REFOREST

ABSTRACT 4

Agroforestry value chains turn landscape diversity into economic opportunity

Problem:

Agroforestry systems produce a wide range of products, including timber, fruits, nuts, livestock products, cereals, honey and biomass. Yet many farmers continue to sell these products through conventional commodity markets that reward volume and standardisation rather than diversity and environmental value.

Solution:

Agroforestry can create new forms of economic value by linking diversified production with innovative value chains. We show that farmers increased profitability not by producing more, but by producing and selling differently, and by retaining greater control over processing, marketing, and customer relationships. Rather than seeing trees as an addition to agriculture, ReForest research shows that they can become the foundation for new business opportunities and more resilient rural economies.

Benefits and Practical Recommendations:

Build on diversity. Agroforestry enables multiple products to be produced from the same landscape and can spread risk and create multiple income streams.

Reduce dependence on external inputs. Trees can improve soil fertility, reduce erosion, provide shade and shelter, and lower the need for purchased inputs, strengthening the overall economics of the farm.

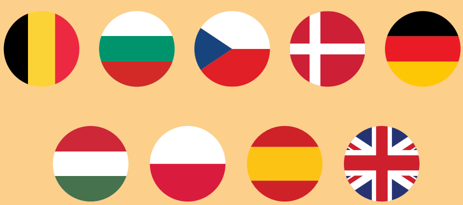
Add value before you sell. Drying, milling, pressing, bottling, or simple packaging can significantly increase product value while supporting market flexibility.

Use quality and provenance to differentiate your products. Consumers increasingly value products linked to sustainable farming, biodiversity and local landscapes. Clear product stories can help access premium markets.

Choose sales channels that match your scale. Direct sales, farm shops, online marketing and local food networks often allow smaller agroforestry businesses to retain a larger share of the final value.

Cooperate rather than compete. Shared processing facilities, local producer groups and regional agroforestry networks can reduce costs and help smaller farms access larger markets.

Geographical Location:



How to use the results:

Successful agroforestry businesses create value not only through what they produce, but through how they process, market and present their products. Farmers should begin by mapping their existing value chain and identifying where value is lost to intermediaries and where greater control can be retained on the farm.

The first steps often require little investment: direct sales, collaboration with local food initiatives, and simple on-farm processing can significantly improve margins. As the business develops, more advanced strategies such as certification, regional branding and cooperative marketing can further strengthen the market position. Working with neighbouring producers can also reduce processing and transport costs while expanding market reach.

The ReForest co-creation with farmers shows that the greatest economic benefits of agroforestry often come not from maximising yields, but from combining several complementary strategies: reducing dependence on external inputs, diversifying products, shortening supply chains and building a strong identity around the environmental and cultural values of agroforestry landscapes.

By linking landscape diversity with local processing, short food supply chains and distinctive farm identities, agroforestry can create products and experiences that conventional farming cannot easily replicate, supporting more resilient and profitable rural businesses.

For practical guidance and case studies from the ReForest Living Labs, visit www.agroreforest.eu.

https://eu-cap-network.ec.europa.eu/projects/practice-abstracts/turning-woody-biomass-long-term-soil-capital-agroforestry_en