



Royal Tropical Institute KIT Development Policy & Practice

Connecting people, markets and values

Rural livelihoods in low-income countries are being challenged by the globalization and liberalization of the world economy. As open market structures are transformed into tightly coordinated supply chains, only those with access to these semi-closed networks are surviving economically. A targeted effort is therefore needed to integrate poor households into markets, through capacity building in technical, organizational, managerial and financial areas.

There is wide consensus that the private sector has a crucial role to play in achieving pro-poor growth and reaching the Millennium Development Goals. The key challenge is to integrate public objectives into private business operations. This can be achieved through innovative models of cooperation between value chain actors, non-for-profit organizations and public agencies.

Approach

KIT works on poverty alleviation by developing value chains that create business value while benefiting smallholder producers in the South. We integrate three dimensions of sustainability: social, ecological and economic sustainability or “people, planet, profit”.

- As an expertise centre, we generate knowledge about pro-poor chain development and entrepreneurship that reduces poverty. We also design models and tools to involve business in poverty alleviation, building on best practice and action research. The lessons learned are shared with practitioners, policymakers and the private sector through publications, meetings and training.
- As facilitators of chain development, we assist smallholders to build their capacity to participate in supply chains, and we assist European companies to strengthen their corporate social responsibility. Our role is to ensure that business partners find each other, that expertise is available, and that business ventures deliver benefits to all actors in a value chain.

Services

- Value chain/market analysis
Chain mapping; analysis of chain/market constraints and opportunities; assessing chain actors and their organizations; identifying chain development plans
- Sustainable business and program formulation
Identifying and implementing sustainable business, procurement and programme strategies
- Chain partnership facilitation
Matchmaking and partnering of companies in the North with companies in the South; identifying chain leaders and facilitators; strengthening linkages and building trust; developing a joint chain strategy or business plan, facilitating chain platforms
- Design and financing of pro-poor business ventures
- Learning and innovation
Learning from operational experience; facilitating learning alliances; policy research on market restructuring; developing tools for private sector engagement and chain assessment/development; documentation/systematization

Examples of projects

Programme formulation

Development of a strategic framework for ICCO's economic development programme in Ethiopia and Nicaragua.

Learning Alliance Ethiopia

Design and facilitation of a two-year action-learning programme for forty farmer organizations and service providers on marketing and value chain development.

Value chain mapping and assessment of groundnuts and potatoes in Malawi

Value chain mapping and assessment and production of chain development plans for an economic enhancement project funded by IFAD.

Sustainable medicinal plant chain in India

Facilitation of a public-private partnership between a Dutch importer, an Indian exporter, and fifty local farmers to cultivate and export Kutki.

Sustainable tuna fishing in Ghana

Facilitation of a public-private partnership between Ghanaian and Dutch companies and local small-scale fishermen to develop a sustainable chain for fresh, line-fished tuna.

*Mali biodiesel from *Jatropha* nuts*

Design and management of a pro-poor business for the production of biodiesel, together with a producer organization and other private shareholders.

Improved market access and innovation for small producers in Mali

Improving market access through value chain facilitation and development of better processing techniques for fish and organic sesame. Project funded by CORDAID.

Chain empowerment: supporting African farmers to develop markets

'Writeshop' facilitation for 30 practitioners in Africa to learn from experience and categorize chain development strategies. See below for details on the final publication.

Regoverning Markets

KIT is a leading partner in this global research and policy support programme that addresses the implications for small-scale producers in the processing and retail sectors of national and international agrifood markets. Website: www.regoverningmarkets.org

Key publications

Boomsma, M. (2008) *Bulletin 372 – Sustainable procurement from developing countries: Practices and challenges for businesses and support agencies*. Amsterdam: KIT Publishers

KIT and IIRR (2008) *Trading up: Building cooperation between farmers and traders in Africa*. Amsterdam: KIT Publishers and Nairobi: IIRR

KIT, Faida MaLi and IIRR (2006) *Chain empowerment: supporting African farmers to develop markets*. Nairobi: IIRR. Available from the IIRR website: www.iirr.org

Kop, P. van de, D. Sautier and A. Gerz (eds.) (2006) *Bulletin 372 - Origin-based products. Lessons for pro-poor market development*. CIRAD and KIT. Amsterdam: KIT Publishers

Kop, P. van de, G. Alam and B. de Steenhuijsen Piters (2006) 'Developing a sustainable medicinal plant chain in India'. In: Ruerd Ruben et al. (eds.) *Agro-food chains and networks for development*. Berlin: Kluwer / Springer Verlag

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