

Update on the Debate:

Strengthening Business Linkages: value chain development

The discussion concentrated around the proposition statement "*farmers are only likely to benefit from initiatives to strengthen business linkages in agricultural value chains only if the value chains are competitive*". For this reason governments and NGOs needed to look at value chains from the perspective of both the farmer and the other actors in the value chain.

Concerns were raised, however, that more had to be done to safeguard farmers to ensure that they are not exploited. Some participants felt that not enough had been done to establish viable farmer organisations that protect their interests. Some participants felt that the key area of attention should be to gain consensus amongst government, NGOs, farmers and the private sector on regulations and laws of governance. The view was also held that the position of farmers in value chain development was a critical issue that should be the focus of Government and NGO attention. Some suggestions were also offered on how to better link farmers into value chains. Others emphasised that greater attention needed to be placed on all actors to enhance the demand for products and services. A balance of focus of attention between all actors in the chain was seen to be important to create a symbiotic relationship that could create value. This in turn requires fair and just linkages for farmers.

A distinction was made between very small, non viable farmers and those that are more commercially minded. The implication was that attention should be placed on the latter. This view led to some heated discussion with a view that interventions needed to be inclusive, although the type of support was not discussed. The issue of size was regarded as less relevant than competitiveness. A distinction was also made regarding the type of value chain markets that small farmers should be encouraged to link up to. It was concluded that better tools for diagnosis were required to help to identify the best suited support measures for different types of farmers and agribusinesses and different markets.