



# ValueLinks NEWSLETTER April 2015

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Dear Reader,

This is the 11<sup>th</sup> edition of our *ValueLinks* newsletter, providing you an overview on the activities around *ValueLinks* in the first months of 2015.

As a major milestone, the **ValueLinks Association was able to welcome the 100th member** in January 2015. With a continued positive membership development, newly established working groups of the association, a large number of training seminars, new projects taking up the *ValueLinks* approach and new material being developed, *ValueLinks* keeps on gaining increased momentum.

*Andreas Springer-Heinze, Beate Weiskopf, Alfons Eiligmann, Ute Jacob*

You can reach the editors at [info@valuelinks.org](mailto:info@valuelinks.org).

For information on the association and earlier editions of the newsletter, please visit:

[www.valuelinks.org](http://www.valuelinks.org)

## 1. VALUELINKS TRAINING SEMINARS

### ValueLinks Seminars January - April 2015

<b>Date/Place</b>	<b>Seminar/Participants</b>	<b>Trainers</b>	<b>Contact</b>
January 16-18, 2015, Rabat, Morocco	4-day <b>ValueLinks Introductory Training Seminar</b> organized by the GIZ-ACCN program in Morocco for training of the project team. The seminar included a special focus on gender-sensitive VC promotion.	Alfons Eiligmann, Rabha Elfoukhari	<a href="mailto:eiligmann@idc-aachen.de">eiligmann@idc-aachen.de</a> , <a href="mailto:rabha.ipism@hotmail.com">rabha.ipism@hotmail.com</a>
January 27-29, Cascais, Portugal	<b>Value Links Training</b> financed by the Portuguese Cooperation in the context of the project PACA (Community-based Adaptation Action Plans). There were 10 experienced participants (donors, project managers and partners).	Fernando Régis de Almeida Camargo	<a href="mailto:fernando.camargo@eco-consult.com">fernando.camargo@eco-consult.com</a> or <a href="mailto:frcamargo@hotmail.com">frcamargo@hotmail.com</a>
March 2-6, 2015, New Delhi, India	5-day <b>ValueLinks Introductory Training Seminar</b> in English with 24 participants from Afghanistan, organized by the GIZ SEDEP programme in Afghanistan.	Alfons Eiligmann, Dr. Rajeev Sharma	<a href="mailto:eiligmann@idc-aachen.de">eiligmann@idc-aachen.de</a> , <a href="mailto:rajeev.sharma@giz.de">rajeev.sharma@giz.de</a>
March 18-20 and March 23-	2.5 day ValueLinks ToT seminar with 8 participants and 5-day <b>ValueLinks Introductory Training Seminar</b> in	Sri Sulandjari, Jerri Irigo,	<a href="mailto:sri_sulandjari@yahoo.com">sri_sulandjari@yahoo.com</a> , <a href="mailto:m_jerriirigo@gmail.com">m_jerriirigo@gmail.com</a>



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27, 2015, Bogor, Indonesia	Indonesian language with 31 participants organised by the two GIZ programmes FORCLIME and SREGIP in Indonesia.	Alfons Eiligmann,	<a href="mailto:eiligmann@idc-aachen.de">eiligmann@idc-aachen.de</a>
March 20-23, 2015, Burkina Faso	Introduction into <i>ValueLinks</i> for participants from training institutions from Burkina Faso and Togo organised by the project "Promotion of Agricultural Technical Vocational Training and Education (ATVET) through CAADP / NEPAD"	Souleymane Gamene	<a href="mailto:Souleymane.gamene@fasonet.bf">Souleymane.gamene@fasonet.bf</a>
March 22-27, Bujumbura, Burundi	5-day <b>ValueLinks Introductory Training Seminar</b> in French with participants from the public sector, NGOs and GIZ, organized by the two programs SACS and ADLP.	Ralf Arning, Nasser Bila	<a href="mailto:r.arning@gmx.net">r.arning@gmx.net</a> , <a href="mailto:bilanasser@gmail.com">bilanasser@gmail.com</a>
April 20-24, 2015, Siem Reap, Cambodia	17 participants from Cambodia, Philippines, Indonesia, India, Laos and Vietnam from GIZ, GRET and the Cambodia Agribusiness Development Facility participated in the 5-day <b>ValueLinks Introductory Training Seminar</b> in English, organized by IDC.	Alfons Eiligmann	<a href="mailto:eiligmann@idc-aachen.de">eiligmann@idc-aachen.de</a>

## Coming up

Date/Place	Seminar/Participants	Trainers	Contact
May 11-15 and May 18-20, 2015, Lomé, Togo	5-day <b>ValueLinks Introductory Training Seminar</b> in French and 2.5 day ValueLinks ToT seminar in French organised by the GIZ programme ProDRA in Togo to build up national trainer capacity.	Alfons Eiligmann, Justin Batanta	<a href="mailto:Moritz.heldmann@giz.de">Moritz.heldmann@giz.de</a>
June 8-12, 2015, Grand Bassam, Côte d'Ivoire	5-day <b>ValueLinks Introductory Training Seminar</b> in French, organized by IDC/PROMAK Afric. The seminar is open for registration, participation fees are applied. See <a href="http://www.idc-aachen.de">www.idc-aachen.de</a> .	Alfons Eiligmann, Magès Nangui	<a href="mailto:training@idc-aachen.de">training@idc-aachen.de</a> Tel: -49 (0)241-1590967
June 22-26, 2015, Ruedesheim, Germany	The next annual 5-day <b>ValueLinks Introductory Training Seminar</b> in English language in Germany will be organized by GIZ-AIZ in Ruedesheim, Germany. The seminar is open for registration, participation fees are applied. See <a href="http://www.giz.de/akademie">www.giz.de/akademie</a>	Andreas Springer-Heinze, Alfons Eiligmann	<a href="mailto:kundenportal-aiz@giz.de">kundenportal-aiz@giz.de</a> Tel: -49 (0)2224-926-444
September 15-18, 2015, Feldafing, Germany	The next annual 5-day <b>ValueLinks Introductory Training Seminar</b> in French language in Germany will be organized by GIZ-AIZ at the GIZ training centre in Feldafing, Germany. The seminar is open for registration, participation fees are applied. See <a href="http://www.giz.de/akademie">www.giz.de/akademie</a>	N.N.	<a href="mailto:kundenportal-aiz@giz.de">kundenportal-aiz@giz.de</a> Tel: -49 (0)2224-926-444

## 2. EVENTS, STUDIES, EXPERIENCE AND INFORMATION

### Updated version of the ValueLinks Flyer

The *ValueLinks* flyer was updated and now contains information on the *ValueLinks* 2.0 innovations. A thousand copies were printed and Lars Dueerkop distributed the flyer at the Green Week in Berlin (January 2015). Copies of the updated flyer can be requested at the IVLA secretariat. Contact: [info@valuelinks.org](mailto:info@valuelinks.org).



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### **100th International ValueLinks Association member**

A warm welcome to the 100<sup>th</sup> member of the IVLA, Jochem Schneemann who joined the association in January 2015! Jochem works as consultant market and VC development at Fair & Sustainable Advisory Services (FSAS) in Utrecht, the Netherlands. Jochem participated in the first *ValueLinks* seminar in Feldafing in 2013 and completed research work on VC selection tools for GIZ in 2014, which will result in VC selection guidelines and tools to be published by GIZ and ILO in 2015. In his current position he contributes to effective VCD programs and strategies in several countries and provides coaching and training in assignments for a variety of clients, both local and international. Contact: [Jochem.Schneemann@fairandsustainable.nl](mailto:Jochem.Schneemann@fairandsustainable.nl). There is a continuous positive membership development. By April 15, 2015, the association counts 105 **members**. If you are also interested in becoming a member, please ask for an application format by writing an email to [info@valuelinks.org](mailto:info@valuelinks.org).



### **Update of the design and implementation of a search engine on valuelinks.org**

In January, the working group on the revision of the IVLA website started with a brainstorming on a general modernisation of the design and developed a questionnaire for the more detailed and standardized presentation in the search engine which should be filled out by the *ValueLinks* consultants and trainers. A contract was concluded with a web designer for the technical improvement and the implementation of a search engine. Updated information on member profiles is currently being collected to be published at the website. All members who did not yet send the completed member questionnaire back to the secretariat are kindly reminded to do so. Contact: [info@valuelinks.org](mailto:info@valuelinks.org).

### **Mini-Workshop on market orientation and poverty mitigation at the SNRD meeting in Addis Ababa**

One of the foundations of VC development is the hypothesis that economic growth contributes to poverty alleviation providing poor people access to markets and business opportunities. The “pro-poor growth” concept is subject of a controversial debate on the poverty mitigation effects of VC development. The question is: Who wins and who loses in value chains and inclusive business? Under which conditions do poor people actually win? ...and where are the limits to inclusion? Three presenters tried to provide answers to these questions during a mini-workshop at the SNRD (Sector Network Rural Development Africa) conference in Addis in March - Andreas Springer-Heinze (“Value chain development and poverty mitigation”), Akinola Ayo and Annemarie Matthes (“Farmer business schools”) and Margret Will (“Contract farming and inclusive business”).

This is the summary of the ensuing discussion in the workshop:

- Rural transformation is an inevitable and incessant process driven by urbanization and the demand for cheap food. Small farms are enterprises and thus subject to market forces. Although scale, technology and many constraints limit their competitiveness, smallholders actually have business opportunities. As any other private enterprises, they have to develop a business model with which to earn money. Market orientation is a precondition for seeking new opportunities.
- Farmers should be treated as business partners, not as social cases. We need to develop our own business skills to understand the economics and entrepreneurship of the poor better.
- It is obvious that not all smallholders can escape poverty staying in agricultural production. VC development and inclusive business models cannot be a solution for everyone. Still, VC



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development can help to successfully diversify rural livelihoods, even if the participation in a particular VC may not deliver sufficient income by itself.

- “The poor” are not a uniform group. Food consumers are an increasingly important poverty group. They benefit from an improved VC performance. For people with little or no access to resources the only way out of poverty is to work as wage labourers. VC development has to promote employment.
- VC development cannot stop rural transformation but contributes to shaping it.

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### **Cooperation on training and advisory services around biodiversity-based value chains**

Worldwide, especially in the context of natural resource management, new training formats and contents are required providing the link between value chain know-how on one side and the specific technical and institutional topics in the biotrade sector. Two products are envisaged:

1. Development of biodiversity-based value chains providing sector-specific knowledge on biodiversity markets, methods for VC mapping and analysis of biodiversity-based VCs, ecosystem and spatial dimensions, resource governance and local management, relevant conventions, strategies for VC development, specific chain solutions
2. Business models for producers and processors of biodiversity-based products dealing with the concept of business model development (biz model canvas, business plans and financial analysis), typical business models in biodiversity-based value chains (for production, processing, payment for environmental services), relevant standards & traceability and public support measures.

Contact: Hans-Jürgen Wiemer ([wiemer@narewi.de](mailto:wiemer@narewi.de)), [Andreas.Springer-Heinze@giz.de](mailto:Andreas.Springer-Heinze@giz.de)

### **ValueLinks training in Burkina**

Within the programme ‘Support to Pan-African reform processes in agricultural economic development (NEPAD/CAADP)’, which is implemented by GIZ since 2007, AFC together with its sister company GOPA Consultants, has been awarded a contract for the “Promotion of Agricultural Technical Vocational Training and Education (ATVET) through CAADP / NEPAD”.

The main task of the consultancy will focus on (1) Integration of agricultural vocational and further training into national vocational and further training systems (2) Organisational development in selected training institutions (3) Training of trainers from selected institutions providing formal and informal vocational training and (4) Development and implementation of pilot measures for formal and informal training of value chain stakeholders. Activities will be carried out in Ghana, Kenya, Malawi, Benin, Burkina Faso and Togo.

Following a planning workshop in Accra in February 2015, a first series of workshops and training of trainer courses has been initiated. In Burkina Faso, a *ValueLinks* training took place from 20<sup>th</sup> to 23<sup>rd</sup> of March 2015, bringing together participants from Training Institutions from Burkina Faso and Togo to get an introduction to the *ValueLinks* approach. The training was conducted by Souleymane Gamene, a member of the *ValueLinks* Association and our expert, Dr. Sibylle Hielscher. Further trainings are planned in Benin and Togo with participants from all three francophone countries and pilot measures for training of value chain stakeholders will be planned in all six project countries until the end of 2016. For further information please contact [Virginie.duthoit@afci.de](mailto:Virginie.duthoit@afci.de) or [tesa.weiss@afci.de](mailto:tesa.weiss@afci.de).



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### ***Upgrading agricultural value chains in Ghana***

Within the 'Market Oriented Agriculture Programm (MOAP)', which is jointly being implemented by the Ministry of Food and Agriculture and GIZ in Ghana, AFC together with its Ghanaian partner CDC Consult is supporting public and private service providers in the establishment of agricultural and business development services for stakeholders in the fruit and maize value chains. In this context, the weak ability of financial service providers to understand the financial product needs and profitability within these value chains is still an important impediment to their more dynamic development.

Following discussions between MOAP and the Ghanaian Fidelity Bank, a training course in agricultural literacy for its credit officers in pineapple production, papaya production, mango production, investments into solar dryers for maize as well as investments into irrigation equipment is currently being designed by AFC-CDC so that these credit officers can better assess risks and can better tailor appropriate loan products. In parallel, financial literacy training for agricultural customers of Fidelity will be conducted, related to planning and record-keeping as well as cost accounting and financial accounting. Contact: [Matthias.webendoerfer@afci.de](mailto:Matthias.webendoerfer@afci.de).

### ***Value chain promotion by PACCS Ivory Coast, a project of assistance in emergency cases***

The project "Adaptation at climate change and stabilization of basic living conditions of the population in the South-West of Ivory Coast" (PACCS) is managed by the department of GIZ dealing with assistance in emergency cases. PACCS has started in November 2012 and will end in December 2016. It works in the 6 economic poles of San Pedro, Soubré, Guiglo, Tai, Buyo and Tabou. As the present phase lasts still nearly 2 years, a mid-term review has been organized in January/ February of this year.

The interventions of PACCS concern the value chains of cassava, rice and traditional poultry. Taking food security into consideration the project supports vulnerable rural households in increasing production in a sustainable way and adapted to climate change. These households shall also get an opportunity to increase their monetary income by selling surplus production in the local and national market. Corresponding to the planning of the Government, Ivory Coast should attain self-sufficiency in rice production. However, no national strategies do exist for the two other products. At present the activities of the project focus mainly on the segment of « Production » of the above mentioned value chains.

At the beginning of 2013 PACCS has introduced the value chain approach. This has been leading to the organization of 16 *ValueLinks* planning workshops with around 750 participants. The workshops dealt with the value chains « Manioc – Attiéké » et « Manioc - Placali », « Riz décortiqué » et « Poulet traditionnel ». They allowed to formulate not only strategies for developing these value chains. Plans for immediate actions have also been elaborated and focal points have been designated for the different segments of the considered value chains.

The main focus of the mission was hence on the implementation of these strategies and the realization of the planned immediate actions. PACCS was advised correspondingly and recommendations have been formulated which deal mainly with the division of labor between PACCS, the focal points and ANADER, the national agency charged with provision of agricultural advisory services, the clarification of the respective specific tasks of these different actors and the relations between them. Propositions for continuing the started process, adapting the organization structures of the project to increased promotion of value chains and for elaborating impact monitoring indicators have also been elaborated. For further information you can contact [achim.becker@giz.de](mailto:achim.becker@giz.de) and [amgerold@aol.com](mailto:amgerold@aol.com).



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### **Analyzing bioaquatic value chains and their link to climate change in the coastal zone of Ecuador. How climate change affects the availability of blue crab and mangrove cockle**

In the province of Esmeraldas in Ecuador, the promotion of value chains of mangrove cockle (*Anadara tuberculosa*) and blue crab (*Cardisoma crassum*) aims at increasing the income of men and women facing high vulnerability in coastal marine communities, as well as reducing human pressure on protected areas. The mangroves are a key ecosystem, that has been continuously degraded in the last decades (loss of approx. 60,000 ha or at least 30% of original coverage).



For this reason GIZ-Ecuador is applying the tools "ValueLinks" and "Climate Proofing for Development" in order to analyze the effects of climate change or climate variability on the provision of bioaquatic species in the mangrove ecosystem.



The mapping of the two chains shows that shell collecting is an activity done mostly by women, while catching crabs is performed usually by men; half of these community members are part of organized groups or associations. Both collectors and trappers are the most vulnerable stakeholders in terms of economic benefits: there are up to four intermediaries in the commercialization process of the product before it reaches the end consumer. Also, operational and supporting services are minimal. On the other hand, the final product has a high demand which is not

being met in existing markets.

The analysis of local communities' climate perceptions and review of data from meteorological stations show increasingly higher temperatures as well as lower annual precipitation. However, while there are fewer precipitation events, precipitation has become more intense.

Also the primary information collected in participatory workshops revealed that increased temperature causes cockles to go deeper under the surface of mangrove areas generating a decrease in the proportion of usable mass (human consumption) per individual. In the case of crab, the increased intensity of rain in short periods can force them to relocate their habitat. The delay or anticipation of precipitation and changes in temperature alters the production cycles of both species. All these changes generate socioeconomic impacts on communities depending on the mangrove ecosystem, e.g. decrease of income and greater incidence of diseases.



It is a fact and a potential for the GIZ and local actors to cooperate towards the development and implementation of value chain promotion strategies that consider adaptation to climate change as a main issue.

The analysis was made by the German Development Cooperation in Ecuador through the ProCambío Programme in coordination with the Ministry of Environment - MAE and the Humanist Institute for Cooperation with Developing Countries - HIVOS.

More information: [claudia.mayer@giz.de](mailto:claudia.mayer@giz.de), [dortiz@hivos.org](mailto:dortiz@hivos.org)



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### 3. INNOVATIONS AROUND VALUELINKS

#### ***Innovations of ValueLinks 2.0 (Part 2): The social dimension of VC development***

The last newsletter presented the new structure and the main ideas on VC analyses and strategy formation in *ValueLinks 2.0*. Comprehensive chapters in both modules 2 and 3 are devoted to social and gender issues. Following is a summary of the main tenets regarding social and gender aspects in VC development (also see the comments on the mini-workshop on market orientation and poverty mitigation at the SNRD meeting in Addis Ababa, above).

#### **Poverty analysis**

The main tool of the poverty analysis of value chains is “poverty mapping”. This includes identifying poverty groups within the value chain first – both poor entrepreneurs as well as poor wage workers. The criterion of poverty mapping is not necessarily economic. Often, the poor are more easily recognized by observable indicators concerning their level of education, housing and ownership of assets such as land. The second step of poverty mapping calls for identifying the poverty groups “around” the value chain. By definition, a VC map only shows the VC operators but not the unemployed and many migrant temporary workers living close by. However, these “invisible” groups are supposed to benefit from a developing chain. Equally, it is important to specify the “poverty markets” offering VC products that are important for poor consumers.

Once the incidence of poverty has been clarified, analysts have to understand the characteristics of poverty groups. In order to address the poverty problems later, poverty assessments have to identify typical combinations of welfare attributes, social attributes, vulnerability, and other characteristics such as age, gender, geographical location and ethnic origin characterizing poverty groups. Of particular importance is a “multi-chain” perspective on the living conditions of poor people whose livelihoods depend on the participation in different value chains. Livelihood analyses are an important link between markets and the social dimension.

#### **Strategies to mitigate poverty**

Addressing poverty in a VC development framework can rely on two basic approaches: The first, conventional approach is the development of general VC performance benefitting poverty groups: This implies the full range of VCD interventions such as facilitating access to markets, technology and services and improving the conditions for doing business. This approach also includes measures to make “markets work for the poor” addressing the coordination problems and market failures harming micro entrepreneurs. The second set of strategies addresses poverty groups more directly: The main point is the promotion of business models in which poor people can play out a particular advantage or which serve their needs. This strategy seeks specific solutions at the micro level which can be copied or scaled up. To be poverty-oriented, this strategy has to start with business opportunities that have low entry barriers.

Both strategies are faced with the problem that the markets to which the poor have easy access tend to be overcrowded. VC development can contribute to increased VC performance but there is no way around the harsh reality of competition for low-skill jobs and opportunities. Undercutting one another in the bid for jobs leads to the notorious “race to the bottom” even if a value chain grows. Wages and prices can only rise if hired workers and self-employed micro-entrepreneurs can partly protect themselves from competition, e.g. by occupying interesting market niches, acquiring specialized knowledge and skills, and by organizing themselves. However, only a minority of the poor can hope to achieve a unique competitive position.



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Managing the basic conflict between broad-based “inclusion” on one side and substantially higher prices and wages for the poor on the other, VC development has to also consider defensive strategies benefitting the majority of the poor. This includes trying to shape a type of economic development that maintains and enables economic participation – protecting property rights and livelihoods and preventing disruptive economic change squeezing out microentrepreneurs. Generally, economic development has to be complemented by social policies investing into vocational education, health and public services for the benefit of the poor.

Contact: [Andreas.Springer-Heinze@giz.de](mailto:Andreas.Springer-Heinze@giz.de)

### **Training material in Indonesian language**

An updated complete set of *ValueLinks* training material is now available in Indonesian language, enriched with Indonesian VC analysis and VC promotion examples. Supported by the two GIZ projects FORCLIME and SREGIP, eight Indonesian *ValueLinks* trainers deepened and updated their *ValueLinks* training skills and facilitated a 5-day *ValueLinks* training in Indonesian language at the training institute PUSDIKLAT of the Indonesian Ministry of Forestry. It is planned that the Indonesian *ValueLinks* trainers will conduct further *ValueLinks* trainings in 2015 and further complete the training material with promotion examples of Biodiversity-Based Products value chains. Contacts:

[heinrich.terhorst@giz.de](mailto:heinrich.terhorst@giz.de), [frank.bertelmann@giz.de](mailto:frank.bertelmann@giz.de),  
[sri\\_sulandjari@yahoo.com](mailto:sri_sulandjari@yahoo.com), [jerrirgo@gmail.com](mailto:jerrirgo@gmail.com),  
[eiligmann@idc-aachen.de](mailto:eiligmann@idc-aachen.de).



## 4. THE VALUELINKS ASSOCIATION/CONTACT

### **Update of personal information on the ValueLinks website**

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](mailto: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](mailto:info@valuelinks.org).





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### ***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](mailto:info@valuelinks.org). Register of associations: Amtsgericht Frankfurt, Vereinsregisternummer: VR14321.