VCA4D
VALUE CHAIN ANALYSIS FOR DEVELOPMENT

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agrinatura

Director's letter

VCA4D is now close to the end of its first phase of implementation. A lot has been done to provide evidence-based information to policy makers through agricultural value chains analyses (VCA) in EU partner countries for project management, policy formulation and policy dialogue. Overall, 35 studies have been concluded or are currently ongoing.

We have recently held several stakeholders' workshops to present, share and discuss the results of VCA: Togo pineapple at the end of 2019, Dominican Republic processed fruits in January 2020 and Burundi banana in March 2020. There are a number of other workshops planned: Benin pineapple; Ghana sorghum and groundnut and The Gambia fisheries.

Very good progress has been made to build a community of practice among more than 100 experts involved so far in the project. While much more is yet to be done to store and update information, to strengthen capacities or to learn lessons for future.

VCA4D, as many, felt the impact of the COVID-19 pandemic that hit the word earlier this year, but we are staying the course on our objectives as best as we can. Both VCA and stakeholders' workshops have had to slow down as experts cannot travel on field missions. Two studies have been halted at the inception step waiting for better days ahead: cocoa and coffee in Ecuador. Other teams are still advancing thanks to the precious support of the national experts: cotton in Ethiopia, maize in Nigeria and Zambia. Reports of more-advanced studies are being finalised: fisheries in Mali and The Gambia, sorghum and groundnut in Ghana and coffee in Angola.

Despite this slowdown, we do have some positive news to share! The Project Management Unit (PMU) is working remotely with no disruption and the situation will allow for the investment of time on other activities in the coming months: capacity building and the information system; reflection on the strategies for lesson learning and sharing; organisation of thematic syntheses, etc.

Some experts are also starting to investigate the impact of the COVID-19 crisis on VCs, demonstrating a good synergy is running between Agrinatura experts and policy makers.

Requests for new studies are still coming in, such as cheese and cocoa in Colombia and milk in Burundi, to be started as soon as the situation allows.

Many collaboration opportunities have opened up in recent months with partners, such as FAO (methodological dialogue on the VCA of Fish4ACP), COLEACP (market analyses for export products), JRC (biodiversity risk screening), or other Agrinatura projects such as ATAB (Assistance Technique Agrinatura au Burundi). The discussions are going on with these partners.

A new version of the Methodological Brief is under completion and takes stock of lessons learnt during the first years of implementation of the project and will constitute the basis for all following studies. Finally, following an appraisal workshop on the economic software AFA for economic calculations, a new (more VCA4D tailored) version of the software is under development. Last but not least, in July the PMU is moving to new offices in Brussels.

Marie-Hélène Dabat, Scientific Director

Which Agrinatura centers have we worked with so far?

cirad – LA RECHERCHE AGRONOMIQUE POUR LE DÉVELOPPEMENT
FiBL
icra – building trust in value chains
INSTITUTO SUPERIOR DE AGRONOMIA – Universidade de Lisboa
istom – Ecole supérieure d'agro-développement international
KIT – Royal Tropical Institute
LIÈGE université – Gembloux Agro-Bio Tech
SLU – Swedish University of Agricultural Sciences
WAGENINGEN UNIVERSITY & RESEARCH
UNIVERSITY of GREENWICH – NRI | Natural Resources Institute
UNIVERSITEIT GENT

What is it like to work on a VCA4D study?

Ravinder Kumar is Associate Professor of Monitoring and Impact at the Natural Resources Institute, University of Greenwich, UK. Ravi has particpated in three VCA4D studies: palm oil in Sierra Leone, cashew in Sierra Leone and groundnut in Ghana.

What are your fields of research?

My research interests are in natural resource management. I have led and conducted numerous research, monitoring and evaluation projects in several fields of international development such as sustainable forest management, agriculture supply chains, poverty, livelihoods, responsible business investments and sustainability certification in agriculture commodities. I have done a lot of work in randomised control trials and quasi-experimental research. I have been involved in several programme and impact evaluations. Currently I am doing two pieces of work. I am leading on ocean plastic research in India and Vietnam. Secondly, I am working as a deputy team leader on a Nutrition Research Facility, established by Agrinatura funded by the European Union Development Cooperation.

What are your thoughts on the multi-disciplinary approach taken by VCA4D?

VCA4D has introduced a unique and comprehensive way to analyse value chains (VCs). This multi-disciplinary approach is obviously hugely beneficial in exploring social, environmental, and economic trade-offs in any VC development as a strategy to achieve inclusive and sustainable economic growth. The structured approach to analysis provides a rigour and robustness to the evidence that is finally produced in a report. Our analysis indicated that cashew VC development can be a poverty alleviation tool.

The report, if used well, can inform and influence programming and policies. Interestingly, the VCA4D project also supports follow-on conversations between researchers and decision-makers. I sense that all the VC studies that I have been fortunate to be part of, have the potential to contribute to policy dialogue and policy reforms. In fact, in the case of cashew in Sierra Leone, the country EU delegation is already supporting the Ministry of Agriculture and Forestry (MAFF) in developing a new policy framework on cashew. The workshop following the VCA4D study has gathered many stakeholders and facilitated the discussion on the means of action.

Having participated in three VCA4D studies were you able to alter the application of the methodology?

It has been an immense experience and opportunity for me to have worked in some challenging and promising VCs in Africa. I can say that I have become somewhat proficient now in applying the VCA4D methodological approach in any VC! With regard to the social analysis I learnt many lessons along the way, e.g. how to better understand and present results in the social profile web diagram. I proposed to analyse separately the general context of the country and the specific context of the value chain before exploring the linkages between the two. I found it useful to use the Household Dietary Diversity Score and Minimum Dietary Diversity Score for Women (HDDS /MDDW) for understanding food and nutrition security of producers. The experience also gave me the opportunity to use the concept of fair wages instead of living income when analysing wages in a specific commodity in a particular country.

Have you been able to integrate the experiences learnt on this project into your other work?

Yes, very much. The comprehensive design of the social profile has informed my research in cotton, rubber and in other 'non value VC' research work such as forestry landscape research in Indonesia. The research experiences as part of VCA4D have broadened my thinking and approach to understanding a particular VC. This experience has helped me in developing specific evidence-based outputs that can potentially contribute to policy dialogues and possibly policy reforms. I will continue to rely on this experience in my ongoing and future works.

Did this process offer you ample opportunity for dialogue with policy makers and stakeholders?

To an extent yes, as we met a range of decision-makers connected to a VC while conducting this research. We produced an evidence-based report that addresses the concerns of these decision-makers. Post-research, we could only participate in one policy framing exercise (Cashew policy development in Sierra Leone). I hope more such engagements will happen in due course and all research outputs will directly or indirectly contribute to informing stakeholders towards inclusive and sustainable actions for VC development.

Burundi workshop and bilateral meetings

In early March 2020 a workshop and series of bilateral meetings was held in Bujumbura, Burundi by two Agrinatura initiatives, VCA4D and ATAB (Assistance Technique Agrinatura au Burundi – financed by the EU Delegation (EUD) to Burundi). The objective of the week was two-fold: discuss about methods for VCA with a specific focus on VCA4D, and assess future opportunities for VCAs and capacity strengthening on VCAs in the country.

A two-day workshop was organised on 3-4 March 2020, with around 50 participants, agricultural researchers, private sector and development practitioners. The workshop was divided in different sessions: at first the ATAB team of Agrinatura and national experts set the scene of the food and nutrition security situation in Burundi. Then the VCA4D Scientific Director introduced the project's methodology, just before the team of VCA4D experts presented the results of the study on the banana VC in Burundi performed in 2018. On the second day, other development practitioners dealing with VCA (CAPAD, ENABEL and SNV) presented their studies and methods. In the last session the floor was opened for a wider discussion and reflection among participants on the methods and indicators for analysing VCs, in particular in the context of Burundi. This reflexion was extended and deepened during the two following days through bilateral discussions.

The workshop highlighted a strong interest of participants in sharing information on VCs and the importance of attracting more research. Yet it was also clear that the lack of a consistent approach on VCA in Burundi represents in the long run a loss of knowledge and duplication of work. The standardised and comprehensive VCA4D methodology could therefore represent a common framework to support over time the systematisation of knowledge on agricultural VCs in the country.

This demands also commitment, cooperation and capacity strengthening activities for and with local institutions, such as the University of Burundi, ISABU, CAPAD, etc. For example, some of the methods mobilised, such as the Life Cycle Assessment for the environmental analysis, are not yet widespread and shall be promoted. Moreover, to further explore how the results of a VCA4D study could be integrated in decision making within a VC, stakeholders' platforms could be created to reflect on the priorities and operationalisation of actions: a first pilot could be on banana, thanks to the information available. Several other activities to be implemented by ATAB and VCA4D are under discussion with the EUD and local partners, including trainings and other VCA to be performed starting as soon as the situation will allow to set the basis for a longstanding cooperation.

Pineapple in Togo

A workshop to present the results of the VCA4D study on the pineapple VC in Togo in support of political dialogue and investment, was held on November 15, 2019 in Lomé. The event brought together nearly fifty participants from the public and private sectors, non-governmental organizations, international institutions and specialists working in the pineapple sector.

The workshop was proposed by the EUD to Togo and its partners, as a follow up to the first Togo-EU Economic Forum held in June 2019. The workshop was the opportunity to reflect on how the multi-disciplinary results of the VCA4D study could be used to support the EU and the Togolese government in their policy dialogue in partnership with the private sector in order to overcome obstacles to the sustainable and inclusive growth in the pineapple VC. Moreover, it saw the participation of DG AGRI on the EU regulation on organic farming, and of COLEACP on market trends and analyses.

Despite the pineapple VC being nascent, it holds interesting prospects for entrepreneurial stakeholders. Indeed, Togolese pineapple is sought after regionally and holds a niche for organic products which are in high demand. The participants agreed that the study had filled a vacuum of information in the sector but that an efficient and permanent statistical data collection system shall be set up and maintained.

A proposal for priority actions was set out by the working groups. These included for example to increase research and innovation to circumvent the use of calcium carbide (which, according to the EU regulation, might impede its export to Europe), or to explore the possibility of group organic certification to reduce costs for individual smallholder farmers. Other proposals set out were the need to improve the business climate, agricultural banking facilities and infrastructure whilst supporting local actors especially women through the organisation of training session and provisions for equipment.

Up to now, VCA4D performed 3 VCA on pineapple. The studies reveal different strategies: Togo produces a small volume (30,000 t per year) with a strong component of organic production (65% of volume) and processed products (44% of the value added of the VC); Benin's pineapple production is 10 times more (345,000 t), with little organic (less than 1% of the volume) and processing (28% of the volume), the bulk of the production being sold fresh and largely exported (as for Togo). In the Dominican Republic, with 363,000 t of pineapple, the VC contributes more than 6% to the agricultural GDP (compared to 0.5% in Togo and 2% in Benin) from conventional production, which targets mainly fresh pineapple for the domestic market. The studies revealed different impacts and performances of these VCs in terms of their social and environmental sustainability and inclusiveness, associated with these different strategies and with the respective contexts.

Fine-tuning the VCA4D Methodology

The scientific support to the VCA together with the systematic discussions (between Agrinatura experts and the PMU) on the methodology after the debriefings of each study, provided the elements to develop a new version of the VCA4D Methodological Brief. This key document, realised jointly by the EU and Agrinatura, summarises the key features of the experts' work when performing a VCA4D study. While the methodological references remain overall the same, many have been the changes in the way information is presented. Instead of being structured by type of analysis (functional, economic, social, environmental), the brief is now organised around the 4 framing questions. This should allow the experts to better combine their findings to answer the framing and core questions. This organisation should be extended to the structure of the reports and encourage greater interdisciplinarity in the analysis of VCs.

Moreover, the new brief contains many explanatory diagrams about the logic of the approach and illustrations from the studies already carried out. It is more explanatory also on the expectations of decisions-makers and on the analytical process of the VCs. A VCA shall in fact ultimately shed light on risks, strengths and overall benefits; providing an integrated perspective on growth, inclusiveness and sustainability. It emphasizes the need for a synthesis of the information produced to give meaning to the many individual or combined results, in order to be useful to the users of the VCA.

Clarifications are provided to answer the question on economic growth, in particularly on the viability of the VC in the international economy. Additional explanations are also given for the analysis of social sustainability to emphasise that the purpose is to understand how VCs and context mutually influence each other, going beyond a general description of the social context and situation.

The most significant modifications concern the analysis on environmental sustainability. First, the brief is more precise on what shall be presented: comparisons, identification of hotspots for more operational conclusions, etc. Secondly, the land area viewpoint is added (functional unit per hectare and not only per t or kg of product) to give a complementary vision to the readers. Third, the scope of the Life Cycle Assessment method is broadened to include other empirical observations of environmental issues, such as health risks for VC stakeholders. This promotes interaction with the social scientist and description of the full range of environmental impacts experienced by the VC. Fourth, the carbon footprint indicator has been highlighted, to give a direct view of the contribution of each step (or sub-chain) to climate change. Fifth, a rapid assessment of the risks to biodiversity is demanded, to learn about the practices, perceptions and interventions of the actors; and to appraise if specific studies on this topic should be undertaken. Sixth, stronger emphasis is placed on the need for environmentalists to write their conclusions with a language accessible also to a non-scientific audience.

Thanks to these improvements, VCA4D will be able to better respond to the questions of decision makers and therefore the partnership between the EU and Agrinatura be reinforced towards the common objective of promoting inclusiveness and sustainability in agricultural VCs.

The VCA4D PMU – Get in touch!

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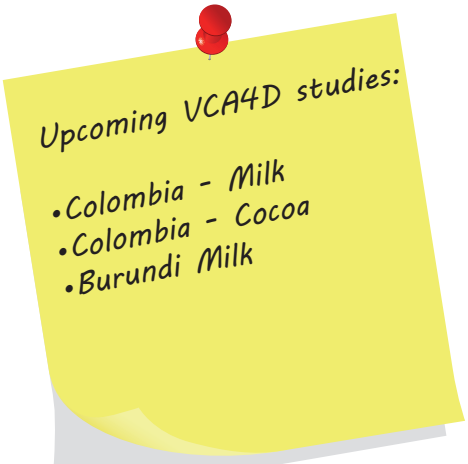
All of our VCA4D calls can be found on the Agrinatura website: https://agrinatura-eu.eu/

On our Capacity4Dev page you can find more information about the project, methodology and studies: https://europa.eu/capacity4dev/value-chain-analysis-for-development-vca4d-

You will also find a short video introduction to VCA4D on the Agrinatura Youtube channel.



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