



ValueLinks NEWSLETTER July 2017

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Dear Reader,

This is the 15th edition of our ValueLinks newsletter that gives you an overview on the activities and events around ValueLinks in the period January to July 2017.

The most important news is the completion of the new ValueLinks 2.0 manual. After three years of many discussions and constant work, **the final draft of the ValueLinks 2.0 manual is now available online on the ValueLinks website: <http://valuelinks.org/manual/>.**

The new ValueLinks 2.0 manual replaces the old manual of 2007. ValueLinks now follows more closely the sustainability agenda, presents new essential value chain solutions such as improved business models and financing, and covers many specific subjects of great significance in development – from the design of programs to data collection. Still, we have called the new version a “final draft” because everybody should have the possibility to read and review this new version in order to be able to comment on it. You have time until early October to tell us what you think about the new manual. In particular, we would welcome other practical case material and success stories. Please send us your contributions of not more than 300 words that tell about interesting value chain solutions, especially around business linkages, financing and service arrangements.

Best regards

Andreas Springer-Heinze, Sonia Lehmann, Alfons Eiligmann, Ute Jacob

You can reach the editors at info@valuelinks.org. For information on the association and earlier editions of the newsletter, please visit:

www.valuelinks.org

1. VALUELINKS TRAINING SEMINARS

ValueLinks Seminars January - July 2017

Date/Place	Seminar/Participants	Trainers	Contact
Feb 27 – March 7 Bamako, Mali	The GIZ project Green Innovation Centres in the Agriculture and Food Sector (GIAE) organized a 5-day ValueLinks Introductory Training Workshop and a 2-day ValueLinks ToT-workshop in Bamako. As a result, 11 national ValueLinks trainers were qualified; some of whom are supposed to continue with co-facilitation activities in autumn.	Alfons Eiligmann, Magès Nagui	eiligmann@idc-aachen.de , mages.nangui@gmail.com



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March 9 – 10, Cotonou, Benin	The GIZ project ProAGRI organized a 2-day <i>ValueLinks</i> 2.0 refresher training for a dedicated group of 18 national <i>ValueLinks</i> trainers in Benin. The trainers in Benin appreciated the update and declared their interest to be included in the future development of new material.	Alfons Eiligmann	eiligmann@idc-aachen.de
April, 4-6, Bangalore, India	The Green Innovation Centre Project India organized a three-day training course to apply <i>ValueLinks</i> tools to the potato VC as well as the tomato VC in the states of Karnataka, Maharashtra and Andhra Pradesh. Topics included the spatial scoping, value chain analyses and business model improvement.	Andreas Springer-Heinze	andreas.springer-heinze@giz.de
May 15 – 19, Grand Bassam, Côte d'Ivoire	IDC and PROMAK Afric held their 6th annual <i>ValueLinks</i> training seminar in Côte d'Ivoire. 18 participants mainly came from different GIZ projects and partner organisations in Côte d'Ivoire.	Alfons Eiligmann, Magès Nagui	eiligmann@idc-aachen.de , mages.nangui@gmail.com
May 29 – June 2 Feldafing, Germany	26 participants attended the fully booked annual GIZ-AIZ <i>ValueLinks</i> seminar in Feldafing. Participants came from GIZ projects and different organisations in Germany, USA, South Africa, Serbia, Bosnia/Herzegovina, Macedonia, Ghana, India, Italy and the Netherlands.	Andreas Springer-Heinze, Alfons Eiligmann	andreas.springer-heinze@giz.de , eiligmann@idc-aachen.de
June 19 – 23, Garoua, Cameroun	The project "Appui au Complexe Binational Sena Oura - Bouba Ndjida (BSB)" of the programme "Gestion Durable des Forêts dans le Bassin du Congo" organised a <i>ValueLinks</i> training with 25 participants at the « Ecole de la Faune de Garoua » in Northern Cameroon. The seminar was organised in cooperation with three other GIZ projects in Cameroon (ProPFE, ProCISA, PADER).	Alfons Eiligmann, Gilbert Fomukom, Guy Merlin Nguenang, Constantino Nguivoum	eiligmann@idc-aachen.de , gilbert.fomukom@giz.de , guy.nguenang@giz.de , constantino.nguivoum@giz.de
June 24 – 30, Malawi	<i>ValueLinks</i> introductory training seminar for the GIAE program of GIZ in Malawi aiming at strengthening the innovation structure of the agricultural sector comprising of an effective demand orientation that drives and interlinks applied research, training and practical extension work.	Joachim Weber	toltd@web.de
July, 3-7, Luang Prabang, Laos	Regional <i>ValueLinks</i> training with biodiversity protection perspective with a number of participants from different ASEAN countries in the framework of the Biodiversity-Based Products module of the GIZ Biodiversity and Climate Change Project based in the ASEAN Centre for Biodiversity in the Philippines.	Rita Pilarca	ritapilarca@gmail.com
July, Cambodia	<i>ValueLinks</i> training in Khmer language to 26 project staff and partners from the Federation of Farmer Associations/Cooperatives working with the Support to the Commercialization of Cambodian Rice Project (SCCRP) funded by the Agence Française de Développement (AFD). SCCRCP aims to support the implementation of the National Strategy of Promotion of Paddy Production and Rice Exports.	Sothet Chhay	sothet.chhay@ong-adg.be



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Coming up

Date/Place	Seminar/Participants	Trainers	Contact
September 4-8, 2017, Feldafing, Germany	The next 5-day <i>ValueLinks</i> Introductory Training Seminar in French language in Germany will be organized by GIZ-AIZ in Feldafing. The seminar is open for registration. Participation fees are applied. See www.giz.de/akademie .	N.N.	kundenportal-aiz@giz.de Tel: -49 (0)2224-926-444
September 18-22, Antananarivo, Madagascar	IDC and SAVAIVO organize a 5-day <i>ValueLinks</i> Introductory Training Seminar in French in Antananarivo, Madagascar. The seminar is open for registration. Participation fees are applied. See http://www.idc-aachen.de/english/2_4.html .	Alfons Eiligmann	training@idc-aachen.de

2. EVENTS, STUDIES, EXPERIENCE AND INFORMATION

ValueLinks Association excursion in Germany, June

Under the heading “Renewable Energy Value Chains”, the *ValueLinks* Association organised an excursion to various value chain actors in and around Witzenhausen in the northern part of the state Hesse and southern part of Lower Saxony from June 8 to 9. Eleven members of the *ValueLinks* Association visited the Department of Grassland Science and Renewable Plant Resources of the University of Kassel/Witzenhausen, the Greenhouse for tropical crops of the University of Kassel/Witzenhausen, the Competence Centre HessenRohstoffe and the Bioenergy Village Jühnde in the district of Göttingen. The *ValueLinks* members informed themselves about new cultivation methods of renewable raw materials and trends in the use of green energy, a future-oriented sector that is opening up new sources of income for agricultural producers.

The importance of renewable energies in Germany is expected to grow from a current 18% to 30% within a few years time. Currently, there are already about 7,000 agricultural biogas plants in Germany (thereof 200 managed by organic farms). 70% of the biogas substrate used is maize. The Department of Grassland Science and Renewable Plant Resources of the University Kassel/Witzenhausen does practical research on the use of alternative plants to improve crop rotation and increase biomass yields. So far, a first harvest of a rye/winter peas combination that is harvested early in late spring and still allows for immediate maize planting and a quite regular second maize harvest provides the best economic and environmental result. The Department also gave an introduction into agro-forestry systems for firewood/wood pellets production. However, German farmers adopt such systems not much due to the long production period and currently low oil prices. The Competence Centre HessenRohstoffe focuses as well on biogas plants that became quite popular in Germany and shows a strong growth. The 224 biogas plants in the German State of Hesse produce already the same energy output as one nuclear power plant. It was also interesting to note that the average farm size of a fulltime farmer in Hesse is 74.3 ha.

The Bioenergy Village Jühnde, close to Göttingen, was the first bioenergy village in Germany that started in 2001 and served as a model for many other villages that came up later. The village with 750 inhabitants generates about twice as much energy (electricity and hot water for heating) as the village consumes and sells its surplus electricity production to a regional energy supply company. An impressive biogas plant, 1,200 ha of agricultural land and 800 ha of forest for a wood chips block heating system constitute the backbone of the energy production. It is a cooperative model with 140



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households being members of the cooperative. The total investment was about € 5.3 million, of which 27.7% were subsidized. Developing the Bioenergy Village required a lot of joint investment and cooperation. For the time being, the village still depends on local subsidies that will end in 9 years. The village is working on a sustainability strategy, e.g. setting up an own electricity supply grid to become fully independent from the cooperation with energy companies.

In addition, the association members also visited the Greenhouse for tropical crops of the University of Kassel/Witzenhausen with an impressive collection of all kinds of plants used in agricultural systems in the sub-tropics, tropical highlands and tropical lowlands.

Photo 1: Field research renewable energy



Photo 2: Tropical Greenhouse



Photo 3: Visit of HessenRohstoffe



Photo 4: In the Bioenergy village Jühnde



We thank our member Ulrich Helberg for having organized this fantastic excursion.

Contact: info@valuelinks.org.

Participative Value Chain Selection in Wa, Ghana

GIZ's Market Oriented Agriculture Programme (MOAP) has recently been contracted by the European Union to implement a comprehensive new VC project in 12 districts in Northern Ghana. According to GIZ's terms of reference, a VC selection was supposed to be done within a few weeks of time in March/April 2017. A quite challenging task. The two consultants Alfons Eilgmann and Dr. Eberhard Krain suggested to the MOAP team (Florent-Dirk Thies, Kofi Biney, Christoph Arndt, Charles Sackey) holding a participatory two-day VC selection workshop in the town of Wa in the Upper West Region in order to involve local authorities and VC actors in the VC selection.

An EU consultant, Mr. Lucien Rossignol, had already downloaded the *ValueLinks* 2.0 VC selection material from the *ValueLinks* website prior to the mission and had already prepared a shortlist of

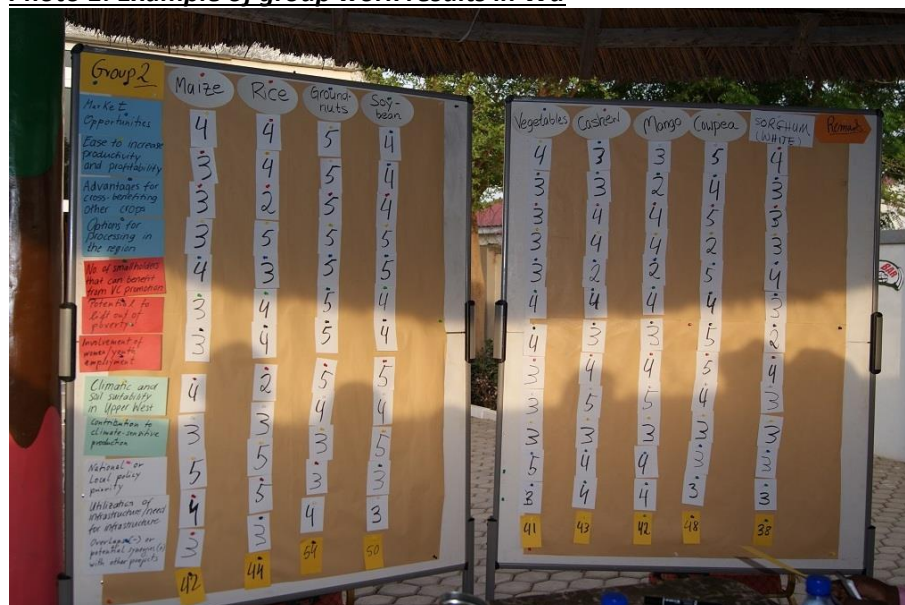


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potential VCs based on a questionnaire completed by local District Planning Officers. While this was already a quite good basis for VC selection, doubts were raised to what extent the District Planning Officers had enough knowledge, e.g. about market potential of different crops, to be able to judge the development potential. The MOAP team and the consultants discussed the need for bringing in further knowledge and for discussing the different options with a larger number of VC actors. Subsequently, the project chose the following approach:

- Organize a participatory 2-day VC selection workshop in Wa with more than 60 participants (Regional and District Directors of Agriculture, District Planning Officers, Crops and Extension Officers, the Savannah Accelerated Development Authority (SADA), District Value Chain Committee representatives and private sector representatives from companies and farmer associations).
- Provide input from VC experts, each presenting market potential, advantages and disadvantages of the 9 preselected value chains
- Apply a ranking grid with 12 criteria. A weighting was built in so far, as a different number of economic, environmental, social and institutional criteria was chosen
- Discuss the potential of the short-listed VC's in three parallel working groups, each giving marks from 1 (lowest potential) to 5 (highest potential)
- Present an average overall score of the three working groups and validate the findings in plenary.

Photo 1: Example of group work results in Wa



Interesting lessons learned from the VC selection workshop in Wa were:

- It was an advantage to do the VC selection process in a participatory way, involving the relevant authorities and VC actors.
- The number of 12 criteria applied seemed to be quite appropriate.
- It increased transparency to build in a weighting only in terms of the number of criteria per category.
- The combination of information input by resource persons and the knowledge of the VC actors provided a reasonable basis for decision-making.
- The workshop participants identified themselves with the results of the group discussions and requested MOAP to present the workshop results as their proposal to the Ministry of Food and Agriculture (MOFA) and the EU Delegation for approval.



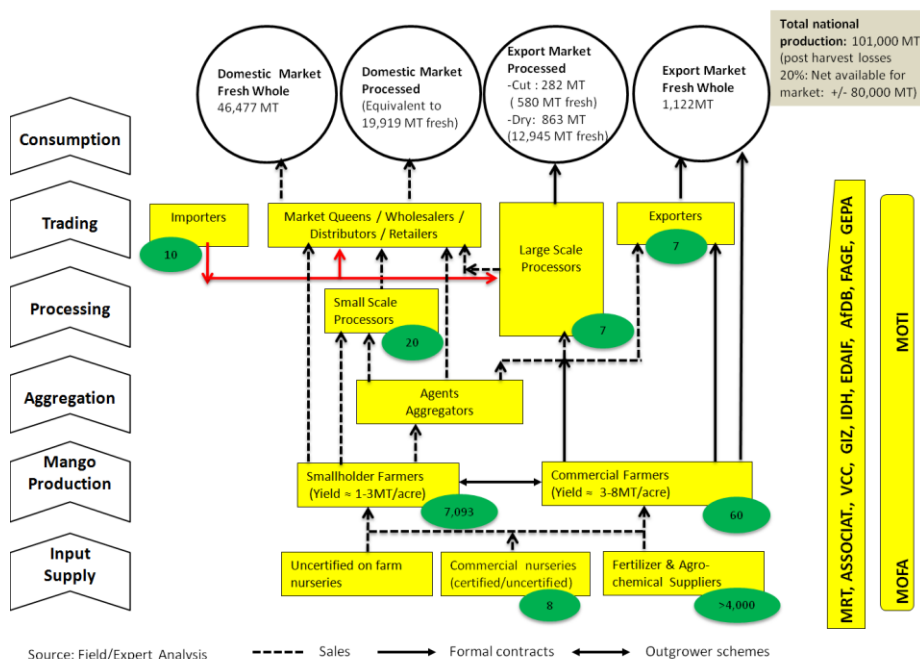
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The workshop participants selected six value chains in the workshop (groundnuts, soybeans, vegetables, mango, cashew and rice). MOFA and the EU Delegation agreed to the VC selection workshop results and MOAP started implementing. Contact: eiligmann@idc-aachen.de, eberhard.krain@giz.de.

Multi-Stakeholder Mango Value Chain Strategy Workshop in Accra, Ghana

The GIZ Market Oriented Agriculture Programme (MOAP) in Ghana organized a two-day national Mango VC workshop in March. The workshop with 55 participants served as a means to exchange on the development potential of the Mango VC and necessary support activities. Two national consultants, Ms. Juliana Asante-Dartey and Mr. Dan Acquaye prepared a short VC study as input for the workshop based on a ValueLinks template. Two international consultants Alfons Eiligmann and Dr. Eberhard Krain facilitated the workshop, in which the participants validated the VC map, discussed strategic considerations, agreed on a vision focusing on making the VC more competitive and elaborated in detail on a number of sustainable solutions for VC development.

Graph 1: VC map Mango Ghana



The high potential of the Mango VC in Ghana, which ADRA and GIZ originally introduced to Ghana, was reflected in the vision statement aiming at doubling production, tripling export and quadrupling the number of farmers compliant with GAP. Industry representatives from the Ghana Mango Roundtable appreciated the opportunity of exchange and joint action planning among the VC and requested the seminar participants to commit themselves to achieving the vision even earlier than in five years' time. Quality improvement and GAP certification should be key for the growing industry. The MOAP programme director Dr. Florent Dirk Thies and the project manager Mr. Christoph Arndt underlined the importance to implement the Mango VC strategy in order to stay competitive with Latin America and South Africa. Contact: eiligmann@idc-aachen.de, eberhard.krain@giz.de.

Workshop on Vegetable Value Chains held in Jericho, Palestine

The Palestinian food sector can be divided into two major categories: high vegetable production capacities in the Gaza Strip and olive production and processing in the West Bank. However, both



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parts of the territories are facing one common constraint: they are highly isolated and the potential to extend production or to increase revenues through more food processing is severely limited. Gaza is still suffering from many destructed agricultural production facilities from the last war in 2014 and its blockade, and farmers in the West Bank have restricted access to land, water, and high-quality inputs and very limited chances to export. Under these challenging conditions, the GIZ Private Sector Development Programme (PSDP) has been commissioned by the Federal Ministry for Economic Cooperation and Development (BMZ) to strengthen companies' competitiveness – the food sector is among the selected sectors. In 2016, the value chain approach has been applied to identify potential fields of interventions in the food sector; starting with fresh fruits and vegetables across the West Bank and the emergency food aid market in Gaza. On March 1st, 2017, PSDP and the Business Service Provider at Jericho Agro Industrial Park (JAIP) invited national and international stakeholders for a value chain results workshop in Jericho, Jordan Valley. The workshop aimed to familiarise various stakeholders with the value chain approach in general and secondly all 23 representatives from national and international organisation discussed the findings presented by PSDP. Some attendees had a special interest in particular vegetables while representatives from other Palestinian organisations and UNDP, FAO, JICA, and AECID expressed a more general interest. Two possible interventions have been identified and are welcomed by the audience: improving packing carton boxes for fresh vegetables and upgrading maintenance of agricultural machines. Moreover, all participants concluded consistently that information exchange among local and international actors in this sector is crucially important to develop the food sector properly. Due to the very positive response on this workshop, PSDP plans to hold a *ValueLinks* training workshop addressing various Palestinian stakeholders. The value chain analysis is perceived as the right start to identify proper interventions and to support structures for developing food chains according to PSDP's mandate. JAIP is one of the very few industrial areas in Palestine hosting companies related to agricultural inputs and food processing. The park provides location and infrastructure for around 30 tenants and is therefore a promising partner for upcoming PSDP activities in the food sector. These will be conducted in cooperation with JICA, the major technical assistance provider for the industrial area, as PSDP and JICA representatives agreed upon after the workshop. For further information, please contact Thomas Koenig (thomas.koenig@giz.de).

Collaboration with FIDA

FIDA is using increasingly the value chain approach in project implementation. Hence, from the beginning it was planned that the project "Développement agro-pastoral et des filières associées dans le Gouvernorat de Médenine" in Tunisia will be based on the value chain approach. A short introduction took place in October 2014 within the framework of a mission carried out by GIZ. However, the first control mission of FIDA, in September 2016 was of the opinion that the capacities of the staff and collaborators of the project should be further strengthened in this field. Hence Dr. Agnes Gerold was asked again to support the project team.

The corresponding mission was realized from March 12 up to March 19, 2017 in the premises of the project in Médenine, in the south of Tunisia. Within that framework of this mission, basic elements of the value chain approach, as quantification, consideration of women and poor etc., were presented and deeply discussed with the staff of the project. The main topic of the mission was on advising and supporting the project staff in orienting the planning of the project and the related documents, as well, more strongly at the value chain approach. Within that context fields to be further deepened and to be more intensively considered, as transformation and commercialization, have also been identified. Contact: Agnes Gerold, amgerold@aol.com.



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Training on contract farming in Mali

In March 2017 AFC-ECO-DLG conducted a week long training on contract agriculture in Mali for partners of the Green Innovation Centre (GIZ funded). Participants included farmers, processors, exporters, seed producers, and representatives of farmer organizations from the mango, rice, potato/vegetable value chains. Women made up a quarter of the participants. The training covered the opportunities and risks of contract agriculture, how to set up such a scheme; how to prepare, evaluate the content of, and manage a contract.

Photo 2: Contract farming training workshop Mali



Discussions highlighted how contract agriculture already at a more or less formal level within the Malian agricultural sector and that the training was useful in helping participants understand how they can further develop such business models in a win-win framework. All participants committed themselves to share the knowledge gained during their training and two thirds committed to setting up a contract agriculture business

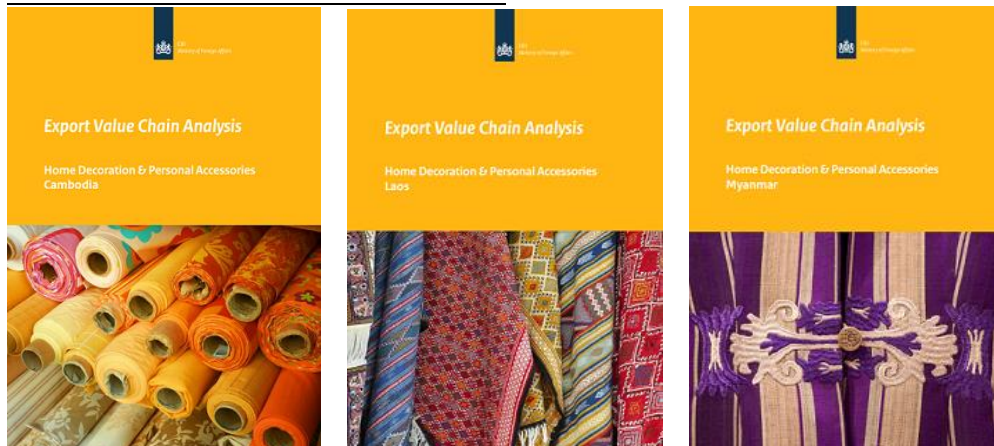
model by the end of October 2018. AFC-ECO-DLG will assist the actors to achieve their goals. Contact: Holly.Hufnagel@afci.de, Ute.Jacob@afci.de

VC studies on home accessories and gifts in Cambodia, Laos and Myanmar

The Dutch Import Promotion Agency CBI published three VC studies on home accessories and gifts in Cambodia, Laos and Myanmar, which have been prepared following the *ValueLinks* methodology. Under the overall responsibility of the CBI project manager Mr. Koos van Eyck, the studies were conducted by Mr. Alfons Eiligmann as the lead consultant, supported by a team of national consultants: Ms. Sola Heng (Cambodia), Ms. Boualay Oudomvilay (Laos) and Ms. Thet Su Hlaing (Myanmar).

The VC studies shall serve as a basis for planning a regional export promotion project. The consultants used CBI and ITC market intelligence tools, assessed the export potential of about 100 companies and conducted 25 interviews with importers and market experts in Europe. The consultants validated the findings and recommendations in national multi-stakeholder planning workshops. The studies can be downloaded at: <https://www.cbi.eu/market-information/vca/>.

Photo 3: CBI VC studies home accessories



For more information please contact: eiligmann@idc-aachen.de.



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3. INNOVATIONS AROUND VALUELINKS

Launch of „ValueLinks 2.0 – Manual on Sustainable Value Chain Development“

The *ValueLinks* 2.0 manual has two volumes. The first volume (“Value Chain Analysis, Strategy and Implementation”) has the general introduction and covers modules 1 to 4. This first part went public as a draft in December 2016. Volume 2 deals with “Value Chain Solutions” and also presents methods and tools regarding data management and monitoring. Both volumes are now available as pdf files on the *ValueLinks* website.

Innovations of ValueLinks 2.0

The main point is that *ValueLinks* now treats the three sustainability dimension equally. Both VC analysis and strategy considerations refer to the environmental and social (incl. gender) aspects of development equally.

This has made it necessary to differentiate between several “strategic options”. The conventional “chain upgrading” in the sense of making a VC more competitive is just one of them. In fact, in most situations it will not be possible to address

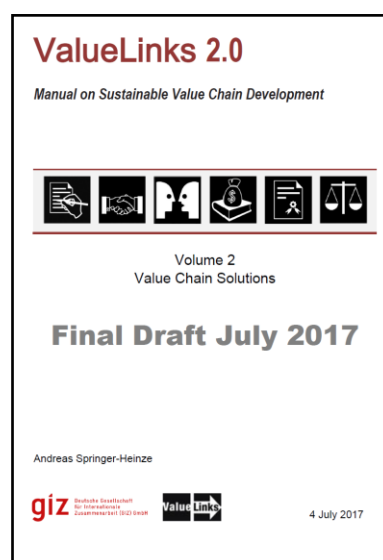
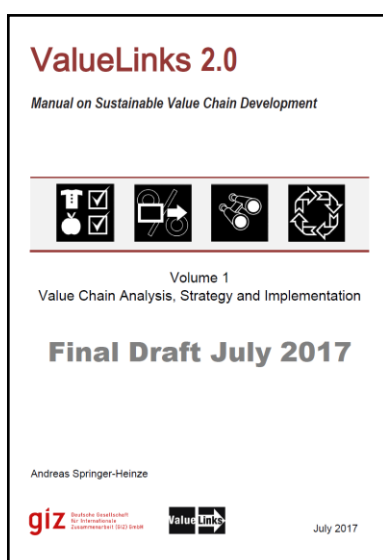
all sustainability objectives at once. We have to focus on those strategies that offer the greatest chances of making progress in the transformation towards sustainability, always provided that the VC solutions make sense financially, but do not cause any unacceptable environmental or social impact. Therefore, module 4 goes for much greater flexibility in the design of value chain programs and projects. Government programs and private VC initiatives may even be more important than the classic development agency projects. This includes public-private partnerships, which are now a topic in module 4.

In the second volume, two modules are entirely new compared to the old manual: Module 5 covers business models and module 8 the financial solutions. Please note that we now consider improving the business models of operators as a key element of any VC strategy. Whether we go for women-led enterprises, for green business or cooperative solutions, business model solutions will always play a role. Other important innovations can be found in modules 9 and 10 that have been completely reviewed. A team of GIZ colleagues led by Andreas Lange has compiled module 10 from scratch.

We would like to express our heartfelt thanks for the many valuable contributions to the new manual over the past three years. Without the collaboration of so many colleagues, the *ValueLinks* manual could not have been completed. And it is not yet over...

We want your contribution to finalize the manual!

The main text is ready and already serves as a reference for the users of *ValueLinks*. Nevertheless, we treat the current version of the manual as “final draft” to give everyone the opportunity to have a critical look and, most of all, contribute success stories and best practice.





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The idea is to complement the text of the manual by additional boxes with case stories. The stories should not have more than 300 words and still contain concrete information and data. The deadline for your contributions to the very final version is 15 October, 2017. After that, we envisage only very limited updates. Contact: andreas.springer-heinze@giz.de.

4. THE VALUELINKS ASSOCIATION/CONTACT

Update of personal information on the ValueLinks website

The new ValueLinks website is online since February 2016. We invite all members to check whether their personal profile and contact information on the website are still up-to-date or whether any changes are necessary, for instance on changed responsibilities/project assignments or new e-mail address. Please send any updates to: info@valuelinks.org.

How to become a member of the International ValueLinks Association

IVLA is a professional association of experts in the area of market development and value chain promotion. We welcome new members who are professionally active in this field, interested in sharing experience and in contributing to the advancement of the value chain approach to economic development, and the ValueLinks methodology in particular. The benefits of membership include privileged access to the latest methodological innovations, a platform for presenting own competences and achievements and contacts to colleagues all over the world. These are the fees for membership:

	<i>Entry fee</i>	<i>Annual fee</i>
<i>Fee for members with an OECD passport</i>	€40	€80
<i>Reduced fee for members with a non-OECD passport</i>	€20	€40

If you are interested in becoming a member, please ask for an application format by writing an email to info@valuelinks.org.

Membership development

As per July 2017, the association counts 120 members.

YOUR contribution to the next newsletter

A request and an offer to all members of the International ValueLinks Association: Please inform us about your activities so that they can be included in the next edition of this newsletter!

Contact/Imprint

International ValueLinks Association e.V., c/o Dr. Andreas Springer-Heinze, Deutsche Gesellschaft für Internationale Zusammenarbeit mbH, Postfach 5180, 65726 Eschborn, Germany. E-Mail: info@valuelinks.org. Register of associations: Amtsgericht Frankfurt, Vereinsregisternummer: VR14321.