Value Chains for Rural Development

The United States Agency for International Development’s (USAID’s) Value Chains for Rural Development project integrates smallholders and poor rural households into competitive commercial value chains to increase productivity and achieve inclusive agricultural growth. It is part of the U.S. Government’s global food security initiative, Feed the Future. The five-year project uses a market systems approach to strengthen diverse smallholder farming communities in the coffee, soybean, ginger, melon and sesame value chains.

Building on USAID’s previous Asia Farmer-to-Farmer program in Myanmar, the Value Chains project engages international experts and volunteers who work with experienced local staff and community-based trainers to support smallholder producer groups, innovative entrepreneurs, agri-businesses, and community-based organizations. Over the life of the project, a targeted 75 volunteers will provide 80 person-months of pro bono expertise.

Project Goal/Objectives

Value Chains project activities contribute to the following two primary objectives:

- **Improved agricultural productivity and profitability** of small farm production and processing systems to improve food security and nutrition; and
- **Market access and trade increased** through enhanced private sector engagement and grant funding to local innovators in the agri-sector.

The project also works with community-based organizations to build local extension capacity, and develop multimedia outreach and extension tools to disseminate information about new agricultural practices, technologies, and market trends for smallholders and value chain stakeholders.
Activities

Project assistance includes:
- Developing competitiveness strategies in targeted value chains;
- Enhancing the availability, affordability, and accessibility of agricultural inputs;
- Strengthening community-based producer organizations;
- Introducing productivity-enhancing technologies;
- Improving local agriculture extension and farm advisory services;
- Building private sector alliances; and
- Small grants to support innovative programs for value chain strengthening.

Results

The project works in southern Shan and the Central Dry Zone. Both regions support a diverse range of agricultural products and crops that offer opportunities for smallholders to participate in commercial value chains.

In 2018, sesame farmers in Magway Township organized and formed a new company, the Sesame Farmers’ Development Association (SFDA). Supported by USAID through community-based extension and new market linkages, SFDA attracted pre-procurement financing and sold 221 MT of GAP-quality sesame to new, direct-purchase export buyers who paid quality premiums for the first time.

“SOUTHERN SHAN HAS SOME OF THE BEST GROWING CONDITIONS, INCLUDING SOIL AND WEATHER, FOR GINGER AND TURMERIC I HAVE EVER SEEN. MOST IMPORTANTLY, THERE IS A HIGH LEVEL OF CURIOSITY ON THE GROWERS’ PART ABOUT LEARNING NEW THINGS. THIS IS VERY IMPORTANT WHEN YOU WANT TO GROW AND MARKET HIGH-QUALITY PRODUCTS. I AM OPTIMISTIC ABOUT THE POTENTIAL FOR EXPORT.”

-DR. REZA RAFIE, A U.S.-BASED AGRONOMIST AND EXTENSION EXPERT WHO PROVIDED TRAINING TO SHAN’S GINGER SMALLHOLDERS

Project impacts as of January 2019 include:
- About 106,037 acres are now under improved agriculture technologies or management practices with U.S. Government assistance;
- Supported nearly 37,590 rural households directly through project interventions;
- Assisted 378 community-based agriculture groups, private enterprises, and/or trade associations;
- Formed 23 new public-private partnerships in the agricultural production and post-harvest transformation;
- Leveraged nearly $7.5 million in new private sector investment in the agriculture and food chain sector;
- Transferred 70 new or improved agriculture technologies and/or management practices; and
- 243 firms received training or other technical assistance to meet end-market requirements.

For more info, visit: winrock.org/project/vcrd