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Value Chain Development Interventions in Francophone Africa: A Review of Donor Approaches

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1. Introduction

Value chain development has become a common term in development assistance. Numerous donor agencies and national governments have used this concept to design projects targeted at industrial sector development, poverty alleviation and generation of income and employment. However, projects based on value chain concepts can vary greatly, as they are informed by different theoretical frameworks, shaped by the organizations' own specializations or influenced by the recipient country's approach to market governance.

Due to their shared history, Francophone African countries pose a special case of value chain development. Under French rule, these countries were subjected to the "French way" of value chain management, which entailed strong state intervention, an emphasis on institutional design and a rigid focus on commodities designated for exports to France. Though African markets have since been liberalized, characteristics of the French influence, especially an affinity for a strong state, remain visible.

In this respect, this study addresses the following research question: Do donor-led agricultural value chain development interventions in Francophone African countries share common characteristics? This question is particularly interesting, as the majority of value chain development projects in these countries are designed and implemented by international donor organizations with various backgrounds.

2. Material and Method

A value chain is commonly defined to "describe the full range of activities which are required to bring a product or service from conception, through the different phases of production ..., delivery to final consumers, and final disposal after use" (Kaplinsky and Morris, 2000: 4), each stage adding value to the product as it passes through. However, theoretical approaches to value chain development are as diverse as the methodologies applied in different projects. Following UNIDO (2009), we categorize different approaches to value chain development according to their main focus on i) business processes at the firm level, ii) geographical territories, iii) governance and institutional framework and iv) social or environmental outcomes. This categorization serves as a basis for the applied methodology. Detailed theoretical discussions on relevant theoretical frameworks can be found with Kaplinsky and Morris, 2000 or Webber and Labaste, 2010.

In Francophone African countries, a particular method of managing agricultural value chains has been observed, known as the *filière* approach. This concept was developed in the 1960s as an analytical framework for agricultural research (Faße *et al.*, 2009: 3) to study vertical integration in France’s agricultural sector (Kaplinsky and Morris, 2001: 7). However, it was soon applied in French colonies to identify and develop “selected export commodities” (Raikes *et al.*, 2000: 404). The *filière* takes a rather scientific approach: its basic function is to map the journey of a commodity through the different stages of physical transformation while placing special emphasis on realizing “efficiency gains resulting from scale economies, transaction and transport costs” (Kaplinsky, 2001: 7). Though depicting input-output flows, the *filière* approach does not consider increases in technology or knowledge nor the “rise and fall” (*ibid*) of actors, resulting in the static character of the model and a mostly national focus.

For the purpose of assessing whether common elements of value chain development in francophone African countries exist, twenty value chain studies and project documents published by international donor organizations and national governments were analysed. The chosen publications all focus on a Francophone African country and are explicitly categorized as value chain studies/project documents. Additionally, to assess whether the findings are particular to Francophone countries, five of the twenty studies that were found to take a strong *filière* approach to value chain development were selected and compared to five publications focusing on the same commodities, but in an Anglophone African country.

Based on the different approaches to value chain development, we identified ten criteria against which the chosen publications are assessed. These criteria relate to the categories into which we divided the theories as well as to past and present approaches to value chain development in Francophone Africa:

1. Degree to which management of the value chain is left to the state
2. Focus on firm development
3. Focus on value chain governance
4. Focus on institutional framework
5. Integrated analysis
6. Geographical concentration
7. Technology partnering and learning
8. Greening of the value chain
9. Focus on poverty reduction
10. Focus on gender roles and measures for gender mainstreaming

3. Results and Discussion

Thorough analysis of the twenty value chain studies and reports focusing on Francophone Africa has produced informative results, which are depicted in the below table.

Criteria	% of documents focusing on the criterion
1. Degree of state intervention	70%
2. Focus on the firm	75%
3. Focus on value chain governance	40%
4. Focus on institutional framework	85%
5. Integrated analysis	55%
6. Geographical concentration	40%
7. Technology partnering and learning	65%
8. Greening the value chain	15%
9. Focus on poverty reduction	90%
10. Focus on gender roles and mainstreaming	35%

Analysis of the twenty publications according to the stipulated ten criteria has brought some clear indications on how value chain development is conducted in francophone African countries:

- State intervention is still prominent and is independent of commodity, country or donor
- The focus is generally on the firm rather than on the environment the firm operates in
- The focus on institutional settings is strong
- Slightly more than half of the studies take an integrated approach, which might suggest that a focus on the entire value chain is becoming more important
- Cluster theories do not seem to have a great influence on project design, though technological learning is rather important
- Poverty reduction is the rationale for most projects
- Value chain greening and a focus on gender roles and mainstreaming is not a priority

3.1 Comparison of documents focusing on Francophone and Anglophone countries

Comparison with the studies focusing on Anglophone African countries, which was included in order to obtain some indication on whether the results were characteristic of value chain interventions in Francophone Africa, showed largely differing results.

Criteria	% of documents focusing on the criterion	
	Francophone	Anglophone
1. Degree of state intervention	100%	0%
2. Focus on the firm	80%	40%
3. Focus on governance structures	40%	40%
4. Focus on institutional framework	100%	40%
5. Integrated analysis	100%	60%
6. Geographical concentration	20%	60%
7. Technology partnering and learning	80%	100%
8. Greening the value chain	20%	40%
9. Focus on poverty reduction	80%	60%
10. Focus on gender roles and gender mainstreaming	40%	20%

The prominent deviations found for some of the criteria suggest that agricultural value chains are managed differently in Francophone as compared to Anglophone African countries.

The main features of the studied projects implemented in Anglophone African countries are as follows:

- State intervention does not play an important role
- The focus on development at the firm levels is considerably lower, whereas a higher proportion of documents concentrate on cluster development
- The focus on the institutional framework is rather low
- Similarly low focus on value chain greening and gender mainstreaming
- As with the projects in Francophone countries, value chain greening and gender mainstreaming is not a priority

As is the case for the twenty publications for Francophone countries, no connection between the criteria and the commodity, recipient country or implementing agency could be detected.

4. Conclusion

Analysis of twenty value chain development studies and project reports by diverse donor organizations suggests that common characteristics of value chain development practices in Francophone Africa do exist. The most prominent of these shared features are a high degree of government involvement in the management of value chains and a strong focus on firm development as well as on institutional frameworks. These findings indicate that the filière framework indeed influences approaches to value chain development in Francophone Africa. Comparison with documents focusing on Anglophone African countries brought strongly contrasting results, as these studies do not place an emphasis on the criteria associated with the filière. This finding gives reason to conclude that the decisive factor shaping value chain development projects in Francophone Africa is the predominant mode of governing agricultural chains, which was formed under French influence. Finally, environmental and gender aspects featured low in both regions. In a time when environmental sustainability and gender equality have become conceptualized by the development discourse, these findings are surprising, indicating that a large proportion of agricultural value chain projects might not yet have caught up with these development paradigms.

The obtained findings also pose potential for further research for instance to assess which approach to value chain development promises the highest project success or the role of environmental and gender considerations in value chain development interventions.

5. References

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