



International Knowledge Sharing and Learning Workshop on Institutional Purchases

November 24, 2015,
La Breza Hotel, Quezon City



FÉDÉRATION
WALLONIE-BRUXELLES



**Food and Agriculture
Organization of the
United Nations**

INTERNATIONAL CONFERENCE ON INSTITUTIONAL FOOD PURCHASES

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On November 24, 2015, PAKISAMA organized the *International Conference on Institutional Purchases* in Quezon City, Philippines which brought together 120 representatives from its member-farmers' organizations' (FOs) and partner agencies in the Philippines, Indonesia and Vietnam, as well as resource persons from Brazil, Belgium and FAO-Rome. The conference aims to share and learn from experiences and initiatives of existing institutional food purchase programs and policies, as well as identify challenges, opportunities and action points to improve farmers' engagement in government food purchase programs.

Over the past year, PAKISAMA has organized three national conferences discussing the Partnership against Hunger and Poverty (PAHP), an institutional food purchase program that was launched in the Philippines in December 2013, in partnership with the Food and Agriculture Organization (FAO) and UN-World Food Program (WFP) and with technical assistance from the Brazilian Government. These discussions were organized as a response to the lack of official involvement of FOs/CSOs at the PAHP national level, and were inspired by exchanges with Brazilian civil society which has shown the crucial role of FOs in the design and implementation of institutional food purchase programs.

Through a video message, Mr. Olivier de Schutter, former United Nations Special Rapporteur on the Right to Food (2008-2014), commended that the conference is dedicated to how the public purchasing of food can support small farmers and small fishers in the Philippines. About 6-10% of the GDP of countries worldwide is in the hands of the public sector, and a significant part is for buying food. Mr de Schutter said that the purchase of food by public administrations, schools, hospitals and other public institutions is a uniquely effective way to encourage transition to sustaining food systems that follow ecological practices. This strategy can improve health outcomes, increase incomes for small farmers by giving them better access to markets, and thus contribute to rural development and the reduction of poverty. Important laws have been adopted in Brazil in 2009 and Bolivia in 2015 to promote institutional food purchase where at least 30% of food in school feeding programs are bought from smallholder family farmers.

Mr de Schutter also emphasized that institutional food purchases need to have four components. First, food has to come from local sources to support the local community's economy and improve its quality by cooking fresh food in the schools, etc. Second, food must comply with certain nutritional requirements. Third, food should be sourced from small farmers who do not have the opportunity to reach markets, and who should also be provided with technical support, training and space for involvement in the design of the public programs to be competitive. Fourth, the food purchase program should contribute to the shift into agri-ecology farming. Mr de Schutter also said that they were watching what is happening in the Philippines so that these initiatives continue to inspire many other regions of the world.

In her keynote address, Undersecretary Rosalinda Bistoyong of the Department of Agrarian Reform (DAR) gave an overview of the PAHP the DAR implements in collaboration with the Departments of Agriculture (DA) and Social Work and Development (DSWD). The program provides smallholder farmers with an assured market for their produce while at the same time ensuring quality, healthy and nutritious food for their children in day care centers that are managed by local governments. With Brazil's "Zero Hunger" (*Fome Zero*) strategy as model, the PAHP aims to integrate social protection measures in eliminating hunger, food insecurity and reducing poverty.

USec Bistoyong also shared that the PAHP is being piloted in the Bicol Region, and rolled out in Region 8, particularly in areas affected by super-typhoon Yolanda (Haiyan), and in the Zamboanga peninsula where poverty and severe malnutrition is prevalent. The PAHP implementers have prepared a manual on community participation containing guidelines on how FOs can participate as contractors or service providers in the PAHP. Once approved, the PAHP's procurement is expected to be more efficient and streamlined. As well, two bills that promote institutional food purchase – the *National Food Security Act* and *Right to Adequate Food Framework Act* – have been filed in Congress.

Mr Lawrence Cruz, the PAHP National Coordinator, provided more information about innovations being introduced in the PAHP, e.g., shift from "menu-based crops" to "crops-based menu", pro-forma Marketing Agreements between ARB organizations and local government units, and a proposal to buy at least 30% of feeding program food requirements from smallholder FOs.

Mr Celso Ludwig, Policy Coordinator of FETRAF-Brasil (National Federation of Workers in Family Farming), presented key features of Brazil's institutional food purchase. The program aims to support the food production of Brazil's four million family farmers, supply quality food to schools and other institutional markets, produce strategic stocks, and promote cooperativism. It started small with feeding programs in government schools, hospitals, restaurants and other institutional markets, and grew in time. Mr Ludwig also stressed that food producers do not only rely on institutional markets but also go to the supermarkets, etc. Farmers' organizations played an important role at the national level through their inclusion at the National Council for Food Security and Nutrition (CONSEA), and at the regional and local levels, e.g., in the menu preparation of feeding centers. Several challenges were encountered and addressed over the 10 years of its implementation such as budget, food prices, etc.

Ka Rene Cerilla, President of PAKISAMA, shared his insights from an Executive-Legislative Study Mission to Brazil in July 2015 where he participated as the only FO representative to bring the farmer's perspective in the exchanges. The study mission which was organized with the support of the World Food Program-Philippines aimed to deepen understanding of Brazil's *Zero Hunger strategy* to improve the PAHP implementation by adopting the best practices and laws from Brazil's experience. The mission included field visits to "supply" (e.g., smallholder farms) and "demand" side (e.g., food hubs, canteens) and looked at programs like the Food Acquisition program (PAA) and National School

Feeding program (PNAE) which allow family farmers to sell their products to government at fair prices, and in the process empower local farmers as well as nourish families.

Ms Violeta Corral of PAKISAMA's Knowledge Management Unit presented the lessons learned from PAKISAMA's experience in engaging national agencies and local governments implementing the PAHP, specifically in Camarines Sur and Aurora provinces by its members Golden Parauma Producers Cooperative (GPPC) and Casiguruhan Natin Organic Farmers' Association (CNOFA), respectively. The PAKISAMA experience underlines the need for FOs to better engage the highly-promising PAHP program that partly but significantly responds to the need of farmers for assured market for their products. There is an urgent need to address design, contracting, and FO capacity-building issues for the PAHP to achieve its intended food security goals for consumers and increased income goals for smallholder farmers. PAKISAMA believes that institutional purchase can bring an added dimension to enhancing farmers' market power where farmers are also selling their products with a social purpose. The Brazilian model which increases the income of participating farmers by 10-50% is an inspiring story to Philippine farmers.

Mr. Ernie Lim, Policy Consultant of Asian Partnership for the Development of Human Resources in Rural Asia (AsiaDHRRA), presented his research on expanding market access for family farmers through innovative food purchase models and various policy options. Brazil's model innovated on program management structure, menu development, support services and procurement, while responding to such challenges as competition from big food players, lower prices of government because of bidding and effective participation of family farmers in structured demand. Mr Lim also shared features of alternative models in Japan, e.g., Michi-no-eki (road side stations) and Tekei (direct producer-consumer networks).

Farmer leaders from member FOs of Asian Farmers Association (AFA) also shared their country's experiences with institutional purchase. Mr Lodzi Hadi of Aliansi Petani Indonesia (API) said that although Indonesia does not have a food purchase program similar to Brazil, API is involved in the government's organic rice purchase program from small farmers. He added that the lessons learned at the conference can also be promoted in Indonesia. Mr Huu Van Pham of Vietnam Farmers' Union (VFNU) talked about his country's efforts to address hunger and poverty through increased farm productivity and various pro-poor programs with strong support from government. The FAO has also supported the creation of a steering committee to draft the "five pillars" against hunger – for all people to have food; to reduce the price of rice or food; children from 2 years old to have good education; sustainable food system; and income for small scale farmers through increased harvest.

Resource persons from Food and Agriculture Organization (FAO)-Rome presented highlights of a forthcoming FAO study on "*Institutional Procurement of Food from Smallholder Farmers*" that provides an analysis of the Brazilian and PAA-Africa experiences in Latin America, Africa and Asia.

Mr. Israel Klug, PAA-Africa Coordinator, defined international purchase as when government decides to buy food from small farmers' association and cooperatives, with four key characteristics: a) why government is buying food; b) what are its benefits; c) what are its implications in the implementation of different programs; and d) what are the basic conditions.

Ms. Luana Swensson from FAO-AGS shared the lessons on legislation and contracting from cases in Rwanda, Kenya, El Salvador, Guatemala, Tanzania, Ethiopia and Ghana. Three legal issues linked to institutional purchase programs are: a) regulation of public procurement; b) development of a legal definition of smallholder or family farming producers; and c) legal structure and regulation of smallholder producer organizations. The Purchases from Africans for Africa (PAA-Africa) is an FAO-WFP managed program that is a collaboration on institutional food purchase between Brazilian government and 5 African countries (Nigeria, Senegal, Ethiopia, Mozambique and Malawi).

Ms Caroline Amrom of Brussels-based Collectif Strategies Alimentaries (CSA)

remarked that the conference has demonstrated models on institutional food purchase that bring good social, environmental and economic impacts. It is important for National Farmers organizations to intervene to ensure in the elaboration of the program so that the food purchase program benefits family farmers who usually have a weak position in local and national markets. There are three dimensions that need to be addressed through capacitated and more efficient and competitive FOs – supply side, demand side and legal/environmental aspects. Constant dialogue between civil society (FO) and the government is necessary towards a more sustainable program that responds to the needs of the farmers and their communities and targeted clients.

The conference has also shown that in Brazil, FOs play a meaningful role in the elaboration and implementation of institutional food purchase, whereas in the Philippines the role of FOs is limited to participation at the local level mainly as beneficiary. The PAHP is currently not designed to maximize the participation FOs and CSOs in policy-making and implementation. The current purchases involving the feeding centers also do not offer volume nor premium price to organic products and of products by family farmers' organizations. Moreover, the capacity of FOs to produce and deliver on a regular and consistent manner the volume and variety of food required in feeding centers' menu must be enhanced. In scaling-up the PAHP, it is essential to collaborate with a broader based of FOs/CSOs at the national and local level. Important bills like the National Food Security Act need to be pushed to institutionalize the program.

The conference was co-organized with AFA and (CSA), with support from FAO-Région Wallonne, AsiaDHRRA, and DAR.