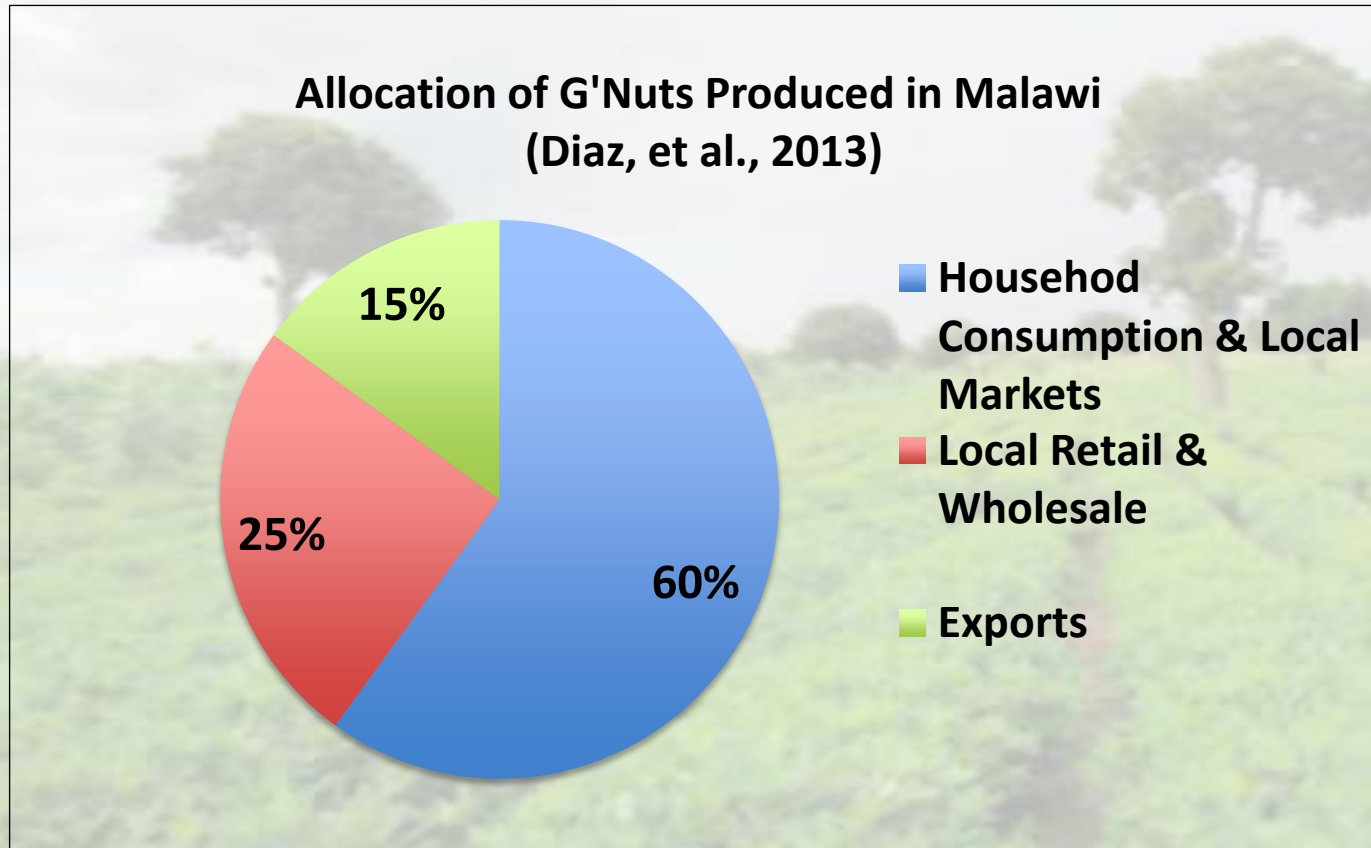
Analysis of an intervention purchasing groundnuts for the local production of Ready-to-Use Therapeutic Food (RUTF) and the high value export market.

Valid Nutrition's Objective

Work through partners to support farmers to produce *commercial grade groundnuts* for use in RUTF, thus creating a reliable source of high quality groundnuts.



Groundnut (G'nut) Production in Malawi



Study Sample Growing G'Nuts:

- 0.30 hectares
- Yields <900kg/ha
- Low input use
- Minimal sorting/grading/value adding

Aflatoxin in Groundnuts



- Health risk to an already vulnerable population
 - 2008/09 study detected aflatoxin contamination 0 – 3,871ppb (Monyo et al, 2009)
- Post harvest stage = HIGH RISK
 - Drying
 - Shelling by hand (SPRINKLING WITH WATER)
 - Storage
- Damaging growth of commercial markets & trade

Overall G'Nut Value Chain Intervention



2013 Market Options & Requirements

'Nuts in Shell' Market

Don't Shell – **GRADE!**

US\$0.62 per kg of NIS for Grade A
23% price premium

Pro's:

Competitive Prices
No shelling
Electronic Scales
Transaction Recorded

Con's:

Pricing System - Shell : Nut Ratio
Grade Outs – Profitability?

Informal Market

Shell and Sort

US\$0.74 per kg of shelled

Pro's:

Take everything
No grading

Con's:

Shelling
Trust
Spring Scales
Poor prices non-negotiable

Conclusions

- Food safety & standards can be a barriers & catalysts for growth.
- Value chains need to be health and nutrition sensitive.
- **However, many constraints...**
 - Profitability & safety of grade outs
 - Reliable & affordable testing
 - Productivity
 - Aflatoxin APPRECIATION

Thank You



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