1. INTRODUCTION

The world population is experiencing rough times. During the last decade, we have witnessed deep financial, energy, climate and food crises starting in 2007; unfortunately, a serious food crisis emerged again in 2010/11 in connection with extreme volatility of staple food prices. It is not an exaggeration to say that there is an omnipresent food crisis when one in eight people go to sleep hungry every day even though there are 130 million fewer hungry people today than 20 year ago. Moreover, according to the United Nations’ prediction, the growing world population will reach 9.6 billion by 2050.

There is a consensus on the link between poverty and agriculture in the international community. Policy makers, international organizations and development workers agree on the fact that paradoxically 80% of hungry people are poor small-scale food producers, such as farmers, fisherfolks, pastoralists and landless agricultural workers. Within the fight against poverty and hunger and fulfillment of the first Millennium Development Goal, investment in agriculture and focus on small-scale farming is considered a key priority. But the rights and real needs of poor small-scale food producers are often neglected or misunderstood.

The fundamental problem small-scale food producers are confronted with lies in limited opportunities and constrained access to main resources and outputs. Their livelihood and food security - ensured physical and economic access to food - are therefore threatened. According to the Eastern Africa Farmers Federation (EAFF), “facilitating the physical and economic access of the rural populations to food and to the resources required to produce it is the ultimate objective of a strategy of agricultural and rural development for Africa. It cannot be achieved in any other way than by strengthening family-based agriculture and increasing the access of local products to internal markets.”

The aim of this briefing paper is to describe why small-scale food producers have so many difficulties to get to markets, sell their production and why they actually are net food buyers. We delineate types of agricultural markets and main players, define main

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3. EAFF, Models of production and consumption and local market; building on the experience of African family farmers in their struggles to realize food sovereignty, 2012.
challenges and constraints that small-scale food producers face in relation to food production and access to markets, show cases of good practices and present solutions for a proper small-scale farmers’ involvement in functioning markets.

This paper also underscores the role of small-scale food producers. It falls in the current debate on approaches to agricultural development where the first approach promotes a large-scale industrialized type of farming and deals with the question how to properly incorporate small-scale farmers into this system characterized by highly mechanized and chemical intensive use. The second approach, on the other hand, highlights family farming as a more ecological and socially sustainable model preserving the environment and creating employment. It is completely clear that food producers choose the second option, especially in Africa. 4 But they need to have the possibility to feed their families; therefore, an improved access to markets is a part of the solution for poverty and hunger eradication.

4 See the outcomes of the project “EuropAfrica: Towards Food Sovereignty” at: http://www.europafrica.info/en/publications/.

2. DEFINITION OF A MARKET

In many least developed countries, agriculture is the biggest sector, typically employing between 50 and 70 % of the labor force. In addition, consumers often spend more than 60 % of their household’s income on foodstuff; therefore, trade exchange is the basic source of getting staple foods in particular.

What is a market?
Markets provide low-cost retailing facilities based on small-scale operations and are typically found in the low- and middle-income, higher density areas of cities and small towns and in the centers of villages in rural areas. The main functions of markets are:

- to provide opportunities for the exchange of goods and for sales by producers in rural areas;
- to provide, at assembly markets, opportunities for export of goods and produce in bulk to outside areas;
- to provide easy access to a wide range of produce for consumers;
- to provide an important means of generating a diversity of retail outlets in towns and cities by supplying low-cost space for street vendors who use stalls or carts and thus do not require buildings; and
- to provide an opportunity to achieve improvements in food hygiene standards and reductions in post-harvest food losses.5

Types of markets:
First of all, much of the food consumed in Africa does not enter the formal market. Many family farmers sell their crops through informal trade networks outside the classical commercial commodity markets. These informal markets can play a key role in ensuring food security after crop failure, for instance in remote rural areas where most of the people rely on subsistence agriculture and are net staple food buyers.

Formal markets can be divided into the following levels:

- village,
- local,
- urban,
- regional,
- national,
- international.

26.8.2013


Double meaning of local markets: from the international perspective, a “local market” might mean national market; for small scale farmers “local” can designate a market to which they are able to transport their production.6

Who are the players?
The key players in the chain of activities that connect food production and consumption are the food producer/farmer, intermediaries/middlemen, food buyers, traders and processors, retailers and consumers. In practice they all have a perspective of self-interest. These interests might sometimes be in conflict, as farmers seek maximum price but manufacturers, traders, retailers and consumers demand low purchase price and high quality.7 In informal trade, fewer players have a role in the food chain, of course. Let us focus on the most important actors. It should be noted that the terminology used here can vary in different parts of the world.

SMALL-SCALE FOOD PRODUCERS

Small-scale agriculture comprises a bulk of heterogeneous producers including farmers, fisherfolks, pastoralists or landless workers. “Small-scale farms” usually refers to a small plot size, and several sources define those as up to 2 hectares of land. Yet, the size of a landholding can vary given by specific local or national context. Other definitions for small farms include limited resources, low technologies, dependence on household’s members for most of the labor or subsistence orientation as the primary aim is usually production of staple food.8

“There are an estimated 450 million small-scale farms worldwide defined by IFAD as farms of two hectares or less of land. These 450 million farms are thought to support a population of roughly 2.2 billion people. They represent roughly 85 % of the world’s farms. These numbers are widely cited in the literature of developing country agriculture and provide something of a baseline reference in much of the commentary.”9

9 Sophia Murphy, Changing Perspectives: Small-scale farmers, markets and globalisation, IIED 2011.
There are several myths about small-scale farmers:\textsuperscript{10}

1. \textbf{In Africa, their average yields are lower compared to a world average, which is twice as high.} But if they had all necessary inputs enjoyed by large farms, total productivity would be more efficient.

2. \textbf{They are reluctant to use new technologies and innovations.} But use of simple technologies and traditional practices is often the only option, as appropriate technologies for small-scale food producers have not been a priority for governments or private sector.

3. \textbf{Small-scale farmers are bad businessmen and they are not willing to take risks while trading.} Of course, for anyone dependent on $1.25 per day with no savings or insurance, the only priority is survival and not profit maximization.

4. \textbf{Small-scale food producers do not respond to market opportunities.} No, their priority is to produce enough food to feed their families but due to limited opportunities and inputs they are unable to produce surpluses to be sold on the market.

\section*{MIDDLEMEN}

In the agricultural supply chain, middlemen create the link between farmers and buyers. They move from one farm to the next and offer money to the farmers for their yields. They buy the production at a low price and then sell it at a very high profit. They take advantage of the fact that farmers themselves rarely have good and up-to-date information about food prices or real market value of their crops and they lack possibilities to sell their own production themselves, especially due to transport barriers. Moreover, buyers also prefer to negotiate with one middleman instead of 20 farmers which makes the job of a middleman a very attractive one.

Using Information and Communication technologies (ICTs) to provide market price information or existing possibilities helps secure farmers’ access to markets. For instance, in Kenya, an online commodity exchange platform called the Arid Lands Information Network has been developed to link farmers directly to buyers and thus eliminate their dependency on middlemen. The system also makes it easier to transfer money to farmers. The system is now used in neighboring Tanzania and Uganda.\textsuperscript{11}

\section*{BUYERS, TRADERS AND PROCESSORS}

These are usually big and powerful players in the food chain. Typically, for food crops that are internationally traded, there are only few big traders in specific food trading or manufacturing. Because they trade high volumes of goods, they have enormous leverage in terms of setting the purchase price and their huge size creates barriers for new companies to enter the game. Let’s focus on the most traded food crops worldwide.

\textbf{Coffee:} Coffee represents one of the most valuable primary products in world trade. However, for many of the world’s 25 million coffee farmers, coffee is a labor intensive crop that frequently yields very little financial return. For some of the world’s least developed countries, such as Burundi, Tanzania or Ethiopia, the cultivation of coffee accounts for the majority of foreign exchange earnings, up to 80\%.\textsuperscript{14} Only five large companies control the coffee trade: Neumann and Volcáf, Cargill, Decotrade (trading Douwe Egberts) and Tataco (owned by Philip Morris/Kraft). Almost 45\% of the green coffee imports is purchased by the five largest roasters, that mainly sell their processed coffees in the European, American and Japanese markets: Nestlé and Philip Morris/Kraft, Tchibo, Proctor & Gamble and Sara Lee/Douwe Egberts. Nestlé dominates the instant coffee market with a market share of over 50\%.\textsuperscript{15}

\textbf{Cocoa:} In some countries in West Africa and Latin America, cocoa production is the primary income. In the Ivory Coast and Ghana (the biggest African producers), 90\% of the farmers rely on cocoa for their primary income. Around the world, 90\% of cocoa beans are grown and harvested on small family farms of 4.8 hectares or less, while just 5\% comes from plantations of 40 hectares or more.\textsuperscript{16} Cocoa beans are traditionally processed in the Netherlands, United States, Germany and the Ivory Coast. Although a large number of companies are in operation, only a small number of well-known multinationals dominate the market: Archer Daniels Midland (ADM), Barry Callebaut, Blommer, Cargill and Petra Foods account for more than 50\% of the total trade and grinding activities. But the end of the supply chain looks similar to other commodities – it is also dominated by few chocolate manufacturers (Cadbury Schweppes, Ferrero, Hershey, Kraft, Mars and Nestlé).\textsuperscript{17}


\textsuperscript{11} ALIN: http://www.alin.or.ke/MarketLinkages


\textsuperscript{13} Sophia Murphy, David Burch, Jennifer Clapp, Cereal Secrets, Oxfam 2012.

\textsuperscript{14} Fair Trade International: http://www.fairtrade.net/coffee.html

\textsuperscript{15} Tropical Commodity Coalition: http://www.teacoffeecocoa.org/tcc/Commodities/Coffee/Industry

\textsuperscript{16} Fair Trade International: http://www.fairtrade.net/cocoa.html

\textsuperscript{17} Tropical Commodity Coalition: http://www.teacoffeecocoa.org/tcc/Commodities/Cocoa/Industry
Just to give you an idea what share goes to farmers, case of cocoa:

Share in the sale of an average chocolate bar (100g)

- Cocoa and chocolate companies 70%
- Intermediaries 17%
- Retailers 6%
- Farmers 7%


Bananas: In the banana industry, production, profits, and market access are highly concentrated. Just five corporations control around 80% of the sales on the banana import market worldwide. Meanwhile, it is hard for small banana farmers and workers on banana plantations to earn a living, and they often work and live in difficult conditions. The major transnational banana companies at present are Dole Food Co., Chiquita Brands International, and Fresh Del Monte Produce. Other two strong banana companies are Fyffes, the European leader in fresh produce distribution, and Exportadora Bananera Noboa (a Bonita brand), the leader exporter in Ecuador (with about 25% of Ecuadorian exports).

In connection with the relation between farmers vs. buyers, Olivier de Schutter, UN Special Rapporteur on the Right to Food warns: “Entering into a contract is a private choice, but how much choice do farmers really have if their only access to markets is via a single dominant buyer? And how much benefit can this arrangement bring the farmer if the buyer can dictate the terms of that contract? If they are not careful, farmers end up as disempowered labourers on their own land.”

RETAILERS

The retail sector is responsible for food sale reaching the consumer. It covers a broad range of stores such as hypermarkets, supermarkets, discounters, grocery shops either independent or parts of retail networks. The far leading retailer is the American company Wal-Mart, followed by Carrefour, The Home Depot, Tesco and Metro. As the UN Food and Agricultural Organization (FAO) points out, the share of independent stores in retail trade declines when big retailers increase their consolidation (showing the case of Central and Eastern Europe). FAO also says that “the actual added value of the retail sector is the service of selling goods to consumers. The value of this service is represented by the gross margin (difference) between the final retail price paid by the buyer and the cost of the goods purchased.” This puts pressure on prices which are paid by retailers and finally, there is the motivation of consumers to pay the lowest possible prices.

3. MAIN CONSTRAINTS EXPERIENCED BY SMALL-SCALE FOOD PRODUCERS

The main problem is that poor households are generally net food buyers and they spend the majority of income on food. Small-scale food producers are part of a different market but their position is questionable and often very weak. This is given by the fact that they produce only few products and they are forced to send them immediately after the harvest when prices are low due to lack of storage facilities. This is affecting the food security situation, because they have to buy food at high prices when they run out of their own reserves.

We can divide the main constraints into the following categories:

- **resource constraints** (limited access to land and water, decreasing soil fertility),
- **structural constraints** (geography, weather/climate change impacts, legal issues/insecure land tenure rights, poor or missing transport and communication infrastructure),
- **product constraints** (low volume, low product quality, seasonality of production, need to cultivate staple crops for own consumption, weak role in the supply/value chain),
- **technological constraints** (lower labor productivity, lower land productivity, lack of know-how, no storage capacities and irrigation systems),
- **financial constraints** (limited access to credits, cash-flow deficit, lack of education and information, limited working capital),
- **market constraints** (price volatility, lack of collective bargaining power, high transaction costs, import surges of cheap food from developed countries).

Poor transport infrastructure can lead to very absurd situations, such as in the case of Ethiopia. In 2003, there was an oversupply of food in some parts of the country but severe acute food emergency with millions of hungry people in other parts. It was easier for the Ethiopian government to ask for foreign airlift humanitarian aid than to transport food from secured parts to the unsecured.

As the Eastern Africa Farmers Federation (EAAF) claims, the majority of small-scale farmers are unable to produce surpluses of staple food due to limited land resources and capital. Thus, access to markets might not be the main hindrance for them. It is rather the lack of productive assets, improved farm technology and lack of credit. “For the top 50% smallholders, the main challenges are reducing the transaction cost of marketing output and protection against downside price risk.”

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21. **Fair Trade International**: http://www.fairtrade.net/Banana/Companies/
22. **FAO, Agribusiness Handbook: Food Retail, 2009.**
Some of these constraints cannot be resolved in a short-term perspective (such as the climate change) but there are challenges which do not require complicated solutions:

STORAGE:

Everyone knows that food production is seasonal while demand for food is continuous throughout the year. Agricultural supply usually exceeds demand right after harvest because farmers tend to produce same kind of crops in their regions given by similar climate and geographical conditions. Unfortunately, due to the lack of proper storage facilities, post-harvest losses might be extremely high. According to FAO, per capita food loss in Sub-Saharan Africa reaches 170 kg/year and poor storage facilities are one of the main causes (other causes include for instance premature harvesting, high supermarkets quality standards, lack of processing facilities). At the same time, storage of yields can help balance actual supply and demand and ensure higher income for farmers who want to sell their production later for better prices when the after-harvest over supply disappears.

“Adequate storage facilities can reduce crop losses and thereby food marketing costs. These often tend to be lacking in local markets, where a high proportion of grain trading takes place. Local market organization is often the responsibility of local government. The absence of storage facilities also discourages traders from holding grain over time. This in turn prevents the development of private sector arbitrage which can moderate seasonal price fluctuations.”

TRANSPORTATION:

Transportation helps make the product available where it is needed. The infrastructure is a key element here; unfortunately, roads are in very bad conditions in most of the least developed countries (in particular in the countryside and remote areas), thus making impossible to transport one’s production to the markets. Missing efficient infrastructure precludes small-scale food producers from transporting their products to market at a reasonable price and on time and that is why they have to rely on middlemen more often. But this can be changed through proper investment and cooperation between the public and the private sector – the needs of small-scale food producers must be prioritized.

PROCESSING:

Usually due to the lack of processing technologies, food producers sell raw crops for export. This gives them very little share in the food value chain. Let us take the example of the United Republic of Tanzania, which shows a typical African trend in trade. In 2011, five top Tanzania’s export commodities included green coffee, unmanufactured tobacco, cashew nuts with shell, sesame seed and cotton lint. On the other hand, Tanzania imports wheat, palm oil, refined sugar, barley and malt.

Many African countries are raw crops exporters, these crops are usually processed by foreign and international companies and at the same time most African countries are classified as net food-importing countries. If food were processed in the country of its origin, assuming proper know-how and technology transfer, producers would get larger profits and financial means for better livelihood.

4. INCREASING THE MARKET POWER

Some staple foods are produced mainly by small-scale producers (cassava, fresh fruits and vegetables); timely sale is the only way to get earnings. Farmers need to find ways of increasing their market power, improve their market access, and best organize and strengthen local economic system as a whole. Increasing their market power can be done individually or collectively. Individual strategies concentrate on market niches or direct access to consumers. Collective strategies are based on collective activities and cooperation among producers themselves. The common trait for both strategies is the fact that they can be implemented by farmers with various degrees of public support.

Example of an individual strategy: contract farming

Contract farming can be defined as a contract between a food producer and a buyer. Usually, the farmer provides agreed quantities of a specific crop meeting the required quality standard and estimated deadline. In return, the buyer guarantees a specific price to the farmer. In some cases, the buyer also provides some agricultural inputs (seeds, fertilizers) or technical services. This type of contracting offers some benefits; it particularly reduces the risk linked to the process of selling. It can also stabilize the farmers’ incomes so they can improve planning, especially the investment planning.

On the other hand, contract farming provokes doubts, putting in question the limits in the inclusion process and even instances of deteriorating conditions of those producers. Obviously, farmers have a weaker bargaining position in relation to the buyers who can shape the agreement terms and provide less favorable conditions. Farmers can be also imposed upon with respect to the kind of crop they should produce. This gives them little flexibility to manage natural resources in a sustainable way. Big buyers and traders usually prefer intensive and monocropping production dependent on heavy machinery and chemical use which force farmers leave their traditional techniques and knowledge.

In this context, the FAO issued Guiding principles for responsible contract farming operations in order to promote good business practices. These principles call for a common purpose, legal framework with clear responsibilities, clear documentation and precise explanation, due attention and review, transparency and knowledge.

27 Alex Danau, Julie Flament, Daniel Van Der Steen, Choosing the right strategies for increasing farmers’ market power, CSA 2011.
Coff ee Farmers Cooperative Union associates 240 cooperatives promotes fair trade (growers, processors and suppliers) and it “term relations between producers, traders and consumers also facilitated.31

Well-functioning rural cooperatives and farmers’ organizations are crucial to empower small-scale food producers and especially women who have even lower opportunities than men. Thanks to collective purchasing and marketing, farmers gain market power and better prices for their agricultural inputs. Another important aspect is participation of small-scale food producers in decision-making at all levels. Cooperative members increase their “soft skills” in areas like leadership, entrepreneurship, advocacy and negotiation.

Proof that cooperatives have a strong effect on farmers’ market power can be shown in numbers. In Kenya, for instance, co-operatives have a 70% in the coffee market, a 76% share in the dairy market and a 95% share in the cotton market.32 In addition, cooperatives can also form unions. In Ethiopia, the Oromia Coffee Farmers Cooperative Union associates 240 cooperatives (growers, processors and suppliers) and it “promotes fair trade for socially and environmentally sustainable techniques and long term relations between producers, traders and consumers.”33

Unfortunately, even farmers’ cooperatives cannot be considered a panacea. Heterogeneous formations seem less likely to succeed and group size also might be related to success. Disappointing results are recorded when a cooperative becomes a governmental body used for political ends with less democratic decision-making, when management proves inadequate skills or tendency to expand activities beyond its capacity, and when captured by an elite.34

An interesting project was carried out by the international non-governmental organization Oxfam in Rwanda. Usually, small-scale farmers face the difficulty to comply with high sanitary and phytosanitary measures (those applied especially by developed countries to protect human, animal and plant health within its territory from risks arising from imported plant pests, additives, residues, contaminants, toxins or disease-causing organism from food, beverages or feedstuffs) if they want to sell their production abroad. One of the ways of getting more easily on the markets in developed countries is to sell, for instance, dried fruits instead of fresh fruit. But the drying technology is expensive and unreachable for small-scale producers.

That is why Oxfam launched cooperation with Damien Mbatezimanana, the founder of a medium-sized company called Shekina Enterprises, which had been established in 2007. He was almost ready to give up because the quality of his dried vegetables was allegedly not high enough. Damien describes how the cooperation had begun: “Oxfam did a study of the technology needed for drying fruit. We went to South Africa to find a company called Dryers for Africa and found they were making what we needed but powered by electricity. We asked them to make a modified version as electricity in Rwanda is very costly so wouldn’t be viable. Together we designed a new drier.” Shekina is expanding into the dried pineapple market now.

Oxfam also analyzed agricultural value chains in Rwanda in order to add value and link small-scale farmers with private sector companies. For such a company, it is important to have the opportunity to consult experts on post-harvest methods, product development and business planning, development and market identification or to find ways how to link with poor and vulnerable women farmers from the local area. Damien’s company currently employs 105 people, 75 % of whom are women. Once he has found his export markets he plans to apply for bank loans to buy up to four more driers so he can expand to work with several hundred pineapple producers in Rwanda.36

5. CASE STUDIES

The following two case studies will show what small steps can be made to achieve small-scale food producers’ ability to take part in market activities. It is a matter of good projects and targeted investments, because they need to get out of the vicious circle of limited access to productive resources. The case of Senegal shows what the advantages of collective efforts are.

RWANDA: NEW TECHNOLOGY FOR SMALL-SCALE FARMERS

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30 Cooperatives can take other names or forms – producer organizations, self-help groups, unions, and federations of producers.
33 Oromia Coffee Farmers Cooperative Union: www.oromiacoffeeunion.org
SENEGAL: COLLECTIVE MARKETING OF GROUNDNUTS

The groundnut sector has a long tradition that has been established during the colonial era. It was one of the major drivers of Senegalese rural economy because groundnuts were used as subsistence crop, cash crop and feedstuff. In 2001, the Groundnut Growers’ Consultation Framework (CCPA)37 was created to bring together groundnut producers and their organizations. Its main aim was to bolster production, promote organic farming, bring together groundnut producers and their organizations. Its other ways to improve supply: avoiding postharvest waste, for instance, by improving storage, marketing and distribution systems. Small-scale producers might build shorter food supply chains that focus on face-to-face sales between farmers and consumers, for example, or look for spatial proximity (getting retailers, canteens, or government-run services that offer food such as schools and prisons to use local growers). They might focus on information-rich exchanges, such as the goods offered in fair trade schemes, that allow them to turn to advantage some of the aspects of their production and organising that a purely market-based approach cannot capture.”42

It is very much the responsibility of each and every government. Individual countries must guarantee that farmers have control over the natural resources through non-exclusive use, collective tenure rights and traditional management mechanisms. Building infrastructure should be a key priority as well. Countries should also prioritize local markets because the global food market does not generally ensure opportunities to generate income for small-scale producers who are usually not able to produce value added products. Moreover, investment is extremely needed. Nevertheless, there must be rules and procedures of responsible and targeted investments, which put small-scale food producers’ needs at the core. That is why the Committee for World Food Security (CFS) is currently preparing such guidelines.

The High Level Panel of Experts, appointed by the CFS, provided these recommendations regarding the access to markets:43

- Governments should give priority to linking smallholder farmers to domestic, national and regional markets, as well as to new markets that create links between producers and consumers, and to schemes that rely on smallholders for the procurement of food for schools and institutional feeding programmes.
- Whenever possible, local markets, where producers and consumers meet directly, have to be encouraged and strengthened.
- Investment in small- and medium-sized food processors and small-scale traders at the retail and wholesale level is required for the development of new market linkages.
- Government intervention is important to reduce transaction cost on markets and to stabilize prices and smallholder’s income.
- Governments should also strive to establish the necessary regulatory instruments to bridge the gap in economic and political power between smallholders and the other contracting organizations on the other side.
- Role of smallholder organizations should be strengthened.

As shown, farmers themselves see one of the main problems in their inability to produce surpluses. Investments (public, private or foreign) are needed in water management facilities, storage facilities, soil conservation and in other public goods, such as education, health service, water and sanitation or financial services, such as money transactions, safe saving deposits, insurance, technological innovations and know-how transfer.

According to statistics published by the Food and Agriculture Organization, Senegalese groundnut production was worth 220 billion USD and 528 000 MT in 2011. The production is growing; in 2007 it was worth 127 billion USD and 331 000 MT. Groundnut oil is the top Senegalese export commodity.38

Specifically, such a body should help groundnut producers to “limit the number of middle men between farmers and buyers, facilitate the marketing of products processed by its members, participate in reconstituting the sector seed stock and to reduce the gap between groundnut farmers’ strategies and government.”39

Finally, the Inter-village Groundnut Farmers’ Group was created and now it provides services such as lending money, providing seeds, purchasing fertilizers, helping with transport or introducing potential partners.

CCPA also set up pilot processing plants run by women to produce groundnut butter and signed an agreement with state-owned Food Technology Institute to produce artisanal oil and other groundnut by-products. The organization focuses also on better financing of development of local products in small and medium size companies.40

6. NEEDED SOLUTIONS

Limited access of small-scale farmers to markets is just one part of a bigger problem called food insecurity. It is directly linked with many other issues, as we have shown it this paper. In Africa, the commodified market promotes export-oriented cash crop production but local people do not profit from it. Farmers themselves call for “strengthening and building of agricultural and food markets, which are within the control of family farmers and small-scale food producers, support socially and environmentally sustainable production, and provide accessible quality food for consumers.”44

Sophia Murphy also suggests that: “From a small-scale producer’s perspective, the discussion is usefully broadened to consider other ways to improve supply: avoiding postharvest waste, for instance, by improving storage, marketing and distribution systems. Small-scale producers might build shorter food supply chains that focus on face-to-face sales between farmers and consumers, for example, or look for spatial proximity (getting retailers, canteens, or government-run services that offer food such as schools and prisons to use local growers). They might focus on information-rich exchanges, such as the goods offered in fair trade schemes, that allow them to turn to advantage some of the aspects of their production and organising that a purely market-based approach cannot capture.”42

It is very much the responsibility of each and every government. Individual countries must guarantee that farmers have control over the natural resources through non-exclusive use, collective tenure rights and traditional management mechanisms. Building infrastructure should be a key priority as well. Countries should also prioritize local markets because the global food market does not generally ensure opportunities to generate income for small-scale producers who are usually not able to produce value added products. Moreover, investment is extremely needed. Nevertheless, there must be rules and procedures of responsible and targeted investments, which put small-scale food producers’ needs at the core. That is why the Committee for World Food Security (CFS) is currently preparing such guidelines.

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Sophia Murphy, Changing Perspectives: Small-scale farmers, markets and globalisation, IIED 2011.


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- Governments should also strive to establish the necessary regulatory instruments to bridge the gap in economic and political power between smallholders and the other contracting organizations on the other side.
- Role of smallholder organizations should be strengthened.

As shown, farmers themselves see one of the main problems in their inability to produce surpluses. Investments (public, private or foreign) are needed in water management facilities, storage facilities, soil conservation and in other public goods, such as education, health service, water and sanitation or financial services, such as money transactions, safe saving deposits, insurance, technological innovations and know-how transfer.

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A more transparent and regulated international market with agricultural commodities should be promoted. According to the predictions of respected organizations and bodies, food production is going to decrease by 15–50% in African countries by 2080; thus, making food production is one of the biggest challenges, and food production models are one of the burning issues. Climate mitigation and adaptation as well as regulation of the international trade with agricultural commodities with the objective to prevent high price volatility remain the main challenge at the global level.

44 Such as IPCC, European Environmental Agency EEA, International Geosynthetics Society IGS.

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