

National Productivity and
Competitiveness Council

Commonwealth of Learning

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**Implementing L3 Pilot Project in Mauritius
M-Powered
(Mauritius-Process Oriented Women
Entrepreneurship Development)**

Report Ending June 2008

Submitted by

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1.0 Background

The Commonwealth of Learning (COL) has confirmed its agreement with the National Productivity & Competitiveness Council (NPCC) to develop a successful pilot project on *Mauritius Process Oriented Women Entrepreneurship Development (M-POWERED)* with strong integration of L3 for employment of women in the agricultural sector. An agreement was signed between the two institutions following visits of Dr Krishna Alluri, Educational Specialist, Food Security & Environment and Team Leader: Learning for Livelihoods (kalluri@col.org), COL and Dr. K. Balasubramanian, COL Consultant for L3 farmers.

Within the scope of this agreement, a Pilot Case Study has been initiated with the planter community of Belle Mare and Trou d'eau Douce, located in the eastern region of Mauritius. It is to be noted that many small scale farmers, including women, run the risk of disappearing, for competitiveness reasons, if they do not change the way they do things. Through this project, one of the objectives sought, would be to empower the Belle Mare / Trou d'Eau Douce Small Scale Vegetable Planters to move to High Value Agricultural Products (HVAPs) targeting high-end markets integrating L3 in the process. It is expected that the outcome would be to increase and sustain income generation while preserving employment. The pilot case started since end December 2006-January 2007.

What follows is a status reporting on the project as at June 2008.

2.0 Introduction

The approach to this project has been discussed with Dr Bala and Dr Alluri during their respective visits in Mauritius. The pilot case builds on certain key concepts such as cognitive social capital, structural social capital, value premise analysis, value chain analysis, value coalition process and Lifelong Learning (L3). These concepts are integrated in a process-based approach called M-POWERED [Mauritius – Process Oriented Women Entrepreneurship Development].

3.0 What has already been done

The process of building cognitive and structural social capital has started and is on-going. The NPCC started talking to cooperative regrouping about 300 planters of the Belle Mare Region and the Trou d'Eau Douce Cooperative.

Several meetings were held:

Among Planters and key stakeholders

- To raise awareness on the need to come together (structural social capital) to better tap opportunities
- To discuss about market opportunities with respect to existing 4-5 star hotels in the region which could constitute a high end market for planters
- To raise awareness while involving key stakeholders in the project (AREU/FSC/FARC/BANKS/AHRIM/SPWF/MIN AGRIC – (see annex III for acronyms and stakeholder analysis)

Between Planters and Hotels

- To facilitate meetings/discussions between Hotels and Planters through AHRIM
- To start the process of market buy-back arrangements and that of negotiations

4.0 Results

Cognitive and Social Capital Results

From an initial larger group, the process of building social capital boiled down to retaining few regular interested growers – who saw an opportunity of specialisation in marketing and networking with other growers for supply to the hotels.

- This group comprised of only 14 members – based on trust essentially and an understanding of the vision
- However, this core group, required a new structure/organisation (structural social capital) to respond to this market requirements – in terms of pricing, payment, quality, delivery time/days, standards for transportation etc
- A new association has been formed – a cooperative marketing.

Market Buy-Back Arrangements

The Cooperative has been able to secure a buy-back arrangement with Le Touessrok Hotel and has recently started supplying to a second hotel as well – Le Coco Beach Hotel. From an experimental start, and using its own resources, it seems that the Association is now thinking of expansion and growth.

L3 Learning Needs and Issues

As opportunities grew with the new experience – Learnings on number of issues for the newly formed group emerged namely in

- Planning

- Technical knowledge on production of new HVAPs , Aquafarming or integrated farming systems, hydroponics etc
- Negotiation
- Conflict resolution
- How to enhance collaboration among different stakeholders
- Pricing
- Business Planning etc
- Quality management
- Environment issues
- Issues related to women

How to empower those planters such that they can grow further ensuring involvement and growth of the community? This is where the Lifelong Learning (L3) – as an approach to further empower the growers becomes important. This is where we are focusing on most recently.

If we took note of the fact that 80% of learning among adults take place through self-directed learning, then questions would help in better structuring the L3 approach, that is :

- How to systematically understand and respond to the needs of the growers?
- How does a core group (in this case the recently set up Association) capture consistently the emerging and changing needs of the community?
- How do they harness the knowledge for sharing?
- How do they organise this knowledge and make it valuable and accessible to the community and in what forms and on what terms?
- How do we translate these into formal structured training?
- *In brief, how can the growers enhance their own self-directed, strategic learning in a way that is most effective to them?*

What is observed from this pilot case as at now, is that the planters have realized that

- the potential to grow is tremendous
- the potential of small volume high value crops based on demand from hotels is there
- the possibility of greenhouse crop cultivation needs to be explored for some of these High Value Agricultural Produce and also
- Organised Production or planned production can be made according to demands by hotels

Thus the process of L3 has started with the production of some videos. The NPCC has contacted AREU to facilitate the production of an audio- visual videos on :

Producing Videos

- Greenhouse Construction
- Greenhouse Management
- Greenhouse Crops Management
- Understanding Market Requirements / Negotiation with Hotels
- Discussions among Cooperatives Members

ODL Material Produced

A brief training was given by AREU on handling a video camera and basic filming techniques, following which farmers produced a film that captures the essentials of

- Greenhouse Construction
- Greenhouse Management
- Greenhouse Crops Management

The language chosen is “creole” and subject experts have been provided by AREU. The filming was (and will be) done in their own model farms. The next step would be to produce a video on different types of Greenhouses and specific crops management under greenhouse cultivation.

Current Turnover and Profit Margins

Farmers have registered a new Cooperative – The Agro-Farm de L’Est Multipurpose Cooperatives on 30 may 2008. Consideration is also being made as to whether it will not be more appropriate to constitute a Company; the reason being to have access to more finance for investments. The current turnover is around – MUR 600 000 for the past 6 months or average of MUR 100 000 / Month, which is just a starting point.

The Profit margin has changed from 10% in uncertain situation to 30% currently. The option of going into High Value Agricultural Produce from hotels is known and crops with Higher Profit Margins are being targeted. This is another factor that may influence the planters’ choice of investing into greenhouse cultivation.

- Business Plan

The planters are moving from an uncertain situation to one where they will be able to manage with some degrees of certainty in the sense that demands expressed in advance, the quality requirements are under control and the pricing mechanism is known and agreed upon already. Though a tentative business plan has been elaborated (Annex IV), it may require further refinement.

Emerging Problems and Future Learning Needs

- Cash Flow

It is evident that problems will crop up as the process moves ahead. One of these is linked to cash flow. Hotels effect payment after 45 days and planters need money immediately. There is a need a seed working capital of MUR 200 000 until profits accumulate. Planters are ready to reimburse this amount in two years yet they are incapable of furnishing collaterals. The planters are now in the process of assessing available sources of credit facilities and have contacted a number of banks already.

ODL Materials to be produced: On Access to Finance for Farmers

- Land Tenure

Land is Government owned through another public body – namely the Irrigation Authority. As a procedure, authorisation is needed from latter prior to all development on the lands.

- Financial Management
 - Budget Management
 - Debt management
 - Risk Management
 - Economic Forecasting etc
- ICT – English / IT Illiterate

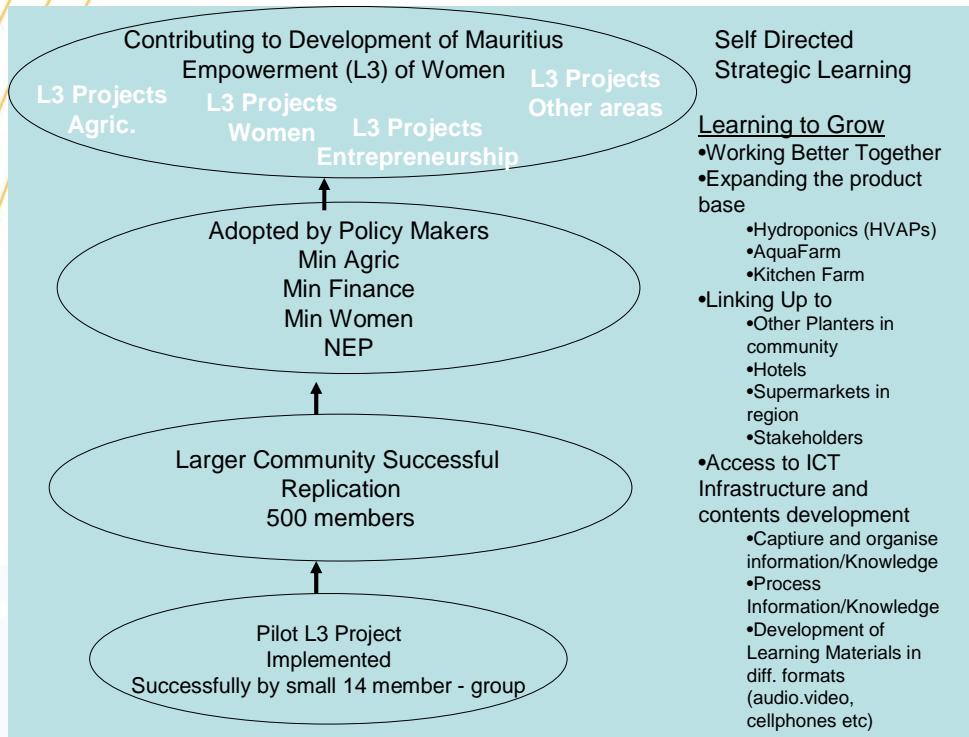
ODL Materials to be produced:

- On Basic Finance Management for Farmers
- Material exist already from NPCC but needs to be adapted for the planters

5.0 Scope of the L3

As at now, L3's integration has already started. More materials will be produced as per identified needs. It will be important next to consider other media support, and ICT – the TECHMODE component in the next year's phase. The recent visit to India has been an eye opener for potential options. Getting the pilot project succeed, will open up opportunities for adoption at higher policy and other stakeholders level as shown in the diagram below.

The L3 issue and challenge will be to consider “how to enable fast response to and satisfy any needs, from a single platform/interface that best facilitates access to ODL resources in any format to support the self-directed learning of farmers”.



6.0 Acknowledgements

The NPCC would like to extend its deep appreciation to the COL for facilitating the L3 in the development process of Mauritius.

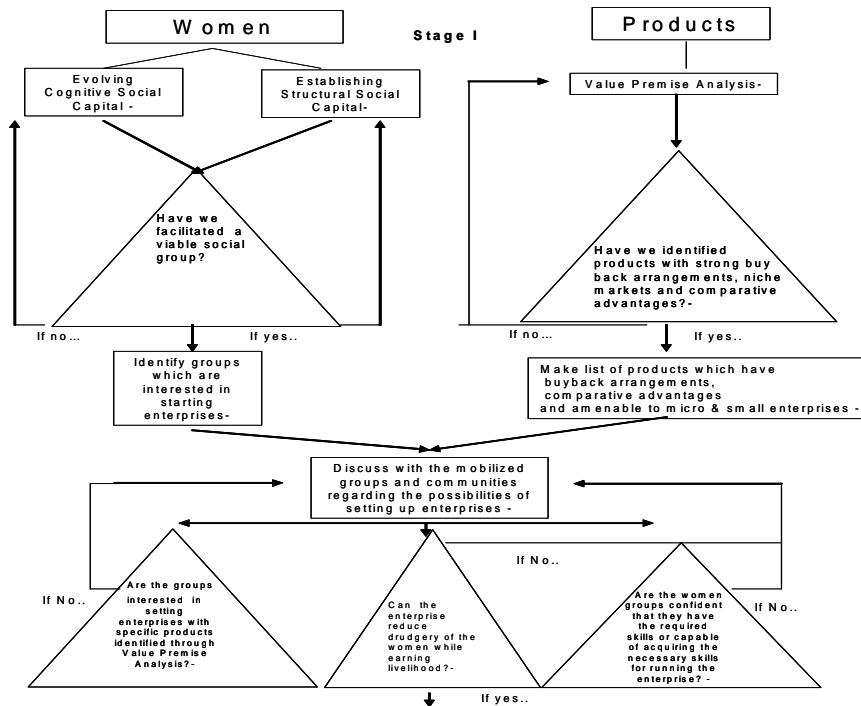
7.0 Annex 1: Some key concepts in M-POWERED

- **Cognitive Social Capital** is the values, beliefs, attitudes, behavior, sense of belonging, common identity and social norms and these values include the trust, solidarity and reciprocity that are shared among members of a community and that create the conditions under which communities can work together for a common good.
One of the reasons for the failures of the cooperative movement all over the world is the absence of investment in building cognitive social capital and exclusive focus on structural; social capital.
- **Structural Social Capital** refers to organization, structure, rules, procedures, management style in bringing community or group together for common good.
- Cognitive social capital should precede the structural social capital.
- **Value Premise Analysis** is the first stage in the entrepreneurial development programme. Given the natural resources, ideological and policy framework for sustainable development, the facilitating agency should identify the various broad-based investment opportunities which are
 - financially viable,
 - economically feasible,
 - environmentally sustainable and
 - socially acceptable.
 - Specific emphasis should be focused on comparative advantages. This could be done at two levels: a). Secondary Data Analysis b). Networking with relevant institutions.
- **Value Chain Analysis** can be described as understanding of the full range of activities necessary to bring a product from its conception to its end use, and includes design, production, marketing, distribution and other support functions to bring the product to its end-user and includes its disposal.
 - Value chain analysis enables to understand competitive challenges
 - Value chains analysis can be a participatory and empowering process.
 - Promotes dialogue and accountability between stakeholders as they analyse and negotiate their common interests in improving the functioning of chains and identifying those interventions likely to be most useful.
- **Value Coalition Process** is the process of developing non-exploitative, mutually reinforcing formal contractual relationship such as credit flow, buy-back arrangement – described in the business plan with monitoring and conflict resolution mechanism.
- **Lifelong Learning (L3)** : focuses on enhancing the canvass of self-directed personal strategic learning among women vis-à-vis enterprises and livelihood security.
 - Studies show that 80% of learnings among adults take place through self-directed learning.

- ICT tools such as mobile phones, computers, internets, televisions and radios can facilitate the learning process
 - Formal –structured learning should facilitate the self-directed learning process.
-
- Commonwealth of Learning (COL) is promoting the concept of L3 in commonwealth countries.

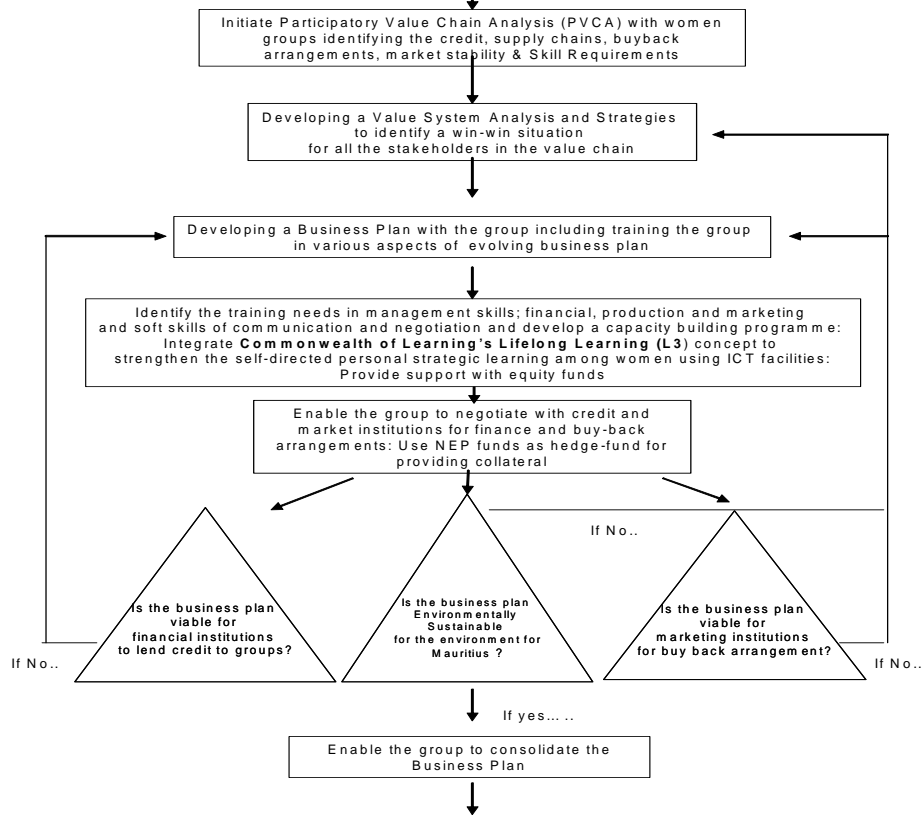
8.0 Annex II – MPOWERED PROCESS

Mauritius- Process Oriented Women Entrepreneurship Development
M P O W E R E D



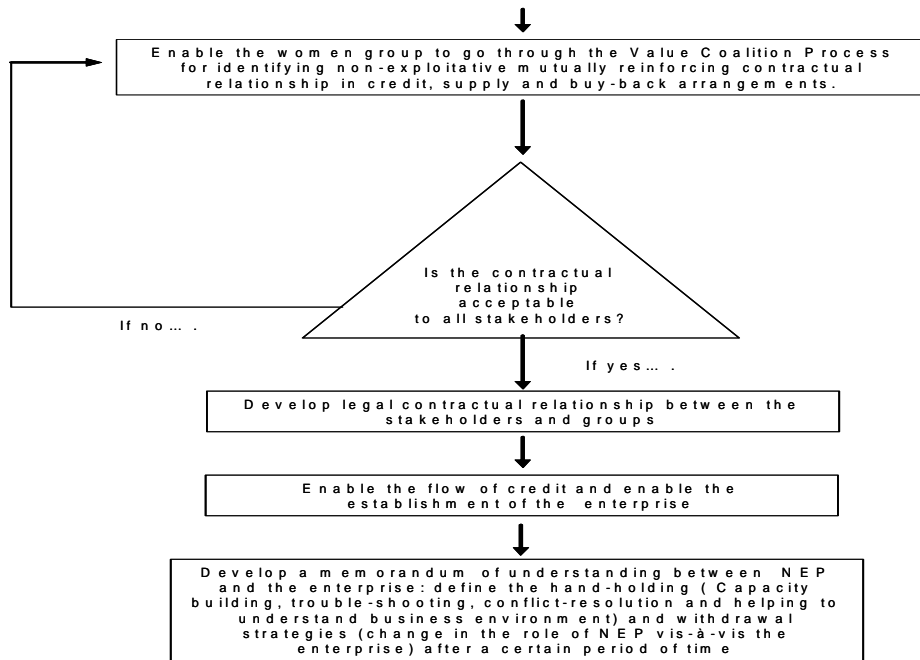
M - POWERED

Stage II



M - P O W E R E D

Stage III



9.0 Annex III – LIST OF ACRONYMS

AREU – Agricultural Research and Extension Unit

FSC – Farmers’ Service Center

FARC – Food and Agricultural Research Council

BANKS – Namely Mauritius Post and Cooperative Bank, Development Bank of Mauritius, also Private Banks

AHRIM – Association of Hotels and Restaurants of Mauritius

SPWF – Small Planters Welfare Fund

MIN AGRIC – Ministry of Agro Industry

L3 Project - M-Powered – Stakeholder Analysis

Stakeholder and basic characteristics	Interest and how affected by project	Capacity and motivation to bring about change	Possible actions to address stakeholder interest
AREU	TRAINING		Technical •Greenhouse Construction •GH Management •GH Crops Management
BANK	Potential Client base	Loans Allocation to about 30 000 small scale farmers	Issue Loan without collateral securities
National Women Entrepreneur Council (NWECC)	Relevant Target Group	Market Access Opportunities	Equipment and Workstation
Food and Agricultural Research Council (FARC)	Can influence research	Tissue Culture Plantlets	Issue of supplying existing plantlets [such as Bananas and flowers – viz anthurium]

10.0 ANNEX IV – BUSINESS PLAN

Company Profile

The AGRO-FARM DE L'EST MULTIPURPOSE CO-OPERATIVE SOCIETY LTD, is a co-operative of women in the region of Belle Mare & Trou D’eaux Douce with a core of 8 planters in the region. The co-operative was registered in 2008 and is located at:

Baitka Road, Bell Mare

Tel: 7123783

Fax: 415 1224

Email: agrofarmltd@yahoo.com

The core activity for the co-operative society ltd is to sell and market agricultural products. The president is Mrs Geeta Devi Juggoo and the secretary is Miss Ritasha Devi Ramjuttun. The main shareholders are:

Mrs Geeta Devi Juggoo
 Mr Rajnan Aubeeluck
 Miss Ritasha Devi Ramjutton
 Mr Dhanraj Ramjutton
 Mr Koyroo Ahmad Noorani

Marketing Plan

Industry Trends

Tourism is a big foreign exchange earner for Mauritius, which has marketed itself as an "exclusive" destination. Apart from its natural physical assets as a tropical island, it is also distinguished by the excellent service available in its hotels, its safe environment, and its diverse cultures. The government of Mauritius has a vision of having 2 million tourists visiting Mauritius by 2015.

The more tourists visiting the country implies that there will be greater needs of agri-products in hotels for satisfying the daily consumption in hotels and restaurants in the region.

Product/Service

Need for agri-products by Hotels due to booming sector – Tourist Industry
 List of agri-products & value-added products

Target Market

Hotels and Restaurants in the region of Belle Mare/Trou D'Eau Douce and other institutions like Hospitals requiring daily supply of agri-products. The Touessrok Hotel and Coco Beach Hotel have already been contacted for marketing purposes.

Competitive Analysis

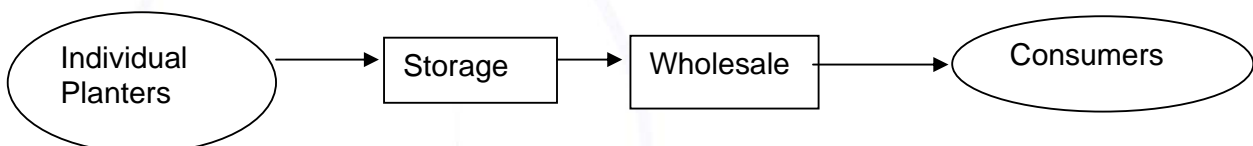
As a co-operative society, the supply of agri-products can be ensured on a daily basis at a competitive price and strengthening of linkages with Hotels to ensure a stable market for the products

Marketing Mix

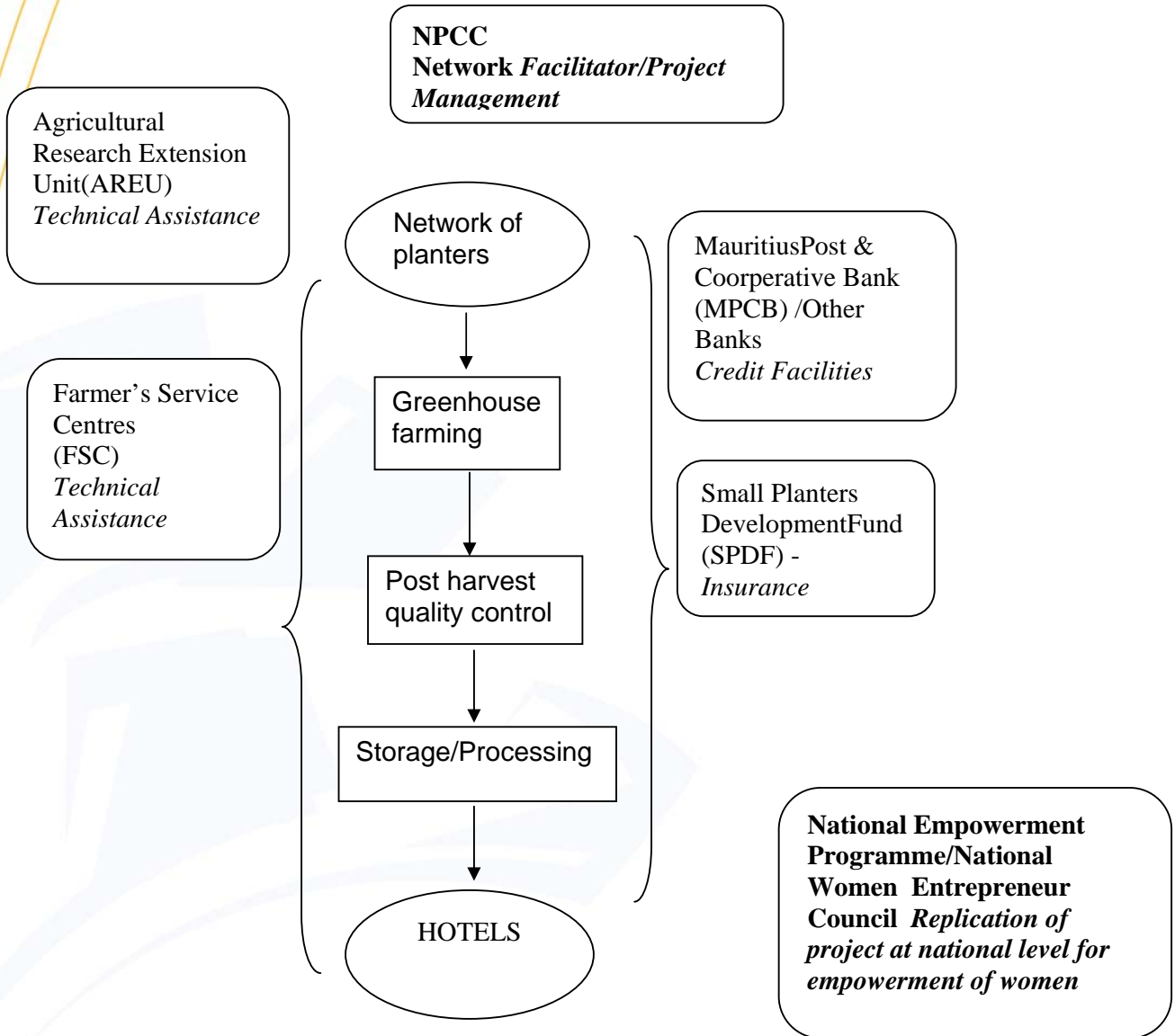
Price: Negotiated with Hotels and will be Seasonal
 Place: Planters have their own building for storage and processing of foods
 Product: Agri-products cultivated by planters
 Promotion – Dedicated staff for marketing & support institutions are assisting in promoting the activities of the co-operative.

Operational Plan

Existing vegetable value chain for planters in the Eastern cost of Mauritius



Improved value chain with networking of planters and building linkages with different support institutions for production of high value vegetables



Suppliers

The most cost-effective supplier of the green house and provide any maintenance service has to be chosen along with suppliers of seeds and farming products. Existing linkages have to be strengthened as well as new linkages have to be established

Farming Plans

Farming under greenhouse has to be learned from experts and implemented.

Operating Requirements

Receiving orders from Hotels
Placing orders with planters
Purchasing and receipt of vegetables
Grading, cleaning and processing of ordered vegetables
Distribution of order + Issuing of necessary document
Chasing payments from customers etc

Human Resources

Planters involved in the co-operative will be the main staff and suppliers of agri-products. Experts advice will be from partners and support institutions

Partnership/Support institutions

NPCC – National Productivity and Competitiveness Council
AREU – Agricultural Research Extension Unit
SPWF – Small Planters Welfare Fund
NVEC – National Women Entrepreneur Council

Financial Plan

The whole project will be financed by Banks willing to support the co-operative society and the Empowerment Programme. The start up cost is estimated to be around MUR 700,000.

11.0 ANNEX V – ACTION PLAN (See Excel Sheet as Attachment)