RECENT DEVELOPMENTS IN CASSAVA PROCESSING, UTILISATION AND MARKETING IN GHANA AND LESSONS LEARNED

By.

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INTRODUCTION – STATUS OF CASSAVA PRODUCTION

YIELD
12.4 MT/Ha (48.7 achievable)

TOTAL ANNUAL PRODUCTION
9.6 Million MT/Annum

CASSAVA- AREA CULTIVATED
790,000 Ha

SMALL-HOLDERS
1.8 Million

SURPLUSES
3.3 Million MT/Annum (30%)
THE DIALIEMMA OF THE CASSAVA FARMER

How do I sell all this cassava?

Can this cassava business help me at all?
CASSAVA PROCESSING AND UTILISATION

Large
- Private and Govt. owned
- Capacity – 20+ tons/mth.
- Industrial pdts and Export
- 12 identifiable

Medium
- Privately owned facilities
- Capacity – 10-20 tons/mth.
- Trad.Food and Ind. Pdts

Small
- Privately/Community-owned
- Capacity-1-10 tons/mth
- Traditional Food products

Micro
- Individuals and Associations
- ~200 groups (10 per group)
- Traditional Food Products
EQUIPMENT SUPPORT

45 EQUIPMENT MANUFACTURERS

- Graters
- Presses
- Grinders
- Hammer Mills
- Kokonte Crackers
- Chippers (manual/motorised)
- Sifters (for dough, flour, gari)
- Dryers (solar, fuel operated)
- LPG Industrial stoves.
- Bagging stands

75% of manufacturers
QUALITY ISSUES
In Cassava Processing

Product Quality/GMP

Standards Exist:
• Mandatory
• Voluntary

Training and Enforcement of Quality Management Systems
RTIMP GPCs (15)

Environm
ental Sanitation

Waste Management:
• Liquid Waste
• Solid Waste (Peels)

Soak-Away Pits
Animal Feed Production
C:AVA Support

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MARKETING
Pricing & Competitive Strategies

Cost
(Best Option for Cassava)

Differe-
novation

Focus

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# Cost Structure of Selected Cassava Products

<table>
<thead>
<tr>
<th>COST ELEMENT</th>
<th>COST IN GHANA CEDIS FOR SPECIFIED PRODUCT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HQCF</td>
</tr>
<tr>
<td>Raw Material</td>
<td>250.00</td>
</tr>
<tr>
<td>Labour</td>
<td>60.00</td>
</tr>
<tr>
<td>Energy</td>
<td>165.00</td>
</tr>
<tr>
<td>Supplies</td>
<td>17.50</td>
</tr>
<tr>
<td>Overheads</td>
<td>120.00</td>
</tr>
<tr>
<td>Total</td>
<td>612.50</td>
</tr>
<tr>
<td>Product Output</td>
<td>1MT</td>
</tr>
</tbody>
</table>
## Cost Structure of Selected Cassava Products

<table>
<thead>
<tr>
<th>COST ELEMENT</th>
<th>HQCF</th>
<th>AGBELIMA FLOUR</th>
<th>GARI (IND.)</th>
<th>GARI (TRAD)</th>
<th>FRESH CASSAVA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw Material</td>
<td>40.8</td>
<td>40.3</td>
<td>46.0</td>
<td>56.2</td>
<td>7.8</td>
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<tr>
<td>Labour</td>
<td>9.8</td>
<td>9.1</td>
<td>25.2</td>
<td>11.2</td>
<td>53.5</td>
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<tr>
<td>Energy</td>
<td>26.9</td>
<td>26.9</td>
<td>5.1</td>
<td>7.1</td>
<td>18.9</td>
</tr>
<tr>
<td>Supplies</td>
<td>2.9</td>
<td>3.1</td>
<td>3.5</td>
<td>5.6</td>
<td>11.4</td>
</tr>
<tr>
<td>Overheads</td>
<td>19.6</td>
<td>20.6</td>
<td>20.2</td>
<td>19.9</td>
<td>8.4</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Product Output</td>
<td>1 MT</td>
<td>1 MT</td>
<td>1 MT</td>
<td>1 MT</td>
<td>1 ACRE (5 MT)</td>
</tr>
</tbody>
</table>

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PRICE REDUCTION OPTIONS

- High-Output, High-Efficiency dryers
- Firewood operated dryers
- High yielding varieties
- Promotion of GAP
- Reduction of labour costs in production
PROMOTIONAL CHANNELS

- Customer Referrals
- Fairs and Exhibitions
- Mass Media – Radio and TV
- Donor funded projects
  - DFID Expanded Mkts
  - EU Cassava SMEs
  - RTIMP, CAVA, GAAPP
MARKETING OUTLETS

MARKET OUTLETS

- PARLAYS BISCUITS
- FAIRBON BISCUITS
- TAKORADI FLOUR MILLS
- GHAFCO
- IRANI BROTHERS
- SAMATEX
- BONDPLEX
- HANMAX
- ABTS SAWMILLS
- OTI YEBOAH CO. LTD
- ELSA FOODS
- NEAT FOODS
- PRAISE EXPORT

FLOUR MILLING AND BAKERY

PLYWOOD

PAPERBOARD

TRADITIONAL FOODS

BISCUITS

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LESSONS LEARNED

- Need to improve competitiveness – low cost strategies
- Key production and sales bottlenecks
  - High raw material cost
  - Cost/Availability of Credit
  - High energy costs
  - High cost of advertising
  - Unwillingness to pay realistic prices
  - Sustaining volumes of production
- Quality Management systems needed
- Training in Quality Management and GMP needed.
THANK YOU