



Adding Value & Sharing Income Along the Value Chain

Webinar Report

Presented by

World Agriculture Forum

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Panellists

1. **Dominic Schofield** – Global Director, Local Food Systems Transformation & Food Processing Practice, TechnoServe
2. **Laurence Rycken** – Director General, International Dairy Federation AISBL
3. **Ebere Uneze** – Founder, Clyde Frontiers, Nigeria
4. **Marco Vinicio Sanchez Cantillo** – Deputy Director, Agrifood Economics and Policy Division, FAO

Moderator

Prof. Rudy Rabbinge – Chair of the Board, World Agriculture Forum



Recording link: https://youtu.be/5igWhiuH3YM?si=yScxZalhUK_uCew4

INTRODUCTION

Global food systems today are facing unprecedented pressure, not only to produce more, but to deliver better outcomes for farmers, consumers, and the planet. Despite their central role, the people who grow our food often receive the smallest share of its value. Against this backdrop, the webinar convened global leaders, policymakers, and practitioners to explore how agrifood systems can be restructured to become more equitable, efficient, and sustainable.

The conversation explored a range of tangible strategies. These included empowering smallholder farmers as entrepreneurial actors within the system, recognizing and rewarding the ecosystem services and social value they contribute, and reforming fiscal policies to increase impact without increasing costs. A strong emphasis was also placed on harnessing innovation and local solutions to build more resilient and responsive food systems.

At its core, the webinar reaffirmed a powerful message: this is no longer simply a matter of food production. It is a question of fairness, functionality, and the future of rural livelihoods. What emerged was a clear call for cross-sector collaboration and evidence-based strategies to drive lasting change across the global agrifood landscape.

Key Themes & Insights

Integrated Food Systems and Inclusive Growth

Dominic Schofield highlighted the need for an integrated approach to build food systems that are fair, sustainable, and nourishing, acknowledging the trade-offs involved.

He emphasized the critical role of the private sector, including not only large firms but also smallholders, who he described as entrepreneurs. Their economic empowerment through stronger business practices and market access is essential to reducing poverty.

Dominic outlined several key barriers to inclusive food systems:

- Limited market access for smallholders
- Price volatility
- Dependence on a narrow range of crops
- Poor infrastructure and unreliable energy access
- Low bargaining power among smallholders
- High input costs and lack of affordable credit
- Conflicting or unclear policies (e.g., Nigeria's wheat regulations)

To address these challenges, he proposed a range of solutions:

1. Strengthening market linkages and supply chains
2. Leveraging digital platforms to connect farmers with buyers
3. Improving infrastructure and access to energy
4. Expanding affordable finance, particularly for women, who often prove to be more reliable borrowers
5. Enhancing agricultural education, training, and extension services
6. Promoting cooperative models to boost collective capacity and resilience.



"It's not just about farming, it's about business acumen, connectivity, and creating shared value across systems." —Dominic Schofield

The Full Value of Dairy: Nutrition, Ecosystems, and Equity


Laurence Rycken opened by emphasizing the global importance of the dairy sector. Dairy provides income and employment to around one billion people, with approximately 12–14% living on dairy farms or in dairy farming households. On the nutritional front, dairy supports the diets of nearly six billion people globally, delivering seven essential nutrients such as high-quality protein, vitamins, and minerals, crucial for human growth and development. She also underscored the vital role women play throughout the dairy value chain.

Representing International Dairy Federation (IDF), Laurence explained that IDF brings together stakeholders from across the dairy industry, farmers, processors, academics, and governments, to support dialogue, collaboration, and the development of global standards. IDF's mission centers on advancing science and technology to create value across the dairy system.

Laurence highlighted the often-overlooked contribution of Ecosystem Services provided by farms. Beyond producing food, these farms support soil fertility through manure, regulate air and water quality, contribute to climate resilience, and assist in disease control and pollination. If these services were to be replaced by technological solutions, the cost would be enormous, she stressed, the need to reflect these contributions in pricing structures and policy frameworks.

To standardize how these impacts are measured, IDF partners with the FAO's LEAP (Livestock Environmental Assessment and Performance) aiming to embed the full value of dairy into food systems policy.

Finally, addressing policy coherence, Laurence described IDF's engagement with Codex Alimentarius—an international body established by the FAO and WHO to develop food standards, guidelines, and codes of practice to ensure food safety, fair trade, and consumer protection, while also advocating for strong, equitable support for farmers and full recognition of their role in feeding and sustaining the world.

 *"Farms don't just feed us, they deliver essential ecosystem services like soil enrichment, air and water regulation, climate resilience, and pollination. If these services had to be replaced by Money, the cost would be enormous." —Laurence Rycken*


Rethinking Value Creation: From Farmers to Markets

Ebere Uneze drawing from his experience in both agricultural production and processing, offered a holistic view of where value is created and often lost along the value chain. He stressed that smallholder farmers must benefit more equitably, which requires strategic interventions, infrastructure investment, and a shift in power dynamics. While cooperatives play a role in improving incomes and negotiation power, Uneze noted that private actors like aggregators can be just as critical, particularly where formal structures are weak.

He emphasized the need for coherent, well-targeted government policies, cautioning against blanket subsidies and tax breaks that rarely reach the farmers most in need. Instead, he called for integrated approaches that strengthen the entire chain. Trade barriers, such as tariffs on fertilizer, further constrain small producers in low- and middle-income countries, in stark contrast to the substantial support systems in wealthier nations.

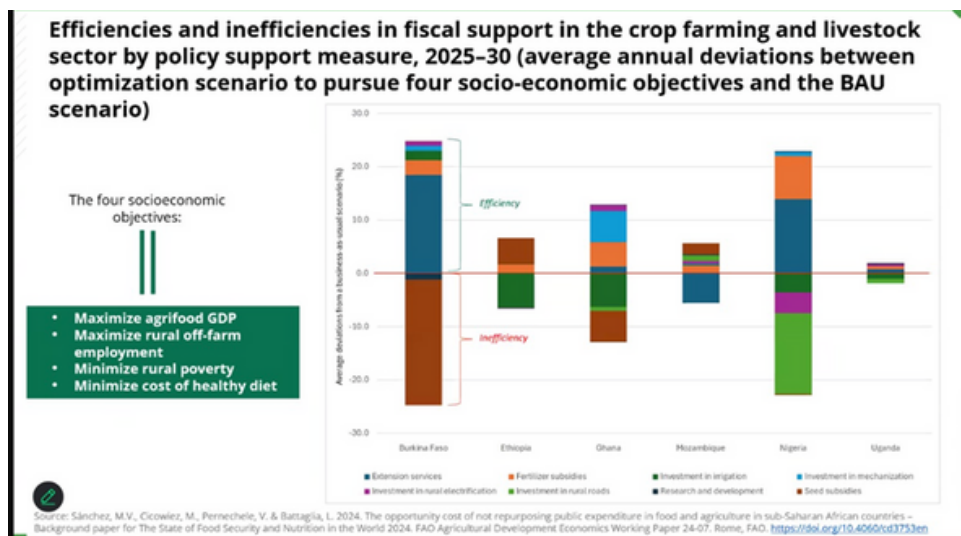
Uneze acknowledged the potential of regional frameworks like the African Continental Free Trade Agreement (AfCFTA) to open markets and boost farmer incomes. However, he warned that inefficiencies particularly excessive layers of intermediaries continue to erode the value farmers receive. Navigating complex regulatory environments also remains a burden, with compliance costs often outweighing benefits.

He closed by urging governments to move from policy declarations to tangible support through procurement, targeted subsidies, rural infrastructure, and regulatory reforms that enable farmers to thrive within evolving value chains.

 *"The value chain fails where the farmer is last and least. Aggregators, public or private, can stabilize markets and incomes when cooperatives aren't enough." —Ebere Uneze*

The Hidden Costs of Agrifood Systems

Marco Sanchez opened by discussing distributional failures in agrifood systems, stressing that policy can both cause and fix inequality. Citing the FAO’s 2024 State of Food and Agriculture report, he highlighted a staggering \$12 trillion in hidden costs from agrifood systems in 2020 alone. The bulk of these were health-related, driven by poor diets, accounting for around 70% of the total. Environmental degradation added another 25%, while social costs stemming from poverty among agrifood workers and widespread undernourishment made up the remaining 5%, or roughly \$600 billion. These social costs, he noted, fall heaviest on low-income countries and are a clear sign of policy failure. Despite the availability of resources, many agrifood workers remain trapped in poverty due to systemic issues and skewed power dynamics that consistently place the greatest burden on farmers.



Marco illustrated this inequity with the USDA’s Food Dollar analysis, which shows that farmers receive less than 14 cents of every consumer dollar spent on food highlighting how value accumulates downstream. In many low-income countries, government policies designed to keep food affordable often suppress farmgate prices, inadvertently discouraging production and distorting market incentives.



Rather than advocating for increased spending, Marco underscored the need for smarter, more targeted public investment. For example, in Burkina Faso, seed subsidies were found to be poorly targeted; reallocating these funds toward extension services, irrigation, or well-designed fertilizer programs could deliver far greater impact.

Marco concluded that with strategic reforms and data-driven decision-making, countries can boost productivity, create rural jobs, reduce poverty, and improve access to nutritious food all without increasing overall public spending.



"You can't fix what you don't measure because policy without data is just hope. With data, it becomes strategy." —Marco Sanchez

Diving Deeper into the Value Chain Transformation

Bridging Systemic Gaps through Contextual Solutions

Dominic Schofield when asked how to strengthen farmers' adaptive capacity and negotiation power, he emphasized that the issue requires both local nuance and systems-level thinking. Real progress, he argued, comes from zooming in on commodity-specific dynamics and zooming out to see structural patterns.

He stressed that no single organization could solve these challenges alone, cross-sectoral partnerships are essential. Furthermore, he warned against framing poverty solely in monetary terms, as this ignores the social capital and community dynamics that underpin rural resilience.

At TechnoServe, the focus goes beyond agricultural training. The organization supports entrepreneurship, facilitates technology adoption, and strengthens market access, particularly through small and medium food enterprises (SMEs). Dominic also underscored the influence of food processors, who shape upstream farming practices and play a strategic role in driving sustainable production. Technoserve's approach is to identify the right "entry points" in the chain, be it farmers, processors, or intermediaries and build solutions that are both locally grounded and systemically connected.

Measuring What Matters in Dairy Systems

Laurence Rycken responding to a question on sustainable diets and rising demand for animal protein, Laurence highlighted how the International Dairy Federation is navigating these shifts. She emphasized that IDF doesn't just promote dairy it builds bridges across stakeholders to manage complexity at every level of the system.

She cited Kenya's shift to composition-based milk pricing as a case in point. This model, which pays farmers based on milk quality (fat and protein content), requires not only new pricing models but also the tools and infrastructure to measure and manage these components accurately. From food safety standards like somatic cell counts to environmental sustainability, the question, Laurence said, is not just what should be measured, but how, who pays for it, and how the value is shared across the system.

Beyond pricing, IDF is working to embed food safety, environmental sustainability, and the value of ecosystem services into national dairy strategies. Ensuring that farmers are equipped, consumers are informed, and systems are designed to capture the full spectrum of value dairy can deliver.

Sustainability, she stressed, must be multi-dimensional. It's not just about reducing emissions; it's about ensuring farmers are equipped with tools like milking machines, and that markets are designed to reward quality and safety. She reiterated that innovation doesn't always mean high-tech sometimes, it's as simple as improving mechanization to stabilize yields and income.

Resilience Through Value Aggregation

Ebere Uneze when asked about strengthening cooperatives, Ebere responded with a pragmatic view: success lies in recognizing where and how to engage not in choosing one model over another. Drawing from his experience, he described how COVID-19 and Nigeria's cashless policy disrupted egg markets. In response, he transitioned to egg powder production, creating a buffer against market shocks and aggregating produce from smaller farmers.

This aggregator model, while not a traditional cooperative, embodies the same collaborative spirit and serves a similar function—market access, liquidity, and income security. He also flagged structural barriers like access to technology and regulatory hurdles, which often prevent farmers from moving up the value chain.

From a policy perspective, Ebere stressed that governments need to recognize these dynamics and support farmers accordingly, whether they operate as cooperatives, family farms, or informal networks. Strategic subsidies, targeted procurement support, and infrastructure investment are all critical to helping producers strengthen their positions in the market.



"Government support doesn't have to mean doing everything, it means creating the right conditions so farmers, in whatever model they choose, can access value, maintain liquidity, and build resilience across the chain."—Ebere Uneze

Policy Monitoring as a Pathway to Equity

Marco Sanchez in response to a question about successful policy reform shared an overview of FAO's Monitoring and Analyzing Food and Agricultural Policies (MAFAP) program run by Agrifood Economics and Policy Division of FAO to monitor agricultural policies using data-driven indicators—a practice that remains rare but critically important. By tracking how policies evolve over time, and how they impact value distribution across the agrifood chain, FAO is able to uncover where and how farmers are being supported or hindered.

He shared an example of Mozambique's cotton sector, where a key metric called the nominal rate of protection was used to track whether domestic prices provided positive or negative incentives to farmers. FAO uncovered flaws in how cotton prices were set keeping farmgate prices artificially low. That means they were being penalized by the very policies meant to support them. By reforming the pricing formula to better reflect market signals and currency fluctuations, farmers gained a fairer share of value over the time.

Marco emphasized that policy reform must be informed by real-time data. Metrics like the Nominal Rate of Protection help diagnose when farmers are being inadvertently penalized. His message: “You can’t fix what you don’t measure” underpins FAO’s broader philosophy, invest smarter, not more, and track the ripple effects through the value chain.

Audience Q&A Session

Advocacy in Tough Settings

Ebere Uneze when asked about effective advocacy strategies, emphasized that success often hinges on patience and personal connection not just strong ideas. He advised tailoring messages to align with political priorities and bringing policymakers into the process physically, not just theoretically. His pragmatic view underscored the need to make advocacy relatable and reciprocal—turning policy support into a shared win, not just a demand.

Marco Sanchez built on this and focused on fiscal realism. In regions like Sub-Saharan Africa, he said, there’s often little room to increase government spending, so advocacy must emphasize efficiency over expansion.

He illustrated FAO’s strategy: frame policy proposals as delivering multiple returns—economic, environmental, and nutritional. For instance, restoring degraded land doesn’t just help ecosystems; it raises productivity and strengthens food systems.

“*With the same resources, governments can achieve much more across the Sustainable Development Goals.*” The key, he highlighted, is evidence. Policymakers act when they can see how one smart investment unlocks several national priorities at once.

Concluding Remarks

The moderator **Prof Rabingge** summarised the points making one thing abundantly clear: value distribution across the agrifood chain is a collective responsibility. It cannot rest solely on the shoulders of governments or farmers’ organizations, every actor, from consumers to retailers, must play a part. He underscored the urgent need to align agricultural policy with food systems transformation, especially in promoting healthier diets. While governments must take the lead, their capacity and commitment vary, making international platforms like the World Agriculture Forum essential for fostering dialogue, sharing knowledge, and driving coordinated progress.



“Fair food systems don’t emerge by chance, they’re built through cooperation, informed policy, and smart, context-driven investments.” —Prof Rudy Rabingge

➔ **SNAPSHOT TABLE: COMPARATIVE PERSPECTIVES**

Theme	Dominic Schofield	Laurence Rycken	Ebere Uneze	Marco Sanchez
Role of Smallholders	Entrepreneurs, not beneficiaries	Key contributors to nutrition and environmental resilience	Under-leveraged producers, need empowerment & market access	Disadvantaged actors constrained by systemic policies
Equity focus	Inclusive growth through structural market integration	Gender-sensitive systems and nutrition-centered equity	Power rebalancing along the value chain	Coherent policy alignment to correct distortions
Key Solutions	Digital tools, access to finance, SME's development	Fair pricing models, quality standards, international benchmarks	Value aggregation and local processing	Smarter subsidies, evidence-based policy reform

Strategic Recommendations

1. Recognize Smallholders as Business Actors
2. Reward Ecosystem and Social Contributions
3. Reform Public Spending for Efficiency
4. Reinforce Local-Global Alignment on Standards
5. Rebalance Power in the Value Chain
6. Reduce Compliance Burdens for Farmers

Key Takeaways

1. **Smallholders Are Entrepreneurs, Not Beneficiaries:** Farmers must be recognized as business actors. Empowering them with market access, finance, training, and infrastructure unlocks rural economic potential.
2. **Cooperatives Help, But Aren't the Only Model:** Aggregators, processors, and informal networks can also deliver resilience and liquidity, especially when traditional cooperatives falter.
3. **Value Chains Must Reflect Full Contributions:** From ecosystem services to food safety and nutrition, all forms of value—social, environmental, and economic, should be measured and rewarded.
4. **Smart Policy Beats Big Spending:** Many governments are spending inefficiently. Redesigning subsidies and aligning investments with outcomes like productivity, equity, and nutrition is more impactful than increasing budgets.
5. **Local Action Needs Global Support:** Standards and frameworks (e.g., Codex, LEAP) provide structure, but impact depends on adapting them to local realities with proper tools and incentives.
6. **Data is a Catalyst for Reform:** Tools like MAFAP and indicators such as the Nominal Rate of Protection are essential to diagnose value loss and guide policy reforms.
7. **Women Are Central to Resilient Food Systems:** Access to finance and resources for women farmers isn't just fair, it's smart economics. Women tend to reinvest and outperform in repayment and yield.
8. **Sustainability Must Be Incentivized:** Farmers need mechanisms to be paid for producing not just more, but better, nutrient-rich, sustainable, and safe food.

Conclusion

The webinar underscored that rebalancing the agrifood value chain is not a technical issue alone it's a strategic, social, and political one. Ensuring that farmers and rural communities receive a fair share of the value they help create requires targeted investments, smarter policies, and stronger partnerships across sectors.

The future of food is not only about producing more but about sharing more fairly. Only by integrating equity, sustainability, and resilience into food systems can we meet the challenges of poverty, malnutrition, and climate change. The responsibility lies with all: farmers, firms, financiers, and policymakers. Equity is not a luxury in food systems. It's the foundation of sustainability.

CONTACT

Email: Mehnaz.wani@worldagricultureforum.org

info@worldagricultureforum.org

Website: www.worldagricultureforum.org