



MAIN TOPICS

- Value-added processing and preservation
- Logistics and cold chains
- Public-private partnerships
- Agrifood industry policy

CURRENT ISSUES

Agro-industries are the enterprises, activities and institutions that deliver material inputs to the farming sector and transform, distribute and otherwise add value to agricultural and food products targeting an identified market demand.

Benefits of agro-industries include providing employment in off-farm activities such as processing. Agro-industries also add value to, and increase demand for, farmers' products, thereby reducing poverty and food insecurity and stimulating economic growth.

The many challenges faced by small and medium agro-industries in developing countries include poor infrastructure such as roads and electricity supplies, lack of inputs such as packaging, lack of technical expertise, and inadequate policies and weak institutional support. These challenges reduce the profitability, competitiveness and ability of the sector to fully exploit the market opportunities arising from rapid population growth, urbanization and changing lifestyles and consumer preferences.

ACTION AND PLANS

- ▶ **Conducting appraisals** of constraints and opportunities in the agrifood subsector, public-private partnerships (PPPs) and the policy and institutional framework to support development of new and improved food products.
- ▶ **Developing knowledge products and disseminating information** on processing and preservation technologies and best practices, including in addressing gender considerations, agrifood sector strategies and PPPs.
- ▶ **Providing technical guidance and assistance** in developing subsector strategies and the legal, regulatory and operational frameworks for supporting agricultural PPPs.
- ▶ **Appraising** the status, challenges and successful models of logistics and cold chain systems, and preparing policy guidance on their development.
- ▶ **Developing technical knowledge and building capacity** on value-added processing and preservation by small and medium enterprises, logistics systems and cold chains.



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Dairy industry development in Afghanistan (2005–2014)

This project developed and disseminated an integrated approach to local dairy industry development. It helped establish viable dairy enterprises, improved family nutrition and food security, and contributed to income and employment generation, with thousands of participating households obtaining regular cash incomes from sales of milk and by-products. Women, who are the main beneficiaries, receive 87 percent of this “milk money”, valued at several million dollars over recent years. Developing the capacity and technical skills of local communities, and establishing sustainable local enterprises and institutions are best practices for delivering these results.

Processing systems in the rice subsector in sub-Saharan Africa (2012–present)

Appraisals of rice processing systems in eight sub-Saharan African countries, with regional consultations on the findings led to identification of the main challenges, opportunities and needs, drafting of recommendations for improvements, and development of a strategic framework for improving rice processing systems. Recommendations included developing capacity, enhancing coordination along the rice supply chain, upgrading technologies and infrastructure, facilitating access to credit, encouraging private-sector investments in packaging and branding, and using by-products.



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Knowledge creation and capacity building on PPPs (2012–present)

The findings of case studies from 15 countries in Africa, Asia and Latin America were discussed and validated at regional outreach meetings. Lessons and best practices from the country reports were used to prepare policy and training materials to guide FAO member countries in partnering with the private sector to mobilize support for agro-industry development. The materials have already been field-tested in Asia, and a toolkit for the design, management and operation of PPPs is being prepared.

References

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