

Discussion Summary - "Value-Chains and Agriculture" under SDC A&FS Network

Duration: October 2014

Moderators:

- Fouzia Nasreen, General Manager, M4C, Swisscontact
- Bulisani Ncube, Program Manager, SDC South Africa

Purpose of the Subgroup:

Value chains (VC) are important in the livelihoods of smallholder farmers across the globe. There are a lot of experiences and information that can be shared in the group. The goals of this sub-group were as follows:

1. Share knowledge on value chains as applied to agriculture for smallholder farmers
2. Prioritize which aspects on agricultural value chains are important for the group to engage/discuss on
3. Ask questions related to your work on value chains, and get specific responses or leads as to how to further engage
4. Develop alliances/collaborations on specific components of agricultural value chains
5. Come up with innovative concepts on how value chain analysis and their improvements can be enhanced in given contexts

What was done?

The following steps were taken to initiate the VC subgroup:

- Nine key topics on value chains posted for discussion.
- A poll was conducted by A&FS network members to prioritise the topics in order of preference.
- A&FS members were requested to submit more in-depth information on preferred topics (out of the 9) for sharing and discussion. This invitation was from the 14th October 2014 till the 31st October 2014.

Based on the poll results, the nine topics were consolidated under the following four broad areas as follows:

- Addressing food security, nutrition and biological diversity through Value chains
- Analysing value chains
- Making value chains work for the small holders
- Scalable/sustainable models for small farming households and in weak markets

Discussion Summary:

Due to lack on contributions, all the above mentioned topics were not discussed in details. Few contributions (from MOLLI project in Georgia, TOAM research in Tanzania and Nomades Swiss working in Afghanistan) were received and the following summarizes how projects can ensure inclusiveness in their interventions:

1. Applying a participatory method for value chain analysis is important. It is indeed important to consider the context and dynamics of sectors that involve men and women so as to identify the underlying causes and target the right sectors/ interventions that matter the most for the target group.

2. Ensuring incentives for each of the actor starting from the farmer to the feed mill to the input suppliers are being realized which makes the whole model sustainable. Also, showing the input suppliers business in “not yet discovered market” creates interest for them to do more.
3. Using demonstration effect to create awareness is indeed a very important tool to create awareness among farmers on improved practices and technology which has a great potential of "copying" from one farmer to another.
4. Working with village based businesses was another contributor to success. Although challenging, but working through businesses which are geographically closer in the vicinity of the target group makes the service easily accessible to the farmers. It is not always necessary to work with large feed mills/processors to ensure high price market access for the farmers. Project interventions to link farmers with closer market actors and then engaging in developing these local market actors to transact with larger buyers will help sustain the business.
5. Ensuring low investments particularly is very important as small businesses do not have the capital to invest in huge business. Hence projects should look for affordable technology (which was the basic mixing equipment in MOLI's case) in its sectors.
6. Access to storage is necessary for farmers to prevent huge losses and take advantage of price increases some months down the line. The challenge of remote areas' access to storage facilities needs to be addressed.
7. Involving farmers in food processing (i.e. pressing and pasteurizing juices, cooking pastes, pickles or roasting nuts etc.) does not only add value to the products, but also more income. Processing also increases the shelf life of various fresh crops. If packed into modern packaging materials like e.g. flexible pouches with high barriers, considerable parts of the post-harvest loses could be prevented.

Recommendations

To ensure more active sub group discussions, following recommendations are put forth:

1. Have mechanisms/ strategies to motivate and incentivize contributors to on-line discussions
2. Have selected contributors early on who are willing to allocate time for the subgroup discussions
3. Learn from the moderation and technical set-up of e-discussions facilitated by the SDC e+i network
4. Not have simultaneous e discussions on similar topics launched (such as the one initiated by Helvetas in this case)
5. Have a mechanism in place that enables one to track people that selected particular topics for discussion so that they could be followed up for their contributions and interventions