

Workshop Value Chain Development

Value chain development in agro and food chains

Woody Maijers

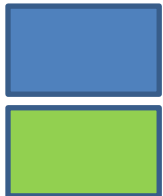
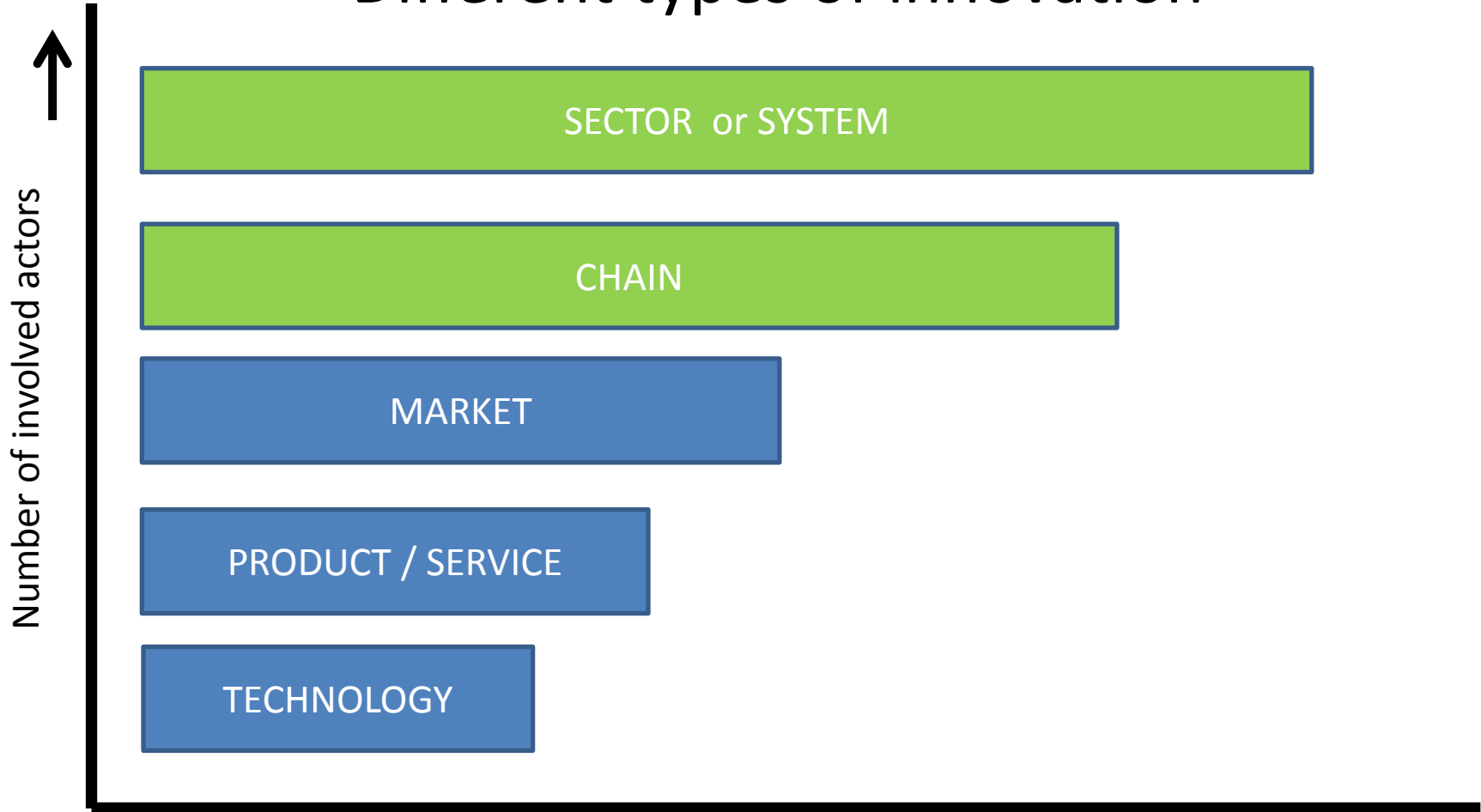
Director / owner:	Value Chain Coach
Professor:	Value chain management Inholland University of applied science
Founding partner:	RVJ Agribusiness Academy

Observations 2005-2015

- Shift towards professional value chains
- New investors coming in
- Shift from trade to value adding
- New commercial export chains
- National expansion of (local) supermarkets
- Strong implementation of value chain development policies
- Government and donors accepted the concept as part of the development strategy
- Inclusive supply chain development is still a major dilemma and challenge to organise



Different types of innovation



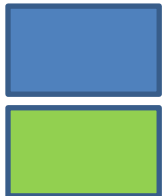
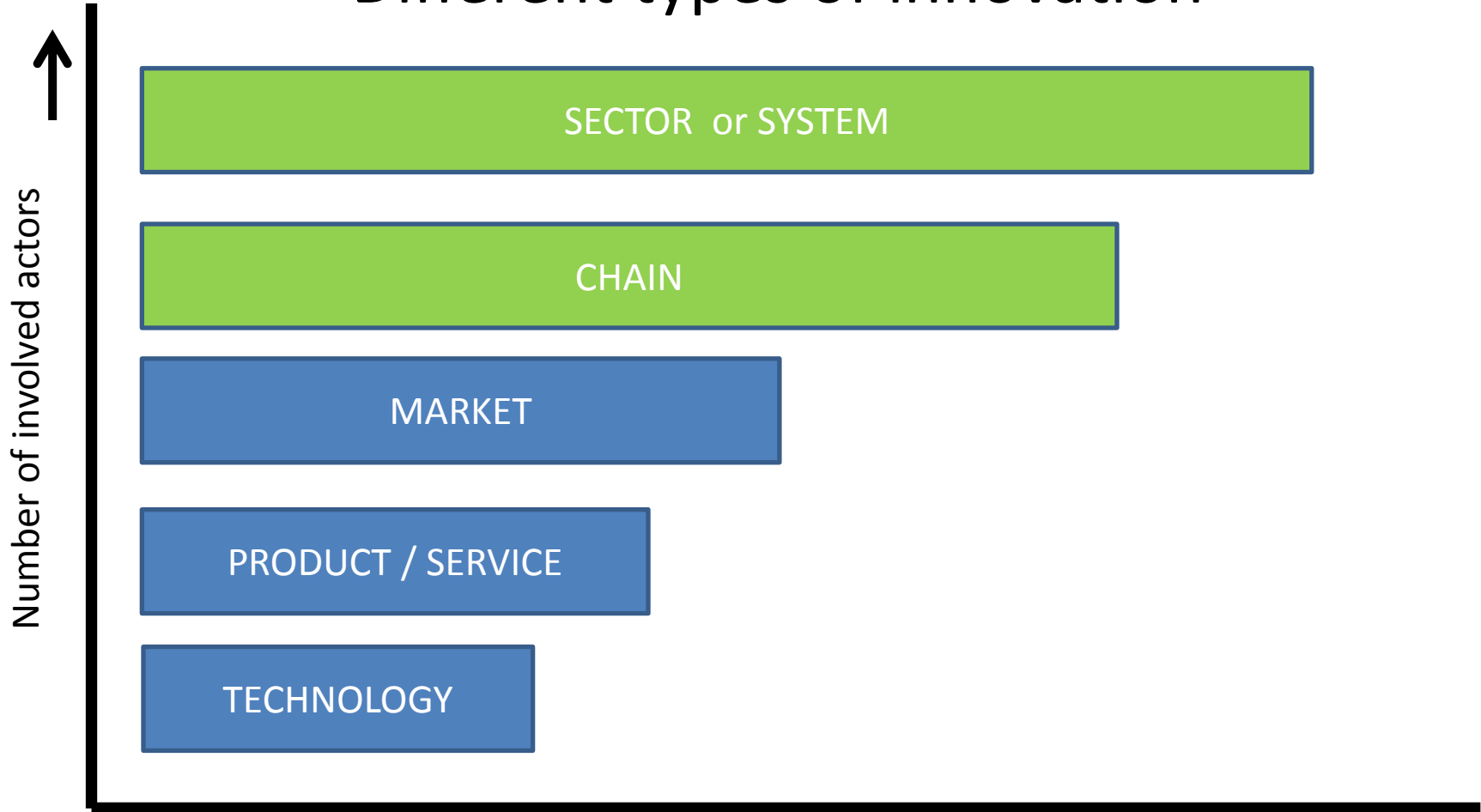
Final decision managing director

Final decision network of actors / stakeholders



Time needed for implementation

Different types of innovation



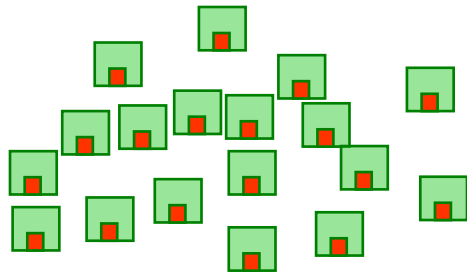
Final decision managing director

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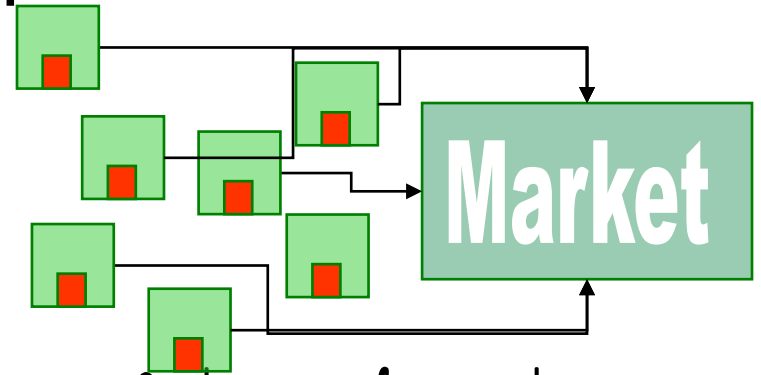


Time needed for implementation

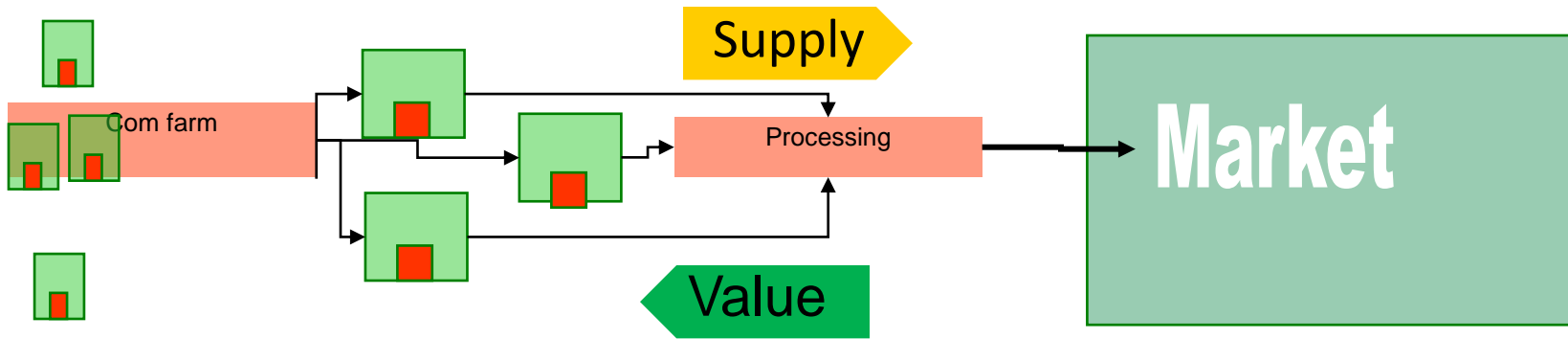
Chain and network development



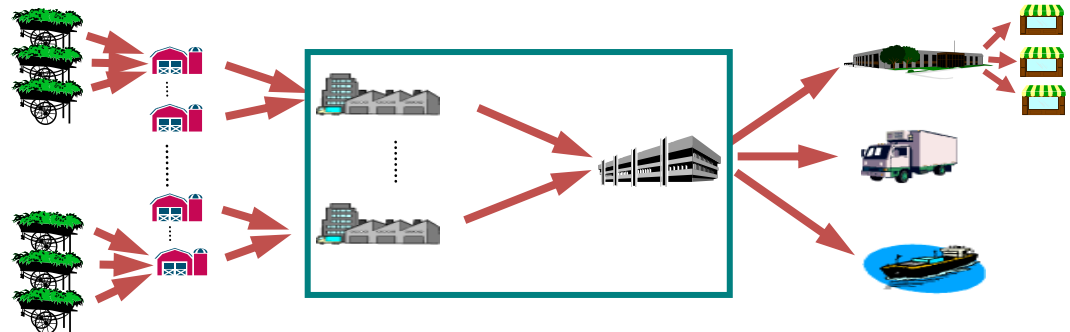
Traditional production



Cash crops for market



Modern Chain development



Agro Food Park

www.ketencoach.nl



Types of value chain developments

Scaling up



Heineken buying local brands and processing plants and investing in higher quality and up scaling



Heineken inaugurates Ethiopia's biggest brewery
By Rachel Arthur+, 19-Jan-2015
Heineken has officially inaugurated what it claims is Ethiopia's biggest brewery. With a total capacity of 1.5m hectolitres, it says the €110m (\$95m) Kilinto brewery will enable it to meet rising demand for both local and international brands.

Types of value chain developments

Scaling up



Scaling Out



Many street vendors along the road: same tomatoes, same baskets etc.
Food companies introducing new brands



(Woodhill, 2012)

Types of value chain developments

Scaling up



Scaling Out



Scaling Adaptively



Local supplier for local buyer (short chains)

(Woodhill, 2012)



Drivers for value chain developments

Change at scale happens through external shocks or pressures



Change at scale happens through internal innovation and evolution

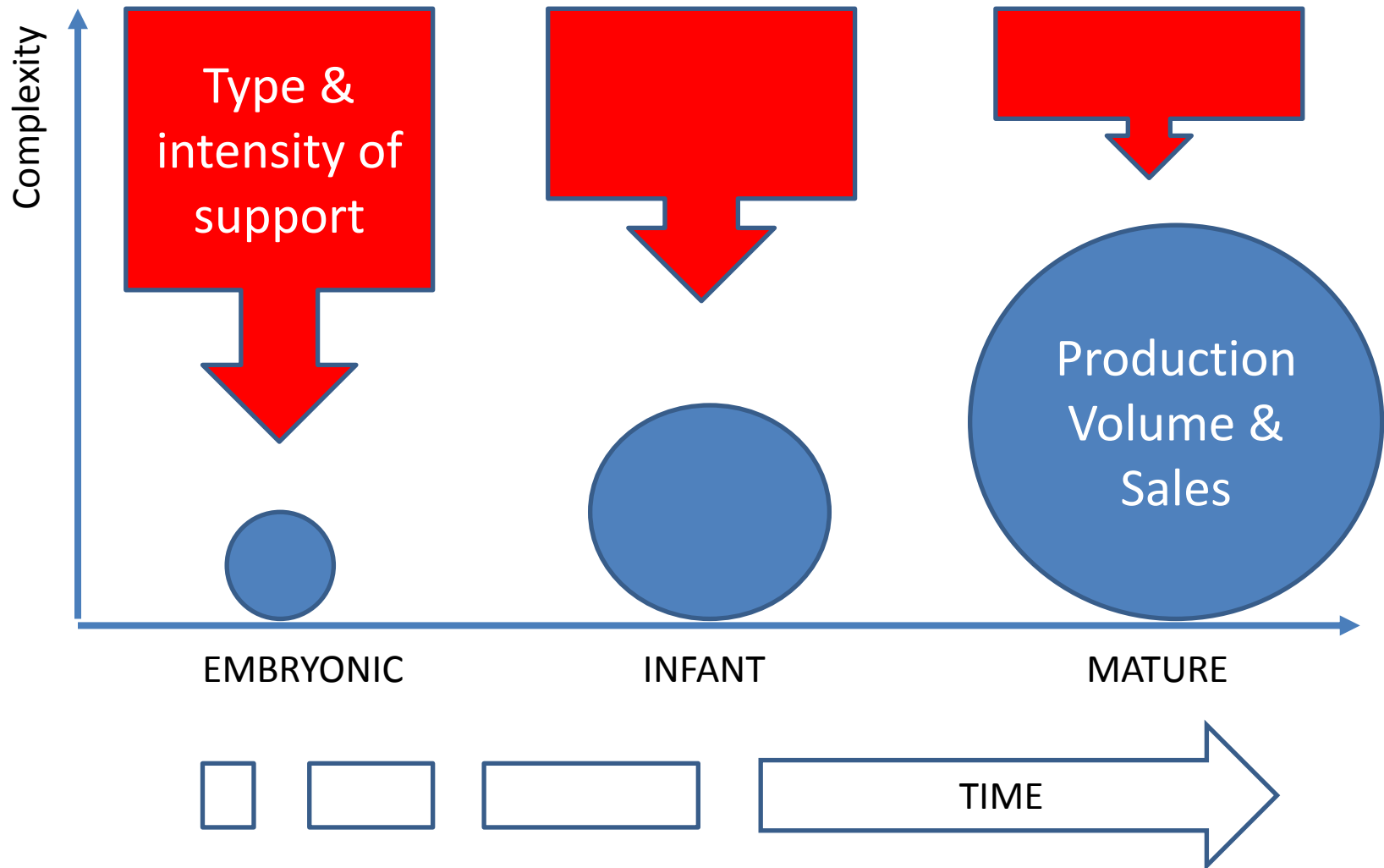


Dealing with powers and interests in the netchain

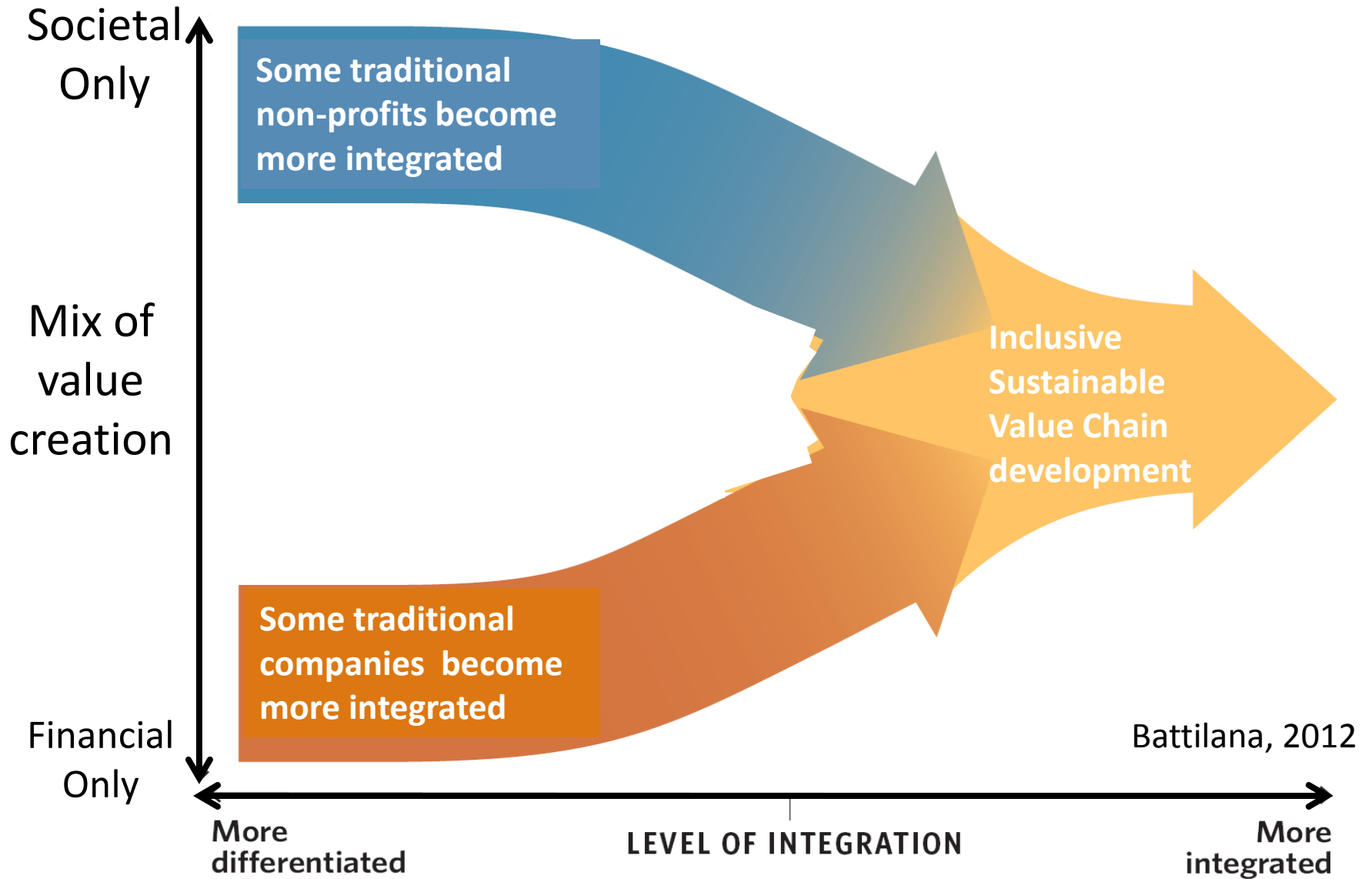
(Woodhill, 2012)



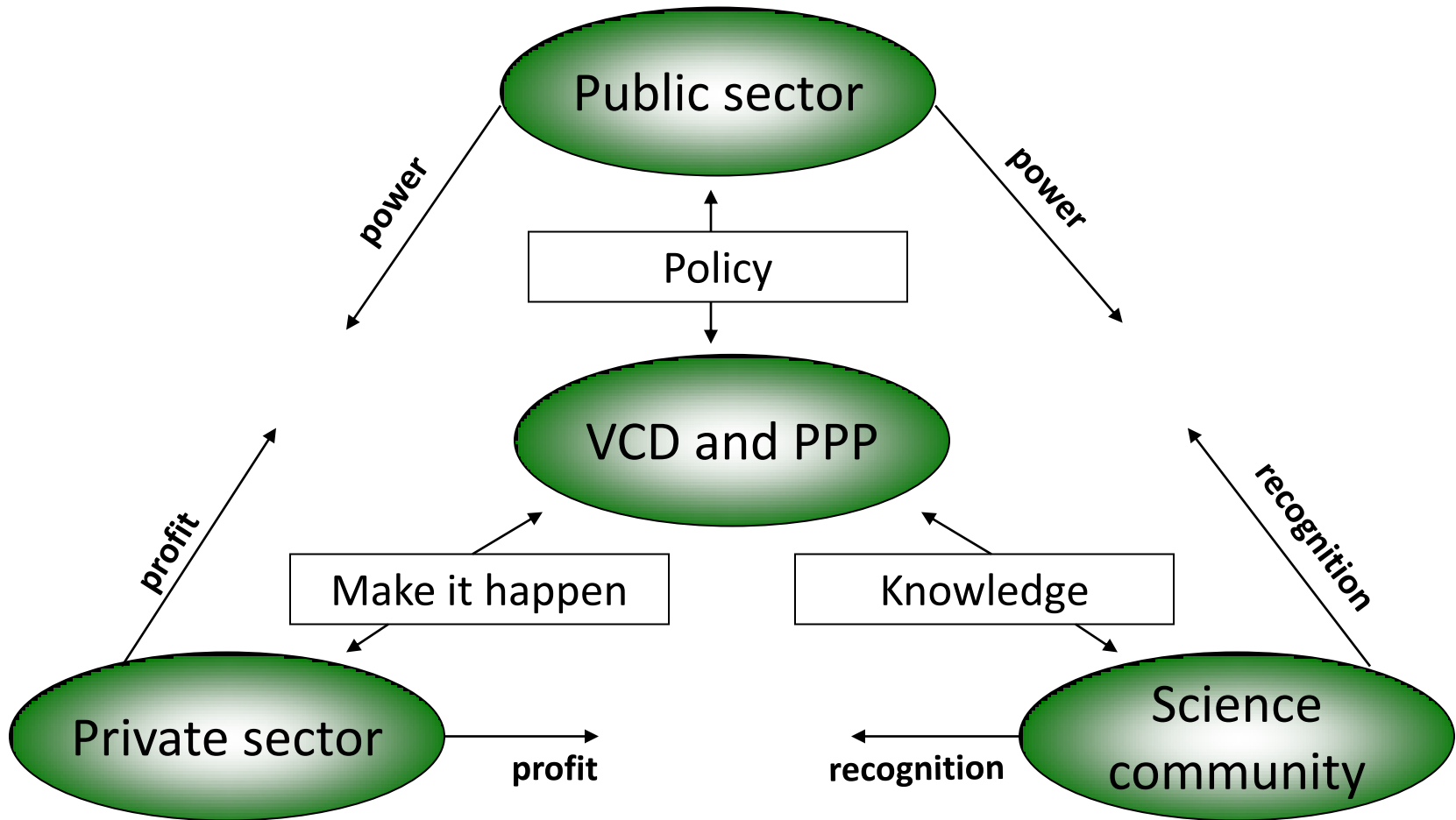
Development stages of a Value Chain



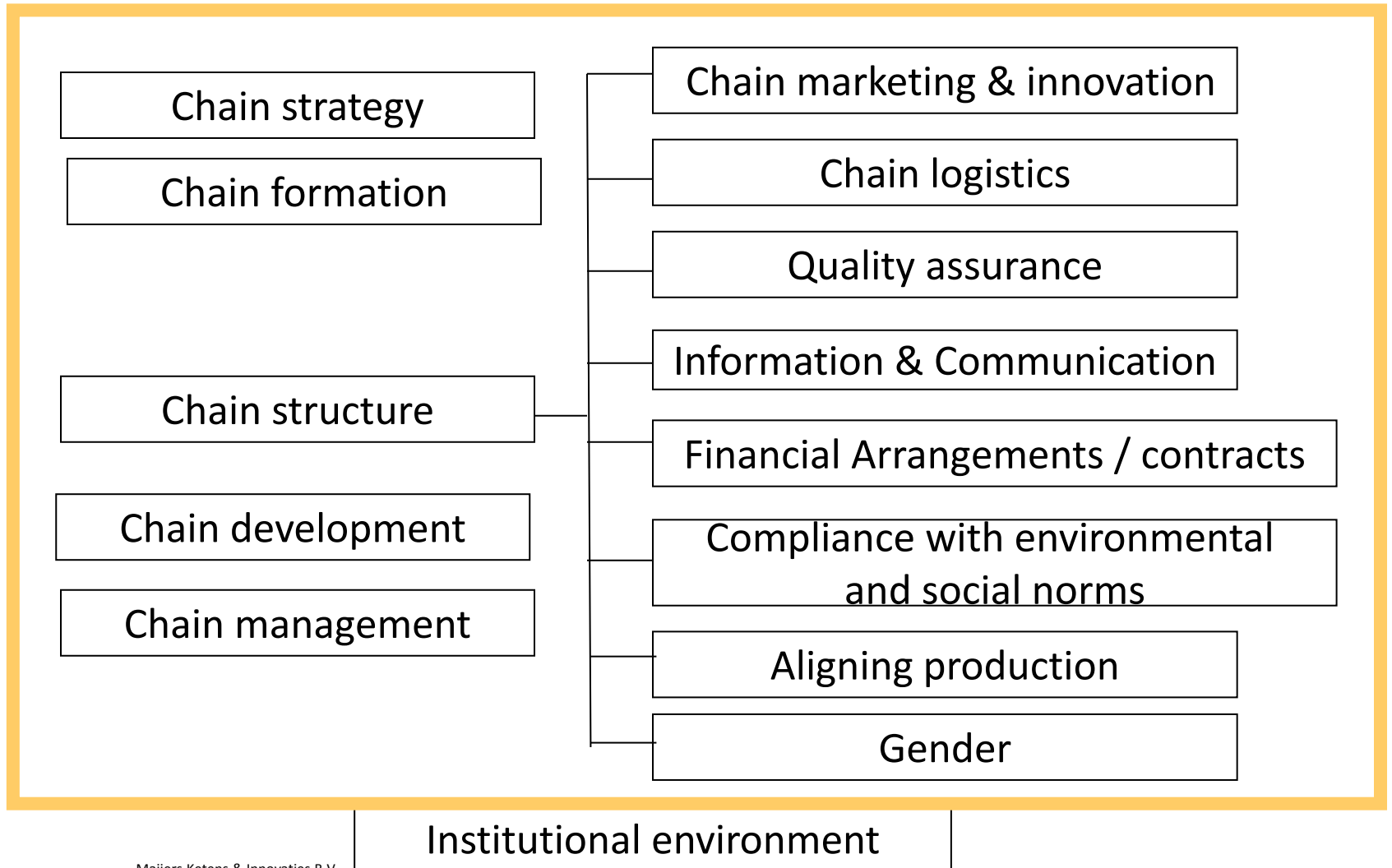
Different chain developers



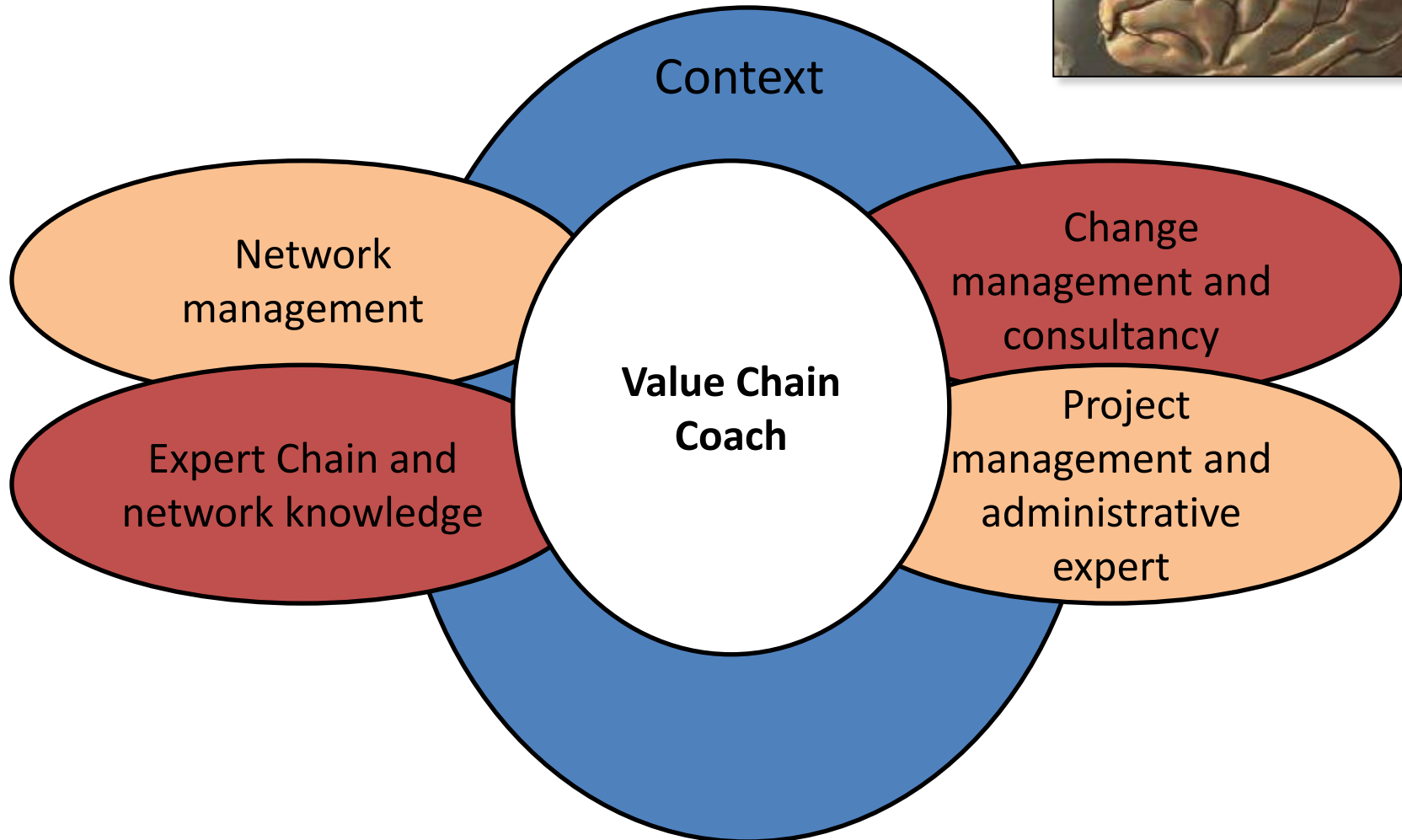
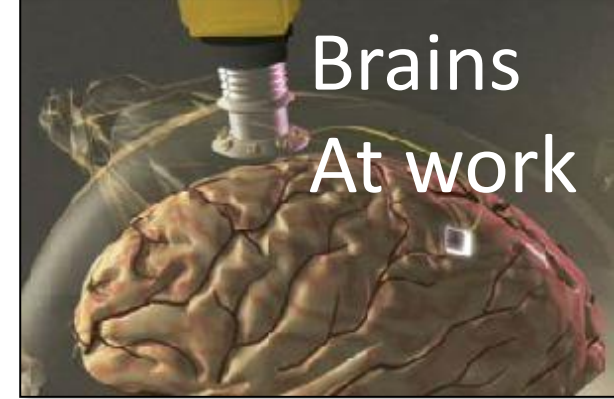
Value Chain Development in public- private arena



Understanding the VALUE CHAIN



Value Chain Developer coach



Why professional value chain development?

- Value chain development has a big impact for (small scale) farmers (income), processors and consumers (price and food safety)
- Value chain development is complex: multi actor, multi level, B2B and sector, connecting thousands of farmers and few traders or processors / multinationals and millions of consumers
- Value chain development requires a vision, long time commitment and resources for investments

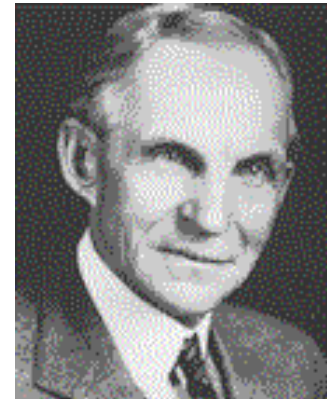
Conclusion: Value chain development is a profession with special knowledge, skills and attitude. A structured methodology and good education is required to succeed.



*'Coming together is a beginning
keeping together is progress
working together is success.'*

Henry Ford

QUESTIONS!
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For discussion:

1. Universities have the task to make sure the graduates:
 1. are able to understand the impact of value chain development
 2. have the right skills and attitude to manage the value chain development processes
2. Universities lack the structure to learn the students the right skills and attitude. They need to collaborate with the business.
3. The new PROGRAM IN AGRIBUSINESS AND VALUE CHAIN MANAGEMENT is a good start but the industry needs also to come in.

