



# Agribusiness assessment tool

## Template

### Introduction

This tool is a screening tool for assessing the rationale for investing public resources in a particular commodity or value chain. PARDI2 staff will use the tool to ensure that decisions relating to the allocation of resources under PARDI2 take a multi-dimensional approach. This includes the market development potential, potential livelihood impacts, and opportunities to strengthen the engagement of women, youth and vulnerable groups.

The tool draws from various existing tools and frameworks, including the sustainable livelihoods framework and markets systems approaches. But, this is a screening tool only. Once decisions about investments have been made, further assessments should be applied depending on the research priorities identified. These can only be designed once the interventions are known and decisions made about the quality of the information and data that already exists and what more might be needed.

The tool is designed to be used at the commodity or value chain level, but can also be used at the agribusiness level.

For further information on the use of the tool please see the attached guidance note.

### High-level Criteria

1. Scale /Target Group (People involved & geographic locations)
2. Market Development Potential (Current and future market potential)
3. Potential for income and livelihood Improvement



4. Enabling Environment (Structures and Processes)
5. Vulnerability and Risk
6. Identified Agri-business Research Priorities and Needs

## Rating levels

**GREEN** Predominately positive

**AMBER** Neutral – a balance of positive and negative factors

**RED** Serious concerns that must be addressed

**GREY** Insufficient information to make an assessment

## Eliminating Factors

- Exclusions (e.g. exploitative labour, tobacco)
- Significant environmental risk

## Summary

[Summarise the results of the assessment tool below by colour coding the tables and providing an overall ranking for each criteria. This can be copied from the summary at the end of each section below once the assessment has been completed.]

### 1. Scale/ Target Group – Rating: xxx

Criteria	Rating
1.1	Significance to country, provincial/state or district
1.2	Geographical scale of current stakeholders/actors
1.3	Number of people involved
1.4	Significance to women, youth and marginalised groups
1.5	Potential for improved income
Overall rating	

### 2. Market Development Potential – Rating: xxx

Criteria	Rating
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2.1	Market characteristics
2.2	Sector performance in the past 3-5 years
2.3	Potential to access markets next 3/5 years
2.4	Potential to upscale & strengthen
Overall rating	

### 3. Potential for Livelihood Improvement – Rating: xxx

Criteria	Rating
3.1	Networks and systems (Social capital).
3.2	Labour, skills, knowledge and health (Human capital).
3.3	Natural resources (Natural capital).
3.4	Infrastructure (Physical capital).
3.5	Availability of finance (Financial capital).
Overall rating	

### 4. Enabling Environment (Structures and Processes) – Rating: xxx

Criteria	Rating
4.1	Presence and influence of structures (govt, private sector, civil society)
4.2	Presence and influence of processes (policy, land tenure and use, traditional economy)
Overall rating	

### 5. Vulnerability and Risk – Rating: xxx

Criteria	Rating
5.1	Vulnerability and risks



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<b>Overall rating</b>	
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## 1. Scale / Target Group

Overall rating: **GREEN**/**AMBER**/**RED**

### 1.1 How significant is this sector/commodity to the country, province/state or district?

Guidance: Provide examples in the 'Evidence of priority' section if the sector/commodity is mentioned in national, provincial and district plans and provide references. Other examples of priority could include levels of resources allocated to its development from private and public sources.  
**GREEN** = mentioned in national strategy as a priority and / or significant resources available for its development **AMBER** = mentioned in provincial strategy or dedicated industry strategy developed, some resources available for its development **RED** = not mentioned in any government strategies and no industry strategy, no resources available for its development.

Scale of priority	Evidence of priority
National	<i>Include details of relevant national strategies / plans where mentioned and level of resources available (H, M, L) for development where known</i>
Province / State	<i>Include details of relevant sub-national strategies / plans where mentioned and level of resources available (H, M, L) for development where known</i>
District / Local	<i>Include details of relevant local strategies / plans where mentioned and level of resources available (H, M, L) for development where known</i>
Overall rating	xxx

### 1.2 Identify the geographical scale of current stakeholders/actors? (country, province/state, district)

Guidance: Provide examples in the 'Comments' section. **GREEN** = relevant for the entire country, **AMBER** = relevant at sub-national level or not yet relevant but with good market development potential, **RED** = not currently relevant and very limited potential

Geographical scale	Comments
Relevance	<i>Describe the geographic scope of production areas, main markets, buyers, processors etc. Include mention of any constraints to expanding the geographic scope (e.g. climatic variables).</i>



Overall rating	xxx
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### 1.3 Number of people (men, women, youth) involved where this contributes to their livelihoods. Number of people in the project target group (across the whole chain) where known.

Guidance: Provide an overview of how important the sector is for women, men and youth by describing the importance of the sector for livelihoods. Include details of the type of industry structure (smallholders, semi-commercial, commercial, dominated by large players). Approximate the total number of men, women and youth in the specific target group (e.g. tomato producers in the Sigatoka Valley).

**GREEN** = 1000+, **AMBER** = 200-1000 target farmers, **RED** = under 200 target farmers.

Demographic	Overview of those involved	Approximate number in the target group	Comments
Women	<i>Significant /somewhat important / limited as a proportion of total population or total producers</i>		<i>Describe the numbers of women involved and any referenced statistics or assessments available. Describe whether women are mainly engaged in a specific aspect of the value chain. Include details of the type of industry structure (e.g. smallholders, medium or large commercial farms).</i>
Men			
Youth			
Overall rating			

### 1.4 How significant is this sector/commodity to women, youth and marginalised groups?

Guidance: List potential positive and negative consequences of this sector/commodity and possible interventions to allow access and promote the involvement of women, youth and marginalised groups. Provide examples in the comments section of how you will address potential negative consequences or enhance positive ones. (Information should be gathered from agriculture and social experts working in the district, province, country or region).

**GREEN** = positive factors outweigh negative, **AMBER** = equal positive and negative factors, **RED** = negative factors outweigh positive



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Factor	Positive	Negative	Comments
<b>Women</b>			<i>Include details of specific employment / business development opportunities</i>
<b>Youth</b>			<i>Include details of specific employment / business development opportunities</i>
<b>Marginalised groups</b>			<i>Describe whether marginalised groups are excluded and opportunities for greater inclusion</i>
<b>Groups with insecure land tenure arrangements</b>			<i>Include details of how land tenure arrangements may exclude certain groups</i>
<b>Group with poor access to markets</b>			<i>Include details of how many people are located in remote areas and would have difficulty accessing markets - it could be a physical measure of distance from road</i>
<b>Low Income households</b>			<i>Include details and statistics where available</i>
<b>Overall rating</b>			

### **1.5 Potential for improved income (not limited to increasing income only, but could also include more reliable, stable income)**

Guidance: Provide examples for the potential for improved income generation for target groups based on previous evidence. **GREEN** = strong potential for improved income (increased or more reliable) **AMBER** = some potential for improved income **RED** = no potential for increased or more reliable income.

Household income level	Potential improvements	Assumptions
<i>Include details of key characteristics of households involved</i>	<i>Include any existing assessment and expert views on potential</i>	<i>Include details of any assumptions that are made that underpin</i>



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	<i>improvements (increases in income, more stable income)</i>	<i>comments on potential improvements in income.</i>
<b>Overall rating</b>		

**Section summary – Scale/target group**

<b>Criteria</b>	<b>Rating [please colour code boxes below]</b>
<b>1.1</b>	Significance of sector/ commodity to the country, provincial/state or district?
<b>1.2</b>	Geographical scale
<b>1.3</b>	Number of people involved
<b>1.4</b>	Significance to women, youth and vulnerable groups
<b>1.5</b>	Potential for improved income
<b>Overall rating</b>	





## 2. Market Development Potential

Wherever possible use referenced statistics. In the absence of statistics, consult with sector experts to describe trends, challenges and opportunities.

### 2.1 Describe the main characteristics of the current domestic and export market

*Where possible include referenced information about the main sources of demand, the structure of the market in terms of numbers of players, Fiji's position in the market and any unique characteristics of the Fiji product that give Fiji a comparative advantage globally. Describe any challenges with expanding or maintaining the current market and opportunities for growth.*

### 2.2 Sector performance in the past 3-5 years (e.g. volume of exports, production area, production volume, participation, value and price. Use existing data collected by partner projects such as PHAMA and MDF where available)

ce: **GREEN** = strong growth above 3% / year, **AMBER** = 0-3% / year, **RED** = 0% or declining

Sector/commodity performance	Levels and average annual growth % (over last 5 years)	Comments
Production volume (for the domestic and export markets)		<i>Include trend details where specific statistics are unavailable to provide information on levels of production and its characteristics – declining, stable, growing and include information on seasonality</i>
Volume of exports		<i>Describe main trends and main destination markets</i>
Participation (increasing or decreasing employment)		<i>Include any information available about levels of informal and formal employment and trends over recent years</i>
Overall value of domestic and export market		<i>Describe the overall value of the sector</i>



<b>Overall rating</b>	
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### 2.3 Potential to access markets next 3/5 years (e.g. local markets, export, hotels)

Guidance: A subjective assessment determining the potential for the sector/commodity to access markets is made based on key opinions of commodity experts. Provide examples in the comments section describing the potential for access to markets. **GREEN** = above 3% growth potential, **AMBER** 0-3% growth potential, **RED** = no significant growth potential

Markets	(Ability to strengthen)	Comments
Local markets	Low	
Tourism industry	Low-Med	
Export	High – 100%	Industry plan as a target of doubling exports
Other		
<b>Overall rating</b>	<b>GREEN</b>	

### 2.4 Potential to upscale & strengthen during or beyond the life of the project

**Guidance:** Describe the potential for actors to scale up the impact of the intervention and necessary conditions for this to happen. **GREEN** = existing mechanisms present within the industry to upscale e.g. availability of investors/ financing, farmers, **AMBER** = medium potential to support upscaling within sufficient training and learning inbuilt to project, **RED** = low potential for upscaling beyond target group.

**Comments:** The number of buyers (3) may be a limitation to growth beyond a certain level. [more information needed on the unmet demand from the existing industry].

More research needed on potential to expand export markets and assessment of how secure the current market is.

<b>Overall rating</b>	
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### Section summary – Market development potential

Criteria	Rating
2.1	
2.2	
2.3	
2.4	
Overall rating	



### 3. Potential for Livelihood Improvement

This section is ordered by the five livelihood capitals of the sustainable livelihoods framework. It is expected that you will not have all of the information required to complete this section but it will identify areas where information is limited.

Only complete sections where information is known. Otherwise leave blank.

#### 3.1 Networks and systems (Social capital)

(Assess the current status of networks and social systems as well as the potential for the sector/commodity to negatively impact on informal safety nets, relationships of trust, reciprocity and exchange that facilitates cooperation or reinforce the presence of networks and connectedness both vertical and horizontal). Please refer to DFAT's country briefs.

Guidance: List the types of networks and social systems that **currently exist** as well as the potential positive/negative impacts the sector/commodity could have to networks and social systems. Provide examples in the comments section of how you intend to address potential negative impacts. **GREEN** = existence of strong networks and systems to support value chain development, **AMBER** = some networks and systems present and potential to strengthen these, **RED** = the absence of networks and systems constrain the development of the sector/commodity.

Factor	Existence of required networks/systems	Potential positive impacts	Potential negative impacts	Comments
<p><b>Does the social, cultural, political and religious context strengthen the value chain or weaken it?</b></p> <p><b>Does the value chain benefit the community and strengthen social structures?</b></p>				<p><i>Include details of informal and formal groups / associations.</i></p> <p><i>Describe how the value chain fits within the current social structures.</i></p> <p><i>Describe the level of trust between actors, informal safety nets, systems of exchange with family /social members</i></p>
<b>Other</b>				
<b>Overall rating</b>	<b>AMBER</b>			



### 3.2 Labour, skills, knowledge and health (Human capital) (Determine the likely impacts (± ve) the sector/commodity can have on skills and knowledge creation and transfer)

Guidance: List likely positive/negative impacts the sector/commodity could have to labour inputs and efficiency, presence of leadership and food and nutritional security and the required capital and potential for capital improvements. Provide examples in the comments section of how you intend to address potential negative impacts. **GREEN** = positive factors outweigh negative by 2 or more, **AMBER** = equal positive and negative factors, **RED** = negative factors outweigh positive by 2 or more.

Factor	Existing	Required	Positive/Negative impacts and opportunities to strengthen
Labour requirements			
Existing and potential for the development of relevant skills and knowledge across Govt, NGOs, private sector etc			
Existing and potential to enhance strong and inclusive leadership			
Existing (+ve or –ve effect) affect on household and community food and nutritional security.			
Overall rating			



### 3.3 Natural resources (Natural capital) (Determine the potential impacts (positive and negative) on the environment and availability, suitability and accessibility of land and natural resources used to sustain livelihoods)

Guidance: List potential positive and negative impacts on these environmental factors and provide examples in the comments section of how you intend to mitigate/address negative environmental consequences. **GREEN** = positive factors outweigh negative by 2 or more, **AMBER** = equal positive and negative factors, **RED** = negative factors outweigh positive by 2 or more. Only complete these for factors that are of particular relevance.

Factor	Positive	Negative	Comments
Accessibility to and quality of the resource (land, marine environment, forests)			
Biodiversity			
Climate change adaptation, and mitigation			
Soil characteristics and quality - soil characteristics.			
Other environmental issues – waste management, air quality (please list)			
Overall rating			



### 3.4 Infrastructure (Physical capital) (Is the sector/commodity supported by good infrastructure (affordable transport, secure shelter and buildings, adequate water supply and sanitation, clean affordable energy and access to information and communication), machinery and equipment that producers (individuals or groups) use to function more productively?)

**ce:** Describe the types of infrastructure that **currently exist** as well as the way that any shortages might be addressed. Provide examples in the comments section of how you intend to address potential shortages. **GREEN** = infrastructure adequate and can support sector growth, **AMBER** = some serious, but not insurmountable infrastructure deficits, **RED** = Major infrastructure deficits that will constrain growth

**Comments:** List the types of infrastructure, tools and equipment that **currently exist**. Highlight where they are constraining growth/ development in the industry. Provide examples in the comments section of how you intend to address shortages in infrastructure, tools and equipment.

Physical capital	Description of existing situation and highlight if constraining industry development	Comments
Affordable transport – road networks, vehicles, shipping, cold chain, etc.		
Supply input and equipment (including hand tools, machinery and ability to maintain)		
Secure shelter / storage/building/packing sheds/cool rooms/		
Utilities - Water and sanitation /irrigation / electrical supply (irrigation		
Access to information / information and communication technology		



<b>Overall rating</b>	
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### 3.5 Assess the current availability of finance (Financial capital) (Cash, bank deposit, liquid assets (e.g. livestock, traditional gifts), credit providing institutions and regular inflows of money (reliable remittances, lease payments, formal income and wages)

ce: List the types of financial capital that the sector/commodity has available and describe how any deficit in financing requirements will be met. **GREEN** = financial capital adequate and can support sector growth, **AMBER** = some serious, but not insurmountable financing deficits, **RED** = Major financing deficits that will constrain growth

<b>Financial capital</b>	<b>Description of available finance</b>	<b>Comments</b>
		<i>Highlight the potential impact of addressing constraints to available finance</i>
<b>Available capital (cash, bank deposit, liquid assets)</b>	<i>List existing sources of finance Highlight whether lack of finance is constraining industry development</i>	
<b>Functional, credit providing institutions</b>	<i>Describe available credit institutions Highlight whether lack of finance is constraining industry development</i>	
<b>Access to financial capital – and where will this come – informal or formal. Examples include reliable remittances, lease payments, formal &amp; informal income, gifts and loans and wages. Also list</b>	<i>Describe available finance from within the sector Highlight whether lack of finance is constraining industry development</i>	





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<b>any in-kind supplies (seeds, fertiliser etc) if common to the industry.</b>		
<b>Other</b>		
<b>Overall rating</b>		

**Section summary - Potential for livelihood improvement**

<b>Criteria</b>	<b>Rating</b>
<b>3.1</b>	
<b>3.2</b>	
<b>3.3</b>	
<b>3.4</b>	
<b>3.5</b>	
<b>Overall rating</b>	



## 4. Enabling Environment (Structures and processes)

### 4.1 Presence and influence of structures (e.g. public sector –national and local government, extension officers, researchers, private sector – buyers, suppliers, financial services, infrastructure, non-governmental groups, civil society groups) to support industry development and livelihood improvements

ce: List the presence and influence of **existing structures** that support the sector/commodity development. Detail in the comments section how you would work within these structures detailing also how weak or non-existent structures may constrain short and medium term growth in the sector/commodity and strategies to address this. **GREEN** = existing structures adequate and can support sector growth, **AMBER** = some serious, but not insurmountable structural deficits, **RED** = Major structural deficits that will constrain growth.

Structures	Level and type of support	Comments
<b>Public sector (national and local government) – including extension, research, policy and marketing support</b>	<i>Describe availability of extension, research and other government support services</i>	<i>Highlight how structures support or constrain industry development and opportunities to address if necessary</i>
<b>Private sector (including buyers, processors, supplies, financial services)</b>	<i>Describe existing industry structure and support available from the private sector</i>	<i>Highlight how structures support or constrain industry development and opportunities to address if necessary</i>
<b>Civil society groups (including farmer groups, informal groups at community level, faith based organisations, NGOs etc)</b>	<i>Describe existing industry structure and support available from civil society groups</i>	<i>Highlight how structures support or constrain industry development and opportunities to address if necessary</i>
<b>Overall rating</b>		



## 4.2 Presence, influence of processes (e.g. government agricultural policy, land use, credit, land tenure, culture, traditional economy, power relations (age, gender, and status)).

Comment: List the presence and influence of processes that support the sector/commodity development. Detail in the comments section how you would work within these processes detailing also how weak or non-existent processes may constrain short and medium term growth in the sector/commodity and strategies to address this. **GREEN** = existing processes adequate and can support sector growth, **AMBER** = some serious, but not insurmountable process deficits, **RED** = major process deficits that will constrain growth

Processes	Level and type of support	Comments
<b>Government policy and associated regulations including land tenure arrangements</b>	<i>Describe existing policy and regulatory framework</i>	<i>Highlight how these processes support or constrain industry development and opportunities to address if necessary</i>
<b>Traditional economy and culture</b>	<i>Describe how the commodity / value chain sits within the existing traditional economy and cultural setting</i>	<i>Highlight how the traditional economy reinforces industry development or are there concerns about undermining the traditional economy and culture?</i>
<b>Other</b>		
<b>Overall rating</b>		

### Section summary – Enabling environment

Criteria	Rating
<b>4.1</b>	
<b>4.2</b>	
<b>Overall rating</b>	



## 5. Vulnerability and risk

### 5.1 Are there risks that may reduce or negate the benefits accruing to the target group(s) (Risks may include climate variability and climate change, market risks, production risks etc.)

Guidance: Describe the potential risks to the sector/commodity. Provide examples in the comments section of how these risks will be reduced. **GREEN** = risk are mainly low or manageable and do not present a major constraint to sector development, **AMBER** = some high risks that will need to be addressed to support sector development, **RED** = Major risks that will constrain sector development

Factor	Likelihood of occurring H, M, L	Impact if it occurs H, M, L	Comments – How will these risks be reduced?
<b>Market risks</b> production risks, concentration of power within buyers / sellers, loss of international markets, price volatility etc	<i>an explanation for the rating</i>	<i>an explanation for the rating</i>	
<b>Networks and systems (Social capital risks)</b> - breakdown of trust, potential for conflict			
<b>Labour, skills, knowledge and health (Human capital risks).</b> unavailability of labour, skills and knowledge, nutritional and food security risks, loss of key leaders			
<b>Natural resources (Natural capital risks).</b> including any environmental, climate change and disaster risks to these natural resources			
<b>Infrastructure (physical capital risks)</b> How vulnerable is the industry			



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to infrastructure damage and dependency?			
<b>Financial capital risks</b>			
<b>Enabling environment risks including political and policy instability, unavailability of supporting extension, research and marketing support, risks associated with land tenure arrangements, cultural obligations</b>			

**Section summary – Vulnerability and risk**

<b>Criteria</b>	<b>Rating</b>
5.1	



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## **6. Identified agribusiness research priorities and needs**

*Reflecting on the identified needs and priorities in the assessment, provide a list of identified research needs that can help to overcome constraints identified above. Provide references where possible. If existing economic analysis and social impact studies have been conducted please draw on these in your commentary.*

*Where these build on existing project interventions or upscale existing research please provide details. Please indicate any links to existing or previous ACIAR research.*

### **Key ACIAR projects/ other projects of relevance**

*Include details of any relevant ACIAR and other projects with opportunities to partner*

### **Key sources of information and literature**