

Outstanding master thesis on logistic processes in Brazil

agri benchmark spoke with Olivia Fliehr, who just concluded her outstanding master thesis “Analysis of transportation and logistics processes for soybeans in Brazil: a case study of selected production regions” at the University of Hohenheim. Olivia Fliehr’s thesis was distinguished with the “Südwestbankpreis” (an award of a German bank), that is granted for outstanding scientific works in the economic and agro sciences. Her thesis was supervised by Prof. Dr. Harald Grethe on the part of the University of Hohenheim and *agri benchmark* Cash Crop general manager Yelto Zimmer on part of the Thünen Institute of Farm Economics. *agri benchmark* expert Dipl.-Ing. agr. Stefan Ellsiepen gave professional advice and arranged contacts to Brazilian *agri benchmark* Network members.

We asked Olivia about essential results of her thesis, experiences during her five-week research in Brazil and her cooperation with *agri benchmark*. Just a few days before our conversation, Olivia took up her first job for an international trade company.

1. Which result of your thesis about the Brazilian soybeans supply-chain do you consider as most remarkable?

My thesis shows that producer prices are directly influenced by transport costs. Compared with coastal regions, the competitiveness of production regions within the country is significantly lower. It astonished me that, regarding the common high technology production practices on farms in Mato Grosso (the most important area of soybean and corn cultivation, distance from the coast about 2.000 km); the transportation network is still underdeveloped and inefficient. These deficient conditions are nothing new; they are even a problem that has been known for many years now. There are governmental approaches – but the projects take years to come into operation or to show results.

Local experts told me, that e. g. the tarring of roads takes decades. For example, a potential main road (BR-163), that could diminish transport costs, should have been asphalted by 2008. During my research in Brazil (9/2012), about 300 km of asphalt were still missing. As a result, the road was frequently impassable during the rainy season (which is at the same time as soybean harvest).

Producers as well as transport companies are well aware of this problem. Nevertheless, there are hardly any private initiatives and (in my opinion) only scarce political activities to achieve improvements. However, an expert told me that it currently appears as if there were positive changes towards optimization and improvement of infrastructure.

2. You travelled through very remote regions – what was your most bizarre experience?

During my research in Brazil, I mainly travelled by intercity bus. When travelling to and from the railway terminal of Alto Araguaia-MT, I had to wait more than 5 hours for the bus. It turned out, that the main road (a single-lane country road) was impassable. Indians, Brazilian native citizens, had installed roadblocks to demonstrate among other things for improved rights of land use. In some regions, the roadblocks were maintained for several days. As my bus could take another road, I missed “only” one appointment. Lines of trucks were stretching for miles and were stuck for days. Busses to other cities were cancelled for days.

3. You wrote your thesis at the *agri benchmark* centre in Braunschweig, Germany. How do you assess the cooperation and what did you like most?

The cooperation with agri benchmark allowed me to manage a project that links science and practice. The subject was, respectively is highly topical and oriented towards practice. At the same time, it enabled me to put the theoretical knowledge from my studies into scientific use. Furthermore, it was an exact match for my expectations regarding “agribusiness” topics and my personal field of interests. agri benchmark created the framework for this research.

The close cooperation with Stefan Ellsiepen, my expert supervisor, was a major support during the first months as well as during the crucial phase of my research. Additional positive aspects were the existing expert network in Braunschweig and the colleagues who were always willing to help me to manage information in order to identify the problems.

4. Do you think that your master thesis with agri benchmark helped you to get your current job?

The thesis was decisive for my intense contact to the topic trade and logistics of soybeans. I was so fascinated that I started working in the sector of trade and logistics of oil seeds.

Thank you very much for the interview Olivia. We wish you all the best for your professional and personal future.