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Smallholder SustaiNability
Upscaling Programme

BUILDING THE RESILIENCE AND DEVELOPMENT OF THE CASSAVA VALUE CHAIN IN MADAGASCAR

Africa | Latin America | Asia

Financial services delivery | Capacity building for end beneficiaries | Market access and product development | Management systems improvement

CONTEXT

99% of agricultural holdings in Madagascar are family-run and most cultivating a mix of crops and livestock. Rice is the staple crop, central to both subsistence and cash-crop farming, especially in the terraced paddies of the central highlands. Other key subsistence crops include cassava, corn, and sweet potato, while cash crops like coffee, cloves, vanilla, and sugarcane are important for export. Despite high agronomic potential (15–20 tonnes per hectare), current cassava yields remain low (~5 tonnes per hectare). In addition, the cassava sector in Madagascar remains highly fragmented and poorly organised, making it challenging to establish reliable supply chains and scale up production. which is mainly sold in its raw form with low added value. At the same time, Madagascar imports more than 225,000 tonnes of wheat flour per year, whilst global demand for gluten-free cassava flour is growing by 21% per year, opening up opportunities for local substitution and exports to the Indian Ocean region and Europe.

CURRENT STATUS OF THE BENEFICIARY ORGANISATION

Founded in 2021 Malakass is a processor of cassava into high-quality flour. Its business model is based on contractual supply arrangements with local cooperatives, a processing plant in Tulear and a multi-channel distribution network. It currently sources cassava from around 60 producers located in the region of Atsimo-Andrefana which is one of the poorest of the country. As cassava flour is a new product on the local market, Malakass had to make some specific commercial investments to establish distribution across multiple channels, build brand awareness, and educate the market, in addition to upfront investment in processing, quality-control equipment and infrastructure.

OBJECTIVE OF THE PROJECT

The objective is to strengthen the competitiveness and viability of the organisation through inclusive structuration and development of the cassava value chain. Miarakap, I&P's partner fund in Madagascar, will oversee operational supervision and project governance.

The expected results of the project are:

- Identify and start sourcing cassava from 200 additional smallholder farmers.
- Strengthen presence on local and export markets, respectively by launching new cassava-based products in Madagascar and identifying new partners and customers in Mauritius and Reunion.
- Conduct an operational audit to optimise processes and reduce production costs.

PRIORITY TOPICS

Environment and climate change

Food security and improved nutrition

Gender equality

Fair agrifood systems

IMPACT INVESTOR

I&P INVESTISSEURS & PARTENAIRES

BENEFICIARY ORGANISATION

Malakass (agri-SME) – Madagascar

TARGET

200 smallholder farmers

AGRICULTURAL VALUE CHAIN

Cassava

STARTING DATE

August 2026

DURATION

18 months

TOTAL TA BUDGET

€24,502
Including €18,703 (76%) contribution from SSNUP

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