Using an Agroenterprise Learning Alliances for Inclusive Value Chain Support

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CIAT
Centro Internacional de Agricultura Tropical
International Center for Tropical Agriculture

What did CRS want to achieve?

- **Five year commitment to Shift from agriculture to agroenterprise**
  - Provide a bridge from relief to development
  - Link poor farmers to markets
  - Make smallholder farming more competitive
  - Diversify to higher volume / value crops
  - Strengthen access to finance and other BDS
- **Improved food and financial security**

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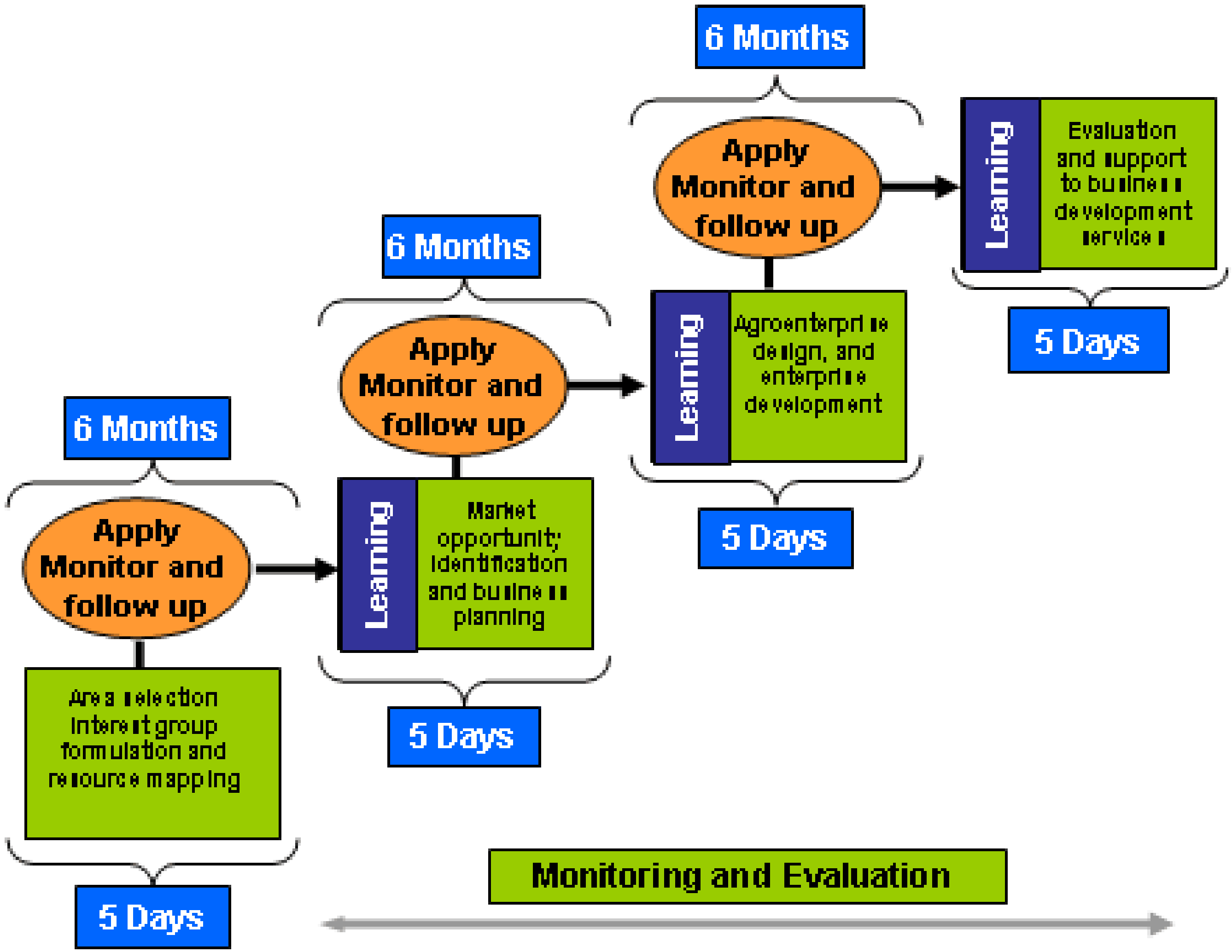
Participatory Methodologies for Agroenterprise Development

Learning Alliance Structure



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VC Documentation

- Based on the Agroenterprise Learning Alliance, CRS is publishing two books

1. **Working Together, Learning Together:** *Learning Alliances in Agroenterprise Development*
2. **Getting to Market:** *Agriculture to Agroenterprise*

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What worked well in AED and value chains

- reinvigorated CRS's approach to agriculture
- aligns incentives in ways that encourage poor communities to rethink their options and engage in markets engage more effectively
- worked across a range of environments and has proven to be a bridge between relief and development.
- required greater partnership development with the community, technology providers and private sector
- led to organic integration between sectors such as MF, Water, and Health, where it matters, which was not the case before.
- Improved financial and AE skills is empowering women when programs focus attention on their needs. BUT much more work needs to be done to define and invest in programs that support women in agriculture more effectively.

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Navy Bean Chain Ethiopia

- Crop grown by 70,000 + farmers. CRS support has been support this sector for 6 years starting with production
- **Current Value chain upgrading**
  Next 4 yrs 2000 to 20,000 farmers
- **Scale and sustainability**
  by linking informal & formal worlds

New Business models project

  - **Clear production standards**
  - **Delivery of pricing transparency**
  - **Assurance of fair minimum price**
  - **Communication systems for MIS**
  - **Defined quality standards**
  - **M&Eto show development benefits**

Chickpea Chain Tanzania

- In 2000 new variety
- 2003-05 farmer marketing groups
- In 2007-08 introduced SILC groups (savings and internal loans) which associated SIGAs
- Scale generated attracted buyers, in 2007 collective marketing Δ from 570 mt in 2006 to 2,152 mt in 2007.
- SIGA based on 2500+ farmers was also a conduit to link another 8,100 farmers into this market channel.
- **Linkage of MF and AE catalyzed a rapid increase in savings groups that reinforced AE and enabled collective marketing.**

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Value Chain challenges

- Skills upgrade & transfer to communities takes time
- Care to match product with target community
- Farmer group organisation slow but valuable
- Value chain analysis is complex but then continuous
- Finance for the rural poor needs a rethink….
- Links to local market information and BDS weak
- Links to formal private sector requires facilitation
- M&E not chain wide

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Selection of value chain

- Demand, local resources, community preference
- Risk, services, participation, durability

ANSOFF MATRIX	Existing products	New products
Existing markets	1. Market penetration (*lowest risk*)	3. Product development
New markets	2. Market development	4. Diversification (*Highest risk*)

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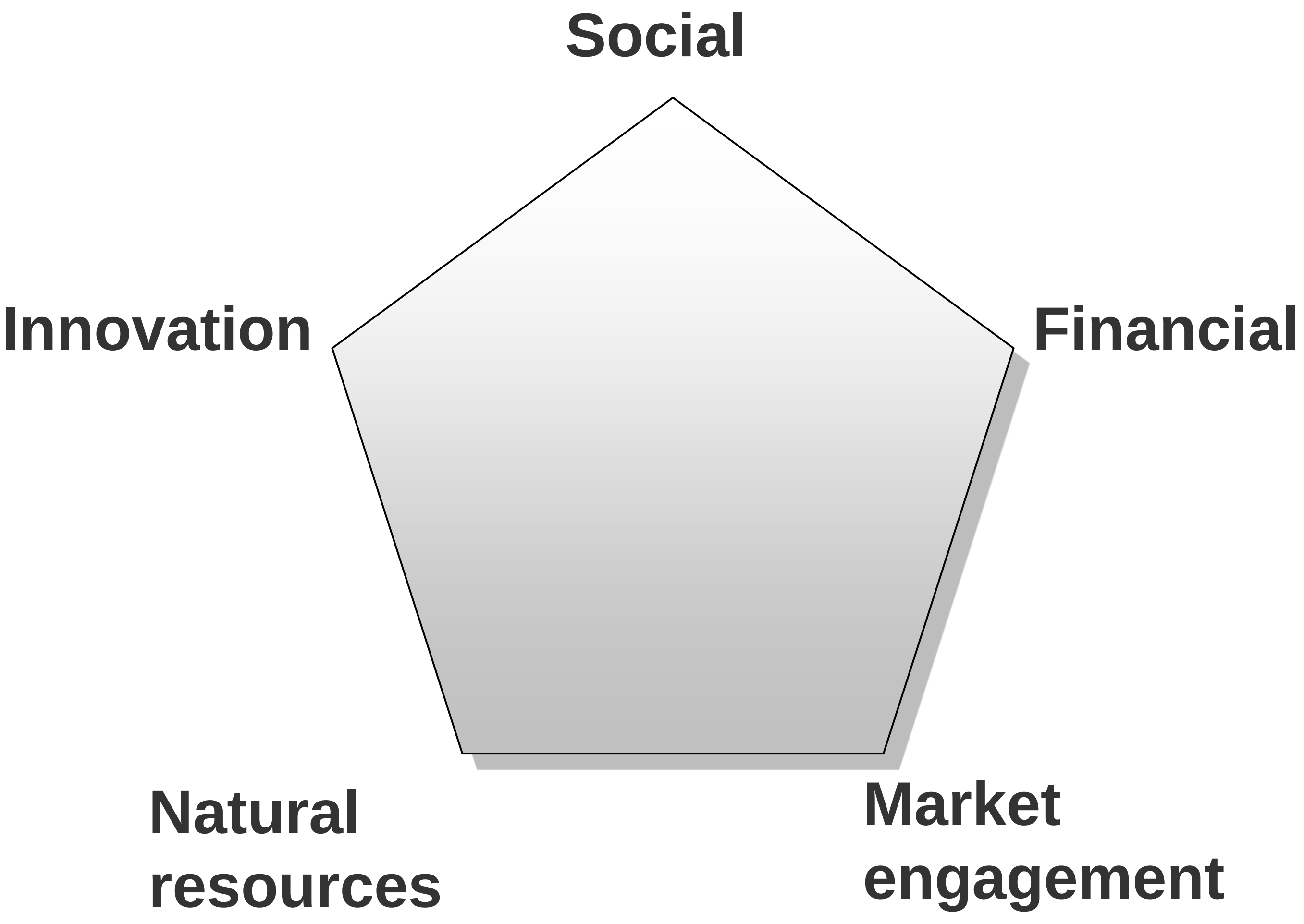
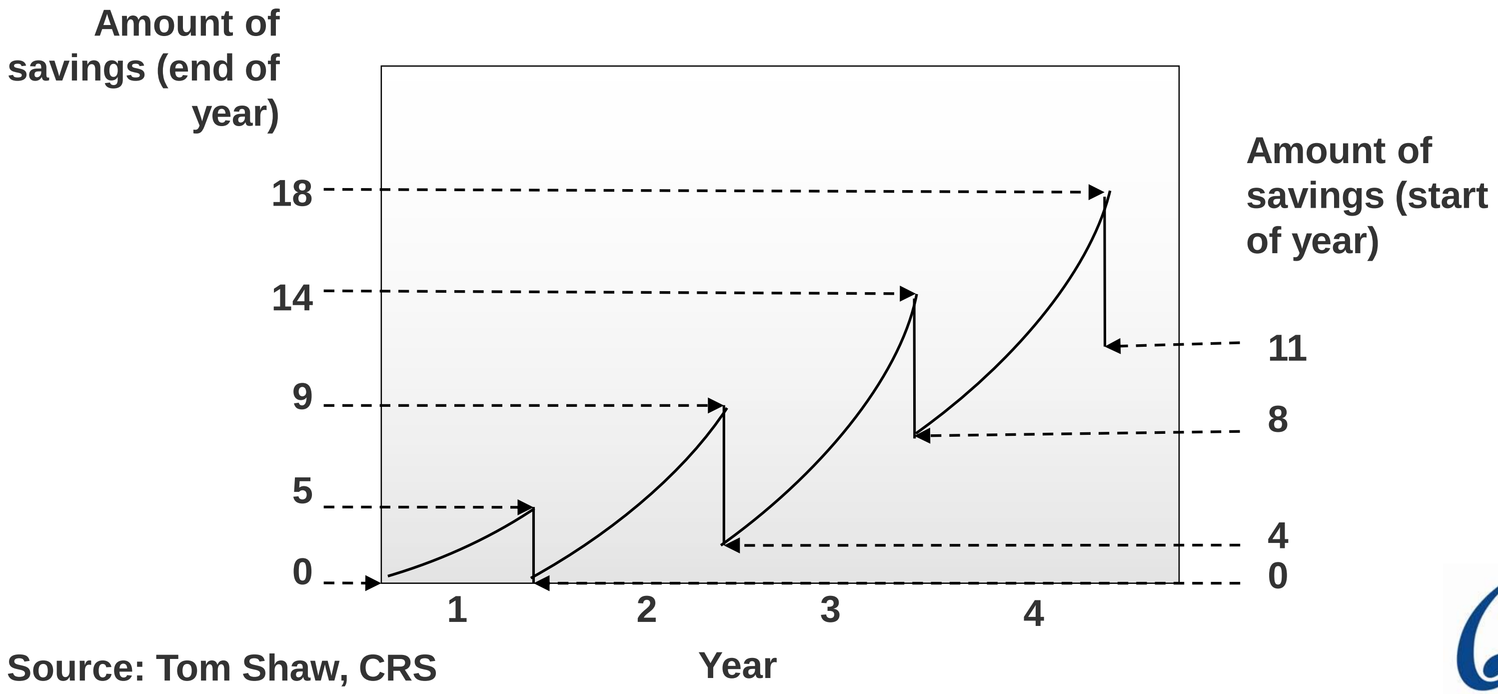
Multi-Skill Options for Farmer Groups



Linking Microfinance to Value Chains

- Shifting from micro-finance to micro-investment
- Savings clubs to Saving associations
- MFI's shift from lump sum to multi-phase loans



Source: Tom Shaw, CRS

Mobilised BDS

Mobilised information systems for market information are available and affordable but need coordination to finance

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Promising Methods for inclusion

- Participatory value chain development
- Multi-skill options for farmer groups
- Savings mobilization
- Strengthening local BDS providers
- Mobilised information platforms
- New business models
- Integration of infrastructure, training and marketing linkage
- Links to Universities and Research Institutes

For further information
See CRS Ag Symposium
20th April
Washington D.C.
sferris@crs.org

Using an Agroenterprise Learning Alliances to link poor farmers to markets