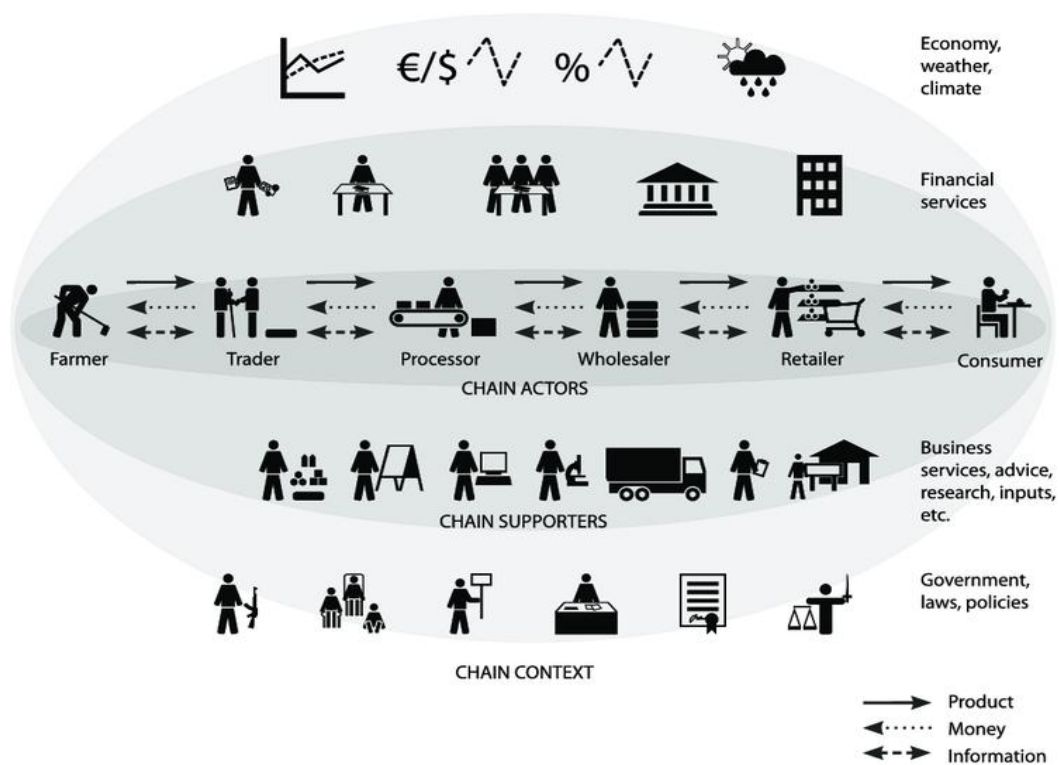


Documentation on the Value Chain-Oriented Advisory Method



Introductory Note

This fact sheet has been produced as part of a study to map innovative methods and tools in agricultural advisory services in West and Central Africa. This study was commissioned by CORAF/WECARD (the West and Central African Council for Agricultural Research and Development) and carried out by RESCAR-AOC (the West and Central Network for Agricultural and Rural Advisory Services) across 13 West and Central African countries.

The overall objective of the study was to compile a descriptive directory of innovative agricultural advisory methods and tools for scaling up agricultural technologies and innovations in West and Central Africa.

Several individuals within CORAF, RESCAR-AOC, and beyond, across the 13 countries covered by the study, contributed to the success of this initiative. We extend our gratitude to everyone involved for their contribution.

1. Overview of the Value Chain-Oriented Advisory Method

Agricultural extension aims to improve farmers' knowledge and skills to optimise their practices and enhance their competitiveness. The value chain (VC) approach in agricultural advisory services is based on the idea that farmers are not isolated but are integrated into a network of interconnected stakeholders (suppliers, processors, traders, consumers).

The value chain-oriented advisory method is an approach that supports all stakeholders (farmers, processors, traders, etc.) within a given agricultural value chain. This method identifies constraints and opportunities at various levels and offers tailored advice to improve the performance of the entire sector. It primarily focuses on strengthening the capacities of farmers to overcome challenges related to the underdevelopment of the agricultural sector and the limited knowledge and skills needed to meet international market requirements.

2. Brief Description of the Types of Beneficiaries Supported by the Value Chain-Oriented Advisory Method

This method is used to support medium-sized farms, typically ranging between 0.5 and 2 hectares. The profile of beneficiaries consists of 50% men, 25% women, and 25% youth. Farmers practice both monoculture and mixed cropping. In terms of animal production, beneficiaries raise poultry such as chickens, guinea fowl, and ducks, as well as small ruminants, like goats and sheep, as secondary activities. The main crops produced are soybean, maize, and yam, with marketing primarily focused on soybean, which is mainly grown for export, while yam and maize are sold in local markets.

3. Necessity and Objective of the Value Chain-Oriented Advisory Method

The value chain-oriented advisory method was developed in a context to support agricultural sector development, particularly for the production of organic soybean for export. This method was adopted to meet the international organic market requirements regarding quality and traceability of agricultural products. It aims to optimise every step of the process, from production planning with the use of good agricultural practices, to harvesting, storage, processing, and marketing. In this context, the method's strength lies in its ability to create synergies among the various links of the agricultural value chain, thereby facilitating the integration of farmers into global supply chains while ensuring sustainable and equitable agricultural development. The method was developed in 2015 and proved to be necessary to address several issues related to scaling up agricultural innovations: organising farmers into structured groups, such as groups of joint and several guarantees to negotiate better and access resources; meeting quality requirements for products, particularly for the international organic soybean market; resolving financing challenges by structuring financial needs and establishing guarantee mechanisms for obtaining loans; consolidating the different links of the chain to improve efficiency and cohesion; facilitating the creation or strengthening of business relationships among farmers, processors, and other stakeholders; and ensuring market access by implementing appropriate marketing strategies.

4. Methodology for Implementing the Value Chain-Oriented Advisory Method

The implementation of the value chain-oriented advisory method involves the following steps:

- Recruiting agricultural advisors;

- Training or capacity building for agents/technicians on organic production standards;
- Identifying and raising awareness among farmers;
- Organising farmers into cooperative societies;
- Training or capacity building for farmers in organic production standards;
- Assessing farmers' needs and planning production;
- Facilitating access to credit and agricultural inputs;
- Providing periodic technical advisory support by agricultural advisors;
- Monitoring and controlling the application of Good Agricultural Practices (GAP) and certifying plots;
- Conducting an annual review of the campaign coupled with collecting feedback from farmers.

5. Impacts of the Value Chain-Oriented Advisory Method

The value chain-oriented advisory method facilitates the adoption of improved techniques (enhanced seeds, integrated crop management, sustainable fertilisation), leading to increased yields (GIZ, 2019). According to Davis et al. (2020), farmers engaged in well-organised value chains have better access to quality inputs (fertilisers, certified seeds) and credit. Indeed, a study conducted in Kenya showed that farmers who were integrated into structured value chains increased their yields by 20 to 50% thanks to improved input supply (Muriithi and Mats, 2015). By facilitating contractual agreements and reducing middlemen, this advisory method ensures that farmers have more secure market outlets and more stable prices (Ton et al., 2018).

Based on interviews with stakeholders during field documentation, the value chain-oriented agricultural advisory has achieved the following:

- Compliance with organic market standards: Farmers have started offering products that meet organic quality standards;
- Easier access to financing: Improved financing mechanisms have enabled farmers to obtain agricultural loans;
- Consolidation of the value chain: Coordination among different stakeholders in the value chain has been strengthened, enhancing sector efficiency;

- Creation of business links: Strong commercial relationships have been established between farmers and other value chain stakeholders, fostering sustainable partnerships;
- Better organisation of farmers: Farmers have been organised into structured groups, such as cooperatives, enhancing their capacity to negotiate and access resources;
- Secured market access: Farmers have benefited from market guarantees for their products.

Beneficiaries (women, youth, and men) have doubled their soybean acreage and per-hectare yields thanks to the use of GAP, adherence to organic production standards, and access to a fair market (better prices, equitable measures, and no cheating). They also confirmed that they now have access to the organic market with improved sales techniques.

6. Technologies and innovations promoted through the value chain-oriented advisory method

Several technologies and innovations have been promoted through this method, including:

- Agricultural contract arrangements: Establishing formal contracts between producers and buyers to ensure secure market access and stable prices;
- Supporting farmers in the creation, formalisation, and management of cooperative societies;
- Dissemination of quality certified seeds, biofertilisers, and biopesticides;
- Introduction of post-harvest equipment (e.g., threshers) to improve production quality;
- Implementation of an internal control and technical assistance system: Advisors monitor farmers' activities, ensure adherence to Good Agricultural Practices (GAP) and organic production standards, and provide technical advice based on their needs;
- Support in problem-solving: Farmers can ask questions, express concerns, and receive immediate assistance to overcome challenges;
- Facilitating access to inputs, financing, and markets;

- Integrated soil fertility management techniques (Giller et al., 2021);
- Precision irrigation and smart agriculture (Gebbers & Adamchuk, 2010);
- Agricultural product conservation techniques (FAO, 2018).

7. Average Implementation Costs of the Value Chain-Oriented Advisory Method

The implementation costs of the value chain-oriented advisory method include expenses for designing, printing, and disseminating training materials; costs related to training technicians; expenses for raising awareness and training farmers; allocation of vehicles and work tools for technicians; costs for setting up and conducting test plots; operating expenses for technicians; and staff salaries.

8. Strengths and Limitations of the Value Chain-Oriented Advisory Method

The main strengths of the value chain-oriented advisory method identified during national discussion and assessment workshops and field interviews are as follows:

Strengths of the Value Chain-Oriented Advisory Method

- It facilitates access to national and international markets;
- It simplifies access to financing through mechanisms such as joint and several guarantees and contract arrangement with risk-sharing among value chain stakeholders;
- It organises farmers into cooperative societies, enhancing solidarity and collective capacity;
It provides advisory services that focus specifically on a given value chain, considering all stakeholders within that chain;
- It offers a practical approach that allows for better control over the operating system;
- It enables the formalisation of business relationships among stakeholders;
- It fosters increased trust among stakeholders;
- It improves coordination among stakeholders for better structuring of agricultural sectors (Trienekens, 2011);
- It encourages the adoption of innovative technologies and practices adapted to market needs (Devaux et al., 2009);
- It promotes sustainable and inclusive economic models (Donovan et al., 2015);

- It supports socially equitable production (Vermeulen et al., 2008).

Limitations of the Value Chain-Oriented Advisory Method

The limitations of the methods are due the fact that:

- It requires a significant amount of time and resources for its deployment; It suffers from a shortage of technical personnel (trainers) for its implementation; Some farmers struggle to meet contractual clauses, potentially undermining trust and system effectiveness;
- Inadequate support from certain companies can hinder the method's implementation and success;
- Difficulties in loan repayment by some farmers may make financial institutions reluctant to provide new credits, limiting necessary financing;
- May be challenging to implement in contexts where market structures are underdeveloped (Faße et al., 2009);
- Risk of marginalising the least competitive farmers (Hellin et Meijer, 2006);
- Risk of increasing farmers' dependence on specific buyers (Kaplinsky and Morris, 2001);
- It requires analytical and management capacities that are not always available in rural areas (Altenburg, 2007);
- It can be difficult to finance without support from public institutions or private partners (Humphrey and Schmits, 2002).

9. Prerequisites for Success and the Role of Various Stakeholders in the success of Value Chain-Oriented Advisory Method

For successful deployment of the value chain-oriented advisory method, several conditions must be met: (i) a legal framework that facilitates access to markets and credit (GIZ, 2016; Faure et al., 2018); (ii) commitment from both producers and companies in a collaborative approach (Devaux et al., 2009; FAO, 2014); (iii) availability of monitoring and evaluation tools to assess value chain performance (KIT et al., 2010; Biénabe et al., 2017); (iv) Development of skills in management, traceability, and marketing (Hellin et Meijer, 2006; Faure et al., 2018); (v) Development of labels and certifications to facilitate the marketing of agricultural products (Reardon et al., 2009; Trienekens, 2011).

According to interviews conducted during field documentation, the successful implementation of this advisory method requires: (i) a reliable market for production; (ii) the identification of a financier willing to invest in the value chain; (iii) the identification of production that meets market requirements; (iv) the organisation of producers. To achieve this, changes and innovations are needed in agricultural advisory organisations, including:

- Developing skills in good agricultural practices, organic production standards, organic certification, and extension services;
- Involving experts in sustainable agriculture and organic production standards;
- Strengthening partnerships among stakeholders (NGOs, microfinance institutions, and other technical partners);
- Improving techniques and methods for supporting farmers.

For successful implementation, it is necessary to:

- Identify farmers' needs and tailor awareness and training initiatives accordingly;
- Organise regular meetings and discussions with farmers to plan monitoring and advisory activities;
- Establish a system for collecting farmers' feedback and evaluating satisfaction;
- Set up an internal control, monitoring, and evaluation system for field technicians/advisors.

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