Value Chain As A Development Tool – David MacKay

ISCA – International Sustainable Community Assistance
Value chains – ‘new thing’ in regard to agriculture

Food – last connection with the planet.
   - Direct connection Food = Culture, the way we are.

Haiti
   - Socially misrepresented.
   - Important of farming
     o Haiti 60% employment agriculture.
     o 12 M ppl v. 1m farms.

Focal point that shows globalization.
   Rice, staple. Haiti produced it’s own staple.
   IMF – “open up your markets.” Brought down import restrictions.
   USA Subsidized rice shipped in, destroyed Rice production in Haiti

Challenges & Opportunities
   - Cooperatives.
Canadian gov to PEI– if you want subsidies, Choose your ‘monoculture’ choose dairy,
choose agriculture, choose your crop.
   Haiti has possibility to maintain smallholdings, very positive.

Complete disforestation – constant charcoal burning (means of food cooking)
   - The science of replanting the forest side?
   - Unless you work with the people to create a new means to cook, you can
replant but Haitians peoples will continue to stick with their usual means.
   - Most people own their own land.
     - Lack of proper documentation, easy to usurp

Food Value Chain
   The organic farmer must adapt to the cooperation.
   - Price negotiation, signed with a handshake.
     o Theme of all conversations with farmers.
       ▪ Cooperation’s will lowball, can go elsewhere. It’s a global market.
   - Vertically integrated system
   - Don’t give big cooperation’s, i.e. – Sobeys, Superstore more than 20% of your
product. No win game.
   - Supply chain system where stores have accumulated the majority of the food
market.
     o Distribution
     o Aggregators and processors
     o Other countries – large land holdings
So what do you do about this?
  
  Value chain starts with farmers, ranchers.
  
  - Form cooperative, form mission of what they want to sell
  - Go directly to the consumer

  Food Service – PEI is experiencing a food revolution.
  Farmers Market, booming.

  50 -60 percent of consumed food in Canada happens in restaurant
- Folks are getting tired of the 'big stores' Sobeys, Superstore
  o Where is my food coming from?
- Revolution in processing food?
  o Growing season is short.
  o To get away from 'big processing plants'
  o Get together in a cooperative and process food together

- Aim to get directly to the consumer!
- Consumers = compost = seeds. In ideal model. Lacking in PEI, compost
  production is not sufficient for local farmers. ‘turns to concrete on crops’
- Pinnacle of living – The Homestead System
  o Not to romanticize, with proper technology the model could work
  o The further you move away from the Homestead System, the more
    inputs you need to buy.
    - Producing less and less food, loss of profits

Don’t take flawed Canadian agriculture system and apply it to Haiti.

Farmers are generally price takers, not by choice. Ideally would be price givers.
  Food Value Chain would give producers more power.

Question about CoOp system in PEI.
- Local has to be within 50 miles of production.
- PEI looks to CoOp Atlantic
- Food retail business, extremely competitive, CoOp Atlantic faces intense
  challenges

Q : How do we foster the consciousness, the power of the buyer?
- The real breakdown of the market, 20 – 60 – 20
  o 20%, fast food alley – MacDonalds, processed food. Class correlations
  o 20% higher income, aware of the value of the food to their heath. Priority
    on organic food, whole food.
  o 60%, Good Food, and they want it cheap. Big Cooperation’s worried this
    60% moves towards holistic food idea.

- Focus on the people that want to spend more money on good food.

Q: Monocrop for non-food use. Soybean. Legislative side is lacking. More advocacy
  around allowing farmers to have more control over their inputs. IE – Seeds.
In many ways Haiti is more educated, more aware of holistic food. No MacDonalds. Food is poor.

After the earthquake, GMO seeds brought in. Farmers burnt the seeds. Strong statement.

Important Aspects of A Value Chain
- The vision is the sale of good quality food.
  - How do you do that?
- Empowerment, price giver rather than price taker.
- Farmer must learn new skills to work in the value chain
- Education, learning, teaching.
- Co-operation where necessarily NOT necessarily co-operatives

Value Chain Project
ISCA – building chicken coops in Haiti last May
- Most chickens in Haiti are ‘super free range’
- Free range chickens ready for market 4 – 5 months
- Important to lay basic educational tools: Financial management, basic bookkeeping.
- Four cycles of refilling.

Benefits of Combining Value Chains and Co-Operative Development
- Value chain is working, but selling into local markets
- Increased product prices
- Reduced input costs
- Stabilized markets
- Education aspect, extremely important. Market research.
  - Take this away, project will fail.

Growing demand for larger market
- Household
- Tourists, resorts

Future Value Chain Initiatives
- Do market identification.
- Dairy processing
  - Haitians are not into eating a lot of Dairy products
  - Your body doesn't technically digest pasteurized milk
- Biochar (different food cooking process)
  - Two chamber stove, idea of air tight stoves, reburns smoke
  - Burning charcoal
  - Wonderful conditioner for soil

Solution {for moving toward value food chain} requires political and perhaps spiritual shift.
Questions & Discussions

- When under French, Haiti was a huge source of wealth. Haitian coffee was par none. Deforestation led to the demise of the coffee industry.
- One of Haiti’s largest exports, goats.
- Biochar initiative would be a fundamental pilot project
  - Reforestation
  - Road system
  - Coffee