Regional Initiative: Empowerment of Smallholders and Family farms – Regional Synthesis Report

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Agenda

• Synthesis of findings from the Regional Initiative on Empowering smallholders and family farms

• Recommendations
  – To FAO
  – And beyond
Definitions of smallholders and family farms

- In most countries there is no formal definition of smallholders and family farms in place.

- Definitions, thresholds, and categories are numerous, often vague and come from different perspectives.

- The consequences of this lack of definitions are:
  - Lack/weak of statistical information about smallholders and family farms.
  - Difficulties targeting policies towards the needs, constraints and challenges for smallholders and family farms.
  - Lack of access to public support for smallholders and family farms.
Weight and role of smallholders and family farms

• Considerable importance of agriculture in the overall economy in each country:
  ➢ 10 - 20% of GDP
  ➢ 20 - 45% of employment

• Family farms dominate agricultural production
  ➢ No segregated data on contribution of farms according to size classes
  ➢ Share varies depending on the product and country
The dominant share of agriculture in seven study countries is informal

- number of farmers
- hectares of utilized land
- employment
- value and volume of production

Share of farmers (%), size (ha), indicative formality and absorption capacity of public support

Degree of formality in agriculture and
Indicative absorptive capacity of public support

Farm size, ha
- > 5 ha
- 1 < 5 ha
- < 1 ha
Formal vs. informal agriculture (2)

• The dominant informality of the agricultural sector causes many different problems

Vicious circle of rural poverty
Vicious circle of agricultural stagnation

Formal vs. informal agriculture (3)

- Small scale and fragmented, informal farming
- Low level of mechanization, lack of access to market, poor infrastructure, knowledge and standards
- Low productivity and quality
- Low income from farming
- Stagnation of rural communities
Recommendations
Fulfillment of preconditions for comprehensive policy making for smallholders and family farms

- A comprehensive regulatory and institutional framework must be established
- The development objectives of individual policies must be consistent; all policies must deliver in accordance with this vision
- An internal intra-ministerial coordination between the various departments in agricultural ministries covering not only agriculture
- External inter-ministerial coordination
- A need for participatory policy development mechanisms ensuring that the issues faced by the farmers are appropriately reflected in the policy design
- Communication mechanisms of reporting on achievements and challenges are not established
- Data and statistics must be available, weak analytical capacity, Food safety, animal health and environmental standards ...
1. Initiatives will/must take advantage of FAO comparative advantages matching
   – a) CPFs and
   – b) country specific needs, constraints and challenges
2. Enhanced comprehensive programming: From stand alone projects to an integrated, multidisciplinary and cross sectoral approach

3. Partnerships with governments, international organizations, NGOs and the private sector

4. Sustainable Development Goals strongly considered in programme activities
Recommendations part 1

Relevant actions will be implemented as

- National projects benefitting from lessons learnt and experiences from other national projects and other countries

- Regional/horizontal projects addressing the same needs, constraints and challenges across two or more countries
Recommendations part 2

- Supporting formalization of the agricultural and rural sector
- Supporting the in-formal agricultural and rural sector
Breaking the vicious circle of poverty

- Higher income from farming
- Improved productivity and higher quality
- Development of rural communities
- Formalization, institutional development, land consolidation and formal land market development
- Investment support to sustainable production, enhanced extension services and enforcement of standards
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- Development of rural communities
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Supporting formalization of smallholders and family farms

Formalization requires

- Registration of ownership of land and development of formal land markets
- Registration of farms
- Identification of livestock
- Viability and minimum scale of production
- Educational requirements
- National (and EU) minimum standards in food safety, hygiene, animal health and welfare, traceability, environment and working conditions
- Accounting and bookkeeping systems, VAT, taxes
- Market access and integration into value chains
Required policy and work areas

- Policy design and institutional support
- **Formal land registration and cost-effective transaction procedures**
- Development of the agricultural land markets and introduction of land consolidation
- **Investment support schemes with appropriate financial instruments; targeting competitiveness and standards**
- Extension services, technology transfer and support to sustainable production
Supporting the informal sector

• Local institutional and capacity development
• Investment support schemes designed with
  – Less restrictive requirements to standards
  – Lower minimum and maximum support thresholds
  – Integration of value chains through formal cooperation
  – Lower minimum scale of production
  – Lower educational and/or experience requirements
  – Broader and softer financial instruments
• Community Based Rural Development, see next figure.
Community based rural development process

- Capacity development of public and private local stakeholders
- Elaboration of Community Development Plan
- Identification and mobilization of local resources
- Project development and investment support
- Sustainable community-based rural development
Thank you for your attention!

Time for Questions and Comments