



Food and Agriculture
Organization of the
United Nations

Purchase from Africans for Africa (PAA Africa)

Promoting local food procurement to link smallholder
producers to institutional markets: the role of farmers'
organizations

Side Event report

Date: 18 February 2016

Time: 15:30 – 17:00

Room: C600 IFAD HQ

Organizers: WFP and FAO

Facilitator: Marek Poznanski, CSA Belgium

Participants: see list in annex



Purchase for Progress

P4P



Background of the side event

The Purchase from Africans for Africa (PAA Africa) programme is a joint initiative of the World Food Programme (WFP), the Food and Agriculture Organization (FAO), the Brazilian government and the United Kingdom Department for International Development (DFID) initiated in February 2012. PAA Africa aims at promoting food and nutrition security and income generation for smallholder farmers through local food purchase initiatives in five Sub-Saharan African countries: Ethiopia, Malawi, Mozambique, Niger and Senegal.

PAA Africa combines local purchase schemes for school feeding and social protection on three levels: policy, programming and implementation, combining knowledge and operational components. Over the course of 4 years implementation, WFP and FAO have been working with farmers' organizations, local and regional governments. These collaborations supported the development of context tailored models of local food procurement from smallholder farmers that contributed to an increase of crop production and timely delivery of nutritious school meals.

Objectives of the side event

- Present the PAA Africa programme and the concept of institutional procurement
- Strengthen the awareness of the role of farmers' organizations in local food procurement and in food value chains
- Increase participation, voice and recognition of farmers' organization in the process of local food procurement.

Agenda

1. Presentation on "What does "Institutional procurement of food from smallholder farmers" means? By FAO
2. Presentation of the PAA initiative, by WFP
3. Presentation of two cases of farmers' organization mobilizing to engage with public food procurement systems: CAPAD Burundi (by Annick Sezibera) and PAKISAMA Philippines (by Lany Rebagay)
4. Questions / discussions

Introduction

There is a high interest of FOs to connect the family farmers to local food procurement opportunities. Institutional purchase is therefore a very interesting tool for family farmers who are often struggling to find stable markets for their products. With support from CSA Belgium, two meetings were organized on that topic in Kigali – Rwanda (December 7th -10th 2015, www.csa-be.org) and Manila - Philippines (November 24th 2015 www.csa-be.org)

1. What does « institutional procurement for smallholder farmers mean?

Speaker: Luana Swensson, FAO (Luana.Swensson@fao.org)

See PDF presentation attached

Summary of key points of the presentation:

Definition: Governments have many needs for food: schools, army, food security storage, etc. It is called public procurement. The global approach includes other players that are procuring food also: WFP, private sector (private universities/hospitals, etc.). All these global needs are called « institutional procurement »

Objective: link institutional demand for food with local smallholder producers

Benefits: when you link large and predictable sources of demand to smallholders, you reduce risks, and it encourages them to improve quality; it thus improves food systems, increases/stabilizes smallholders' incomes and reduces poverty. The benefits and goals are diverse: social, economic, environmental, and development-wise.

Challenges: But it is not an easy task, it needs a lot of adaptations:

- Policy, institutional and legal frameworks: can have bureaucratic procedures
- On the demand side: logistics, payment times, adaptation of buying procedures, etc.
- On the supply side: quality, quantity, logistics for storage, etc.

There are different institutions and Governments that are developing Institutional Procurement: this is the purpose of PAA Africa

Learn more here: <http://www.fao.org/ag/ags/ivc/institutional-procurement/en/>

2. Purchase from Africans for Africa

Speaker: Francesco Slaviero PAA coordinator at WFP (wfp.paa.africa@wfp.org)

PPT: See PDF version of the presentation attached

Summary of key points of the presentation:

The PAA Africa Partnership: was inspired from Brazil as it has been implemented in Brazil since 2002, as a public policy programme. Through South-South Civil society dialogue, it was exported to other countries and the first priority was given to Africa

Implementing organisation: WFP and FAO

Donors: DIFID and Brazilian government

5 Pilot countries: Ethiopia, Niger, Senegal, Malawi, Mozambique

Objectives of PAA:

- 1) Ensure food security and nutrition for production (smallholder farmers) and the demand (social protection areas, school feeding, improve access to food in the schools)
- 2) Provide technical assistance and expertise on institutional procurements and expertise on technical and management support to FOs.
- 3) Strengthen dialogue among countries in the frame of South-South cooperation

PAA works at 3 levels of Food systems:

- Programming
- Implementation
- Policy

PAA and FOs

- Provides capacity development support in aggregation, storage, processing and delivery of food (quality): using lessons from P4P programme
- Provides support in management to create stronger market linkages across value chains
- Provides support in having access to credit for agric investment

Example in Ethiopia

- Maize, wheat, haricot bean, fava bean: composes food meals of schools
- 2 cooperative unions that are linked to several primary cooperatives

- Procurement of 747 MT
- 7 schools reached
- 9655 pupils targeted

Modus operandi: the regional governments procure food directly from the FOs who process and organize the delivery of food to school.

Other examples were given in Malawi and Mozambique (see details in PDF/PPT)

Monitoring and Evaluation

- Monitoring and Evaluation is done in the 5 countries
- There will be evaluation in Senegal and Malawi soon
- Organizing KM events in all 5 countries also to share experience among countries

Next Phase: PAA is reaching the end of its second phase and will enter soon in a “scaling-up” phase

- Phase 1: Feb. 2012 - Dec.2013
- Phase 2: Jan. 2014 – June 2016
- **Scale up phase: 2016-2019**

An International seminar in Rome planned in May 2016: to reflect on the scaling up:

- Support diversification of the crops at local level to diversify the food meals (PAA+N)
- Pilot innovative approaches on food procurement and decentralization modalities (PAA+M)
- Support the integration of local food purchase for public demand to the national policies (PAA+P)

Learn more here: www.paa-africa.org

3. Role of farmers’ organizations in institutional food procurement

a) Experience from CAPAD - Burundi

Speaker: Annick Sezibera, CAPAD (capad_shirukubute@yahoo.fr)

PPT: See PDF version of the presentation attached

Summary of key points of the presentation:

CAPAD has partnered with WFP for 3 years now and WFP mandated CAPAD to provide technical support to grassroots cooperatives. They learned a lot from this partnership.

In parallel, in the Great Lakes region (Congo, Rwanda, Burundi), a regional dynamic of FOs, which are involved in a “professionalization through knowledge sharing program”, have been working on institutional purchases program for the last three years. (http://csa-be.org/spip.php?page=producteurs&id_rubrique=15&id_mot=198)

One of the key aspects of their work has been to question the existing legal frameworks in countries in order to see which aspects banned or enabled FOs to feed in public procurement of food products. As of now, only Rwanda has set up a quota of 40% of public procurement that should come from smallholders’ organizations.

Main challenges faced by FOs following the Kigali Workshop

- Institutional markets are often partnering with FOs that have strong capacities: minimum production level, capacity to mobilize funding and storage investments, high quality of products, etc.

- It therefore excludes small FOs that have not reached yet this level of professionalization.

Roles of FOs in facilitating access to institutional markets

Role in policies:

- Influence the legal frameworks promoting the participation of small farmers and their FOs in institutional markets
- Require roads and all other appropriate infrastructures
- Demand for further support mechanisms: capacity building of FOs
- Networking with other players, catalysts to work on other links of the chain (inputs provision, credit access, processing units)

Role in providing technical support:

- Knowledge of the needs of producers, especially in the area of capacity building
- Capacity building of grassroots FOs: negotiating access to credit, contract negotiations, facilitate the understanding and respect of the buyers' specifications: e.g. CAPAD was able to negotiate flexibility with WFP and showed WFP what is the best time to purchase from FOs
- Systematization based on FOs' experiences

Rationale to engage with National FOs to partner with institutional food procurement initiatives

- All actions with FOs are inscribed in a sustainability framework: engaging with NGOs is less sustainable as they change their focus with time; but FOs remain.
- Apex FOs have solidarity relationships with their members (and sometimes the governments)
- Link all the achievements of institutional purchases activities to other markets opportunities (quality reached, overall professionalization of FOs is benefiting to smallholders' access to other markets)
- Bring the concern of smallholders to government level in order to influence policy

b) Experience from PAKISAMA and AFA in PAHP - Philippines

Speaker: Lany Rebagay, AFA (afalany@asianfarmers.org)

PPT: See PDF version of the presentation attached

Summary of key points of the presentation:

Context:

- The Philippine Anti-Hunger and Poverty (PAHP) Program: is still at a very young stage
- There was a learning exchange in Brazil (for legislators and government leaders from the Philippines) (<http://asianfarmers.org/?p=3753>)

Role of FOs in institutional purchase of food:

- Advocacy: FOs can advocate for a good law on institutional purchase and FOs can be involved in budget for institutional purchase through bottom-up budgeting process (BUB)
- Infrastructure
- Brokering/ linking FOs to government
- Facilitate knowledge sharing
- Technical support to members: contracting, training, facilitating farm inputs

At AFA level:

- KM: AFA facilitated visit to Vietnam for Indonesia farmers
- Advocacy at ASEAN levels: programme on social protection
- Link FOs to other regions

4. Main Questions and Areas for Discussions

The following questions/issues were discussed:

Modus operandi of public purchase for food products support programs:

The Brazilian experience of COPERUC was briefly presented. FAO representatives added that the particularity of Brazil experience is that they piloted many different models there, and it demonstrated that the role of FOs was crucial and did influence the success of one model over another.

The modus operandi has to be adapted to the local context: there is no “one-fits-all” modus operandi and learning from various experiences in countries (including P4P initiatives) can help identify the best way to support public purchase. A comprehensive analysis of the context needs to be done prior to defining the way to support them. For example in Ethiopia, the FOs are quite strong at national level, but more needs to be done for the grassroots cooperatives who need very high support: capacity, management, overall organization, etc.

Engagement in public purchase can be made through tripartite arrangements between producers, beneficiaries (schools, community-based programs...) and government.

Some conditions and limits to public purchase programs were mentioned

Capacity building of producers and their FOs is key to the success of such programmes, especially on quality and quantity of products. They would also need support for storage activities when the delivering times differ from production seasons.

There are limitations in terms of logistics for deliveries: for example sometimes schools don't have proper storage facilities

What emphasis is given to policies in the “scaled-up” phase of PAA and what role for FOs?

PAA is a small project with a small budget: it is aiming to pilot one model per country. The scaling-up phase aims to experiment other modalities in the same countries, so it is not really up scaling in terms of numbers per se.

PAA is preparing this “scale up” phase to transfer all the knowledge to the policy-making level. The piloting of PAA is also a pilot in terms of support to national policies: for example in Ethiopia, the government has designed a national strategy for school feeding.

Design of scale-up phase: PAA has involved a wide range of stakeholders to help design the “scale-up” phase: for example in Ethiopia: government institutions, cooperatives, institutions, helped to design the next phase.

The idea is that each country will have FOs ready to participate in institutional markets and PAA plans to support governments and FOs to pilot some models of institutional food procurement, depending on the context. The reality is that in some countries, some small FOs are not connected to umbrella FOs so for public policy purpose and in order to facilitate a proper scaling-up of those programs, both local FOs and apex FOs should be involved

It is important to learn from experiences from WFP, FAO and other relevant stakeholders to implement the scale-up phase.

How to better involve apex FOs in the scaling-up process to bring the issue to the policy level?

Rationale for apex FOs' involvement:

- FOs have a key role to play in policy making to promote relevant public policies where public procurement of food is addressing FOs' marketing and capacity building needs.
- Apex FOs can help linking food demand to food supply:

What PAA is doing or plans to do:

- NFOs are invited to international seminars and workshops and they can contribute here
- For example, in Mozambique, UNAC is not directly engaged in grassroots operations but in the national dialogue (discussing the results of the pilot especially with governments)
- PAA's intention is to promote FOs-government dialogue for institutional food procurement programs

All participants recognized that apex FOs should be involved in the process of going from pilot to policies.

Engagement of FOs in policy dialogue at global level:

There is also global policy dialogue between FOs and governments on the topic of institutional purchase for food: indeed it was one of the topics of the 2015 CFS in Rome, especially in the CFS [High level forum on connecting smallholders to markets](#), June 2015 (see section on "public procurement and local purchase from smallholders" pages 18 to 21)

Annex: List of Participants

N°	Name	Organisation	Contact
1	Annick Sezibera	CAPAD - Burundi	sezannick@yahoo.fr
2	Sage Mumbere Masinda	SYDIP - DRC	sydiprdcongo@yahoo.fr
3	Jacques Strebelle	Consultant ex FAO	jstrebelle@yahoo.com
4	Claus Reiner	IFAD CPM Argentina, Paraguay, Uruguay	c.reiner@ifad.org
5	Joseph Gafaranga	IMBARAGA - Rwanda	gafarangajo@yahoo.fr
6	Jussarpo Dantas De Souza	COOPERCUC - Brazil	jussara@coopercuc.com.br
7	Ana P. Sibayan	PAKISAMA - Philippines	anasibayan10@gmail.com
8	Lany V. Rebagay	AFA	afalany@asianfarmers.org
9	Kimkodila Tombo Dolores Hortense	CNOP-Congo - PROPAC	kimkodilahortense@yahoo.fr
10	Carola Kenngott	WFP	carola.kenngott@wfp.org
11	Luana Swensson	FAO	luana.swensson@fao.org
12	Florence Tartanac	FAO	florence.tartanac@fao.org
13	Israel Klug	FAO	israel.klug@fao.org
14	Fanny Grandval	IFAD consultant	fanny.grandval@gmail.com
15	Michela Cristiani	IFAD	mcristiani13@gmail.com
16	Gaelle Perrin	IFAD/PARM	g.perrin@ifad.org
17	Gianina Pozzebon	Representation of Brazil to Rome-based Agencies (FAO/IFAD/WFP)	gianina.pozzebon@itamaraty.gov.br
18	Paolo Silveri	IFAD CPM Brazil	p.silveri@ifad.org
19	Fernanda Thomaz	BNPES/Brazil ¹	fernandarocha@bndes.gov.br
20	Alessandra Mineiro	BNPES/Brazil	amine@bndes.gov.br
21	Nathanael Buka	COPACO DRC	copacoprpr.rdc@gmail.com
22	Kahambu Bugimgo	LOFEPACO DRC	lofepacordc@gmail.com
23	Marek Poznanski	CSA Belgium	marek.poznanski@csa-be.org
24	Caroline Amrom	CSA Belgium	Caroline.Amrom@csa-be.org

¹ Brazilian development bank