

# Impacts of agri-food value chains mapping to FNS/agribusiness

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## Outline

1. Objectives
2. Methodology and data
3. VC mapping
4. Key results
5. Lessons learned for practice & policy implications

## The Value Chains (VCs)

- Cereal-legumes & Brachiaria-dairy
- Case studies in Project countries

Website: [www.innovafrica.eu](http://www.innovafrica.eu)

Knowledge Platform: <http://kp-innovafrica.africabiosciences.org/>



A processor in Kigali, Rwanda



Dairy products in Rwanda



A dairy cattle farm in Kirehe District, Rwanda

# 1. Objectives

- ▶ Describe & map the VCs → actors, marketing links & price margins
- ▶ Identify SAI adoption constraints and drivers @ farm level [and upstream & downstream along the VC]
- ▶ Estimate economic profitability of potential VC investments (on-farm & off-farm)

## 2. Methodology and data

- ▶ Mapping exercise to identify actors & marketing links (*field investigation and key informant interviews*)
- ▶ Financial analysis: activity models to estimate on- and off-farm investments profitability (MAPs and key informant interviews)
- ▶ Econometric analysis: models to study the SAI adoption mechanisms and driving/constraining factors (*HH survey dataset*)

Milk production, marketing (cooperative) and processing in Kangundo Subcounty, Kenya





### 3. VC mapping: links & price flow

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#### LEGEND

INPUTS PROVIDERS

AGRICULTURAL PRODUCERS

TRADERS

PROCESSORS

RETAILERS

CONSUMERS

MARKETS

GOVERNMENT INTERVENTION

Enabling factors present along the VCs

Potential Enabling factors

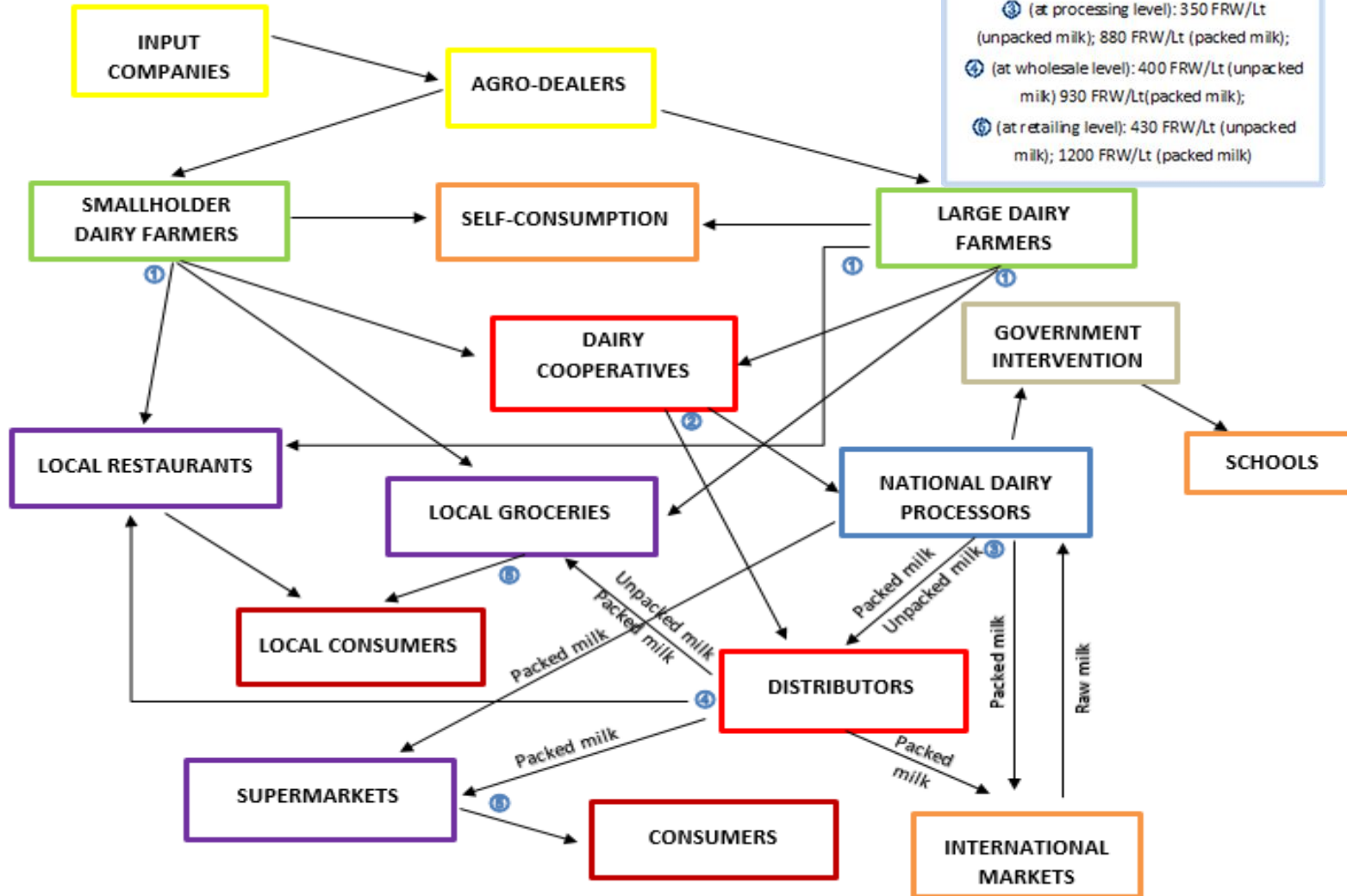
Business & extension services

Existing linkages

Desiderable linkages

#### Milk Prices:

- ① (at farm gate): 200 FRW/Lt; informal market 160 FRW/Lt
- ② (at cooperative level): 220 FRW/Lt
- ③ (at processing level): 350 FRW/Lt (unpacked milk); 880 FRW/Lt (packed milk);
- ④ (at wholesale level): 400 FRW/Lt (unpacked milk) 930 FRW/Lt (packed milk);
- ⑤ (at retailing level): 430 FRW/Lt (unpacked milk); 1200 FRW/Lt (packed milk)



Example: case study-Dairy VC in Rwanda



### 3. VC mapping: SWOT Analysis

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	Inputs	Output Production	Output Processing	Output marketing and Trade / Export
Strengths	Upstream	Smallholders	Downstream	
Weaknesses				
Opportunities				
Threats				



A processor in Harrismith, South Africa

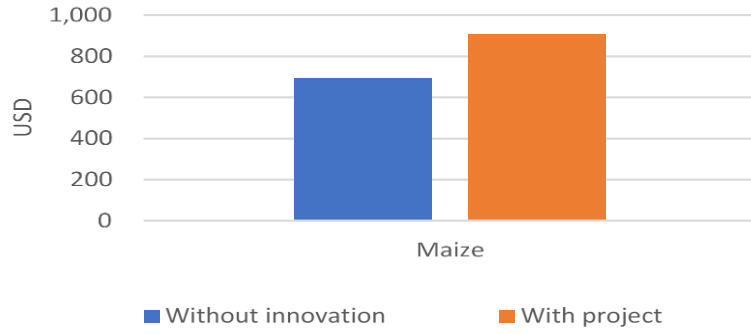


Milk processing in Kangundo Subcounty, Kenya

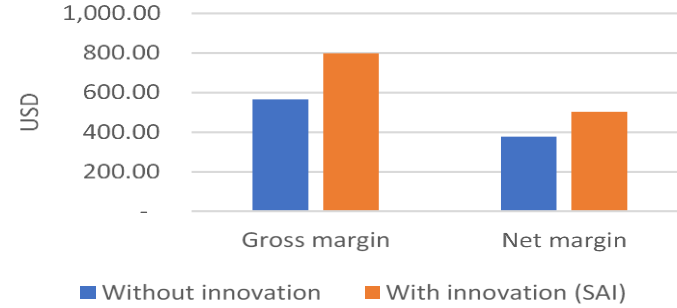
# 4. Key Results @ smallholder farm level (SAI adopters)

## MAIZE

f) Total Revenue

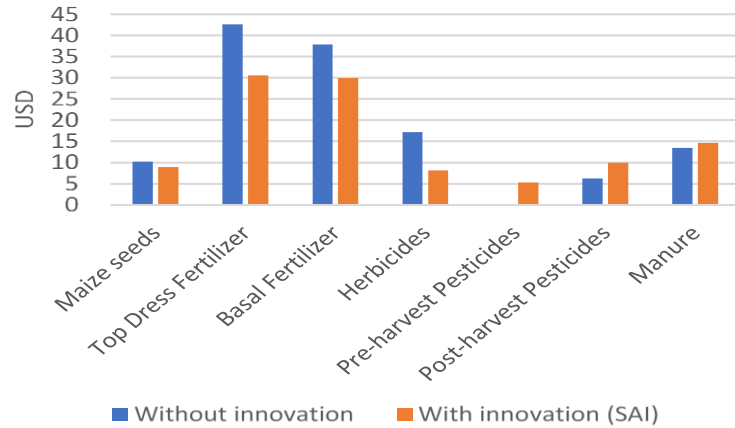


i) Gross and Net margin

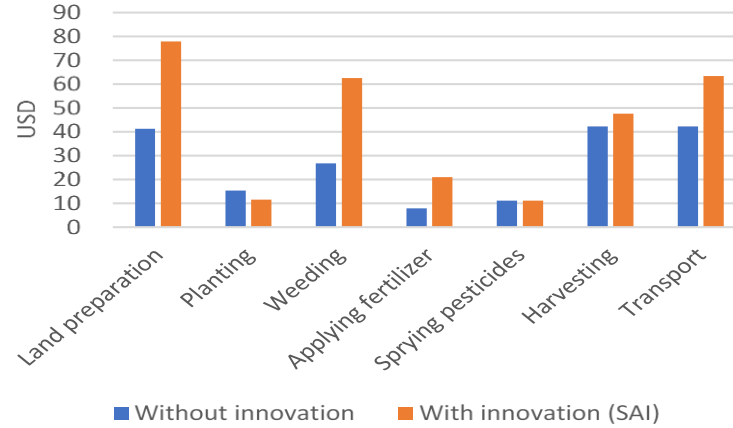


## OPERATING COSTS for MAIZE PRODUCTION

g) Sub-total operating costs



h) Sub-total labour costs



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Maize fields in Kwa-Kwa, South Africa

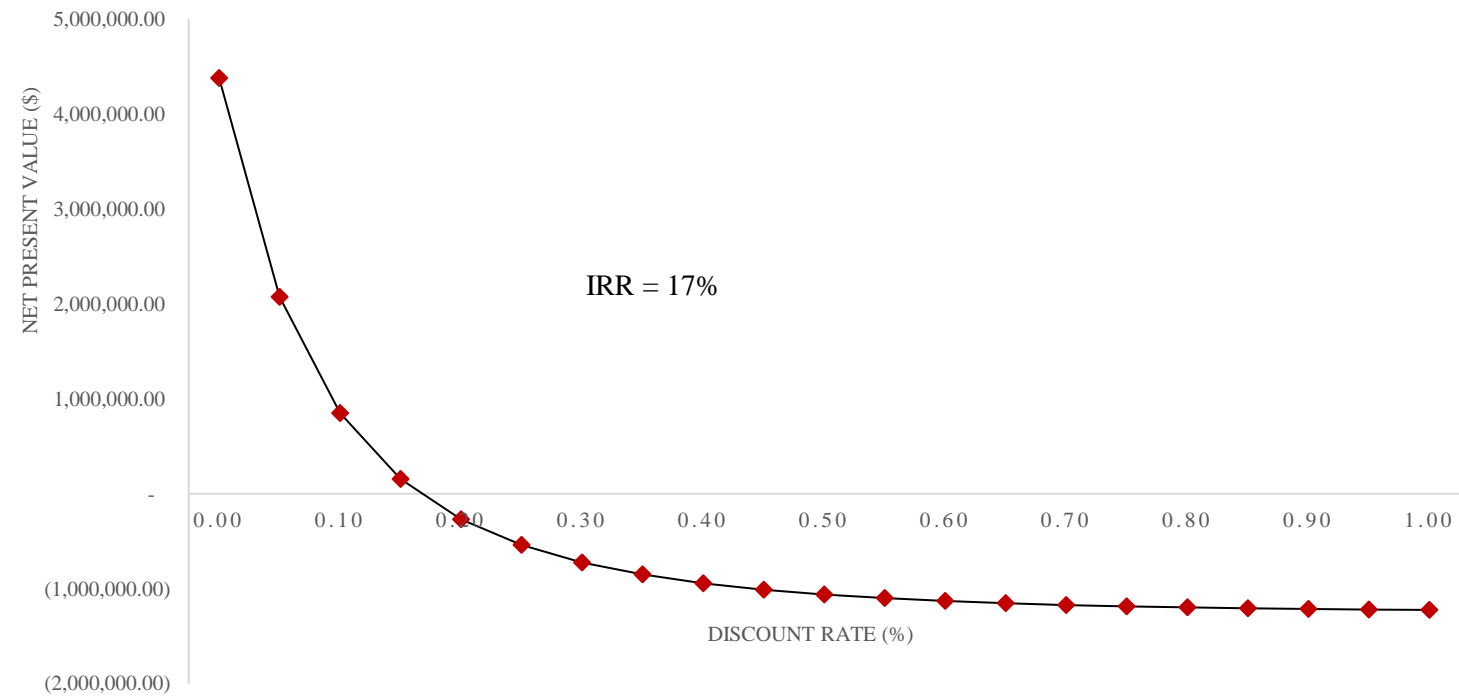


Brachiaria fields in Kirehe District, Rwanda



# 4. Key Results @ upstream & downstream level

NPV DISCOUNT RATE CURVE



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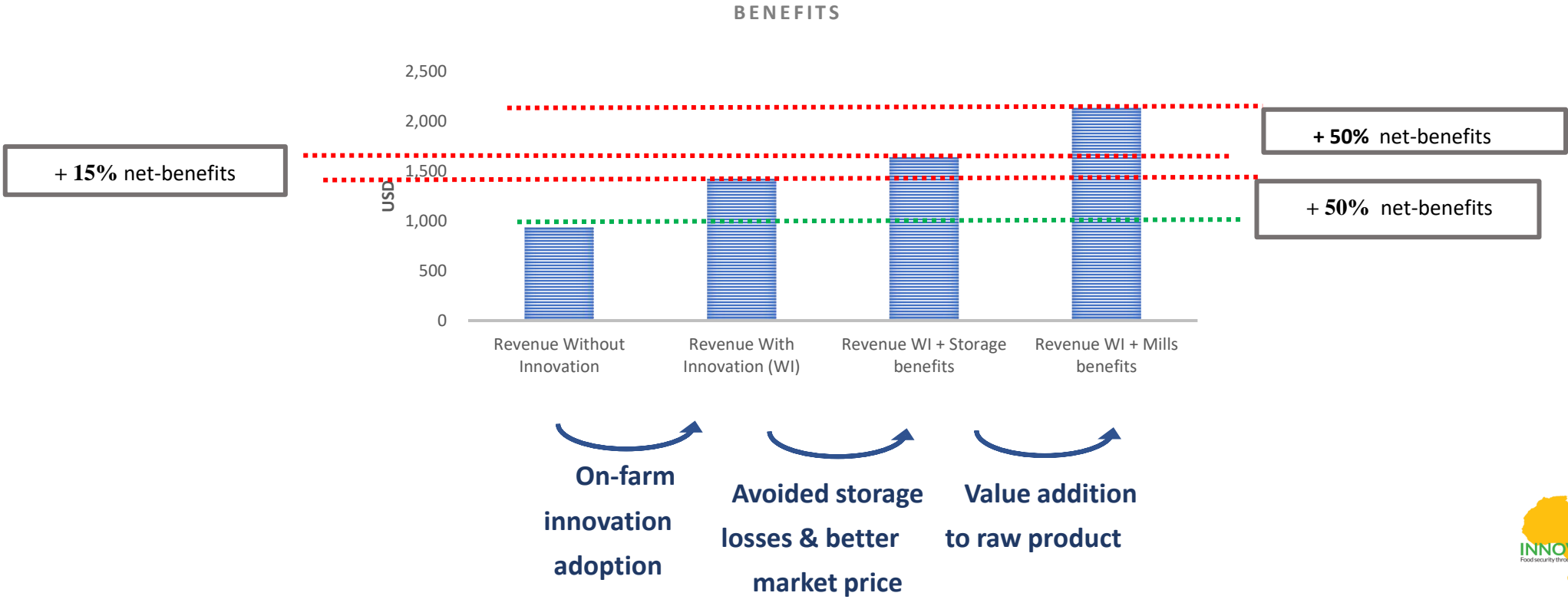


A maize mill in Dedza, Malawi

Traders in Dedza, Malawi



# 4. Key Results: smallholders' benefits from value chain inclusion

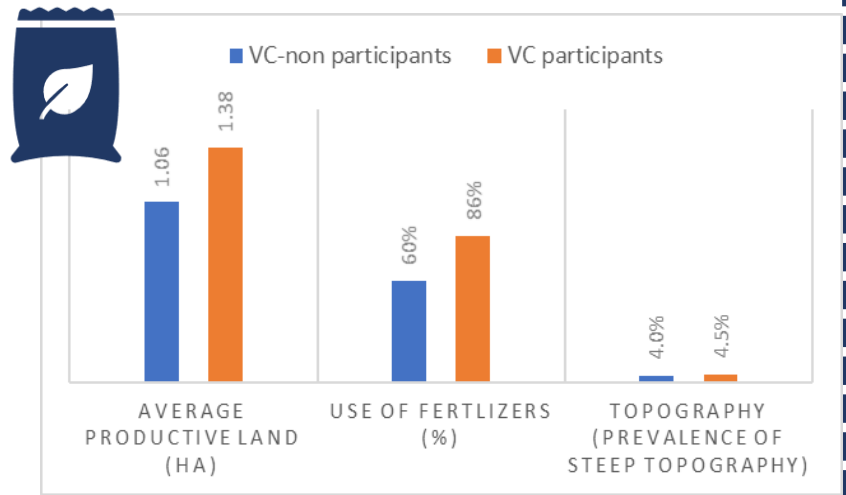




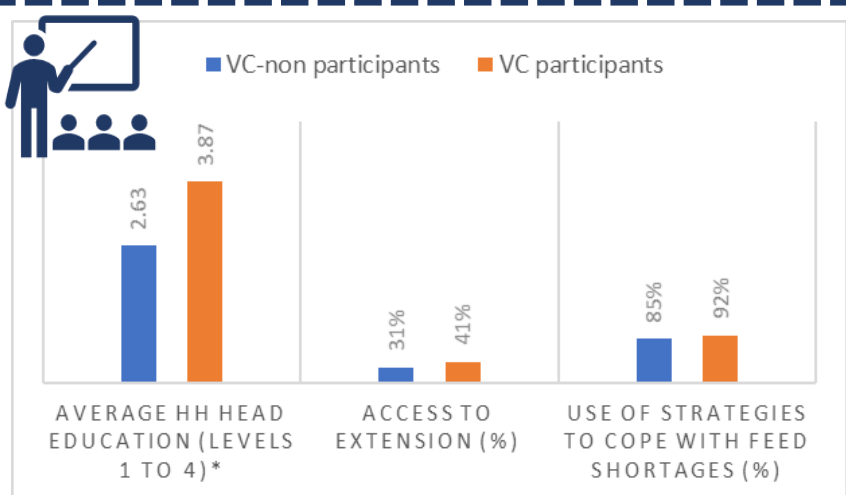
# 5. Lessons learned for practice & policy implications

Asset endowments in Kenya

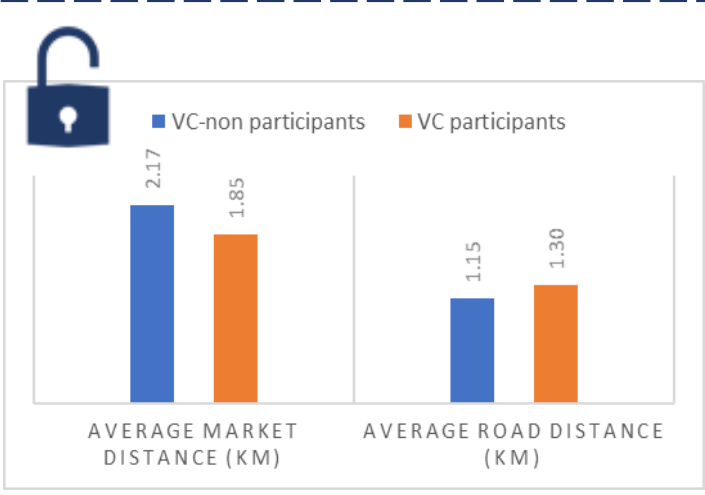
## Natural Capital



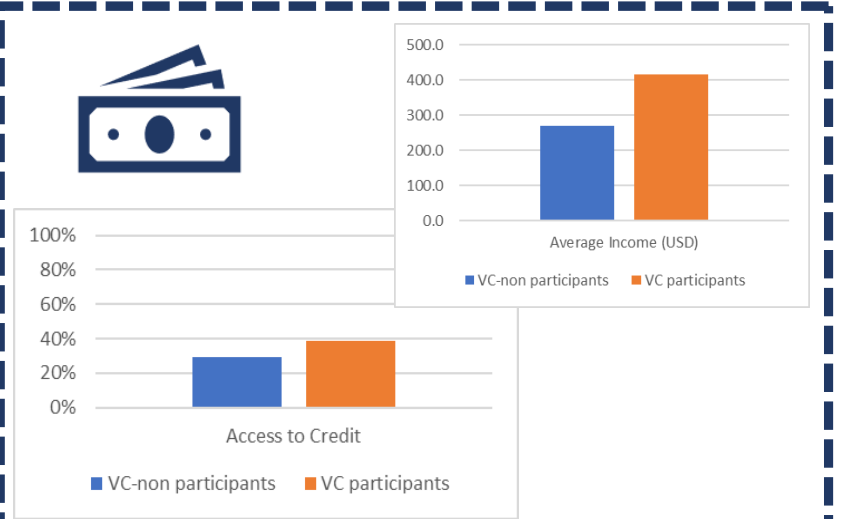
## Human Capital



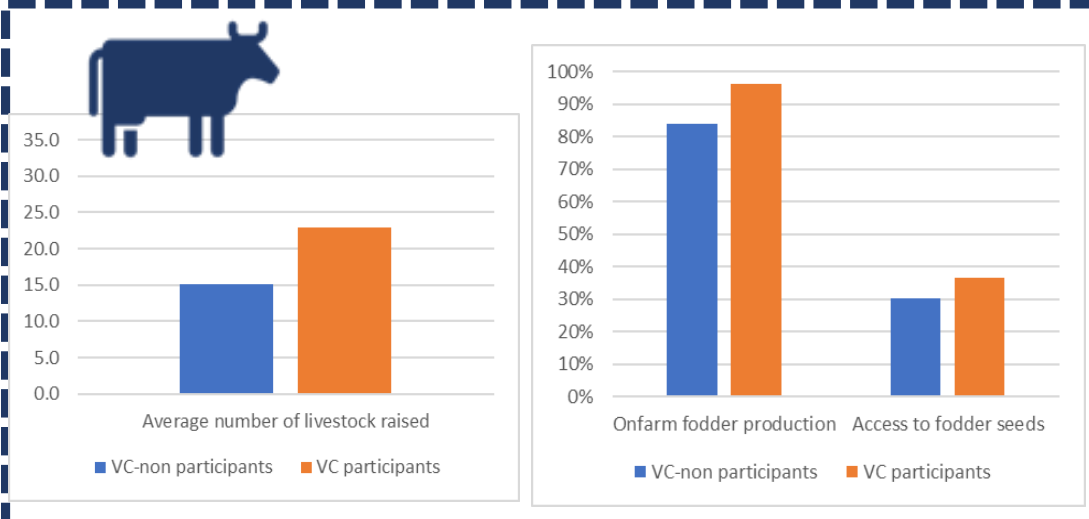
## Enabling environment



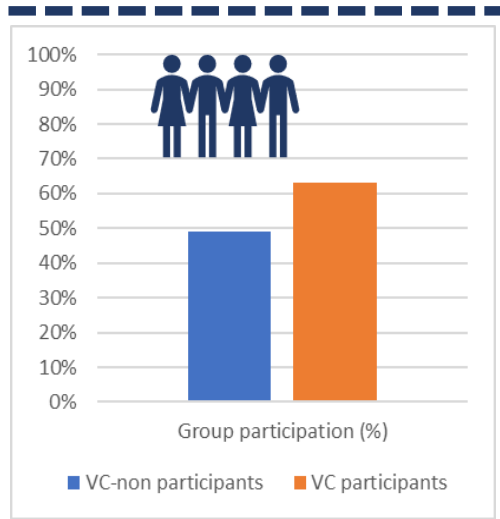
## Financial Capital



## Physical Capital



## Social capital





Thank  
You

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