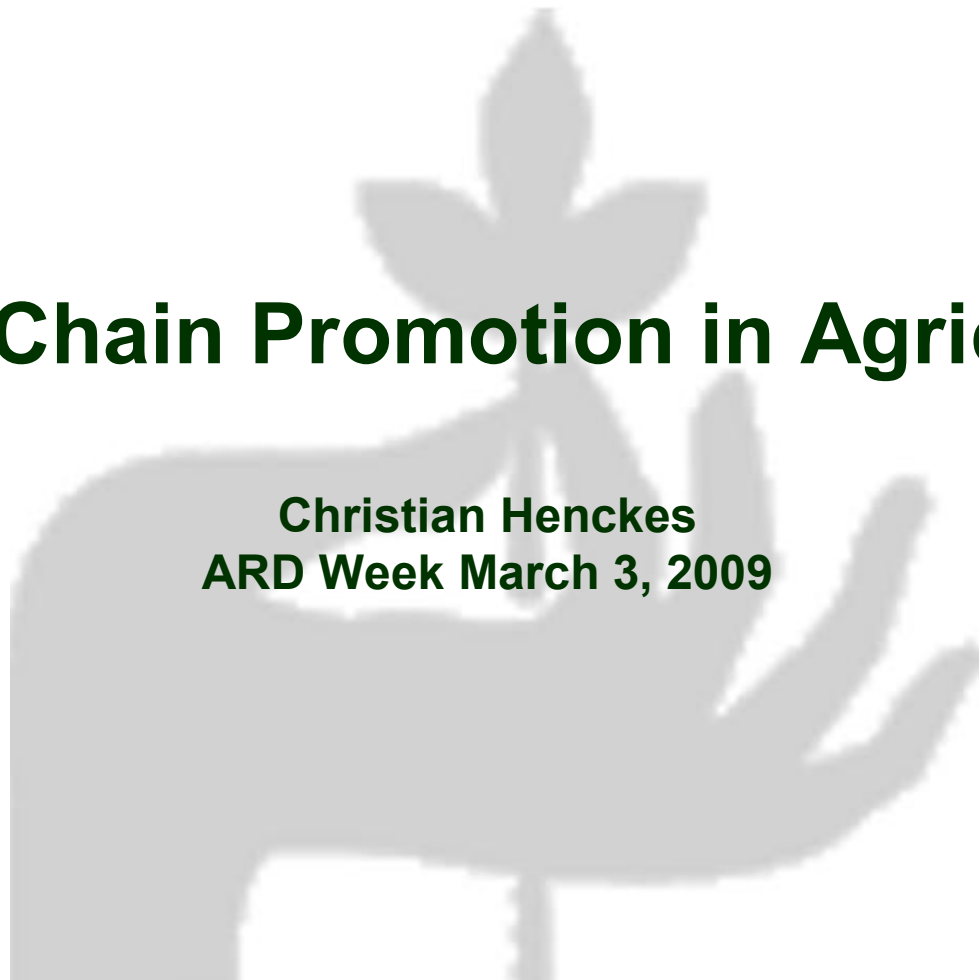
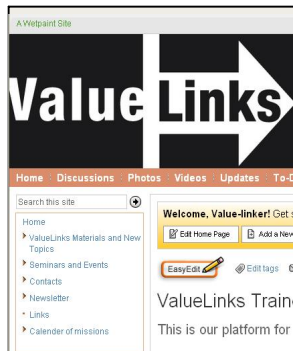
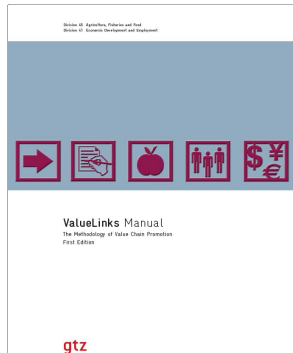
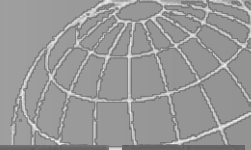


Value Chain Promotion in Agriculture

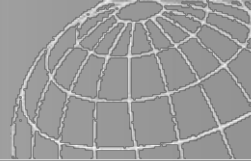
Christian Henckes
ARD Week March 3, 2009



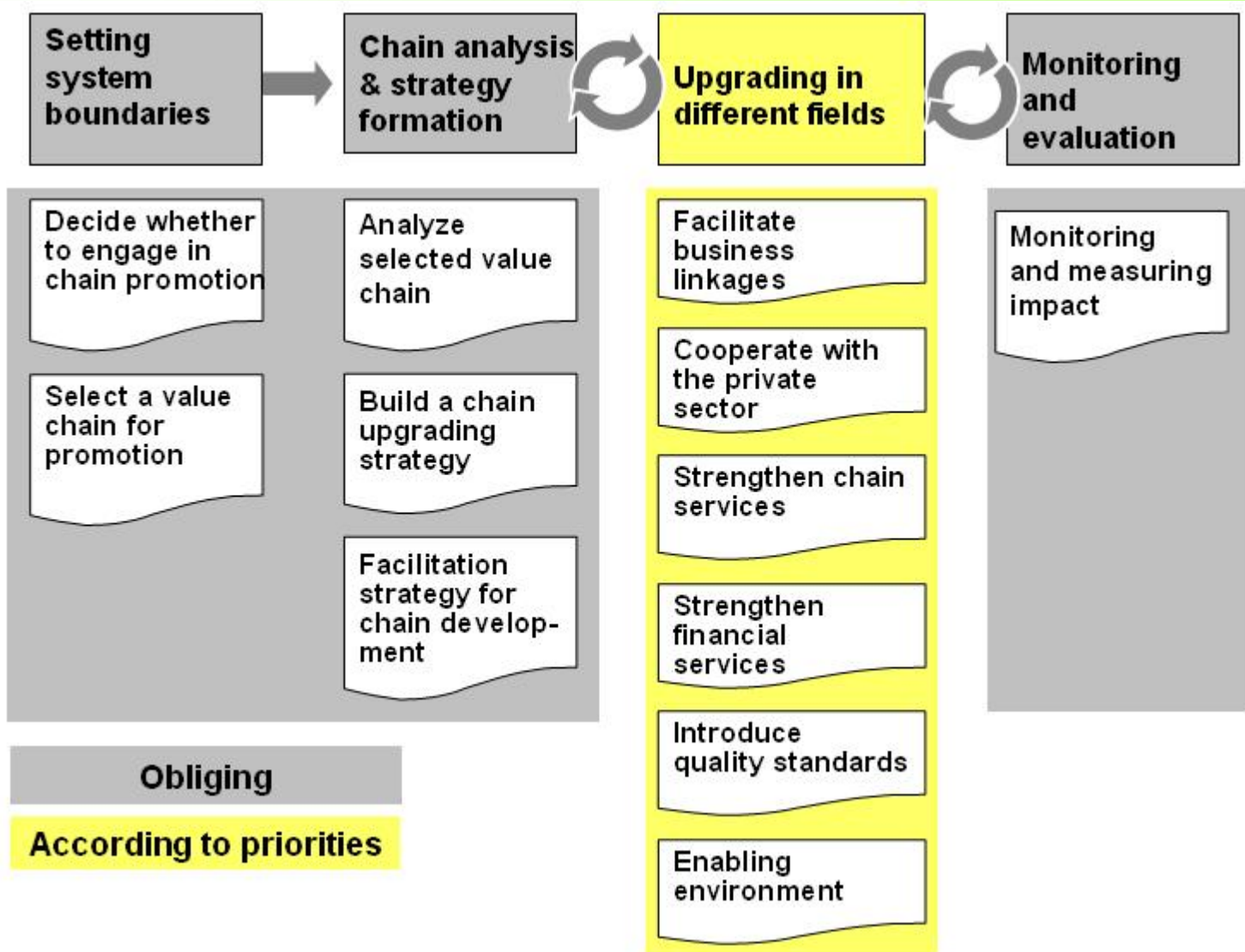


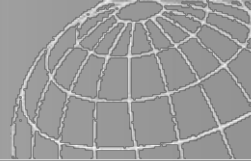
- ✓ analytical tool & training approach since 2005
- ✓ systematic compilation
- ✓ action-oriented methods
- ✓ promoting economic development
- ✓ *ValueLinks* = public good
- ✓ demand-driven
- ✓ International Conference in 2007
- ✓ <http://www.value-links.de>
- ✓ international trainer & expert pool
- ✓ 150 participants
- ✓ open partnership
- ✓ <http://value-links.wetpaint.com>

1

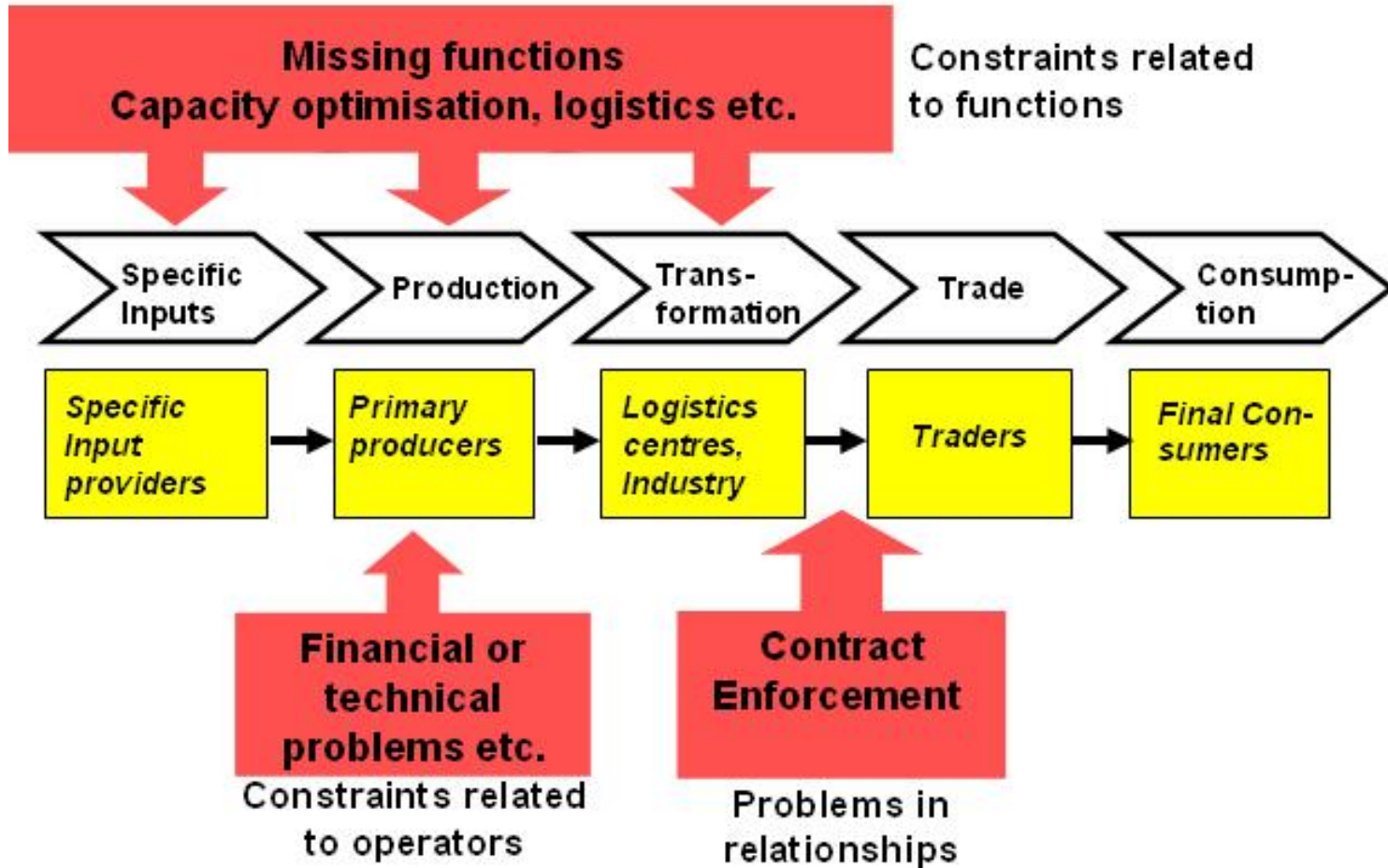


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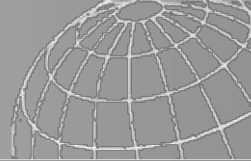




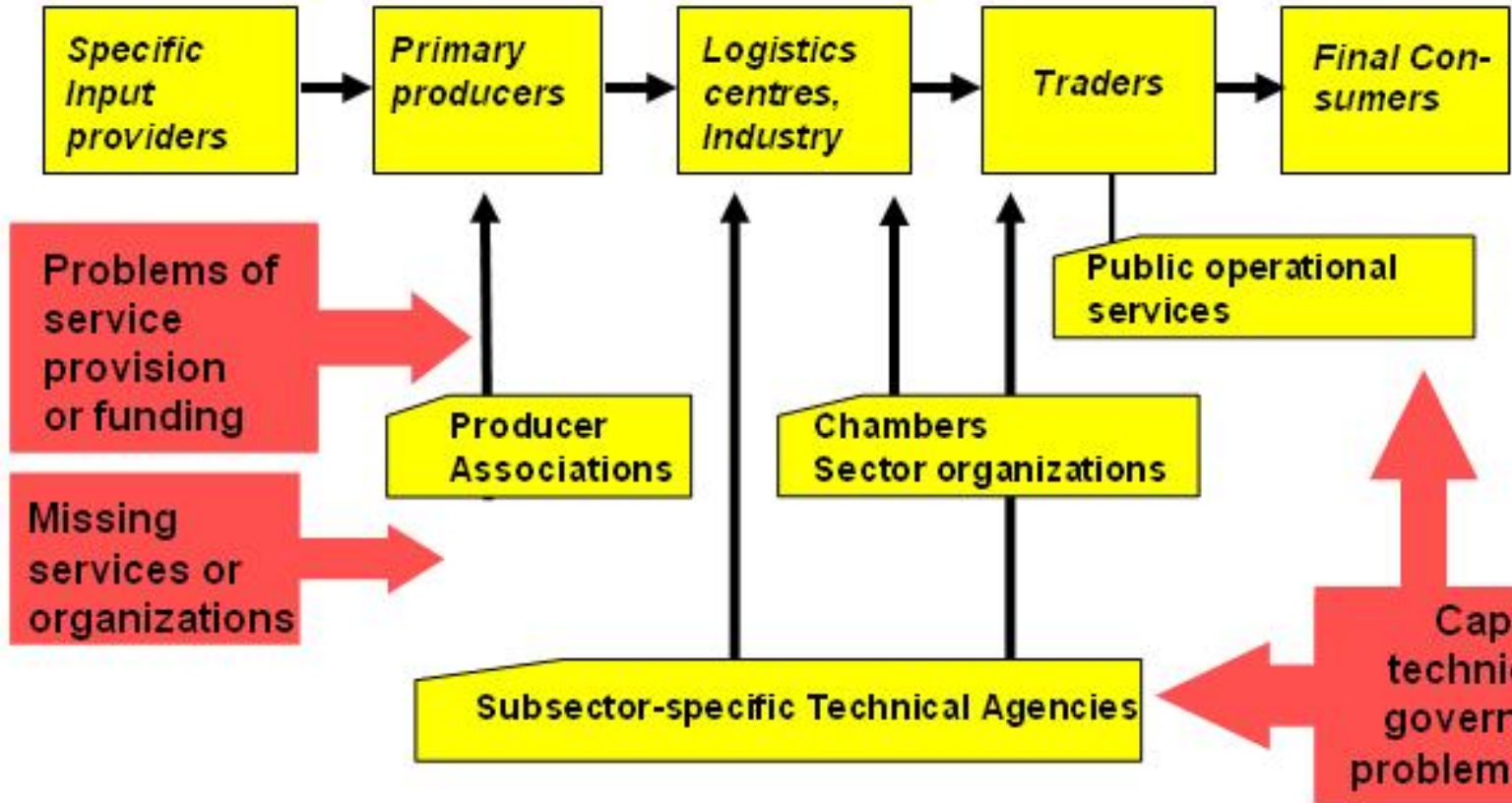
Critical points – micro level



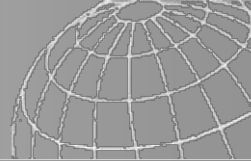
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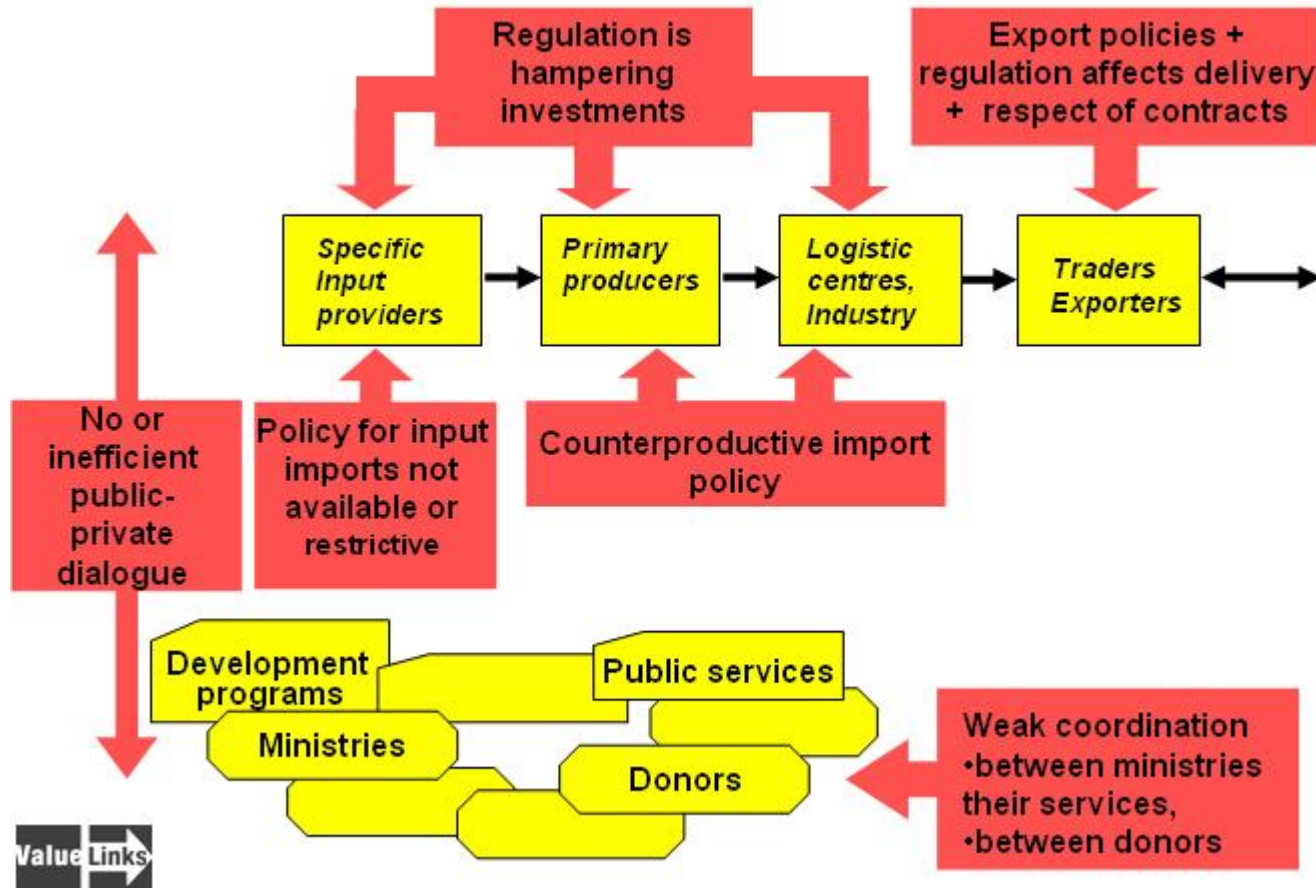
Critical points – meso level



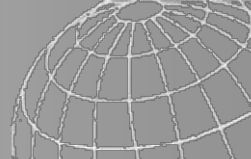
- 1**
-
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Critical points – macro level



1



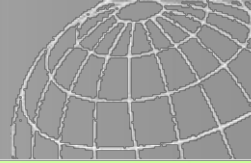
Our Partnership Network



1

2

3

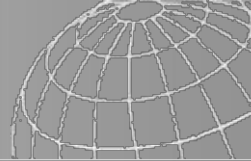


Cotton Sector in Egypt (1995-2004)



- **240.000 farmers** were organized in 17.000 learning groups which led to a sustained self-help opportunity.
- **increase of accumulated additional income to 48-168 million Euros annually** (i.e. approximately 950 \$US per farmer per year)
- Between 1999 and 2003 the cotton ginneries increased their export share from 17% to 44% (266 million Euros in 2003)
- In 2003, an additional amount of 74.000 t was exported compared to 1999.
- Within the category “extra long staple” a world market share of 50% was reached in 2003.
- Egyptian national budget saved up to 180 million Euros per year after the price guarantees were disposed.
- Egyptian Cotton was registered as a trademark.



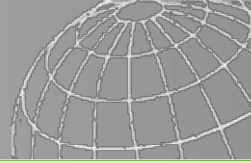


Cocoa value chain in Ecuador (2001-)



- 8,300 farmers (of which 25% were women) were supported in organizational development of producer organizations, enhancement of productivity, quality improvement, and product certification.
- These activities led to higher cocoa prices, and in turn, the average family income rose by 25-50% annually (approximately **400 \$US per family per year**).
- Direct exports from small-scale farmer cooperatives increased from **350 t in 2002 to 1,300 t in 2005**.





Cooperation with the Bill & Melinda Gates Foundation

■ Cashew

- Grant of \$US 25.4 m + \$US 20 m matching grants
- Gtz, African Cashew Alliance, TechnoServe, FairmatchSupport
- Kraft Foods, Costco Wholesale, OLAM, Global Trading...
- 150.000 farmers in Burkina Faso, Benin, Ivory Coast, Ghana, Mozambique

■ Cotton

- Grant of \$US 24.4 m to DEG + \$US 25 m matching grants
- BMZ Grant of \$US 7.5 m to GTZ: 65.000 farmers in UG, ZB
- Aga Khan Group, Dunavant, Plexus and Cargill
- 265.000 farmers in Benin, Burkina Faso, Ivory Coast, Malawi, Uganda and Zambia

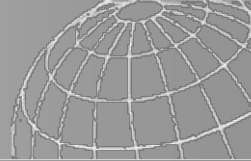
■ Cocoa

- Grant of \$US 20 m to WCF + \$US 8 m matching grants
- 200.000 farmers in Cameroon, Ivory Coast, Ghana, Liberia, Nigeria



2



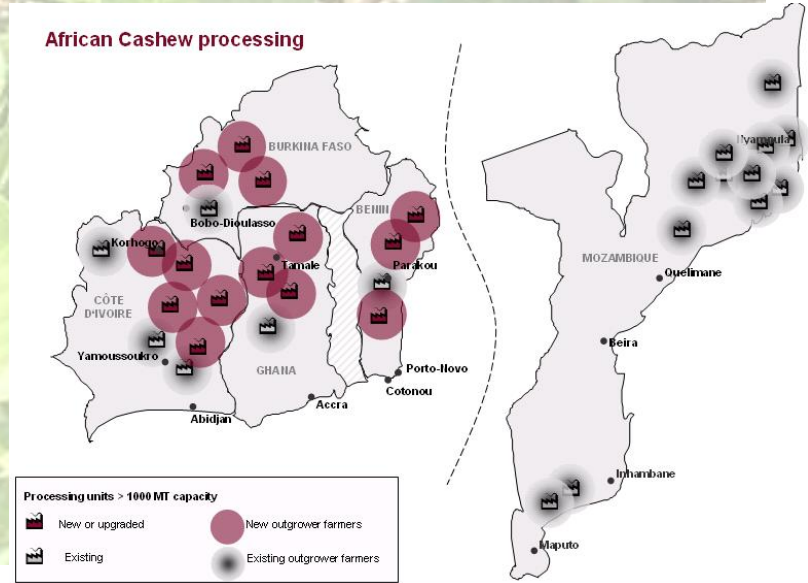
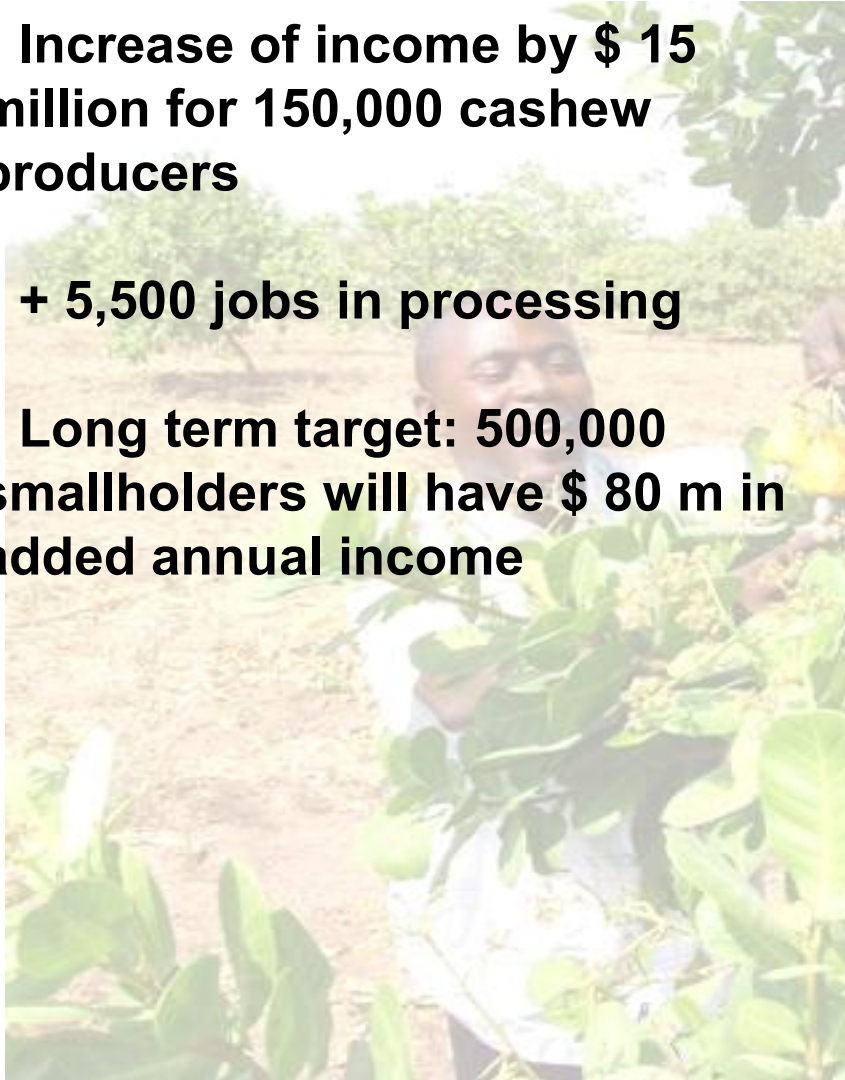


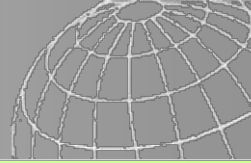
BMGF supported Cashew Project



- Increase of income by \$ 15 million for 150,000 cashew producers
- + 5,500 jobs in processing
- Long term target: 500,000 smallholders will have \$ 80 m in added annual income

1. Production
2. Processing
3. Market Linkages
4. Enabling Environment
5. Learning & Innovation





CAADP Pillar II



Lead Institution
CAADP Pillar II

Improving Rural
Infrastructure and Trade-
related Capacities for
Market Access

→ GTZ Proposal for VC
Training Program in the
ECOWAS Region



ACCELERATE GROWTH IN THE AGRICULTURE SECTOR

- raising the capacities of private entrepreneurs, including **commercial and smallholder farmers**
- meeting the increasingly complex quality and logistic requirements of domestic, **regional and international markets**,
- focusing on **strategic value chains** to generate broad-based income growth and **create wealth in the rural areas**