

# Assessing the Performance of Supply Chains from a Smallholder Perspective: A Model of Farmer-Buyer Engagement and its Application in Nepal



**Lincoln  
University**  
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## Faculty of Commerce

Salil Bhattarai, Michael Lyne and Sandra Martin

New Zealand's specialist land-based university

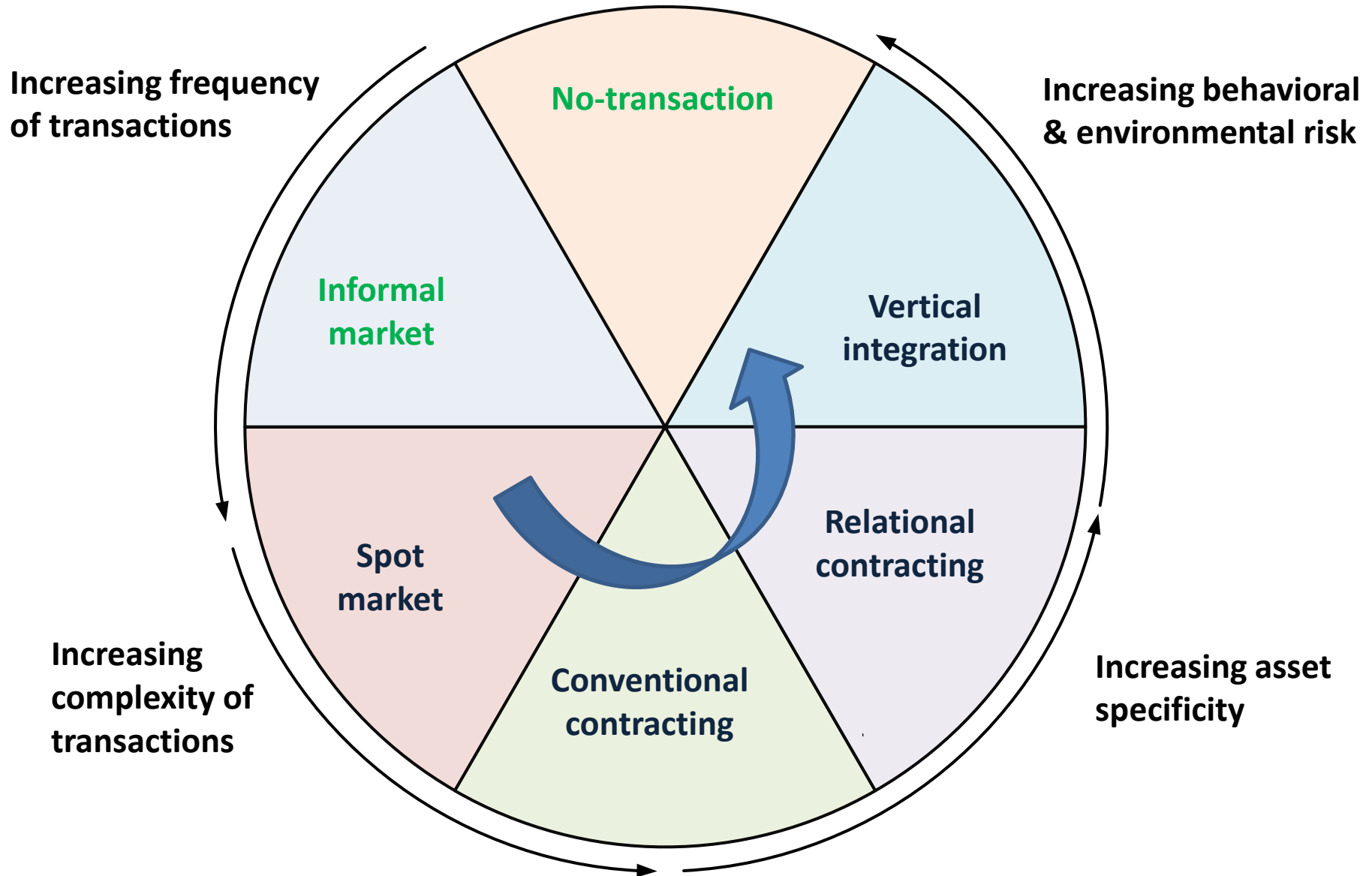
# Introduction

- Linking farmers to markets is crucial for livelihoods and food security
- Increasingly coordinated supply chain might exclude smallholders
- Explore the ability of supply chain to sustain smallholder engagement
- Analyse what channels are used (not used) by smallholders and why they are (or are not) used
- Suggest ways of increasing chain robustness for smallholders

# Conceptual model

- Farmer-buyer dyad is a key interface
- This dyad is sustainable if it generates acceptable level of risk and rewards
- Chain is robust, if it contains one or more sustainable farmer-buyer dyad(s).
- The wider the range of sustainable dyads to choose from, the more robust is the chain
- Study uses a model based on transaction cost economics to analyse dyadic relationships

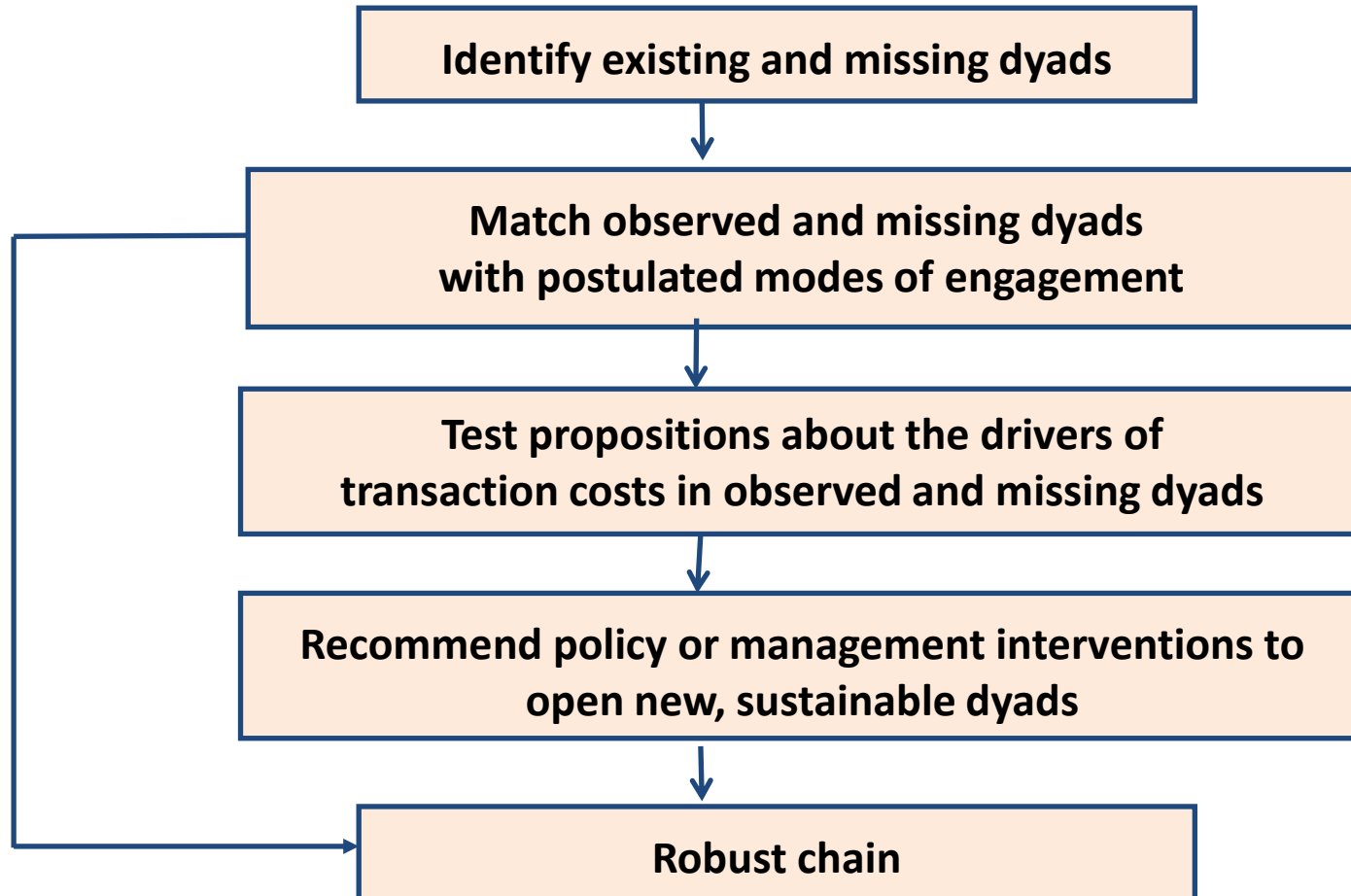
# Conceptual model....



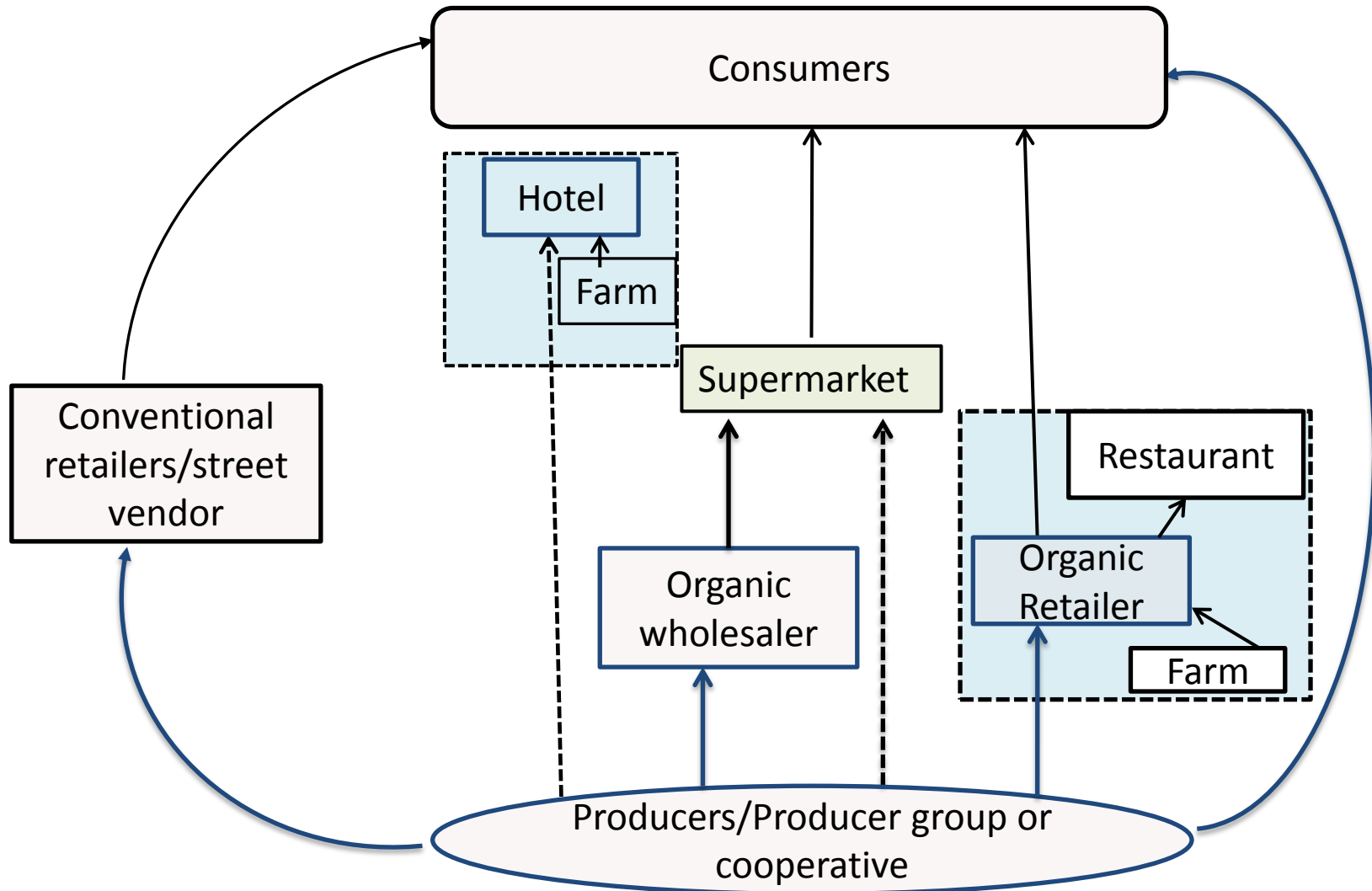
# Research approach

- Four smallholder supply chains were studied. This paper relates only to the chain for organic fresh vegetable in Kathmandu
- Case study method
- Interviews with: Producers (6) , Immediate buyers (2), Potential buyers (2), Staff of government and non-government agencies (3)

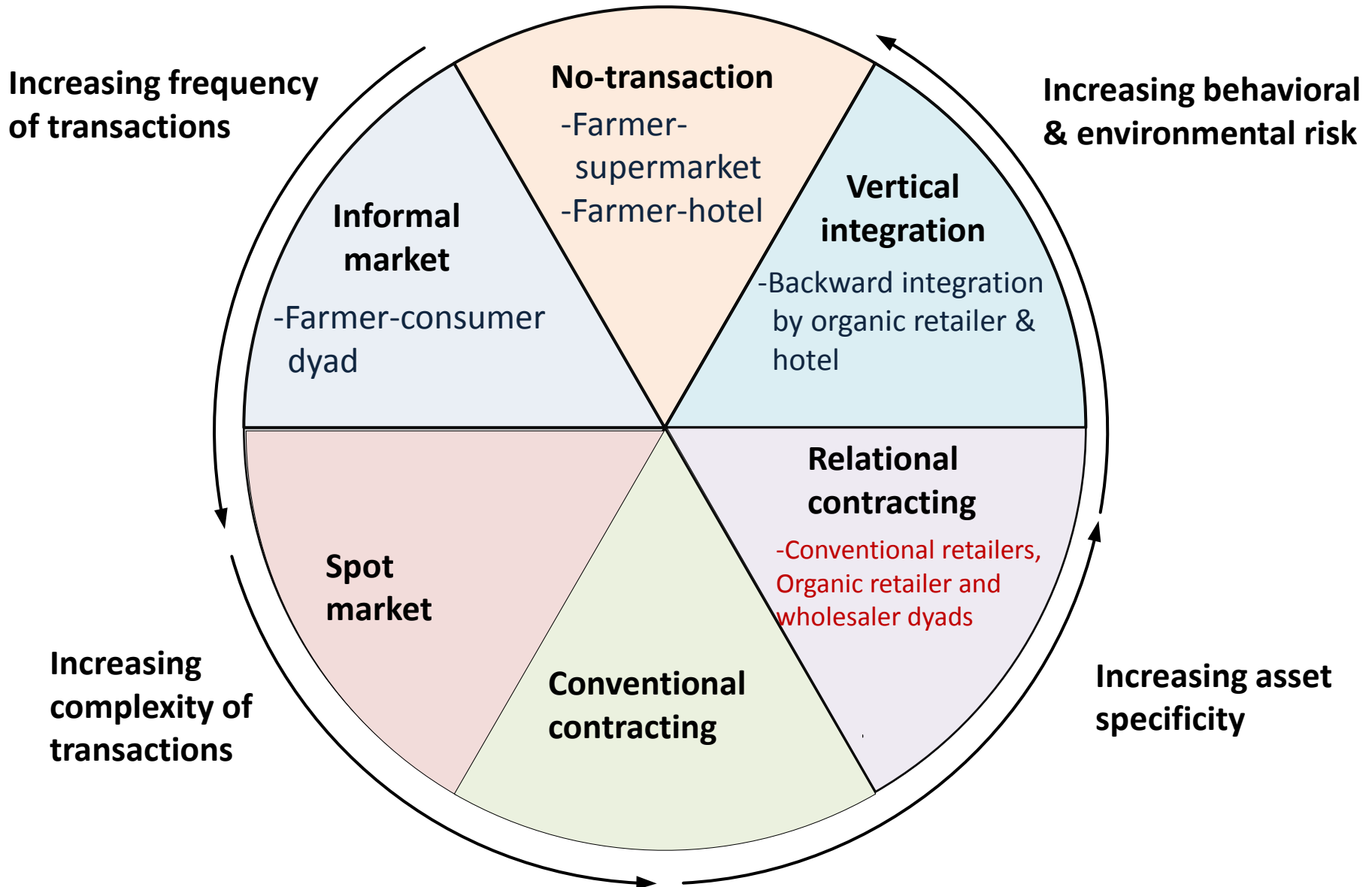
# Research approach.....



# Organic fresh vegetable supply chain in Kathmandu

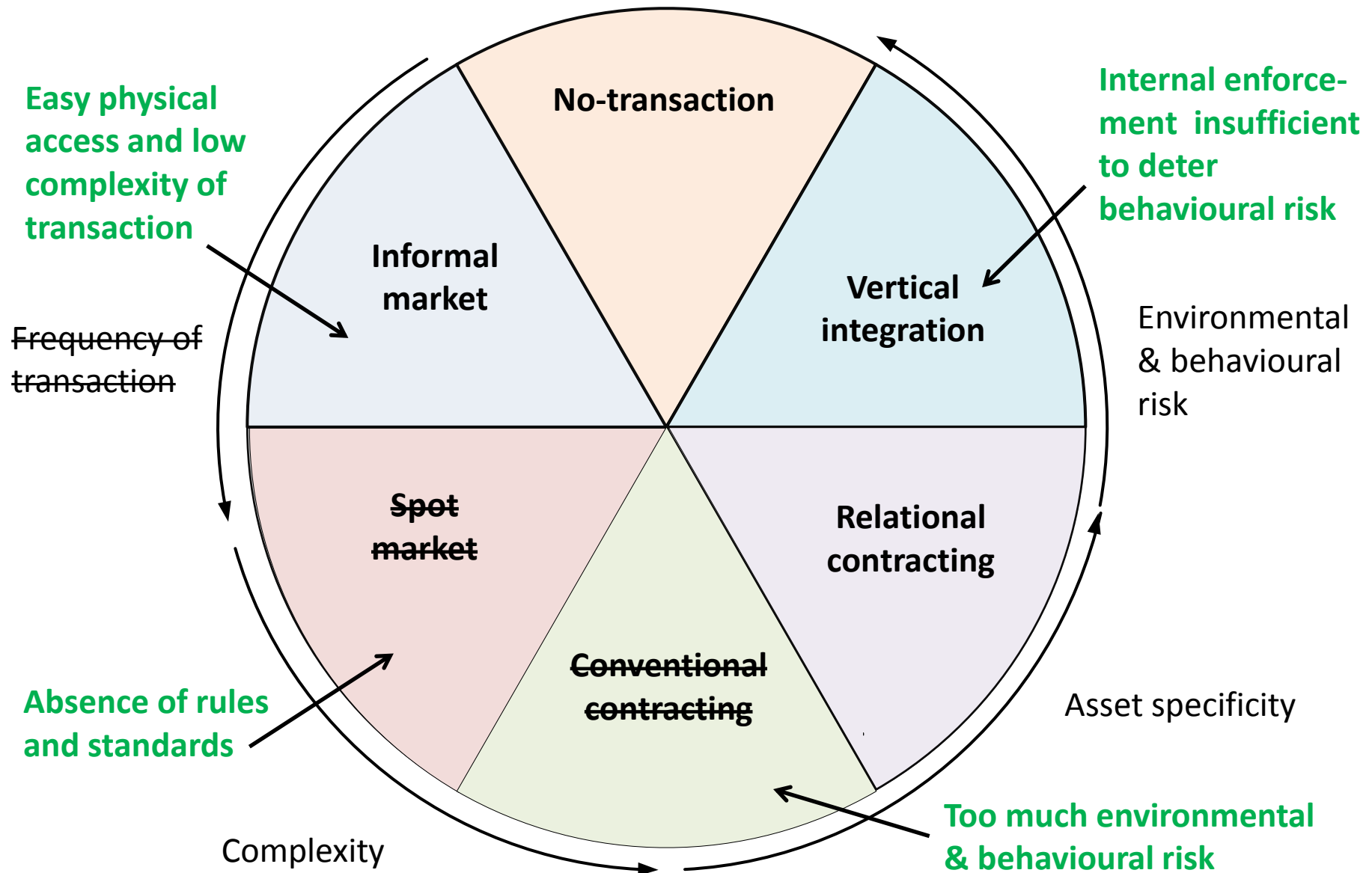


# Where do these dyads fit in the model?





# What drives the observed dyads and why are some modes of engagement missing?



# Recommendations

- Promote shared investment in labelling and promotion
- Role for government extension agencies in creating new dyads
  - Establishing standards and rules
  - Facilitating farmer marketing groups and advising them on production plans, technology and Participatory Guarantee Systems
  - Improving physical and legal infrastructure
  - Mandating extension staff to facilitate and witness contracts, and
  - Providing easy access to legal recourse for small claims

# Questions/suggestions



THANK YOU !!!

