# YOUNG FARMERS ACHIEVE IT TOGETHER!

HOW TO IMPLEMENT THE SIX RECOMMENDATIONS OF THE EC TASK FORCE REPORT



FOR COOPERATIVES

## AFRICAN FARMER ORGANISATIONS PUSHING RURAL AFRICA

On 15, 16 and 17 May 2019 in Rotterdam, young guest farmers from Europe and Africa presented an approach on how to implement the six recommendations of the EC Task Force Report for future collaboration between the European Union and Africa. On 15 May the report was introduced by Christina Miranda Gozalvez and Bruno Declercq of the EC. <u>They stated</u> we do not need new initiatives, but structured partnerships and investments are needed. Africa has identified agricultural sector opportunities and now needs to develop its own policy with representation of their farmer organisations and youth. "Africa is in the lead, Europe assists", according to Phil Hogan, European Commissioner of Agriculture and initiator of the Task Force. This document is a reflection of the Open Space working sessions to propose concrete actions and expected results for each of the six key recommendations defined by the Task Force Rural Africa.

#### 1. Local action programmes

#### Expected results for farmers in 2030

Farmer organisations in 2030 will own and steer the development programs. These must be the result of context relevant solutions for context specific problems based on participatory consultations and multi-stakeholder dialogues along the value chain.

Farmers will benefit from these initiatives by:

- Value adding activities on cooperative level
- Extension services from local organisations and cooperatives
- Access to inputs and finance
- Access to required infrastructure for climate change resiliency

Farmers will be connected to modern day information to develop their competences and anticipate on opportunities. There will be proper collaboration between governments, farmer organisations, companies and NGOs, also to influence governmental policies. The end situation is that farming is competitive and sustainable, offers equal opportunities to both genders and has achieved the next level based on available knowledge worldwide.

#### What are we going to do about it?

Agri agencies are going to strengthen existing farmer initiatives like informal groups, associations, cooperatives and other forms of farmer organisations. We are going to build upon grass roots initiatives for extension services to farmers. We will put farmer organisations at the steering wheel of their development programmes so that implementation happens, based on their local needs. Our interventions will be bottom-up. We will engage institutions, governments, universities, local organisations in future interventions. We stimulate public-private partnerships to connect production and value addition to market demand. We will support the development of new business plans for local farmer organisations. We will give emphasis to local financing initiatives, like cooperative banks and Savings and Credit Cooperatives (Saccos) or other credit system with a farmer stamp, and strengthen them involving more farmers in future financing schemes. We continue to promote knowledge exchange between peers and 'near peers', along or across value chains via training, advice and study tours.



#### Carola Schouten

"Current programmes in Africa are not working well enough"

Phil Hogan



## What are the critical success factors?

Critical factors are resources like finance, people, organisations. But we also stress to importance of avoiding negative impact of grants and subsidies, that interfere with sound business development. We need good governance in our organisations and in chain and support parties and above all in governments. The local financing organisations need to be competent and we need to select our partners diligently. We want governments that extend their focus from production to the entire value chain. And above all, farmers need well functioning agri-agencies.

## 2. Environmental sustainability

## Expected results for farmers in 2030

In 2030 we expect to have 30% more sustainable agriculture than today. We hope to cut the CO2 footprint by half. Therefore, a system of risk management (climate change mitigation) will be in place. We have initiated innovative methods of production (less input, water usage). Local knowledge and knowhow at farmers level have increased. They have access to adapted climate smart services that help to mitigate climate change. Innovation is accessible and promoted, shared and exchanged on farmer demand. It will be easy to diversify crops. A big issue that in 2030 is resolved is the rewarding price for farmers. On this topic consumer and farmer awareness will have increased. By 2030, all farmers are organised in farmer owned, led and used associations or cooperatives.

#### What are we going to do about it?

We must work on farmer access to an objective climate information system. Create platforms for sharing knowledge / knowhow. Link farmer organisations to research program on climate for adaption. We want farmers to Embrace (new, innovative) cutting edge technology. Yet, without losing traditional practices that work. We are going to support farmers to advocate for funds to mitigate climate change. Likewise, we support professional advocacy for adequate policy environment and farm inputs. We are going to put emphasis on the development of local markets also to cater for access to sustainable input. We promote, give capacity building and support transformation towards sustainable agricultural practices.

## What are critical success factors?

Well-functioning extensions services are then available for anyone. Sustainable production can be well identified and has a label. Majority of farmers use and apply certified sustainable practices. Term loans are readily accessible for farmer companies and farmers for investments. Mechanisms for cooperation of chain parties with farmers based on co-financing and co-risk sharing along the value chain are broadly used. The property rights on land are clear both for owned land and rented land. At that point, a disaster risk management system needs to be in place to deal with situation like recently in Mozambique. Affordable insurance must be available.





Farmers produce food, landscapes and take care of the environment"

Marc Calon

"We do not need new initiatives, but partnerships"

Bruno Declercq Christina Gozalvez



#### 3. Knowledge, innovation and networking hub

#### Expected results for farmers in 2030

In 2030, this knowledge, innovation and networking hub is managed by farmers. It provides a link between farmer organisations and research institutes. It caters for innovation in agriculture and for ICT, digitalisation, communication and techniques like drones. It helps to build new services based on information, conducts research guided by farmers. It makes market information digitally available for the farmer among others to aggregate production. Farmer organisations will have changed character and be more virtual, based on own communication tools. Professionalisation of farmers and their farmer organisations is a fact. They work closely together with regional and national networks of value chain actors. They support understanding and integration between urban and rural areas and improve the quality of products brought to the market by farmers and farmer organisations. The hub has developed new business models to finance extension and research. Infrastructure in rural areas (roads, electricity, water, internet) is no longer an issue. Decentralised energy systems give broad access to energy for households, farms and companies. The knowledge hub and infrastructure enhance business opportunities and market facilities. It facilitates legal administration and promotes integration between production, raw materials, processing and consumption.

#### What are we going to do about it?

Digital data will initially mainly be used by advisors of agri-agencies. We will train extension officers how to use it and to transfer it to farmers, at the same time train farmers on digital literacy. Replication and upscaling of innovations are enhanced by ICT. We will involve agribusinesses and industry for innovation, contact research institutes, demand better coordination of different research projects and try to promote the Dutch success model combining and synchronizing research, education and extension, as well as the collaboration of governments, private sector and knowledge institutes in a common effort. Yet, we do anything to imbed innovation close to the farmer. That means we let farmer organisations manage the innovation hubs (platform multi-actors). We promote regional fairs to show innovations (now mostly national) and have the participation of farmers sponsored to bridge research to practice. We continue to give political support to advocacy by farmer organisations.

#### What are critical success factors?

Technology, E-learning and radio need to penetrate in rural areas. It must accessible for everyone (via mobile phone, cheap or for free). Data protection is key. For a successful hub, there must be willingness to work together, and to share information out of a mutual interest. Gender-sensitive systems need to be in place that take care of the needs of women and eliminate barriers to participate. Professional farmer organisations and leadership with more trained personnel is required for translating knowledge into applicable ready-to-use information using farmers' local language and in understandable wording. Incentives are needed for farmer 'champions', that is local experts training other farmers via local knowledge sharing. Training and sharing deal with tools but also attitude and behaviour. Farmers field schools and listening clubs in which new information is discussed among farmers, are still powerful mechanisms to share knowledge among farmers. Good governance of local governments, but also at other levels and in farmer organisations is a pre-condition. Decentralisation of decision-making a must. One should align and coordinate policies with local needs.

technical and financial assistance, but Africa is in the lead"





## 4. Access to private finance and to EU cooperation instruments

## Expected results for farmers in 2030

In 2030, stronger cooperatives can provide good business plans and have access to private finance. Farmer organisations then have good business units able to provide sound technical advice to cooperatives and associations. Among farmer organisations, they share experiences, provide good technical consultancy, practical and theoretical training. By that time, there will be a change in the mindset of banks, providing the same access for farmers as they do for commercial and industrial clients. Money will be more readily available, when remittances can be done with lower costs. It might need EU influence to achieve this. In general, the EU instruments to provide capital and funds, technical assistance and support for the enabling environment are in place and famers' organisations can influence the investment policies. More farmers' plans will be built in investment schemes, with input from the EU. Land can be used as collateral, having gained female farmers right to own land. Land and succession legislation will be in place in many countries.

## What are we going to do about it?

Agri-Agencies will promote Public Private Producers Partnership, linking external parties with producers' organisations. So, it is all about blending investments (including farmers organisation investments) to get started and attract private investments. Investment funds are available. Agri-agencies will promote investments beyond agriculture: infrastructure, health and education. Likewise, agri-agencies support with advice, training and exchange investments in the value chain trying to get the benefits to the primary members, local cooperatives. We will emphasize the evaluation of farmers investments over the years, knowing that farmers are the largest investors in rural areas. We need to find out what farmers themselves think about how external investment will boost their initiatives. To achieve stronger cooperatives and farmers organisations we will continue to provide sound technical assistance. We will try and put risk management and assurance schemes in place. In some cases, we might consider subsidies for young start up farmers, an initiative that must be closely monitored and evaluated.

### What are the critical success factors?

Farmer organisations and cooperatives need to have very sound and clear business plans. They need to know the regulations and therefore need to be supported by experts It is important that all parties in Private Public Producers Partnerships share the same objectives. Outreach of external investors to rural areas via local funds, rural banks and rural private sector entities. Also, a mindset change is required affecting the attitude farmers and banks, thinking for instance of savings and credits from the start. "We need a partnership on society, government and business level"

Kees Blokland





## 5. Scale up sustainable value chain development

## Expected results for farmers in 2030

In 2030, cooperatives and farmer organisations have been strengthened and have turned into strong mechanisms of rural transformation. The integration of smallholder farmers into the value chain is a fact. Cooperatives that went into processing have increased. We see 'smoking chimneys' all over the rural areas. A stable member commitment to cooperatives with regards to the delivery of produce, to ensure stable supply to the cooperative, has become the norm. By that time, a healthy balance and competition between farmer organisations and the private sector rules. Transparency and increased knowledge and insight into the value chain actors is a fact. Cooperative governance structures on regional level help in improving regional trade regulations, e.g. on taxes and result in aligned intra-regional regulation of trade and production. There will be a welldesigned trade and logistics infrastructure on regional level. A well-functioning logistical system for agricultural products at farmer organisation level. Farmer's products are available in local and regional stores.

#### What are we going to do about it?

We plan to establish business incubation capacity within producer organisations, with long-term coaching and support. With farmers organisations, we will define the geographical areas and investigate opportunities for action. What production is needed and what can farmer organisations do? Contract farming needs to be strengthened throughout value chains. We will support the set-up and development of a well-functioning production system. We will enhance the communication between value chain actors and let institutions and other actors represent regions, in terms of communication. Farmers and farmer organisations as well as all other value chain actors need to advocate towards national governments. We will support and professionalize the advocacy of farmers for national and regional regulations, customs and logistics. We will help to create space for discussions on trade regulations, infrastructure, security and development of common standards (of products for example). To obtain a more favourable environment for (young) farmers.

#### What are the critical success factors?

In any case, strong and pro-active farmer organisations and cooperatives are paramount. There must be clarity on identified production schemes and the diversified landscape of markets that can be served. There is much need for technical support to scale up ownership in the value chain and feeling responsibility for the position in the value chain. Access to inputs and favourable conditions for food production to be able to continue as family agriculture.

"Farmer organisations are useful mechanisms for employment"

Kees Blokland



"Cooperatives empower farmers so they can earn their own money"

Marc Calon

#### 6. Share together European and African expertise

## Expected results for farmers in 2030

Our expectations of the results of sharing and bringing together the expertise of farmers, business and governments of the two continents are big. We expect that in that concerted way we can make big steps towards formalized and secured land ownership. We expect to get professional and profitable family farms that are more efficient and competitive. We expect an increase in on-farm and off-farm employment. On the policy level, we expect conducive agricultural policies and enhanced collaboration between African countries leading to Common Agricultural Policy for Africa. It will boost professional farmer organizations rendering quality economic services to their members, facilitating intra value chain cooperation, including private sector. We expect the emergence of platforms for exchange, leading to higher yields and transformation of family farms, rural industrialization and proper finance for farmers.

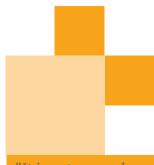
#### What are we going to do about it?

On a concrete level, the agri-agencies and AgriCord will work on a range of services required by farmer organisations in different situations and different moments of their life cycle. We will be building a strong and every expanding network in our countries and with international bodies such as ICA, WFO and research centres. To measure our results and economic impact of work agri agencies with farmer organisations and cooperatives, we will develop a tool the see our Return on Investment (ROI). We will lift our international farmer-to-farmer collaboration from advice, training and exchange to include also genuine (inter) regional business partnerships. We develop policy for cross border business collaboration. Above all, we will change the narrative. Let's start thinking BIG. Up to now, we talked a lot about SMALL farmers, doing SMALL projects. We need to think out of the box, to go beyond the usual.

#### What are the critical success factors?

Digitalization! In order to expand networks, building alliances more online solutions are necessary. This will enable approaches easy to upscale and lower fixed costs. We need scholarships for young farmers (Erasmus) to boost south - south exchange within Africa. One needs to act beyond agriculture. Think also about economy, environment and social aspects.





"It is not so much about money, but about cooperation"

Kees Blokland

"Diversity in cooperative boards is important"

Iris Bouwers



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#### **SPECIAL THANKS TO:**

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