

## **Upgrading under Scarcity: Innovation Practices and Local Agency in the Cashew Chain in Guinea-Bissau**

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## **Introdução**

This study investigates the dynamics of productive upgrading in the cashew value chain in Guinea-Bissau, a low-income country marked by structural scarcity. It explores how local actors engage in innovation practices shaped by informality, weak institutions, and resource constraints.

## **Problema de Pesquisa e Objetivo**

How do upgrading processes unfold in contexts of scarcity and institutional fragility? The objective is to identify context-specific upgrading strategies led by local actors in the cashew sector of Guinea-Bissau.

## **Fundamentação Teórica**

The study integrates insights from global value chains, frugal innovation, and institutional entrepreneurship to propose the concept of "upgrading under scarcity" as a lens to analyze hybrid, adaptive, and context-driven innovation practices.

## **Metodologia**

A qualitative approach combines literature review, document analysis, and semi-structured interviews. The analytical framework is based on four dimensions of upgrading: product, process, functional, and intersectoral, emphasizing local agency.

## **Análise dos Resultados**

Results reveal fragmented and adaptive upgrading practices, including selective certification, partial automation, energy from byproducts, small-scale diversification, and horizontal cooperation, reflecting pragmatic strategies under constraints.

## **Conclusão**

Upgrading in Guinea-Bissau's cashew sector occurs informally and nonlinearly, driven by local agency and frugal strategies. The "upgrading under scarcity" lens helps explain how transformation happens in peripheral economies under adverse conditions.

## **Contribuição / Impacto**

The article contributes to the literature by showing how value creation is possible in low-income, institutionally weak environments. It proposes a context-sensitive framework for analyzing innovation and upgrading in marginalized settings.

## **Referências Bibliográficas**

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