



Food and Agriculture
Organization of the
United Nations

AGRO-INDUSTRIES *Brief*

DEVELOPING SUSTAINABLE FOOD VALUE CHAINS

MAIN TOPICS

- Value chain analysis and approaches
- Green value chains
- Certification and voluntary standards, including geographical indications

CURRENT ISSUES

A value chain consists of the series of transactions and actors necessary to bring a product from the inputs stage to the final market. Every stage of the chain involves adding value, and collaboration among stakeholders.

Sustainable food value chains have significant impacts on food systems through enhancing economic sustainability by creating added value (higher incomes), social sustainability by facilitating more equitable distribution of added value among stakeholders, and environmental sustainability by reducing ecological footprints throughout the value chain. Actions that help to make food chains sustainable include greening of food value chains, certification schemes and voluntary standards.

ACTION AND PLANS

- ▶ Providing knowledge sharing and learning opportunities on the development of sustainable food value chains.
- ▶ Assisting governments and practitioners in analysing value chains and appraising market opportunities and intervention options.
- ▶ Facilitating dialogue for greening food value chains.
- ▶ Supporting the public sector in its new collaboration with the private sector.
- ▶ Providing guidance and capacity building on sustainable food value chains, green food value chains and voluntary standards.
- ▶ Supporting studies on the impacts of integrating smallholder farmers and small and medium agro-enterprises into value chains.
- ▶ Analysing the impacts of voluntary standards and their potential contributions to sustainable and inclusive value chains.



Developing national food value chain strategies (2011–2012)

Assisting governments in developing strategies for sustainable food value chains is a core part of FAO's work. For example, in 2011, Botswana's Ministry of Agriculture requested FAO assistance in applying the value chain approach to its beef value chain. A joint report presented a prioritized set of 31 strategic options for promoting sustainable development and competitiveness. Recommendations regarding public-private partnerships, institutional change, trade and market liberalization and knowledge-driven development provide a foundation for the growth of Botswana's beef subsector.

Food security through commercialization of agriculture (2007–2015)

This strategy is based on overcoming constraints to agriculture by implementing a value chain approach that supports value addition and marketing, farmers' organizations, service provision and the institutional framework. The approach helps increase farmers' incomes, supports small and medium enterprises and promotes sustainable use of natural resources. Through the Italian contribution to the Global Trust Fund for Food Security, almost US\$50 million has been allocated to projects in 34 countries of the Caribbean, Central America, East Africa and West Africa.



Translating analysis on voluntary standards into technical assistance (2004–present)

Given the growing demand for market standards, FAO analysis helps governments and practitioners to understand the impact that voluntary standards have on producers' access to markets and the sustainability of food systems. A 2014 study found that smallholders may be excluded from voluntary standard systems unless they are organized into larger groups through cooperatives. FAO uses its knowledge to develop policy advice and capacity building for member countries. In two recent projects, FAO collaborates with the European Bank for Reconstruction and Development (EBRD) and the Government of Serbia on strengthening value chain efficiency by developing geographical indications.



References

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