

Director's letter

The VCA4D project has now entered its third year. It aims to analyse the extent to which agricultural value chains contribute to economic growth in EU partner countries and are inclusive, socially and environmentally sustainable. The aim is to provide tangible and robust information to improve EU operations in these countries, in keeping with and in support of local policies.

Since September 2016, around 80 researchers from Agrinatura and associated institutions have contributed their skills in agroeconomics, social analysis and LCA assessment to VCA4D. These researchers have been outstanding in assimilating and applying the methodology developed by the EU in order to produce evidence based results. Their inputs will also play a crucial in evolving the methodology over time.

We especially thank them for providing quality outputs in a tight timeframe, according to the need for quantitative measurements in a context where often data is scarce in order to make a timely impact on political decisions. Maintaining the quality standards is at the core of our objectives.

The project management unit (PMU), which was expanded to five members at the end of 2018, has worked tirelessly during the first two years of the project. During this initial period, the bulk of the work was the preparation and follow-up of studies, working closely with DG Devco and the EU Delegations, in the drafting of study briefs and in training and communication activities. New activities are gradually emerging including the establishment of an information and knowledge system; the



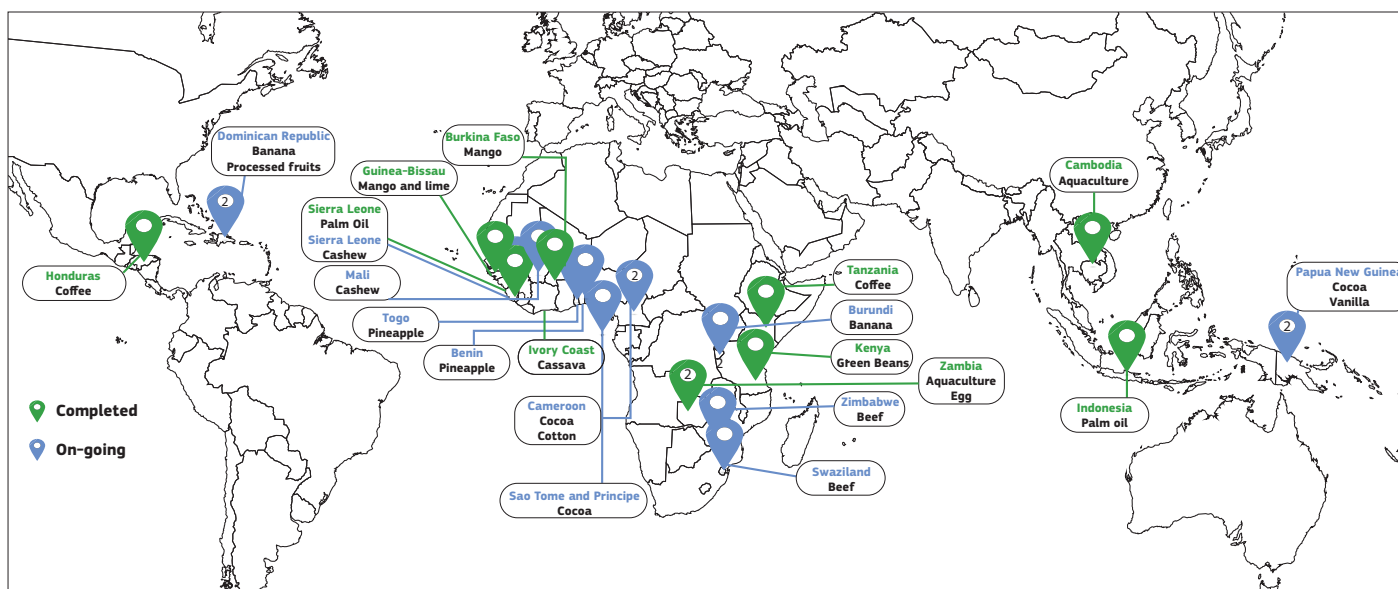
Vegetable market in Cambodia © Adobe stock

organisation of workshops to present lessons learnt and the creation of tools for EU delegations, such as trainings/serious games to aid the policy dialogue, budget support and the formulation of future projects.

At the PMU, we thank the European Union and Agrinatura for the trust placed in us and we are ready to step up our efforts and continue working in the spirit of partnership. This Newsletter is the first in a long line that will keep readers informed about the activities of this great project on a quarterly basis.

Marie-Hélène Dabat, Director

Where have we been active?



Interview with an expert

BAUDOUIN MICHEL is an agro-economist (University of Liège, Gembloux Agro-Bio Tech, Belgium, 1980). He is Lecturer at the same University, Professor at the ERAIFT-UNESCO school in Kinshasa, DRC. African Parks Network (South Africa) has mandated Baudouin as Special Envoy for Francophone Africa, EU, UA, UNESCO. Baudouin is also CEO of Domaine de Katale (North-Kivu, DRC) and Chairman of the African Fine Coffee Association DRC Chapter. He has worked in the private and public sector in Africa and Asia for 38 years. Baudouin has participated in two of our studies so far, cashew in Sierra Leone and in Mali, as well as a test study on rice also in Mali, whilst also assisting in the development of the methodology.

How did you find working with researchers from other institutions/centres?

It was a very positive experience. The opportunity to discuss, exchange and debate is perfect for someone in the academic world to be able to benefit from different points of view. Mixing the teams will be very important for the long-term sustainability of the project. We should also work to increase the relationship with African centres of excellence for long term cooperation on the method and approach.

Does the interdisciplinary approach allow you to pinpoint more clearly challenges present within the value chain and potential solutions?

Yes, the systemic and holistic nature of the methodology allows you to open your mind to other analyses to be able to combine them and to avoid focusing on just one aspect which could have worrying consequences for the intervention. To enlarge your point of view is paramount if you want to have an impact on the sustainability of the entire value chain.

How was your interaction with policy makers?

There was very good cooperation with both the EUD and DEVCO C1. The expectations are clear and there is a good willingness to cooperate to achieve results. This project allows you to establish a partnership with the EUD which is far more difficult in other contracts based on a consultancy basis. Through this partnership fostered through participation in VCA4D you feel that you can have a greater impact on the policy dialogue.

Did you have sufficient opportunity to feed back the results of the study to all stakeholders?

No, I believe we need to improve on this, we must better share the results of the studies. This is a difficult task within the time allocated for the study, but one solution could be to harness modern tools of communication such as social media to connect with stakeholders which could have huge impact especially with smallholders on the ground.

Does this study complement your current or future research objectives or those of your institution?

Yes, it is very complementary. It would be nice to associate more PHD and master's students to go to the field and Gembloux Agro-Bio Tech will look to integrate such students in future studies, this would also be very important for the impact of the project.

Will you apply elements of the VCA4D toolkit to your future work?

Yes, absolutely I have also been promoting the method. I recently referred to VCA4D in the report issued by the Task Force Rural Africa, 'An African-Europe Agenda for Rural Transformation' to draw attention at a high level to the existence of the method and the benefits which can derive from its application. The method should also be communicated and discussed more with other donors and ACP countries.

Do you think your participation in VCA4D will have any impact/add value within or for your institution?

Yes, the methodology is studied and disseminated across PHD and master's level courses within Gembloux Agro-Bio Tech. The tools are currently being applied in a master's degree in Mali on karité, a PHD in Burundi on mushrooms and a PHD in DRC in the Virunga national parks. The application helps to improve the consistency of the approach, even at the academic degree level there are many tools (economic, social, environmental) but they are not used together and there is no consistent tool which is why this VCA4D method is so useful.

Would you recommend participation in this project to a colleague?

Yes, I have already recommended the project to several colleagues.



Spotlight on a study - Beef in Zimbabwe

In 2018, VCA4D conducted a study on the beef value chain (VC) in Zimbabwe. A brief overview of the findings are summarised below.

Various stages of land reform have left Zimbabwe at present without an export market for beef due to the failure of national disease control systems and the breakout of transboundary disease such as foot and mouth disease. Actors in the beef VC are affected by macro-economic factors such as lack of cash and foreign exchange coupled with the high cost of doing business which seems to fall disproportionately on smallholder farmers.

The beef cattle herd in Zimbabwe is currently estimated at around 5.5 million heads across three farming systems, in declining order of size: fully communal, partially communal/partially commercial and fully commercial. The VCA4D team identified a number of challenges faced by farmers selling cattle, including high formal and informal levies, duties, rents and endemic stock theft. These factors coupled with the economic uncertainty in the country lead farmers to retain their cattle as a risk aversion strategy and use them in other ways such as draught power or for domestic milk production. Farmers who do sell their cattle suffer from unfair pricing at abattoirs.

The economic analysis found that, despite several challenges, all types of farming systems are profitable with different levels of profitability, and the VC contributes 27% to the Agricultural GDP, allowing the team to conclude that the potential for growth and contribution to the economy are

high. As well the VC is competitive within the international economy.

Whilst development of the VC is encouraged through supporting farmers activities and access to markets, there is a risk that it may not benefit all actors of the VC, particularly those more vulnerable, such as women, if concurrent support is not provided for their enhanced participation. Despite the social sustainability of the VC appearing more inclusive now than prior to the land reform, families without title deeds have limited access to credit and potential investments opportunities.

From an environmental standpoint, given the fact that communal farming systems represent close to 60% of beef production, the environmental impacts across the three areas of protection analysed (human health, ecosystem quality and resources depletion) are low compared to many other beef VC's around the world. A shift to a more intensified production system such as commercial farming could increase the impact on resource depletion in particular. As Zimbabwe is also highly likely to be at risk from climate change, cattle ownership and livestock management in general, are held as an important source of climate resilience against the negative impacts of climate shocks which is especially relevant for communal farmers.

A summary of the study can be found via our page on Capacity4Dev: <https://europa.eu/capacity4dev/value-chain-analysis-for-development-vca4d/wiki/28-zimbabwe-beef>

VCA4D Workshop - Coffee in Honduras

The study was conducted by a team of four experts from Agrinatura between May 2017 and January 2018 applying the VCA4D methodology. In October 2018, VCA4D organised three stakeholders' workshops in Honduras for over 200 participants. The workshops were held to present and discuss the results of the coffee value chain analysis in Honduras.

The realisation of these workshops was promoted by the Delegation of the European Union (EUD) to Honduras to provide a forum for the socialisation of the results, for collective reflection between decision makers in the sector and to allow for feedback to local stakeholders who had facilitated the analysis. A high-level workshop was held in Tegucigalpa, endorsed by the EUD to Honduras and CONACAFE and attended by the EU Ambassador Alessandro Palmero and CONACAFE Executive Secretary Jacobo Paz. Two regional workshops were held in El Paraíso (South Centre of the country) and Copán (West), facilitated by implementing partners of EU projects on coffee in the regions and attended by local stakeholders and farmers.

Given the context of the decreasing price of coffee in the international market, the sustainability of the VC is at stake. Among the main ideas to promote the VC, actors highlighted the importance of coffee quality enhancement, of the strengthening of technical knowledge, the need for investments in technological innovation and extension services. To improve inclusiveness, avenues to be considered include developing cooperatives of farmers, working towards certification (such as Fairtrade, UTZ and RFA). There is also scope for increasing its attractiveness to young people through the growth of professional services within the internal market, such as the development of cafeterias and the participation in regional and international coffee fairs. With regards to the environmental perspective, possible improvements could be made through the integrated management of natural resources.

The VCA4D study and the workshops were well received in the country, and provided with an important opportunity for validation and socialisation of results that can create important common grounds for action.



How to get involved?

A team of four experts is required to perform a value chain study in line with the VCA4D methodology. Each call for experts is tailored to the country and product but below you will find the minimum requirements for each profile.

The experts will apply the tools and methods of the toolkit (see <https://europa.eu/capacity4dev/value-chain-analysis-for-development-vca4d/documents/methodological-brief-v12>)

Agricultural economist

A senior expert with deep knowledge and experience on value chain analysis from an economic point of view, able to elaborate financial and economic accounts of the VC actors and compute growth generation at the level of the whole VC (and if relevant at the level of VC sub-systems) and analyse the VC from a macro economic perspective. We look to experts who have worked in particular in developing countries, with the requisite language skills for the country in question.

Environmental/LCA expert

A senior expert with deep knowledge of and experience on the Life Cycle Analysis (LCA). The expert will preferably be familiar using the SimaPro software for LCA. Experience working on LCA value chain analysis in developing countries is appreciated.

Social expert

A senior expert with deep knowledge of and experience on social issues related to value chains in developing countries. In particular, the project focuses on the following domains: gender equality, land and water rights, working conditions, living conditions, social capital, food and nutrition security. Knowledge of at least 2 to 3 of the domains is required as is specific experience in social analysis of the agricultural sector in developing countries. Professional experience in the country of analysis is compulsory for the social expert.

Value Chain national expert

The national expert will be a specialist of the product within the country and possess relevant knowledge of the national institutions (technical, economic and political ones) and stakeholders involved in the value chain. At the beginning of the study, the expert will provide overall information on the value chain, identifying key players and existing and relevant information and data for the analyses. The national expert will help to select the most relevant data from available sources, to clarify inconsistencies and to improve coherence between analyses.

Agrinatura

VCA4D is a partnership between Agrinatura and the European Commission. Agrinatura is a grouping of over thirty European universities and research organizations with a common interest in supporting agricultural development in a sustainable manner to improve people's lives.

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->

The VCA4D PMU - Get in touch!

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