



IFAD and Farmers' Organizations

Partnership in progress: 2012-2013

Report to the fifth global meeting of the Farmers' Forum
in conjunction with the thirty-seventh session of
IFAD's Governing Council

17-18 February 2014

Overview and Conclusions

Overview and conclusions

Eight years have passed since the first global meeting of the Farmers' Forum and the partnership between IFAD and Farmers' and Rural Producers' Organizations (FOs) is now part of the *modus operandi* of IFAD.

This report is the most comprehensive attempt in IFAD for taking stock of the different experiences in collaborating with FOs and identifying the emergence of regional trends. This provides the starting point for scaling-up and broadening successful approaches in other countries and contexts. The report analyses the modalities of the ongoing partnership over the biennium 2012-2013, highlighting successful stories and achievements within IFAD country programmes and grant portfolio. The report is based on the results of a survey completed by IFAD country programme managers, interviews with relevant IFAD staff and an in-depth desk review of documents concerning ongoing and new projects, as well as selected regional grants and country programmes.

The report deal with different elements of the partnership: at country level with the involvement of FOs in the design and implementation of IFAD country strategies and investment projects; at regional levels through umbrella grant programmes to FOs; and at the global level through supporting FOs in developing common advocacy positions and policy standards on key issues related to sustainable smallholder and family farming.

This report is IFAD's contribution to the fifth global meeting of the FAFO, intended to provide a basis for discussion and an opportunity to identify new ways of strengthening the partnership and building on its achievements.

The report addresses the concerns raised during the global meeting of the Farmer's Forum (FAFO) in 2012. Sections IA, IB and II of the report, provide feedback to requests contained in the final 2012 Synthesis of Deliberations for the systematic engagement of FOs in in the design, implementation, monitoring and evaluation of Country Strategic Opportunities Program (COSOPs), programmes and projects. The request to strengthen FOs' capacity for knowledge management is partially addressed in section IC on specific tools and strategies used to facilitate the partnership between IFAD and FOs. Section ID provides feedback the request to establish a dedicated grant window, within IFAD's grant programme, to provide direct and inclusive support to FOs. The same section contains a response to the request to support selected global FOs' advocacy efforts, such as the one on the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGs) or the one on RIO+20. Feedback on the recommendations that emerged during the 2012 Special session are treated in section III.

Country-level partnerships in ongoing IFAD-funded investment projects

Partnership supported through the implementation of on-going IFAD-funded projects accounts for the most important relationship between FOs and IFAD. The analysis¹ shows that 76 per cent of the partnerships that were foreseen at project design during the period 2006-2011 are still on-going in 2012-2013. Among the FOs involved, 55 per cent are FOs operating at sub-national level,² 29 per cent are national farmers' unions or platforms, and 14 per cent are FOs organised around specific agricultural commodities.

The analysis illustrates that the purpose of these partnerships is balanced between supporting the provision of economic services and FOs' institutional capacity building. The analysis also finds that "advanced partnerships", empowering FOs to directly participate in project planning, implementation, and monitoring are found in 19 per cent of the projects analysed.

Figure 1 Types of support that projects approved during 2006- 2011 provide to FOs

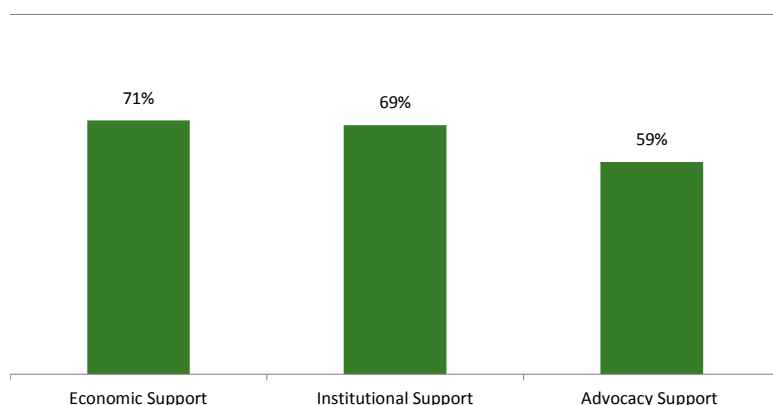
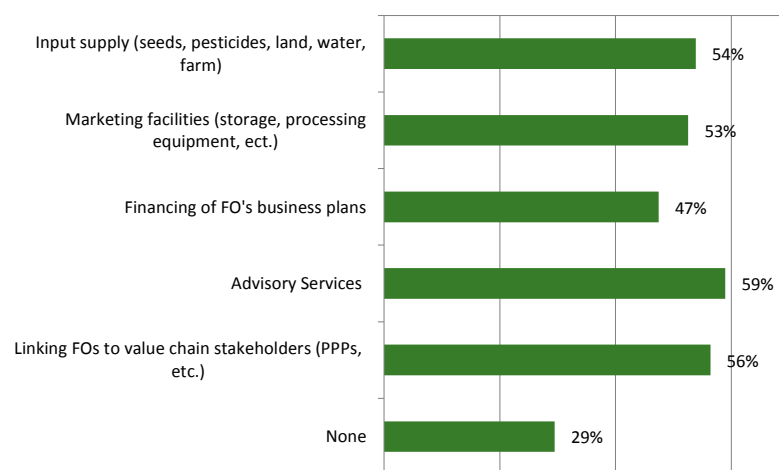


Figure 2 Breakdown by type of economic support



Note: The analysis only includes ongoing projects approved during 2006-2011 which foresaw partnership with FOs at project implementation.

¹ During 2006-2011, IFAD approved 197 projects for a total value of US\$ 3.9 billion. Of these projects, a subset of 115 projects, for a value of US\$ 2.4 billion, envisioned collaboration with FOs at project implementation. Analysis on the ongoing projects presented in this report is based on the review of partnerships within this subset of projects, carried out by means of a survey completed by IFAD country programme managers (CPMs). Survey results cover 78 projects, or 68 per cent of the aforementioned subset. Out of these 78 projects, 59 promote partnerships with FOs at implementation stage.

² FOs operating at sub-national level range from local FOs to regional FO Federations.

Partnerships developed through IFAD's funded projects account also for the most innovative approaches and results at the grassroots level:

- mapping and profiling tools have been used for monitoring results of the partnerships so as to improve them on the basis of the maturity of the Farmers' Organizations (such as with PRODAM in Senegal and PPR in Paraguay and other projects in LAC and WCA regions)
- support to cooperatives/FOs business plans (such as projects in Latin America) and PPP initiatives (for example in Liberia and Sao Tome and Principe) are promoting the development of sustainable and viable business models for the promotion of family farmers through the support to FOs;
- development of a new model (like the PNAFA project in Guinea) for national FOs networks organised through regional Federations enabled FOs to be in the driving seat for the implementation of IFAD's funded projects through their multi-year action plans.

Regional trends in the partnerships between IFAD and FOs

Tailor-made approaches over the last eight years resulted in a portfolio of projects that promotes investment in smallholder and family farming in partnership with FOs. This occurred in different ways across regions.

a) Latin America & the Caribbean (LAC)

In **LAC region**, the main regional trend continues to be supporting first-tier FOs through a progressive combination of institutional and technical capacity building, as well as financing of FO business plans.

Different approaches are taken to support the FO business plans:

- In Paraguay, support is provided through a two-step process. FOs first propose and receive funding for a capacity building plan (CBP) to improve institutional management, governance, credit management, and technical skills related to their major crops. In a second step, the FOs design investment plans (or business plans) and then request the project to fund them. This approach is combined with an assessment of FOs' maturity which determines the type of support that the project will provide. The process strengthens FO capacities, as well as empowers them by putting them in charge of managing the funds for CBP and business plans.
- In Honduras, support is also provided to CBPs in combination with development plans, but the latter depends on the level of development of the concerned FO: (i) stronger FOs that are bulking products to market and with stable relationships with buyers are requested to submit business plans, while (ii) weaker FOs prepare productive development plans focused mostly on food security issues. Both types of plan include investments in collective and private productive assets of farmers, as well as training.

In addition, in the LAC region and in particular in the MERCOSUR sub-region, strong linkages have been developed through regional grant initiatives in support of policy dialogue between governments, regional institutions and FOs on one side and IFAD national programmes on the other side. This is the case of the REAF-MERCOSUR initiatives whereby regional level policy dialogue has had positive impact on the targeting strategy of IFAD country programmes: based on the experience in Brazil, where national registers have been successfully used for targeting for many years, similar national registers of family farmers have been created in Argentina, Paraguay and Uruguay. This has enabled IFAD projects in these countries to significantly improve their targeting methodologies.

b) West and Central Africa (WCA)

In **WCA region**, the focus during the biennium 2012-2013 has been on enhancing FOs' participation in projects/COSOPs designs; thus, 56 per cent of new projects and 100 per cent of new COSOPs have involved FOs as 'special players'. This positive trend has been fostered by two sets of good practices: (i) the mapping and/or profiling of FOs in 67 per cent of newly designed projects; and (ii) the use of a large grant to AgriCord to strengthen the capacity of FOs to participate in IFAD country programmes.

The IFAD portfolio in WCA showcases some very innovative project set-ups, which are empowering FOs as responsible for the management of one or more project components, e.g. the ongoing PNAFA in Guinea and the completed Agricultural Services and Producer Organizations Project (PSAOP2) in Senegal. Financial support for FO business plans has been provided in Sao Tome and Principe, Liberia, and Senegal. Innovative public-private partnerships (PPP) have been pursued in Senegal, where the Agricultural Value Chains Support Project (PAFA) is supporting a partnership mechanism between FOs and market operators in specific value chains. In Liberia, a private exporter of cocoa has been engaging cooperatives to supply their products and to support their members in the rehabilitation of 1,000 hectares of cocoa growing smallholder farms. Moreover, the SFOAP grant has been strengthening the institutional and advocacy capacities of the members of ROPPA and PROPAC.

c) East and Southern Africa (ESA)

In **ESA region**, the partnership with FOs has been evolving in two directions: contracting FOs as service providers or involving FOs in value chains as shareholders of processing enterprises.

For example, the Kenya National Federation of Agricultural Producers (KENFAP) has been contracted by the Smallholder Horticulture Marketing Programme (SHoMaP) to enhance the structuring of value chains and foster the demand from local FO members. Likewise, the Zambian National Farmers Union (ZNFU) has been contracted by the Smallholder Agribusiness Promotion Programme (SAPP) to consolidate its SMS-based services for farmers and traders/processors.

In some ESA countries, this strategy is evolving towards the promotion of **farmer-driven processing enterprises** with FOs as shareholders. In Rwanda, the Project for Rural Income through Export (PRICE) aims to upscale and improve the PPP business model developed in the Smallholder Cash and Export Crops Development Project (PDCRE) to support tea cooperatives' investment as shareholders of tea factories. In Uganda, the IFAD-created Kalangala Oil Palm Growers Trust (KOPGT) works within the Vegetable Oil Development Project Phase 2 (VODP2) as an intermediary with the private sector on behalf of smallholder farmers, and provides technical support and financing to foster the development of these farmers.

d) Asia and Pacific (APR)

In **APR region**, IFAD's partnership with FOs has been taking place in the context of Medium Term Cooperation Programme (MTCP), successfully supporting FOs in promoting the interests of rural smallholders in policy consultations at national, sub-regional and regional levels (e.g. in Viet Nam and Nepal). Moreover, at national level, IFAD-funded projects have focused on value chain driven approaches and PPP (e.g. in China), and financing of micro-project proposals (e.g. in Papua New Guinea). Less emphasis has been given to the involvement of FOs in project design, in preference for strategic partnering during the implementation of the country programme. An exception is Viet Nam, where the Viet Nam Farmers Union (VNFU) and its members have been involved from the outset in the COSOP consultation process and subsequent project activities.

The biennium 2012-2013 was a transition period for the MTCP, which concluded its first phase MTCP1 (2009-2012). The design of the second phase MTCP2 was characterized by a highly participative and innovative approach involving all FO platforms. Thus, if MTCP1 was mostly managed by technical agencies (e.g. the Self-Employed Women's Association [SEWA] in India, and the Food and Agriculture Organization [FAO]), MTCP2 plans to partner only with FOs' platforms and/or consortiums for management purposes. Accordingly, IFAD has been providing support to the formation of the **Pacific Island Farmers Organization Network** (PIFON) and building its management capacity. As a result, PIFON is now a key partner in the implementation of MTCP 2 that has been expanded to the Pacific Islands sub-region.

e) Near East, North Africa, and Central and Eastern Europe (NEN)

The high diversity of national contexts in the NEN region complicates the identification of a regional trend, but also creates opportunities for learning and exchanging experiences. One of the common trends at country level is the promotion of **business-driven approaches** through the promotion of partnerships between FOs and private enterprises dealing with specific commodities (e.g. the West Noubarya Rural Development Project (WNRDP) in Egypt and the Fisheries Investment Project (FIP) in Yemen). The support to FOs is thus focused on their capacity to develop value chain partnerships and comply with market requirements.

More advanced FOs are sometimes contracted within IFAD-funded projects as service providers to their peers (e.g. the Rural Financial Services and Agribusiness Development Project in Moldova). In North Africa, IFAD-funded projects commonly adopt value chain approaches that involve commodity-based FOs at the local level. However, these FOs are usually treated as direct beneficiaries; i.e. they are not empowered to implement project activities and manage associated funds (e.g. the Agricultural Value Chain Development Programme in the Mountain Zones of Taza Province in Morocco).

At the regional level, the SFOAP Main Phase has been extended to North Africa through the Union Maghrébine des Agriculteurs (UMAGRI). The SFOAP's implementation modalities will provide UMAGRI institutional support for the first two years of the five-year implementation period, as well as with support on policy dialogue issues.

Partnership in formulation of country strategies and design of new projects – trends in 2012-13

Progress in the partnerships between IFAD and FOs in the formulation of country strategies (COSOPs) and design of new investments projects has flattened during 2012 and 2013 following a steady increase during the years 2006-2011.

The review of 16 Country Strategic Opportunity Programmes (COSOPs) and 58 projects approved during the biennium 2012-2013 shows that the **overall participation** of FOs in various modes during the design phase remained relatively steady. However, their **active participation** (as special players) in the COSOP and project design process has declined. This might be explained by the lack of appropriate corporate instruments and tools to guide the process, and/or certain external factors, e.g. the nature of projects that did not call for participation, unfavourable political contexts, or issues with FOs' capacity and credibility at national level.

Figure 3 Evolution of frequency of FO participation in COSOP formulation over the last four biennium (2006-2013)

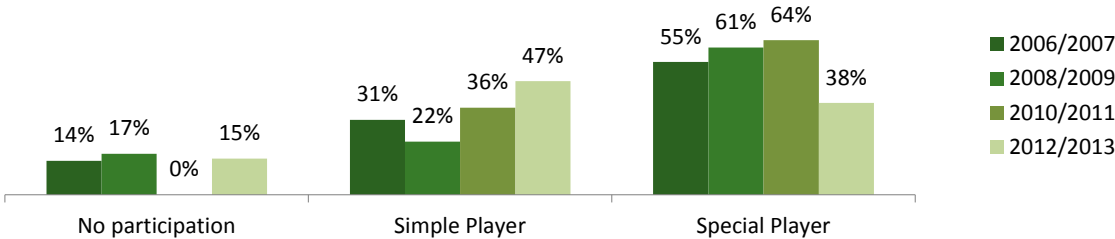
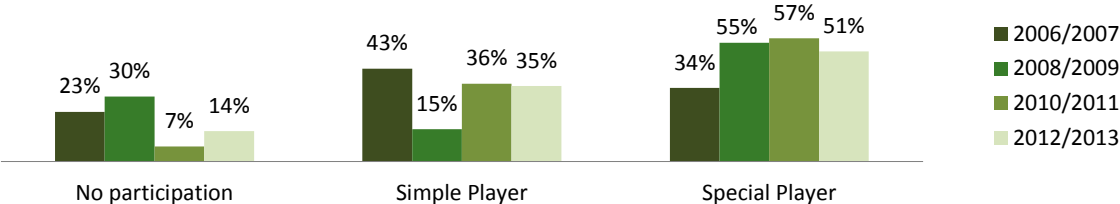


Figure 4 Evolution of frequency of FO participation in project design over the last four biennium (2006-2013)



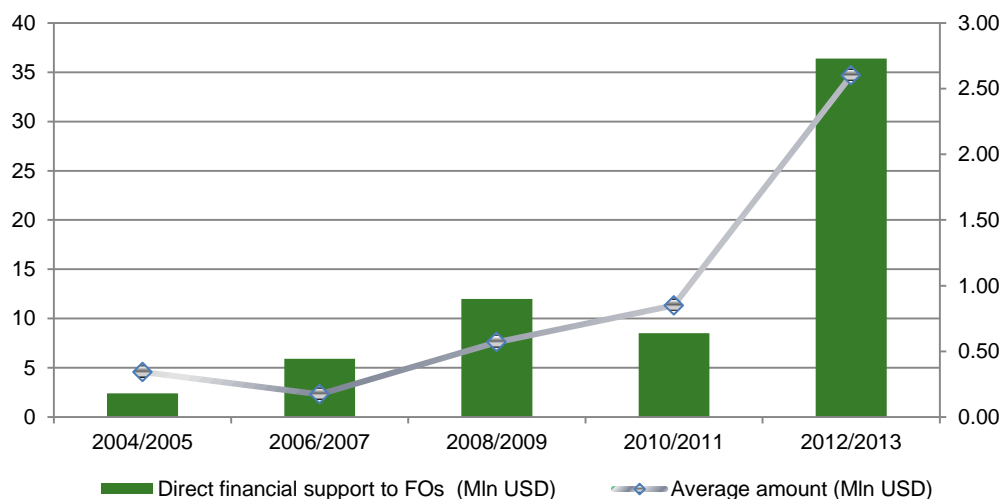
Various tools and strategies developed during the biennium 2012-2013 could help in overcoming some of the challenges mentioned above, for example:

- **Knowledge management (KM) tools** on "How to engage in efficient partnerships with FOs" was developed by the IFAD West and Central Africa (WCA) Division;
- **Mapping and profiling of FOs** has taken place in 61 per cent of new projects and has enabled IFAD to better understand the strengths and weaknesses of various FOs, and thus improve the selection of implementing partners and the targeting of project beneficiaries;
- **M&E tool to measure the level of autonomy and progress made by FOs** supported by IFAD projects was developed by the pioneer Agricultural Development Project in Matam (PRODAM) in Senegal, and subsequently replicated in IFAD's portfolio in Guinea. Similar tools were developed in Paraguay, Mozambique and Zambia, as well as in Asia and the Pacific region;
- **The adaptation of project implementation requirements to FO realities** was undertaken by PNAFA in Guinea, which included the development of a simplified manual of procedures and associated trainings for FOs on its use, as well as the introduction of new contracting arrangements with FOs through a biannual memorandum of agreements; and
- **Support to apex FOs** was provided by the Agricultural Value Chains Development Programme (PADEF) in Congo, in order to foster the structuring of FOs from the local to the national level.

Direct financial support to FOs

A global overview of IFAD grants strategy and financial investments directed to FOs shows that **regional grant programmes** are the source of 86 per cent of direct financing provided to FOs and, since the approval of the second phase of programmes in Africa and Asia, have increased 4.3 times in comparison to the previous biennium – passing from US\$8.5 million to US\$36.4 million. Grant financing has also become more selective and strategic; while the number of grants has only slightly increased, the average grant size has grown from US\$0.86 million to US\$2.6 million.

Figure 5 Direct financial support to FOs: total volume of grant programme and average amount



An analysis of data the 14 grants to FOs approved during the 2012-2013 biennium reveals the following trends:

- a. Regional programmes have been demand-driven and empowering, given that regional grants are initiated in response to, are largely managed by, and address the needs of, regional farmer organizations' (RFO) platforms and their FO participants.
- b. Important alliances amongst donors have been developed through these regional-level programmes: European Commission (EC), Swiss Agency for Development Cooperation (SDC), Agence Française de Développement (AFD) and IFAD in the context of the SFOAP, and IFAD and SDC co-financing the MTCP. With these two programmes a total of US\$26.4 million of co-financing (85 per cent of the total cost of the two programmes of which US\$19.5 million was contributed by EC) has been leveraged by IFAD.
- c. The alliance with EC has gone beyond the SFOAP. EC financial support to AgriCord Farmers' Fighting Poverty in Africa (FFP/A) programme is channelled through IFAD. As a result, the SFOAP and FFP/A are complementary efforts to support national and regional FOs (through the SFOAP) and lower level FOs (through FFP/A programme).
- d. Regional programmes have also fostered long-term engagement, as described below:
 - **Support to Farmers' Organizations in Africa Programme (SFOAP)** was launched as a pilot programme in 2009 to strengthen the capacity of FOs and their regional and pan-African networks to influence policies and support programmes affecting agriculture, rural development and food security in Africa. SFOAP main phase has been extended for a five-year period (2013-2017) and expanded to cover a larger geographical area, supporting 68 national farmers' organizations (NFOs) in 49 countries, five regional networks and the Pan-African Farmers' Organization (PAFO).

- **Medium Term Cooperation Programme with Farmers' Organizations in Asia and the Pacific Region (MTCP)** was launched in 2009 with the objective to improve the livelihoods of poor rural producers by: (i) strengthening the networks of FOs; (ii) strengthening the involvement of FOs in policy processes; and (iii) promoting the involvement of FOs in IFAD country programmes. The second phase of MTCP, designed in a participative manner, will extend its activities and support to more countries of South and South-East Asia, as well as the Pacific region, and switch a more FO-driven implementation set-up.
- **IFAD-MERCOSUR-REAF Programme in Latin America** has been promoting an inclusive regional policy dialogue in the Southern Cone Common Market (MERCOSUR) region for nearly 15 years. One of its main achievements has been the creation of Specialized Meeting on Family Farming (REAF), a platform including high-level government and national farmers' representatives, which has made several significant contributions towards the development of public policies and institutions supporting family farming, among them: the creation of National Registries of the Family Farming in Argentina, Uruguay and Paraguay; the design and implementation of pilot projects on insurance for family farming in Argentina and Paraguay; and support to institutional reform processes dedicated to family farmers in Argentina and Uruguay. A new grant has been developed during the 2012-2013 biennium to continue supporting the inclusion of family FOs in policy dialogue and sharing the REAF-MERCOSUR experience with other countries and regions.

In addition, eight small regional grants have been developed during the 2012-2013 biennium to **foster FOs' participation in high-level meetings dealing with the sustainability of family farming** as an answer to global food security.³

IFAD grants have also been used to support FOs at national level through:

- **Provision of technical assistance**, in collaboration with AgriCord. Currently implementing three sets of IFAD-funded or channelled grants, AgriCord supports weaker FOs through institutional strengthening and stronger FOs through peer-to-peer coaching and awareness-raising on policy dialogue issues. The key outcome of these grants has been the leverage acquired by the beneficiary FOs that has enabled them to mobilize further support.
- **Financing of pilot initiatives**, including (i) Empowering Smallholder Farmers in Markets (ESFIM), which supported collaborative work between NFOs and research institutes to generate analysis on market issues, in order to influence public policies in favour of small-scale farmers in 10 pilot countries; (ii) Testing warehouse receipt systems (WRS) as a possible model for supporting marketing and seasonal credit access for smallholders in Burkina Faso and Mauritania.

³ These grants : (i) supported FOs' participation in the process to develop the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGs), as well as the International Guidelines on Securing Sustainable Small-scale Fisheries (IG-SSF); (ii) supported FOs' participation in the United Nations Conference on Sustainable Development, held in Rio de Janeiro in 2012 (RIO+20); and (iii) promoted the International Year of Family Farming at global level. A grant was also designed in 2013 to support the Intercontinental Network of Organic Farmers' Organisation (INOFO) in empowering and promoting the role and interests of organic farmers in the partnership with national and international institutions.

Growing focus on specific groups within IFAD-FOs' partnership

Since the establishment of the FAFO in 2006, IFAD has progressively committed to give special attention to specific groups within FOs, or organizations structured around specific livelihoods. During the fourth global meetings of the FAFO, the farmers called upon IFAD to: further engage in supporting women's leadership within FOs; address issues pertaining to rural youth; and focus on small-scale fisheries in order to promote the understanding of their role in food security and increase their recognition and visibility among policy makers.

a) IFAD's strengthened commitment to support women's leadership within FOs

In 2012, IFAD's "Gender equality and women's empowerment policy" was approved, expressing IFAD's corporate commitment to promote women's leadership. One of its three strategic objectives is *"to enable women and men to have equal voice and influence in rural institutions and organizations"*. Accordingly, IFAD has engaged in a set of concrete initiatives and interventions to reinforce women's leadership in rural organizations:

- **The Rural Women's Leadership Programme (RWLP)** was implemented in 2010-2012. Its objective was to increase the responsiveness of national policies, programmes and institutions to the needs and potential of rural women farmers, working on the creation of an enabling environment and, concurrently, capacity-building of rural women leaders.⁴
- **The "Rural Women Leadership" grant** has been designed to further and scale up the impact of the RWLP by strengthening capacities and representation of rural women in FOs in six additional countries in APR region.⁵
- **The "Knowledge Management and Learning on Gender Empowerment of Producer Rural Groups in East and Southern Africa" grant**⁶ also capitalizes on the momentum created by the RWLP, aiming to amplify the voices of rural women and smallholder farmers in decision-making processes.

Additional activities comprised the development of manuals on how to foster women's leadership within FOs;⁷ and the creation of MERCOSUR Mujeres, a specialized committee addressing issues of rural development and women in family farming.

b) IFAD's commitment to supporting Rural Youth

In response to the recommendations of the global meeting of the FAFO in 2012, which advocated for support to rural youth, IFAD has undertaken a number of related activities at the corporate level during the 2012-2013 biennium. These included the appointment of **youth focal points** in each of IFAD's regional divisions, the **development of a policy brief** on improving young rural women's and men's livelihoods, as well as a number of other IFAD and external studies, reviews and knowledge management tools. Six new grants dedicated to youth were developed during the biennium 2012-2013 and are now at implementation stage.

⁴ The programme was implemented in Madagascar, Nepal, the Philippines, and Senegal.

⁵ Maldives, Sri Lanka, Mongolia, Tajikistan, Pacific, and Lao People's Democratic Republic.

⁶ Activities implemented in Tanzania, Uganda and Malawi.

⁷ Developed and adopted by IFAD projects in Guinea, Benin, Mauritania, and Ivory Coast

While the link between youth empowerment and the potential role youth could play within FOs is not yet explicit within IFAD's approach, a few projects have begun to link support to young people and support to FOs. The most outstanding among them has been the Rural Youth Vocational Training, Integration in Agricultural Value-chains and Entrepreneurship (FIER) project in Mali, which involved FOs and rural youth organizations in the design process and intends to introduce vocational training for young people with linkages to economic opportunities related to the development of family farms.

c) IFAD's commitment towards small-scale fishers

During the global meeting of the FAFO in 2012, a working group on sustainable fisheries was organized to discuss how fishers' organizations and their collective actions could contribute to the sustainable management of marine resources while improving incomes. The group highlighted the need to increase the sector's visibility and recognition of its contribution to food security and poverty alleviation, as well as to support it through institutional and technical capacity building, and partnerships.

IFAD's support towards small-scale fishers has so far focused mainly on enhancing their participation in the design process of the **International Guidelines for Securing Sustainable Small-Scale Fisheries (IG-SSF)**, led by FAO. For this purpose, two complementary IFAD grants were initiated. The consultations supported by the grants generated many lessons and, hence, opportunities to strengthen IFAD's support to fisheries-oriented projects and fishers' organizations.

Conclusion

After eight years of existence, the Farmers' Forum process has demonstrated its relevance. It has indeed changed the way IFAD and FOs are working together. However, the evidence of the recent flattening of progress in the depth of collaborations at project design stage suggests that the existing process is saturated in these core areas. This may appear as a paradox when opportunities to collaborate on smallholder agriculture development projects increase with FOs' own capacity building efforts. The process of the Forum needs to be reformed to adapt to IFAD's and FOs' internal changes, to greater openness of Intergovernmental Organizations to civil society (as for the GAFSP and CFS processes), and more importantly to have a quantum leap in terms of long-standing and continuous partnership with FOs – from the ground up.

The trend of the partnerships over the last eight years has evolved around specific opportunities, such as the country-level partnership developed in Guinea; SFOAP and MTCP at regional levels; and the support to FOs' advocacy campaigns to selected policy agendas such as the Voluntary Guidelines on Responsible Governance of Tenure or the IYFF recently. This pragmatic and opportunistic approach has many advantages but progress in the partnership remains fragile and achievements can be lost in the absence of an organized feedback mechanism.

There is still a lack of organized and on-going feedback from the meetings between IFAD staff and FOs at country or regional level. Therefore the agenda of the global meeting in conjunction with the Governing Council and the selection of participants are decided late instead of building upon a continuous process.



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