



Module 10- The Role of Extension in Supporting Value Chains

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Summary

Module Overview

Globally, economic activities are becoming increasingly integrated in efforts to reach new levels of efficiency and profitability. Value chains are one type of market supply chain, which organise various actors involved in the process of creating a product and getting that product to a consumer. In agriculture, value chain structures based around commodities are beginning to offer producers access to new market opportunities. Working within agricultural value chains involves new, often more complex, combinations of knowledge, skills and partnerships. For extensionists, this means broadening the traditional production focus of extension services towards a more analytical, facilitation-oriented approach.

N.B. The module is offered in two parts. Part I: theory and part II: practical. **This part I.**

Target Audience: This module has been developed to be used as a self-guided learning resource. It targets anyone who is currently working within extension and looking to improve their competence providing quality extension services within agricultural value chains. It is aimed at extensionists working with the public and private sectors as well as with civic society in recognition of the progressively pluralistic nature of modern extension systems.

PART I: Theory

The purpose of this part of the module is to help extension agents, who are new to working with markets, understand the basic components of marketing value chains and the way in which extension agents can work with farmers and other key chain actors to target market opportunities and to develop an action plan that farmers can use to engage with markets successfully.

In the theoretical part of the module the focus is on the importance of agricultural marketing for farmers, the analysis of the agricultural market and the value chain, as well as market linkage methods.

Module Performance outcomes:

After completing this module, you will be able to:

- Explain why agricultural marketing is important for farmers;
- Explain the agricultural market, the value chain and the key actors in the value chain;
- Assess market linkage methods; and
- Analyse markets and value chains.

Units

Unit 1: The agricultural market, value chain and key actors

- Agricultural marketing, the market and the value chain.
- Supply and demand and their effect on the market
- Different types of formal and informal markets in the agricultural value chain.
- Advantages and disadvantages involved in the different types of agricultural markets.
- The key actors in a value chain and their roles
- Key business development service providers in the agricultural market
- The role of business development services in the agricultural market.
- Describe the role of key regulators in the agricultural value chain.
- The most important food issues and standards in the agricultural market.



Unit 2: Market linkage methods

- The changing conditions in and roles of rural communities.
- Different marketing strategies and approaches commonly used by smallholder farmers in rural areas.
- The ways in which extension agents can help farmers gain a better understanding of their market options.
- The basic concepts involved in value chains and market linkage.
- The use of value chain methods for market linkage.

Unit 3: Analysing markets and value chains

- The type, scale and level of the market analysis.
- The nature and use of the most important toolkits and approaches to value chain development.