



# CASA Technical Assistance Facility Inclusive Business Case Study

## Coscharis

**Company:** Coscharis  
**Sector:** Rice  
**Country:** Nigeria  
**Investor partner:** BII  
**Project date:** 2023 - 2025





Commercial Agriculture for Smallholders and Agribusiness

## Our approach

The Commercial Agriculture for Smallholders and Agribusinesses (CASA) Technical Assistance Facility (TAF) supports agribusinesses that source from smallholder farmers across Sub-Saharan Africa and South Asia. Our approach involves working closely with agribusiness management teams to develop an Inclusive Business Plan (IBP) – a roadmap for the agribusiness to deepen, broaden or strengthen supply chains in a way that delivers value to both smallholders and shareholders.

### **An Inclusive Business Plan (IBP) is a piece of thorough analysis produced over 3-6 months that:**

- Diagnoses smallholder supply chain challenges;
- Identifies or validates the inclusive business growth opportunity, aligned to commercial objectives, identifying opportunities for greater commercial and smallholder impact;
- Quantifies the opportunity in terms of commercial value for the business and impact for smallholder farmers;
- Lays out a strategy to access the opportunity including investment and any partners required;
- Maps out an implementation plan; a linked package of technical assistance and blended finance structure, including required partnerships to support the inclusive business model.

As part of the IBP, we work with agribusinesses to more clearly define specific climate change and environment (CCE) risks and opportunities, all the way from how inputs are being accessed to how product is being delivered to end-markets. A thorough CCE diagnostic helps us to guide businesses to integrate climate mitigation and adaptation strategies into their business models in a commercially viable way; and identify opportunities to create sustainable improvements in the livelihoods of the smallholder farmers from whom they source. We also use a gender responsive diagnostic tool to identify areas to expand and deepen inclusion of women. We work towards sustainably increasing economic opportunities for women suppliers through support to agribusinesses to adopt more gender-responsive practices whether that is related to supply chain participation, service delivery or contracting and payments to women suppliers.

Finally, we work alongside investors and the agribusiness to operationalise the IBP. Since 2020, we have also been able to provide core business technical assistance to sourcing businesses that are experiencing disruptions in their smallholder supply chain due to COVID-19.



# COSCHARIS



**Company description:** Coscharis Farms (founded in 2015) is a vertically integrated rice farm and milling business in Anambra State, Nigeria. Coscharis has made significant capital investment into land cultivation, a grain silo and a rice mill.

**Background:** The business sources paddy from a combination of own-farm operations, outgrower farmers, and on the open market; however, the company has historically struggled to achieve target utilisation of its mill (c.65% in 2022) due to structural local supply-side issues. The business is aiming to increase the volume of paddy it sources and improve utilisation of these assets by supporting productivity initiatives with local community farmers.

**Inclusive business opportunity:** There is an opportunity for Coscharis to drive increases in local farmer yields in a way that improves farmer resilience and overall paddy production, allowing the business to source additional paddy volumes for its mill. One of the key factors undermining smallholder productivity is the use of farm-kept seed over improved seed varieties. By facilitating an ingrower seed multiplication programme and an outgrower scheme, Coscharis can increase the availability of certified, improved varieties in the local market and potentially drive income up to £1.1k per farmer. From a commercial perspective, the primary benefit is increased mill utilisation by capturing additional paddy volumes from outgrower farmers with smaller contributions associated with savings on seed purchases and profit on seed sales. The programme has the potential to deliver £256k incremental EBITDA by 2028 when scaled.



**Climate adaptation:** A core challenge facing paddy farmers in Anambra State is the impact of climate change-induced deviations in the weather patterns. Rainfall levels are increasing in volume and irregularity, leading to mass flooding in 2021 and 2022. By including climate adaptation practices in the outgrower extension programme, farmers can learn to cope with these changing patterns and adjust their planting activities, accordingly, increasing climate resilience.

In addition, Coscharis, through the technical assistance is actively identifying and testing shorter season seed varieties that could further mitigate the flood threat for farmers. If a suitable shorter season variety is successfully identified in future, it will be incorporated into the seed multiplication programme and distributed to local farmers.

## Expected Impact



Increasing the availability of improved paddy seed varieties will address one of the key factors inhibiting farmer yields. The seed programme has the potential to reach ~3,000 farmers by 2028.



Increasing incomes up to ~£1.1k per farmer by 2028. Within life of programme, the incremental income increase is projected to be up to £440 per farmer.



# COSCHARIS

## Overview of technical assistance projects



### 1. Ingrower Seed Multiplication

Farmers from the community engage in seed multiplication on 0.25Ha plots of irrigated Coscharis land, under supervision of Extension Agents



### 2. Seed Distribution to Outgrowers

A portion of the seed produced by ingrowers is distributed to local farmers in the communities surrounding Coscharis with the objective of raising farmer yields and therefore paddy supply



### 3. Farmer Extension Programme

In order to deliver these activities effectively, an extension programme is required to support both seed-growers and community farmers



#### CASA TAF supported activities:

- Identification of shorter season seed varieties in cooperation with Nigeria National Agricultural Seeds Council and International Institute of Tropical Agriculture
- Design of a seed multiplication programme and training of ingrowers
- Integration of climate adaptation modules in extension and advisory services for outgrowers
- Design of revolving fund for input pre-financing
- Linkages to insurance providers



The FCDO-funded Commercial Agriculture for Smallholders and Agribusinesses (CASA) Technical Assistance Facility (TAF) partners with investors with development interests to increase the smallholder impact of existing investments. We design, co-fund, and manage delivery of inclusive technical assistance (TA) projects at selected agribusinesses that can drive commercial and social impact by strengthening, deepening, or broadening inclusive supply chains.

Over its five-year life cycle, the CASA TAF will collect data on the impact of inclusive technical assistance, not only at the farmer-level, but also at the portfolio company and investment fund level. The objective is to learn and to influence DFIs, impact investors, commercial investors, and TA providers on the significance of generating compelling evidence to track commercial and development impact metrics, thus demonstrating the value of inclusive TA.

<https://www.casaprogramme.com/technical-assistance/>



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