How to strengthen livestock value chains to increase food security and sustainability

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3. Methodological steps
4. Main products
5. Lessons learned
6. Key contributions
7. MGS-Col

Main products

MGS-Col

Key contributions

Lessons learned

Methodological steps

Objective

Presentation of the case study
What is a value chain?
Presentation of the case study

Beef and dairy value chains in the Departments of Guaviare and Caquetá in the Colombian Amazon Initiative

Visión Amazonía
Description of the initiative

Promotion of a new model of sustainable development that is **low in deforestation**, competitive, and improves the local living conditions

**Forest Governance**
- Strengthens institutional capacity for the sustainable use of forests, environmental education, control, and surveillance.

**Sustainable sectoral planning and development**
- Manages policies, agreements, and public-private partnerships for low-deforestation development.

**Agroenvironment**
- Promotes sustainability of regional value chains.
- Promotes rural extension to producers and access to credit with incentives for forest conservation and the enabling of new markets.

**Environmental governance with indigenous peoples**
- Promotes traditional practices, cultural diversity, and forests in the territories.

**Enabling conditions**
- Forest area monitoring: deforestation and the effectiveness of program interventions.

**Strengthening of regional value chains**
**Towards sustainable value chains**
Objective and methodology

Facilitate the **participatory construction** of strategies to strengthen regional value chains

Economic competitiveness, environmental performance, and zero deforestation agreements

**Methodologies**
- Participatory Analysis of Market Chains for Small Producers (Lundy et al., 2007)
- ValueLinks (Springer-Heinze, 2007).
- **LINK 2.0** (Lundy et al., 2014)
Methodological steps

1. Definition of the state-of-the-art
2. Actor identification and invitation
3. Revision of market opportunities and competitive advantages
4. Value Chain mapping
5. Development of a shared vision
6. Analysis of bottlenecks
7. Definition of strategies and development of action plan
8. Identification of partners for sustainable alliances

COMPETITIVE SECTOR STRATEGY
Part I: Value chain analysis

Main product: Value chain map
✓ Key processes within the value chain
✓ **Product flow and end-product markets**
✓ Information and knowledge flows
✓ Actors involved and their roles
✓ Detailed description of each value chain link
✓ Product volumes
✓ Type of relationships and links
✓ Added value in each link and value distribution along the VC
✓ Services provided to each value chain link
✓ External factors
✓ Identification of opportunities and competitive advantages
Value chain mapping: Product flows and markets

Figure 2. Map of the Caquetá milk value chain (as an example)

Direct actors

Primary production

Collection

Transformation

Commercialization

Consumption

Primary Producer

Collection centers (large industries)

Large industries

Transformation plants (in other departments)

Chain stores, supermarkets, neighborhood stores, among others

Consumers at national level
Restaurants
Food Business
Local consumers in Caquetá

Regional transformation (local industrial)

Regional markets
Local markets

Consumers in Caquetá

Informal cheesemakers, producers of other products

Collection centers (regional industries)

Regional transformation (local industrial)

Collection centers (associational)

Raw milk sellers

spoilers or institutions supporting the sector in the design and implementation of policies and institutional strengthening, e.g., ministries, local and regional governments, and state-related institutions working on the above-mentioned areas.

Meso level

Agricultural input suppliers
Veterinary services
Technical assistance
Rural extension and training
Research services
Financial services
Surveillance, monitoring, inspection and control services

Micro level

CONVENTIONS

Raw milk
Pasteurized milk
Dairy products

Cold milk

Direct actors

Primary

Producer

Collection

Transformation

Commercialization

Consumption

Consumers

Informal cheesemakers, producers of other products

Regional markets
Local markets

Consumers in Caquetá

Meso level

Indirect actors

Suppliers or institutions supporting the sector in the design and implementation of policies and institutional strengthening, e.g., ministries, local and regional governments, and state-related institutions working on the above-mentioned areas.

Source: Own elaboration
Lessons learned
PART I

Describing the state-of-the-art can be complex due to lack of information and reliable statistics.

Collective feedback allows for a more realistic state-of-the-art.

For strategy development, a clear and reliable overview of the state-of-the-art is required.

Multi-actor platforms imply the correct identification of the actors and better logistics for the workshops.
Development of the competitive sector strategy

Main product: Competitive sector strategy

- Shared vision of the improvement of the value chain
- Prioritization of bottlenecks
- Action plan (strategy, activities, responsible actors)
- Identification of possible alliances for inclusive businesses
Shared vision: The case of milk in Caquetá

<table>
<thead>
<tr>
<th>VC Link</th>
<th>Baseline indicator (2017)</th>
<th>Vision to 2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary production</td>
<td>• 1,300,000 liters/day (55% for local cheese factories)</td>
<td>• 3,000,000 liters/day (1,200,000 industrial collection and 1,440,000 regional transformation).</td>
</tr>
<tr>
<td></td>
<td>• Extensive ranching (2,600,000 ha under pastures and 1,100 under silvopastoral systems)</td>
<td>• <strong>Reconversion of livestock systems</strong> through agro-silvopastoral systems <strong>(increase in carrying capacity from 0.6 to 1 LSU/ha)</strong>.</td>
</tr>
<tr>
<td></td>
<td>• 3.5 liters/cow/day on average</td>
<td>• 6 liters/cow/day.</td>
</tr>
<tr>
<td></td>
<td>• 18 properties certified in good animal husbandry practices (0.12%).</td>
<td>• Implementation of <strong>good animal husbandry practices</strong> in 50% of the farms.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Promotion of <strong>certification and recertification</strong> of properties free of brucellosis and tuberculosis</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• <strong>Improvement of the microbiological quality</strong> of milk (reach 250,000 CFU (colony-forming units)).</td>
</tr>
<tr>
<td>Transformation</td>
<td>• Industrial collection: 317,000 liters</td>
<td>• <strong>Enter the liquid milk market</strong>, greater diversification of dairy products.</td>
</tr>
<tr>
<td>Commercialization</td>
<td>• Portfolio (Quesillo, Double Cream Cheese, Salty Chopped Cheese)</td>
<td>• <strong>Marketing of differentiated products</strong> (denomination of origin, zero deforestation, conservation and protection of the environment).</td>
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</table>
Main product: Competitive sector strategy

- Shared vision of the improvement of the value chain
- Prioritization of bottlenecks
- Action plan (strategy, activities, responsible actors)
- Identification of possible alliances for inclusive businesses
# Action plan: The case of milk in Caquetá

<table>
<thead>
<tr>
<th>Prioritized bottlenecks</th>
<th>Strategies</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary production</strong></td>
<td>Sustainable intensification of primary production</td>
<td>Define and scale sustainable production systems</td>
</tr>
<tr>
<td>Low quality and productivity</td>
<td>Definition and promotion of ideal crosses</td>
<td>Validation of the behavior and adaptation of new crosses</td>
</tr>
<tr>
<td>Weak harmonization of technical assistance and extension</td>
<td>Training in good animal husbandry</td>
<td>Reactivate farmer field schools, short trainings, and workshops among different actors</td>
</tr>
<tr>
<td>Absence of financial incentives for sustainable production</td>
<td>Form technical assistance network</td>
<td></td>
</tr>
<tr>
<td><strong>Transformation and commercialization</strong></td>
<td>Strengthening of cooling and electrical networks and other infrastructure</td>
<td>Review of studies and projects that deal with cooling networks and other infrastructure</td>
</tr>
<tr>
<td>Lack of technology for transformation, cooling, and conservation of milk</td>
<td>High-value markets for differentiated dairy products</td>
<td>Organize a dissemination forum on differentiation strategies</td>
</tr>
<tr>
<td>Lack of knowledge on how to access (differentiated) markets</td>
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Lessons learned
PART II

The diversity of the actors (interests and objectives) can be a limitation for the construction of shared strategies.

It is necessary to have access to consolidated structures and leadership and coordination capacities in the territory.

The entire process requires time, permanent funds and commitment from all actors.

The strategies built must be in accordance with local policies and consider a territorial approach.
Lessons learned - GENERAL

- **External dynamics** can have **negative impacts** on the success of the developed strategies.

- The lack of **continuity in the processes between governments** is a bottleneck at the institutional level for the application of the developed strategies.

- **Key to the success of the strategy is the articulation among the actors** for collective and concerted action.

- **The value chain approach implies articulation with markets** and knowledge of the **possibilities of product differentiation**.
The final step: The competitive sector strategy
Key contributions of a competitive sector strategy

- Strategies as a **point of reference** for other intervening actors in the territory, and for improvement strategies.

- Input for the **formalization and orientation** of the value chains, the design of policies, and sustainable development plans.

- **Equitable participation and strengthening** of networks and relationships.

- Multi-actor platforms allowed capturing **different points of view, information, and difficulties** faced by each actor and value chain link.

- Prepares for **training** and helps **raising awareness of key issues** that allow for the coordination and construction of collective action strategies.
The Colombian Roundtable for Sustainable Cattle (MGS-Col): A vehicle for knowledge sharing

Discussion and validation

Dissemination of information

Sustainable alliances

Scaling
Further reading


Thank you!

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