**Business-oriented typology and characterization of agriculture in SSA**

**A multi-scale and cross-time framework**

**Introduction:**

Our proposal, not yet clearly compatible with the existing report outline, is to provide a chapter, or a substantial portion of a context-setting chapter, that attempts to characterize, scale, locate, point to prioritization of high-level smallholder commercialization strategies, opportunities and challenges.

We suggest to do that by bringing together a set of multi-scale and multi-temporal data that seem tractable in the available timeframe. At the highest level we have “development domains” providing broad, regionwide SSA context for conditioning commercialization (e.g. the promising commercialization opportunities for high-value, perishable, (bulky) commodities that might be more profitable in the Hi-Hi domains [rainfed ag potential x market access] and the more limited opportunities for say extensive livestock grazing, low-input cereal in lo-lo domains). We propose then focusing on around half a dozen countries for which we have recent/accessible microdata (e.g. LSMS-ISA and maybe AGRA baseline surveys) to look more closely, in the same 2x2 domain framework, at specific farm hh characteristics to do two things (i) apply some typology to distinguish between say “predominantly-subsistence” focused and “transitioning-commercial” smallholders (ii) report on hh level variables that can provide insight into the scale of potential business development challenges and opportunities in each country. The final piece would be to focus in on one country for which we have 2-3 rounds of LSMS-ISA (e.g. Tanzania) and look at the trends in some of those “commercialization potential” metrics over the past 6-8 years. Of course there are many other factors limiting business opportunities (and the World Bank’s Enabling the Business of Agriculture [EBA] indicators are likely useful for the report in that regard), but this could provide a contextual storyline that could help bridge across different perspectives/frameworks that might be introduced in the report. Our thoughts on the actual analyses we’re suggesting are summarized below.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Component Description** | | **Aggregation/Units of reporting** | **Potential variables reported** | **Data Sources** | **Who** | **Feasibility/status** |
| **SSA region**: High level strategic opportunities challenges for commercial smallholder ag | Geospatial analysis   1. Mapping 4 (2 x 2) domains across all SSA 2. Tabulating high level/ characteristics within domains | Report characterization variables by region (EA, WA, CA, SA) x domain.  Options; By farming system, by country (appendix table) | * Total population (urban/rural) * #farm households (rural/urban) * Population density * Production (by groups) * Livestock (head/production) * Market access measures * Land productivity (Food & Cash crops) | * HarvestChoice SSA spatial database (CELL5M) * SPAM crop distribution maps. * Recent FAOSTAT national time series totals/averages (for re-scaling spatial) | Spatial Dev +  Data Analyst  (support from HC team as/if needed) | Examples of prior similar analysis from Omamo et al 2005, Pender et al. various,  Benin et al 2016 |
| **4-6 Country Smallholder Comparison:** Typologies and characteristics that point to specific commercialization challenges and opportunities | Tabulation of LSMS-ISA (and maybe AGRA baseline hh data) with by smallholder typology characterized by “commercialization potential” | Country \* smallholder typology \* 2-3 sub-regions or say urban/rural categories (typically significant # SHFs in “urban” areas). Smallholder typology by one or combo of: holding size, input use, share of sales, e.g. subsistence, transitional, commerical | * Holding size * Income/consumption * Access to inputs/extension * Use of inputs * Tenure status * Education * Cell-phone ownership * Cooperative membership * Access to credit * Off-farm income * …… | LSMS-ISA most recent waves (typically 2013-2015)  Ghana GLSS  AGRA Baselines | EPAR  Bhramar | Need to agree most useful smallholder typology that reflects current and potential business opportunities challenges. Have TZN, NIG, ETH in hand need to get UGA and GHA. Maybe can also easily get Malawi (Nancy M) |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Time dynamics:** Single country review across time at small holder dynamics wrt the selected “commercialization potential” variables used in country microdata comparison | Typology/variables as above but the focus will be on dynamics. Are we seeing any evidence of indicators of “transformation” at a hh scale. Are ag enterprises and income sources becoming more or less diversified? More use of inputs, more sales? | As above for Tanzania but across 3 waves of survey. |  |  | EPAR already doing analysis of these variables for our T4 analysis (Tractably tracking transformation trajectories) |  |

