Transformative Value Chains – the next generation

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Actors and Activities (1)

1. **Organisations Matter**
    - A value chain is NOT an entity
    - Currently: too much emphasis on activities, linkages, transactions
    - Organisations have interests, strategies, behaviour
2. **Start with the businesses in the middle**
    - They bring together supply and demand / they are the bottleneck
    - They are already entrepreneurial
3. **Look at farmers as entrepreneurs**
    - Innovative behaviour is driven by opportunity and incentives
    - Opportunities, resources, capabilities

Actors and Activities (2)

4. **Farmer organizations / cooperatives**
    - Farmers need countervailing power
    - FOs / Cooperatives are business organisations
5. **The role of the state matters**
    - Rules, regulations, long-term policies
    - Make clear agreement on role of state and role of business
6. **Finance organisations are crucial**
    - Without working capital no business
7. **The role of the donors, development agencies, NGOs?**
    - Every one has to change but .....?

Principles and Guidelines

1. **Start with thorough understanding**
   - Understand current situation and opportunities for change
   - Mapping ≠ understanding
2. **Keep it simple**
   - Value chains are complex adaptive system
   - Be explicit on what values you want to achieve / be selective
3. **Guarantee long term involvement**
   - But seek short term gains
   - Most societal investments only pay-off in the long term
4. **Collect and analyse experiences**
   - Learn from failure cases
   - Do rigorous qualitative studies