

RURAL DEVELOPMENT through DECENT WORK

FOR GROWTH, PRODUCTIVE JOBS, INCOME, FOOD SECURITY, GOOD WORKING CONDITIONS, EQUAL OPPORTUNITIES, RIGHTS, VOICE, SUSTAINABLE DEVELOPMENT, CRISIS RESILIENCE

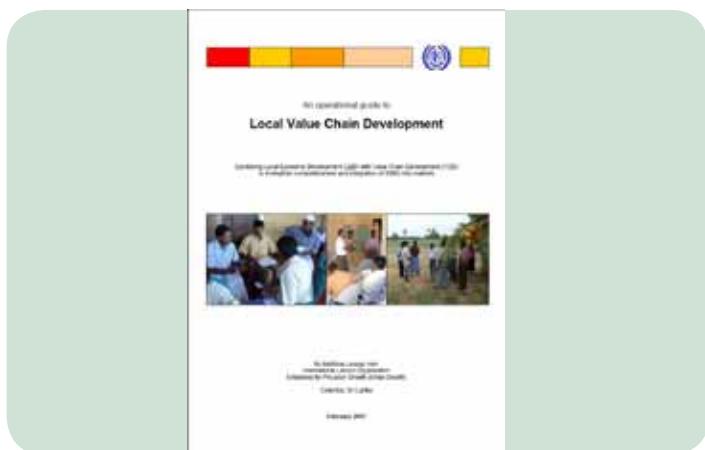


International Labour Office

Rural-Relevant Tools

An Operational Guide to Local Value Chain Development

Themes



What is the Operational Guide to Local Value Chain Development?

A tool combining Local Economic Development (LED) with Value Chain Development (VCD) to strengthen competitiveness and integration of Micro-, Small- and Medium-sized Enterprises (MSMEs) into markets, in use since 2007

For whom?

- **Direct beneficiaries:** LED and VCD practitioners, including local governments, local business associations and other LED stakeholders
- **Ultimate beneficiaries:** MSMEs leaders and managers

For what purpose?

- Identify opportunities and constraints of a particular local sector and its market integration
- Provide simple recommendations that stakeholders can quickly implement, with quick returns. These proposals aim at short-term development and are important incentives for taking up long-term challenges
- Provide guidance for a strategic and sustainable re-orientation of a particular local sector to increase its long-term competitiveness in a national and international business environment

How is it delivered?

The guide is meant to be used by local VCD facilitators to carry out a series of meetings and training interventions that will result in “quick impact” actionable points for the engaged local stakeholders.

What are its components?

Six parts:

- What and why local value chain development?
- Hypothesis workshop
- Start-up workshop
- Focus group discussions and interviews

- Evaluations and results workshop
- Results presentation and follow-up

Which Technical areas are covered?

- Value chain analysis and upgrading
- MSME development
- LED
- Business Development Services
- Association building
- Participatory planning

Can it cover more technical areas?

Yes. The methodology is based on analysing local resources and potential related to a local sector. The Guide can be easily adapted to consider specific aspects of that local sector like social dialogue, child labour, how to improve workplace practices or better include gender aspects when developing that sector. These however can only be included if based on actual local demands.



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Where has it been used?

In 3 countries: Bangladesh, India, and Sri Lanka (see map)

Which languages?

Available in 1 language: English

Is it suitable for rural areas?

Yes, it was developed in a rural context

What are its strengths?

- The value chain analysis uses a participatory approach and combines it with further detailed research
- Includes a set of recommendations on how the competitiveness of the local sector can be increased within the value chain
- Action-oriented approach, which gives local stakeholders tools to improve their own local economy
- Based on actual learning experiences made by the ILO “Enter-growth” project in Sri Lanka
- Strategic combination of LED and VCD
- Complements several other tools on value chain development and LED, such as the ILO guide on *Value Chain Development for Decent Work* and *Making the strongest links* on the inclusion of gender in VCD. It can also be used in combination with business service and management training tools (if local demand is identified) like ILO’s *Start and Improve Your Business*, *GET Ahead*, *Improve Your Exhibiting Skills*, *Work Improvements in Neighbourhood Development*, and *Improve Your Work Environment and Business*



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Is there a training course in ITC-Turin?

Yes, it is included in value chain development training courses, such as “Enterprise development through value chains and business services markets (BLENDED)”

Where to find more information?

- Guide available at:
http://www.ilo.org/empent/Whatwedo/Publications/lang--en/docName--WCMS_101319/index.htm
- Download this and related ILO tools:
www.ilo.org/valuechains
- More on BDS and SIYB:
www.ilo.org/bds
www.ilo.org/siyb
- Training on VCD and pro-poor growth:
www.itcilo.org/marketdev
- The Synergy website: Finance - BDS linkages:
www.itcilo.org/synergies

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