



# Purchase for Progress: Achievements

## NOTABLE PROGRESS

Since the official launch of Purchase for Progress (P4P) in September 2008, the initiative's achievements include:

- **Implementation underway in 20 countries in Africa, Central America and Asia.**
- A **holistic approach** bringing together demand, supply, credit and policy actors to support smallholder friendly market development.
- **Supply-side partners** including governments, international organizations, NGOs, microfinance institutions, banks and the private sector are working with farmers to support P4P at the field level, providing technical expertise, facilitating access to inputs and credit, and strengthening the management of farmers' organizations.
- **Over 200,000 farmers, agricultural technicians, warehouse operators and small & medium traders have received training** from WFP and partners in improved agricultural production, post-harvest handling, quality assurance, group marketing, agricultural finance and contracting with WFP.
- **Food safety and quality management** are emphasized to ensure that the crops procured from smallholders meet WFP quality standards.
- **Over 312,000 metric tons of food** valued at **USD 121 million** has been contracted, either directly from farmers' organizations and small and medium traders, or through innovative marketing platforms such as Commodity Exchanges and Warehouse Receipt Systems. Of this, 69 percent has been delivered to WFP to date to use in its food assistance operations.
- Although maize and maize meal make up 74 percent of P4P purchases, there is increasing **diversification of commodities** (pulses, processed foods, rice).
- P4P is a learning programme and is **gathering and sharing lessons** with the support of partners including research institutions, universities and NGOs.



## CHALLENGES

- Price discovery for quality staple crops remains challenging, with unrealistic price expectations from some producers.
- Credit at affordable interest rates for smallholder farmers is limited, constraining farmers' access to inputs such as high-quality seeds or fertilizers, as well as their capacity to aggregate and market their produce.
- Ensuring that women not only participate in P4P, but benefit economically, is challenging especially where women are not the head of households.
- In some areas, a limited presence of supply side partners at field level restrains the potential of enhancing smallholder productivity.



World Food Programme

wfp.org

For more information:  
[wfp.org/purchase-progress](http://wfp.org/purchase-progress)  
[wfp.p4p@wfp.org](mailto:wfp.p4p@wfp.org)  
Last update: April 2013



## P4P BENEFICIARIES

- 814 farmers' organizations of varying sizes representing **more than one million farmers** (of which 500,000 are in Ethiopia) are participating in P4P — over 360 farmers' organizations have so far contracted with WFP.
- **Gender:** Burkina Faso, Kenya, Liberia, Sierra Leone and Uganda have achieved the initiative's female participation target of 50%, but other countries such as Ethiopia, Honduras, Afghanistan and South Sudan face difficulties.

## FOOD PURCHASES

**Over 312,000 metric tons** of food contracted by WFP in a pro-smallholder fashion:

- 70 percent maize
- 12 percent pulses (beans and peas)
- 8 percent millet, sorghum and wheat
- 4 percent maize meal
- 4 percent rice
- 2 percent processed and blended foods (corn-soya blend, high energy biscuits, vegetable oil)

## A FARMER'S STORY FROM RWANDA

Finding a buyer for her crops was a big problem for **Amina Munyana** – before P4P. Now, the mother of six is looking increasingly for opportunities to sell her produce beyond WFP. P4P helped her to gain confidence in her abilities as a farmer: “Before P4P, we would grow our crops but we were never sure if there would be any market. Since P4P moved in, we are sure that no matter how much we produce, we can sell. This gives us hope for the future: Instead of us seeking hopelessly for markets, **P4P brought the market to us**. We already plan to sell to markets beyond WFP, by approaching schools, prisons and traders. With every agricultural season our lives improve. **We have a sure market now and are less and less poor.**”

## NEW WAYS EXPLORED BY WFP TO BUY FOOD

- **Competitive processes:**
  - **Pro-smallholder tenders** – WFP procurement processes are simplified for smallholders by reducing tender sizes and waiving performance bonds in Ethiopia, Guatemala, Kenya, Mali, Malawi, Nicaragua and Uganda.
  - **Commodity Exchanges:** farmers' organisations marketing their produce through exchanges in Ethiopia, Malawi and Zambia.
- **Direct contracting with farmers' organizations** – WFP is procuring food directly from farmers' groups in many of the pilot countries.
  - **Warehouse receipt systems** – certified warehouses in Malawi, Tanzania and Uganda allow farmers to deposit their harvest, receive a voucher for a portion of the value and collect the balance once the product is sold.
- **Forward contracting** — WFP commits to buy food from farmers' organizations at a future date at an agreed price formula in Burkina Faso, Ethiopia, Kenya, Mali, Mozambique, South Sudan and Tanzania; facilitating farmers' to access credit to enhance their production and handling capacity.
- **Linking farmers to processing opportunities** – In Afghanistan, Guatemala and Sierra Leone, P4P is helping smallholder farmers to sell to private sector food processing facilities. P4P also aims to link smallholders and their organisations to institutional markets including government and private sector demand and school meal programmes.