Productivity and Growth in Organic Value-chains (ProGrOV)

MARKET-ORIENTED AGRO-ECOLOGICAL DEVELOPMENT

Improving productivity and growth in existing organic value-chains in Uganda, Kenya and Tanzania. This is what the research project ProGrOV is focussed on, by way of developing agro-ecological methods, governance and management of chains, and by capacity development regarding research focussed on organic and interdisciplinary approaches.

The project is a collaboration between Universities in Uganda, Kenya, Tanzania and Denmark. It is funded by the Danish Ministry of Foreign Affairs and coordinated by the International Centre for Research in Organic Food Systems (ICROFS).

A vehicle for rural development

Increased market orientation linked with intensification of farming methods is suggested as a vehicle for economic rural development in African countries by many donors and development agencies. Sub-Saharan Africa’s agribusiness sector faces the challenges that most crops are produced by small-sized farms with poor market access and limited capacity for quality assurance and grading for high value-chains. At the same time the current pressure on natural resources such as soil and water is not sustainable. Organic agriculture and food systems is an interesting case of smallholder farm intensification from the perspective of market access via high value-chains, improved food security and livelihood and improved natural resource management. However, the degree and type of improvement in natural resource management and in livelihood for smallholder farmers varies between different organic value-chains. The actual development outcome depends on the dynamics and processes in the product chains such as the character of power relations, the importance of training, differences in the approach to cash crops versus whole farm development, and the coordination, financial- and managerial skills/back up of the intermediaries involved. There is a need for an integrated research into - on the one hand - how to organise organic high value-chains to improve chain management and livelihood benefits for the farmers and - on the other hand - further developing agro-ecological methods for farming systems intensification based on sustainable natural resource management.

Value-chains in development

Agriculture is important for the economies of Kenya, Uganda and Tanzania. In some regions market-oriented small-
holder production of e.g. milk and vegetables is well established. However, the majority of smallholders suffer from lack of market access, limited access to inputs and extension services, and declining soil fertility combined with changing rainfall patterns. Therefore, there is a need to create innovative value-chain partnerships targeting the inherent risks in the supply and demand system and in the system of intermediary agents. Private-sector led initiatives may improve market access for smallholder farmers and improve capacity for intensification and thus give economic development.

A supporting institutional environment can draw on these results to improve success rate and sustainability; and addressing potentials to improve national and regional markets will, furthermore, stimulate economic growth.

**Growing demand for organic food and fibre**

Organic food and fibre is one of the fastest growing high-value market chains with high potential for benefiting a huge number of smallholder farmers and processing companies in East Africa. Besides the global market there is an increasing demand in the region partly via up-market supermarkets and the tourist industry. However, it is not clear to which extent market oriented smallholder farmers will be competitive in such markets.

Previous projects have demonstrated positive results from development of organic value-chains in terms of improved agricultural production, although farmers were found to have limited knowledge regarding organic agricultural system development and agro-ecological practices.

Chain actors also face a number of challenges, such as limited capacity of local farming communities to access complex markets chains, lack of capacity to meet specific quality demands, and limited chain management skills.

A need for research in eco-functional intensification

The first scientific conference in organic agriculture in Africa (Kampala May, 2009) revealed a need for further development and adaptation of agro-ecological methods to improve productivity and quality along the chain. This need for research in ‘eco-functional intensification’ with focus on high-value cash crops must address ‘the multiple functions of agriculture that include the improvement of livelihoods, the enhancement of environmental services, the conservation of natural resources and biodiversity, and the contribution of agriculture to the maintenance of social and cultural traditions’ (IAASTD, 2009).

While some research has focused on improving productivity and Natural Resource Management of smallholder farmers in Eastern Africa, this has in most cases not been associated with studies of how to link improved production to market access and quality demands. A number of NGO’s have demonstrated the synergy of supporting eco-functional intensification through improved marketing and innovation capacity of groups of smallholder farmers but only very few research projects have studied this potential synergy.

There is potential for more farmers and chain actors to capitalize on the growing demand for organic products on foreign and domestic markets.

**Thus, the development perspective of the project is to improve the capacity of setting up and organizing production and marketing of quality agricultural commodities based on agro-ecological principles and in a value-chain approach as one contribution to sustainable economic and rural development.**

**Overall objective**

Increased agricultural productivity and development of agribusiness for economic growth, improved livelihoods and sustainable development in Africa.

**Immediate Objective**

Research based knowledge for supporting increased productivity and sustainable growth in organic production and value chains strengthened, and capacity built for future development of the OA based value chain in Kenya, Uganda, and Tanzania.

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**Related Projects**

Project partners

- Makerere University, Uganda
- University of Nairobi, Kenya
- Sokoine University of Agriculture, Tanzania
- Aarhus University, Denmark
- University of Copenhagen, Denmark
- International Centre for Research in Organic Food Systems (ICROFS)

Associated Partners

- National Organic Movement of Uganda (NOMUG)
- Kenya Organic Agriculture Network (KOAN)
- Tanzania Organic Agriculture Movement (TOAM)

Project duration: January 2011-March 2015