

Enhancing market opportunities through value chain development: The role of University research

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Abstract

This paper was solicited to highlight the potential role of university research in enhancing market opportunities through value chain development. A definition of agricultural value chain is presented to get a common understanding of the term to all stakeholders. The different value chain actors are mentioned highlighting their interactions with each other and their roles. The research concerns of each actor are underscored thereby showing the possible entry points for the university in terms of research interventions. Two value chain development stories are presented (cassava and pineapple) as an illustration of the process, the roles of actors and entry points for research interventions. At producer level, pest and disease control, soil water and nutrient management plus improved technology uptake are likely to be the major research concerns. At the processing level, shelf life, nutritive value and food safety are likely to be the major research concerns whereas for traders, market analysis which involves price analysis, opportunity identification and barriers to trade may be the main concern. To the consumers, quality, safety and nutritive value may be the major concerns. The paper concludes by recommending that universities ought to position themselves to understand the research concerns of value chain actors and hence tailor their research towards addressing these concerns. Universities ought to increase their interactions with value chain actors in order to meet their research needs more appropriately.

Key words: Research, Universities, value chain approach

Résumé

Cet article a été sollicité pour mettre en évidence le rôle potentiel de la recherche universitaire dans l'amélioration des débouchés grâce au développement de la chaîne de valeur. Une définition de la chaîne de valeur agricole est présentée pour obtenir une compréhension commune de ce terme pour tous les intervenants. Les différents acteurs de la chaîne de valeur sont mentionnés mettant en évidence leurs interactions les uns avec les autres et leurs rôles. Les préoccupations de recherche de chaque acteur sont mises en évidence montrant les points d'entrée

possibles pour l'université en termes d'interventions de recherche. Deux versions de développement de la chaîne de valeur sont présentées (manioc et ananas) comme une illustration du processus, les rôles des acteurs et des points d'entrée pour les interventions de recherche. Au niveau des producteurs, la lutte contre les parasites et les maladies, la gestion de l'eau du sol et des éléments nutritifs ainsi que l'adoption des technologies améliorées sont susceptibles d'être les préoccupations majeures de la recherche. Au niveau de la transformation, la durée limite de stockage, la valeur nutritive et la sécurité alimentaire sont susceptibles d'être les préoccupations majeures de recherche alors que pour les commerçants, l'analyse du marché qui implique l'analyse des prix, l'identification des opportunités et les obstacles au commerce peuvent être la principale préoccupation. Pour les consommateurs, la qualité, la sécurité et la valeur nutritive peuvent être les préoccupations majeures. L'article conclut en recommandant que les universités doivent se positionner pour comprendre les préoccupations de la recherche des acteurs de la chaîne de valeur et donc adapter leur recherche vers ces préoccupations. Les universités doivent accroître leurs interactions avec les acteurs de la chaîne de valeur afin de répondre à leurs besoins de recherche de façon plus appropriée.

Mots clés: Recherche, Universités, approche de la chaîne de valeur

Background

Though university personnel spend time teaching and supervising students, they also undertake a significant amount of research activities. The impact of university research could be far reaching for effective development, but in most cases it is limited and not fed into the National Agricultural Research System, or back to the producers and other value chain actors. In addition, universities have not been good at monitoring and evaluating the outcomes of their research hence creating a loose linkage between knowledge generation and integration within the curriculum. Furthermore, there has been a mismatch between taught information and the reality hence limiting the learning process. This paper, therefore, aims at highlighting the potential role of university research in enhancing market opportunities through value chain development.

Literature Summary

The "value chain" concept was first introduced from a business management angle by Porter (1985) describing it as a chain of activities for a firm operating in a specific industry. The products

pass through all activities of the chain in order, and at each activity the product gains some value.

A value chain in agriculture refers to the set of actors and activities that bring a basic agricultural product from production in the field to final consumption, where at each stage value is added to the product. A value chain can be a vertical linking or a network between various independent business organizations and can involve processing, packaging, storage, transport and distribution (FAO, 2005). The terms “value chain” and “supply chain” are often used interchangeably. Traditional agricultural value chains are generally governed through spot market transactions involving a large number of small retailers and producers whereas modern value chains are characterized by vertical coordination, consolidation of the supply base, agro-industrial processing and use of standards throughout the chain.

Research Concerns

An agri-value chain mainly consists of producers, processors, traders (including transporters) and consumers. However, producers interact with processors, traders, researchers, extension service providers, agro input providers, credit institutions, development agencies and sometimes policy makers. Processors not only interact with producers from whom they buy and traders to whom they sell but also with researchers, credit institutions and policy makers. Traders interact with consumers, policy makers and occasionally with research.

For each of these chain actors, there is a research concern that may be vital in improving their roles and functions. For producers, their research concerns may include productivity, (inputs), climate, diseases and pest control, markets and profitability whereas for processors, they may be mostly concerned about consumer-acceptable technologies and profitability. Traders may be mainly concerned about market conditions (price, trade regulations) and profitability as well. Consumers are usually concerned about quality, safety, price and nutritive value (Bennet *et al.*, 2012).

Role of University Research

The potential role of university research in enhancing market opportunities through value chain development may be scrutinized at the respective chain levels. At producer level, pest and disease control, soil water and nutrient management plus improved technology uptake are likely to be the major research concerns. At the processing level, shelf life, nutritive value and food safety are likely to be the major research

concerns whereas for traders, market analysis which involves price analysis, opportunity identification and barriers to trade may be the main concern. To the consumers, quality, safety and nutritive value may be the major concerns.

Recommendations and Conclusions

In view of the research concerns by the chain actors at the respectively level, the universities ought to respond appropriately first by increasing their interactions with value chain actors to clearly assess their research needs. This may involve increased presence of university personnel (students or lecturers) with the chain actors to clearly articulate the research gaps. The information collected should be used to develop appropriate research agenda aimed at addressing the concerns of the chain actors.

While conducting research, universities ought to work closely with the intended research users (chain actors) to ensure relevance of output and also increase chances of uptake. Value chain actors should be increasingly participating in research programmes aimed at solving their problems in order to achieve better outcomes.

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