Short introduction to the value chain approach
What is a “value chain”?

Basic sequence of functions in a value chain

- Inputs
- Production
- Transformation
- Trade
- Consumption

Actors operating in the value chain and their relations

- Input providers
- Producers
- Transformation units/processors
- Traders
- Consumers
Value chains in the context of NWFP

Basic sequence of functions in a NWFP value chain

- Production
- Collection
- Transformation
- Trade
- Consumption

Actors operating in the value chain and their relations

- Forest administration
- NWFP gatherer
- gatherer/transformation units
- traders
- Consumers
Why do we promote NWFP value chains?

- Economic growth = more jobs and higher income
- Environmental Protection: Sustainable management of natural resources/“green economy”
- Poverty reduction: The poor population increases its income/has (additional) employment possibilities
Value Chain selection – key factors

1. Product development needs time and markets are volatile
2. Volumes are generally small
3. Some products require a high level of technology
4. Barriers to entry can be high
5. Question of intellectual property rights
6. Ownership of resources
7. Risk that the market will lead to the exclusion of certain groups from the benefits
Factors for successful value chain promotion

1. Identify the different objectives of the value chain operators
2. Which type of NWFP?
3. Clarification of legal and regulatory frameworks governing the marketing of NWFPs

Creating favorable conditions for the sustainable use of forest resources

1. Taking an integrated view of the value chain → avoid supporting one actor over others
2. Improving the quality and quantity
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Shukran – Merci beaucoup – Thank you – Muchas gracias – Tessekuler