

**Purchase for Progress First Annual Review Meeting**  
**Rome, Italy**  
**8-10 December, 2009**

## **I. Introduction**

As the world's largest humanitarian agency specialised in food assistance, the World Food Programme (WFP) purchases large quantities of food for distribution in emergency, recovery and development programmes. Over the past two decades WFP has purchased an increasing share of this food from developing countries.

In 2009, the organization bought a total of 2.6 million metric tons of food at a value of approximately US \$965 million. Purchases from developing countries accounted for almost 82 percent of the quantity and 80 percent of the value of all of WFP's food purchases. However, little is known about how this local food procurement generates benefits and the way in which buyers structure local procurement affects the types of benefits; how those benefits are distributed; and whether this produces sustainable change in the food system.

To maximize the development impacts of its local food procurement WFP must learn 1) how to leverage its presence in markets to promote market development, market access, and increase incomes for smallholder/low income farmers, and 2) how, when, and under what conditions WFP might buy locally to maximize development impacts without unduly compromising food assistance objectives. Purchase for Progress (P4P) is a pilot programme designed to help WFP and its partners answer these questions. Over a five-year period in 21 countries<sup>1</sup>, WFP will test alternative ways of buying and examine the impact of these purchases on market development, access to markets, and the welfare of smallholder farmers. WFP will use what it learns to more effectively advocate for smallholder-friendly policies, influence the actions of other agricultural market development stakeholders, and ultimately transform the way it buys within developing countries. The learning focus of P4P is therefore of fundamental importance to the success of the programme overall.

## **II. Purpose of the Annual Review Meeting**

The objective of the Annual Review meeting was to allow WFP and partners to collectively review progress to date and to discuss key learning during this first year of P4P's implementation. The first of five annual P4P review meetings was held over a three day period from 8<sup>th</sup> to 10<sup>th</sup> December 2009 in Rome, Italy with approximately 140 participants comprising:

- Staff from 20 WFP country offices and four regional bureaux
- One key partner from most countries (selected from among government partners, NGOs, directors of African commodity exchanges and representatives of farmers federations)
- Financial institutions including International Finance Corporation (IFC), Root Capital and Standard Bank
- UN sister agencies FAO and IFAD
- International NGOs including CARE, CRS, Save the Children US, Technoserve and World Vision
- Alliance for a Green Revolution in Africa (AGRA) and
- Donor representatives from the Bill and Melinda Gates Foundation (BMGF), Howard G. Buffett Foundation (HGBF) and the governments of Brazil, Belgium, Canada, Ireland, Luxembourg, the United States Department of Agriculture (USDA), USAID and the Millennium Challenge Corporation.

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<sup>1</sup> The 21 P4P pilot countries are Afghanistan, Burkina Faso, Democratic Republic of Congo, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Laos, Liberia, Malawi, Mali, Mozambique, Nicaragua, Rwanda, Sierra Leone, Sudan, Tanzania, Uganda and Zambia.

## Outputs of the meeting

The key outputs of the meeting are summarised in this report as follows:

- **Status of Implementation** detailing both achievements and challenges experienced in year one (pages 2 to 7)
- Implementation **Lessons Learnt** in year one (pages 8-11)
- **Partner lessons** that were shared with P4P during the annual review are documented in (pages 12-15)
- **Donor Perspectives on P4P** (pages 16-17)
- **Way Forward and Agreed priorities for 2010** globally and by region (page 18 and Annex 1 – pages 19-24 )

### III. Status of implementation to date

The first day of the meeting was attended by WFP staff only and allowed for the opportunity to reflect on progress over the past year and discuss some of the key organisational and country specific learning during this roll-out period.

#### a) Achievements to date

Twenty-one countries in Africa, Asia and Latin America, are participating in the pilot programme. While some countries are further along than others, all 21 pilot countries have begun to engage in P4P activities. Assessments have been completed in 20 of the 21 countries and 14 country specific P4P implementation plans have been approved by the Executive Director of WFP following a rigorous review process. The implementation plans outline the way in which WFP and its partners intend to respond to the specific market and agricultural development challenges and opportunities prevailing in a given country context. Government has been a critical partner and in almost every country national coordination forums have been established with government counterparts often in the lead.

Since September 2008 at least 39,000 mt of cereals and pulses have been contracted. Purchasing from smallholder farmers has been carried out in line with WFP's principles of quality and cost efficiency enabling WFP to buy food commodities locally at US\$ 2.6 million lower than import parity cost.

#### *Procurement pillar*

- P4P has engaged with a total of 371 farmer organisations with a combined membership of 632,645 smallholder farmers. Approximately 20 percent of the membership is female.
- Defaults from smallholder farmer organisations have remained surprisingly low at less than 10percent globally.
- WFP is playing an important role in supporting the development and consolidation of new marketing platforms and infrastructure including certified warehouses / Warehouse Receipt Systems (in Uganda, Zambia, Malawi and Kenya) and the Commodity Exchange in Zambia.

In the Latin American Countries, defaults have been particularly low when the pro-smallholder competitive practices have been employed. These competitive practices are tailored to facilitate smallholders; specifically, they allow for the waiver of bid bonds and provision of marked bags to farmer organisations to package the commodities for sale to WFP.

In Uganda, Stanbic, and Centenary banks will finance the Warehouse receipts system as from January 2010.

### *Capacity building*

- Training has been provided by WFP and partners to 10,000 smallholder farmers on 24 different subjects ranging from WFP procurement procedures to agricultural production, agricultural credit and insurance, post-harvest management and organisational strengthening
- Four hundred WFP and partner staff members trained in new procedures and processes for P4P implementation

### *Partnerships pillar*

Partnerships are vital to the implementation of P4P. WFP has established both strategic and operational relationships with a wide variety of partners including farmers and communities, host governments, UN colleagues, NGOs, donors, research institutions and the private sector.

- Partnership agreements that have been concluded to date include:
  - 9 with UN and World Bank agencies
  - 3 with regional entities
  - 2 with private sector financial institutions
  - 9 with private sector supply side companies
  - 31 with NGOs
- 12 Steering Committees/Advisory groups on P4P have been established with governments often in the lead. Other participants include UN partners, NGOs and in some cases the private sector.
- In addition to the funding received from the BMGF and HGBF, a wide range of donors have expressed interest in P4P allowing WFP to tap into new funding sources to support not only food procurement but also to support complementary activities. So far, additional funding has been received from the US, Canada, EC, Ireland and Luxembourg.
- A new level of engagement/dialogue and collaboration has begun between WFP and Rome based UN agencies (IFAD and FAO).

The value and importance of partnerships was recognised by all participants. It was also noted that P4P is an effective instrument for promoting the collaboration of WFP not only with NGO and private sector partners, but also the collaboration between the three Rome based UN agencies (FAO/IFAD/ WFP).

Above all, P4P must be embedded in the broader development agenda and aligned to national and regional development plans (e.g. Comprehensive African Agriculture Development Programme (CAADP), Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA) and other national and regional initiatives.

### *Learning and sharing pillar*

- WFP has established a range of mechanisms to draw on and share lessons from P4P including:
  - A comprehensive monitoring and evaluation (M&E) system. As of December, 8 countries had completed their baseline surveys and data entry/analysis was ongoing
  - A Technical Review Panel (TRP) composed of independent experts in agriculture and market development. The first TRP meeting was held in Rome, 18-21 October
  - An annual review involving all pilot countries and key external stakeholders
  - Workshops with P4P and procurement staff
  - Internal website for use by WFP staff
  - Monthly update distributed globally to both partners and WFP staff
- Three orientation workshops were conducted that brought together P4P and procurement staff from 19 countries

Partners and donors emphasised that P4P presents a unique opportunity for all stakeholders to partner around support to smallholder farmers and to generate evidence of models of best practice in pro-smallholder agricultural and market development that can be shared globally and used in policy formulation by both national governments and other actors.

- Academics, research institutions and development think tanks have expressed interest in collaborating on learning from the P4P pilot.

#### *Empowerment of women in agriculture*

- The importance of addressing the challenges facing women in agriculture has been explicitly acknowledged by P4P. So far, two P4P gender assessments have been carried out (one in Latin America and the other in Rwanda) to determine opportunities to encourage and support women's participation in the P4P pilot.
- To support country offices to determine the most appropriate gender actions in support of women's equitable participation in P4P, the Coordination Unit in Rome issued an occasional paper outlining WFP and partners' best practice in this area
- All Country Implementation Plans (CIPs) approved to date have set gender targets for the inclusion of women not only in the general membership of farmer organisations with whom P4P is engaging, but also in the leadership of these organisations
- Pilot countries have measures to ensure that where women are the registered members of farmers' organisations, they are remunerated directly for the commodities they sell through P4P supported modalities.

In Sierra Leone, 90% of the small and medium traders that have applied to work with P4P are women.

Beans are a less labour intensive crop than maize and can be cultivated on small plots around the homestead. In many countries, beans and peas are crops that are mostly farmed by women.

In Central America, WFP is engaging with government to link women to government funded school feeding programmes which have significant demand for both maize and beans.

#### **b) Challenges to date**

Challenges have been identified or encountered in the following areas:

##### *Messaging and understanding P4P:*

- There still exists a divergence in the understanding of the goal of P4P both within and outside of WFP. In some quarters P4P is seen simply as a programme to buy food commodities from smallholder farmers. The project has, however, a broader goal to leverage WFP's demand as a catalyst for other interventions to support smallholder farmers benefit from agricultural markets. These interventions include capacity building and technical expertise, access to credit and other financial services, as well as access to a broad range of market outlets. Overall, the project aims to strengthen smallholder farmers ability to produce high quality crops, sell them at a profitable price and support the development of sustainable agricultural markets.
- Expectations that P4P's focus on smallholder farmers implies a willingness to compromise on quality and/or pay above market prices; Messaging regarding the market development aspect of P4P; Concrete partnerships both at the strategic and operational levels.

##### *Internal coordination within WFP*

- Lengthy internal approval process for country implementation plans.
- Balancing the need for operational guidance with the need to maintain/allow flexibility for innovation at field level in the spirit of the pilot nature of the programme
- High expectations - both internal and external – and consequent pressure to show immediate results, which might not be unrealistic given that P4P is based on agricultural cycles.

### *Capacity building*

- There is need to develop guidance that sets out a coherent and coordinated capacity building strategy for farmers' organisations at country level. WFP needs to work with partners to ensure the correct application of procurement approaches that have a clear linkage to the capacity building strategy outlined for each farmer organisation.
- There is need for clarity as regards the criteria for graduation of farmer organisations out of the direct support of P4P.
- Although a wealth of training materials exist and are being used to varying degrees by COs, there has not yet been an attempt to standardise and integrate the training approaches.
- There is need for capacity building to be widened beyond the scope of training to include areas such as: access to market information, health issues and environmental sustainability amongst others.
- WFP and partners are conscious of the need to not only translate training materials into local languages, but also to develop training that promotes gender equity, utilises largely participatory/interactive approaches and is accessible to both literate and non-literate audiences.

The importance of involving the smallholder farmers more directly in designing and implementing P4P in order to ensure that this programme responds to their needs and is responsive to their priorities.

### Potential partnerships to be further explored for capacity building:

- Government specialized agencies, extension officers
- Private Sector partners in capacity building (e.g. El Salvador Chamber of Commerce; input suppliers, breweries, processors)
- UN Agencies (e.g. FAO Farmers' Field Schools, IFAD, World Bank)
- Knowledge institutions (universities, college, academia)
- UNDP supported literacy training
- UNIFEM (and others?) on gender?
- Peace Corps training on business skills
- Global professional associations
- Specialized training in business management
- Financial institutions offering credit management training

### *Credit*

- Despite some new pro-smallholder financing schemes being launched by banks and micro-credit institutions, details about how P4P targeted FOs can benefit still remain unrealised.
- High interest rates are a serious constraint to the ability of farmers organisations to access credit. In some countries, interest rates are as high as 40%.
- Farmers' organisations face significant challenges to access credit limiting their capacity to aggregate commodities from their members, as farmers prefer to sell to traders who can offer them immediate cash payments. WFP was strongly urged to work with partners to seek credit opportunities for farmers. The use of Third Party Payment guarantees was suggested as a key mechanism to facilitate this process.

### *Procurement*

- Ensuring the application of procurement approaches at country level to remain coherent with the objective to stimulate agricultural production of smallholder farmers and build the marketing capacity of smallholder farmers' organisations.
- Some country offices have been hesitant to test the pro-smallholder competitive tendering modality with farmers' organisations. This has been largely due to the challenges that this presents to tracking the impact back to smallholder farmers given that there is no guarantee that any given organisation will win the tender more than once a year.

- Delays in the procurement approval process resulting mainly from challenges in determining the appropriate price for locally produced commodities and differing view on how to select the Import Parity comparators.
- There is debate as to whether WFP should be a price setter or price taker in the market and what the pros and cons would be of each approach.
- Finding appropriate ways to work with the private sector in a manner that is supportive and of greatest benefit to smallholder farmers in the agricultural markets
- While donors have made funds available for technical capacity to support P4P, challenges remain on securing cash contributions for commodity purchases.
- Farmers' organizations members expect payments at the signing of the contract and are reluctant to wait until rebagging, quality checking and delivery are completed.
- Modalities including commodity exchanges and warehouse receipt systems need a strong legal framework in place to support their operation. These legal mechanisms are sometimes either not available or cannot be easily enforced.
- Purchasing through the commodity exchange as in Zambia presents the challenge of tracing the purchases back to the origin for purposes of assessing the impact of the purchase on smallholder farmers.

In Southern Africa, some countries have registered high defaults have been high due to delays in issuing contracts to smallholder farmers' organisations once they have won a tender. In the intervening time period, prices may rise and the farmer organisations may opt to sell to others who can immediately pay for the commodities.

#### *Partnerships*

- It has taken time to translate the MoU between AGRA/FAO/IFAD and WFP into concrete actions in the participating African countries where the work of these organisations could be mutually reinforcing.
- Many potential and existing P4P partners that support farmers' organisations face resourcing challenges, and there is limited financial capacity within P4P to support their activities.
- There is scope for WFP and partners to improve on the alignment of their programmes to avoid duplication of activities.

#### **Challenging operational environment in DRC**

DRC is a vast country with severe infrastructure limitations. There are virtually no roads and no government extension services. FAO and WFP are working together to address some of these constraints.

WFP has been buying staple commodities in DRC since 2006. From 2007 to 2009 WFP purchased locally some 20,367 tons of food. Of the 39 vendors on the roster, 29 are traders, 5 are large scale individual farmers and the remaining 5 are NGOs. In addition to the purchasing activities, WFP strives to develop the food markets in DRC, and P4P aims to demonstrate that there is a potential for traders to operate locally in the P4P target areas. DRC is seeking partners to work with the local traders, while FAO (as WFP's project partner) concentrates on creating/developing producers' associations, and improving agri methods.

### *Learning and sharing:*

- While the requirement for rigorous and credible M&E is acknowledged, there is need to balance this with the reality of financial and human resource capacity constraints faced by WFP and partners in the country offices.
- WFP has adopted the comparison group approach to assess the impact of P4P. The identification of comparable non-participating farmers organisations against which to compare progress has proved challenging, particularly as many members of non-participating farmers organisations are unwilling to participate in surveys if they will not directly benefit from P4P.
- There is need to articulate the specific objective of the country pilots within the agricultural and market development context in which they are being implemented as well as the contribution of the individual pilots to the wider agenda of P4P.
- WFP and its partners need to ensure that effective mechanisms are in place to support and promote learning within and between their organisations.

World Vision noted that while the M&E requirement is resource heavy, if there is a serious intention to learn the M&E must be above the normal threshold and this is an investment that WFP and its partners need to make.

### *Empowerment of women in agriculture*

- There is insufficient understanding of the differing roles of men and women in the agricultural value chain. This knowledge is necessary to ensure that the correct actions are taken to allow women benefit equitably from their participation in P4P.

Often women are not involved in commercialisation of their agricultural produce, preferring to hand over the mandate to negotiate and sell to the men of the household. Sometimes this is for cultural reasons, but also because women may lack the confidence and/or knowledge to market their own crops.

Mali has observed that female only farmers' organisations tend to have less infrastructure than those in which men are included. By specifically targeting them for inclusion in P4P, it may be possible to build their capacity to compete with mixed or male only organisations.

- Participation of women in farmers' organisations supported through P4P is low - at 20 percent of overall membership. Pilot countries are taking measures to increase the participation of women in both the membership and leadership of the organisations.
- Relationships between men and women are played out in a complex religious and socio-cultural environment and there is a need for stronger partnerships in order to better understand and address the constraints facing women in agriculture

### *Understanding the market context*

- WFP and partners need to challenge assumptions with regard to the role and value of so called "briefcase"/informal /small scale traders in the value chain as well as improve the understanding of the precise nature of marketing challenges facing smallholder farmers.
- WFP staff need to develop a more comprehensive understanding of agricultural market dynamics to allow for more effective engagement in debates on national and global food systems including dialogue on markets and trade.

## IV. P4P Lessons learnt – Year One

### 1. Procurement lessons

**Lesson 1.1:** Using the local wholesale price in the market may not always be the only element to be considered in determining the appropriate price for staple commodities supplied by smallholder farmers. This is because smallholder farmers are obliged to supply WFP with commodities that are of a higher quality standard, whereas often the local market price may reflect the price for an ungraded commodity. However, country offices find it difficult to calculate and/or justify the appropriate price for the smallholder farmers' commodities in these circumstances, given that, in most cases, there is inadequate information on the costs of production.

In Mozambique and Ghana, most often the local wholesale price reflects the cost of an ungraded commodity whereas the other prices regional market and Import Parity Price (IPP) against which the smallholder farmers' commodities are compared reflect the price of a graded product, thus putting the farmers' produce at a pricing disadvantage.

In many parts of Africa, staple commodities in the local market are most commonly traded using informal measures such as "buckets", "cups", "plates" etc, and the market price is thus not determined in the same metric measure (mt) in which the Import Parity Price (IPP) is expressed, which may complicate the process of price comparison.

#### Key recommendations:

WFP should:

- Ensure that partners work with farmers to properly document/determine their production costs.
- Understand the transaction costs at the different levels of the market value chain so that one can better determine the cost of the what we are asking farmers to do beyond their normal practice.
- Work with partners particularly government to have reliable, timely and easily accessible. market information systems in place.

**Lesson 1.2:** In Central America, the process of arriving at an appropriate price for the commodities of smallholder farmers needs to take into account the prices in the regional markets as these are largely integrated.

**Lesson 1.3:** It is not realistic to consider advance payment to farmers' organisations for their commodities, but rather, WFP should work with the private sector and other partners to increase farmers organisations' access to credit for commercialisation. The forward contract may also be used by farmers' organisations to negotiate credit with financial institutions.

In general, the interest rates offered to farmers organisations are prohibitive and WFP and partners should advocate for a lowering of rates. However, it was noted that in Malawi, Opportunity Bank is availing loans to smallholder farmers at 24% interest and have experienced very good repayment rates.

In Mali, banks offer the best option for smallholder farmers with rates of 10 – 12 percent as compared to microfinance institutions which may charge 20 – 25 percent.

In Mali and Kenya the banks are ready to advance credit to farmer organisations on the basis of a WFP contract as this assures them the organisation has a secure market.



**Lesson 1.4:** Participation of the private sector is important to achieve the successful integration of smallholder farmers into agricultural markets.

**Key recommendations:**

WFP and partners should:

- Advocate with governments for more favourable agricultural trade policies.
- Support efforts to harmonise/promote regional trade through initiatives such as ACTESA in Eastern and Southern Africa.

**Lesson 1.5** Publicising the results of WFP tenders can promote the access of traders and farmers organisations to price information and may also educate them on how they can engage in sales to WFP and other institutional buyers.

## 2. Partnership lessons

**Lesson 2.1:** Each country needs to establish strong and mutually reinforcing partnerships that holistically address the needs of farmer organisations - this is key to the success of P4P. Such partnerships require an alignment of interests of different actors and clarity about the comparative advantages for each party. Prior analysis and appropriate due diligence that clearly identifies what each party has to offer, the gaps that remain to be filled and the limitations of each organisation in the partnership is, therefore, required. Government collaboration is also fundamental to the success of P4P.

DRC and Sierra Leone noted that working with partners to jointly undertake assessments, planning, programming and messaging to farmers has been particularly helpful. Such an approach will avoid a situation where partners compete for the same resources.

DRC has received joint funding with FAO from the Belgian government for the implementation of P4P.

**Key recommendations:**

WFP should:

- Apply these minimum criteria to partner selection:
  - Common vision on what is to be achieved and how
  - Transparency, trust and mutual respect.
- Take stock of and build on the available expertise in country.
- Continue efforts to harmonise programmes with partners.
- Develop improved tools for stakeholder analysis.

**Lesson 2.2:** Partnerships need to be organic and evolve from the field. There is no one fit, rather models and coordination mechanisms should fit the context. Emphasis should be on **building strategic partnerships that can address challenges across the entire value chain** (e.g. production, quality control, access to credit, capacity building, enabling environment etc).

In Zambia, there has been no need for “formal” agreements between partners that have formed a mutually supportive alliance, while in Liberia, the signing of a formal MoU between the Government, WFP and FAO has been critical to move the partnership forward.

**Key recommendation:**

WFP and partners should:

- Maintain constant dialogue/communication and take time to jointly analyse the challenges faced in the relationship and/or implementation of the P4P programme.

**Lesson 2.3:** P4P needs to be fully embedded in the broader national and regional development strategies and plans.

### 3. Learning and sharing lessons

**Lesson 3.1:** Learning and sharing within WFP is vital to the success of P4P. There is a need to increase the extent of internal coordination and exchange of information between units particularly at country office level.

In Mali, regular information sharing sessions are held within the country office involving all WFP staff. This has ensured that P4P does not work in isolation but is seen as a part of the wider WFP programme.

#### **Key recommendation:**

WFP should:

- Strengthen the exchange between country offices that share a similar context through cross country visits, regional review workshops and other initiatives of this kind.

**Lesson 3.2:** The global M&E system needs to ensure that P4P can capture the market impact.

**Lesson 3.3:** More resources and technical support are needed to carry out the monitoring and evaluation (M&E) effectively. P4P needs to seek out partnerships in support of data collection, analysis and reporting.

Millennium Corporation Challenge are also undertaking extensive M&E and would like to collaborate with P4P on data collection and analysis in the countries where implementation of the two organisations overlaps.

**Lesson 3.3:** Information on p4P needs to be translated and disseminated in French, Spanish and Portuguese as well as the local languages of the smallholder farmers.

### 4. Capacity building lessons

**Lesson 4.1:** While farmer organisations are an excellent entry point to reach smallholder farmers, they are/should not be viewed as the only recipients/targets for capacity building through P4P. It is important to focus on engagement with traders, processors, input suppliers and government extension officers among others.

**Lesson 4.2:** The concept of “graduation” of farmer organisations and farmers needs to be better articulated.

In some countries such as Uganda, competitive tendering is not the standard way of buying staple commodities.

An overlooked attribute of farmers’ organisation maturity is the ability of an organisation and its members to assess their costs of production.

#### **Key recommendation:**

The graduation concept proposed for P4P should incorporate the following issues:

- Both farmers and their organisations need to graduate out of P4P.
- The graduation concept currently considers competitive tendering as the pinnacle of capacity, the model may need to be adjusted to accommodate countries such as Uganda (see opposite box).

**Lesson 4.3:** Capacity building is broader than “training” and should consider aspects such as access to market information and awareness of water, health, environmental sustainability & social standards.

#### **Key recommendations:**

- Capacity building should be institutionalised and involve government technical agencies, extension workers, universities, private sector (e.g. breweries, processors).
- Build on existing training materials/models and effectively coordinate capacity building activities/investments of all partners.
- Use of commercial trainers/private sector as much as possible to deliver training.

## 5. Women empowerment lessons

**Lesson 5.1:** WFP and partners should carry out a gender analysis of the value chains of staple commodities and seek a better understanding of the differentiation of gender roles and opportunities within the value chains of staple commodities and how these could /should change within the P4P pilot.

It is important to understand the role of women in rural livelihoods to see how P4P will impact on their roles and daily activities and how the intervention could potentially reinforce or change certain roles. Having a clear idea of the tangible benefits that might accrue to women and how these can be achieved is critical.

**Key recommendations:**  
WFP and partners should:

- Support women to commercialise their farming activities.

**Lesson 5.2:** WFP should prioritise the purchase of crops that are traditionally grown and marketed by women.

In Liberia, it was realised that “upland rice” was mainly cultivated by men, while “lowland rice” was largely the domain of women. WFP in Liberia has therefore prioritised the purchase of lowland rice. Work is ongoing with partners to help women to increase their surpluses which are generally lower than those of men.

In Central America, WFP is working with government to link the women to the government school feeding programmes which have significant demand for both maize and beans.

In Mali, women are involved in food processing activities and this is an area that P4P is seeks to support.

In Burkina Faso, women plant and sell mostly peanuts and sesame. However, these are not in the WFP food basket.

**Lesson 5.3:** WFP and partners can provide the appropriate technology and training to women to increase their earning potential from the production and sale of staple commodities.

Parboiling of rice improves the quality of the rice that subsequently sells for a higher price. The process is highly labour intensive and mostly undertaken by women. WFP, FAO and the government of Liberia have provided the farmers organisation groups with labour saving equipment and trained the women on how to use it.

**Lesson 5.4:** it is important to incorporate women in leadership at all levels of P4P.

In Guatemala, having female staff interacting with the communities has had a subtle but highly positive influence on their outlook and receptivity to new ideas on potential roles of women in agriculture.

## V. Partner perspectives

A variety of partners shared their experience on specific issues. The main points of their contributions are summarised below:

### a) Root Capital

Root capital shared their reflections on the parallels between learning at Root Capital and WFP's P4P initiative.

#### *Organizational culture*

Founded by a social entrepreneur and based on an idea (that small and growing rural businesses could be banked through value chain finance), Root Capital has developed from an entrepreneurial organization to one where there is increasing process and formalization. P4P is trying to go in the opposite direction within WFP. In business, this is referred to as "intrapreneurship." There are inherent challenges to building a dynamic organization that is successful both at innovating and scaling. Having a rapid feedback loop is critical as mistakes are inevitable. It is also critical to balance rigidity and standardization (in Root Capital's case around loan documentation) with flexibility and creativity.

**Root Capital** is a non-profit social investment fund that is pioneering finance for grassroots businesses in rural areas of developing countries, addressing the needs of small grassroots business that are generally considered too small and risky for mainstream banks and too large for microfinance. Root capital has developed an innovative lending model that serves the needs of these businesses. Since its launch, Root Capital has provided more than \$140 million in credit to 254 grassroots enterprises in 30 countries in Latin America and Africa with a 99% repayment rate from borrowers.

#### *Linking training to desired outcomes*

Root Capital offers financial training to many of their prospective clients. Training needs of the clients are numerous and varied, but given limited time and resources, Root Capital has elected to focus on the financial training that is absolutely necessary to make the loan. Having investment officers who also have the talent and capacity to provide the training ensures that it is linked to credit provision. In the case of P4P, it appears there are multiple training needs around agricultural extension, post-harvest handling, warehousing, etc. and this training is being provided by FAO, IFAD, government agencies, international and local NGOs. There is need to ensure that training is aligned with the quality profile that meets WFP's buying criteria.

#### *Aligning incentives*

As Root Capital grew, a management structure developed in which Regional Directors oversaw lending origination and reported to a Vice President of Lending Origination in the main office. In parallel, a Vice President of Portfolio Management oversaw monitoring, risk, and portfolio quality. Root Capital came to realize that this separation of origination from portfolio quality was a misalignment of incentives and have restructured so that Regional Directors are now responsible for both originating loans and ensuring that they're repaid (with specialized support from the main office). How can P4P and WFP coordinate such that incentives are aligned over time? In the short term, it may make sense for P4P to operate with a slightly different mandate, but ultimately its success will hinge upon its reintegration into larger organization and long-term alignment of incentives and objectives (this does not suggest that these objectives should be static – P4P could play a role in reorienting them, but they need to be aligned).

### *Graduation*

When should Root Capital “graduate” borrowers that it has worked hard with and invested time and money to develop? What levers should it pull to attract commercial players into the market? Similarly, if P4P has three levels of purchasing that reflect different degrees of exposure to competitive markets and the goal (or one of the goals) is to transition farmers’ organizations to increasingly competitive markets, at what point does P4P graduate suppliers to commercial markets? How does P4P avoid distorting markets through on-going subsidy? What is the right point to “let go” of a supplier and make it fend for itself?

### **b) CARE International**

Between 2007 and 2009, CARE has implemented a total of 383 agriculture projects in 52 countries reaching about 10 million households.

Understanding and measuring the extent to which these projects have enhanced women’s empowerment and furthered gender equality, has been a key interest of the implementing teams.

A Place to Grow was an 18-month effort to establish a strong understanding of the ways in which CARE includes or fails to include women and girls in agriculture and agribusiness initiatives. The project incorporated the development of a Women’s Empowerment in Agriculture Framework, a portfolio review and a series of Circles of Learning and informational interviews to validate initial findings. The results include a series of case studies on specific country projects, an aggregated toolkit for women’s empowerment through agriculture programming, a synthesis paper highlighting the overall strengths and weaknesses of CARE’s work in this area and a series of related input documents with additional information on particular country or project activities. Countries covered: Mozambique; Uganda; Ghana.

**CARE** places special emphasis on working with women to create permanent social change. Women are at the heart of CARE’s community-based efforts to improve basic education, prevent the spread of HIV, increase access to clean water and sanitation, expand economic opportunity and protect natural resources.

<http://pqdl.care.org/Lists/Gender/DispForm.aspx?ID=3>

From CARE’s experience, projects that tend to have the greatest impact on women’s empowerment are those in which:

- There are clear gender focused goals and objectives
- There is disaggregation of the target population data by sex
- A gender power analysis has been carried out and
- Gender sensitive indicators are incorporated into the M&E

In the agricultural sector, five basic *levers for change* have been identified and these require attention to the following aspects:

- Land and property and contractual rights
- Gendered division of labour/time poverty
- Gendered control over labour and products of labour
- Access to and control of water
- Attention to gender equality by institutional systems

Recommendations for P4P:

- Consider gender from the beginning and don’t treat it as an “add-on”
- Define what you mean by empowerment and communicate this clearly to stakeholders
- Ensure that there is knowledge sharing amongst the pilots
- Budget for gender – it costs money to address it with seriousness
- Treat this as a process of continuous learning

### **c) Brazil/CONAB**

The Logistics Director of CONAB - the Brazilian state-owned enterprise in charge of managing policies on agricultural production, storage and supply - shared experiences and lessons from the implementation of a large scale pro-smallholder purchase programme of the Government of Brazil. The state company linked to the Ministry of Agriculture, Livestock and Supply also works in cooperation with the 'Fome Zero' (Zero Hunger) initiative.

The CONAB representative explained that CONAB moved from a centralized approach to food purchases based on few products, large volumes, large scale logistics and high costs, to their current innovative and decentralized Food Purchase Programme (known in Brazil as PAA). This programme is based on a policy of minimum price guaranteed. The PAA works closely with the National Council of Nutrition and Food Security as well as social/civil society organizations in rural areas. The project targets specifically smallholder farmers enrolled in the National Programme to Strengthen Family Farming. The PAA defines reference prices for smallholder farmers and purchases food crops through direct contracts with farmers. The programme also entails empowerment and institutional strengthening of social/civil society and farmers' associations.

The PAA is based on the coordination between production, commercialization and consumption. It applies a simplified model which is decentralized. It buys small volumes at local level with low transport costs. It also allows for a wider range of products and privileges local crops. It promotes partnership with various entities and with other governmental initiatives.

CONAB is also involved in supporting organizations involved in the distribution of food assistance to families in need. These organizations have to present a written proposal. If selected, a contract is formalized and the organization distributes food commodities provided by CONAB.

The main advantages of the PAA, as highlighted by the CONAB representative are:

1. Permanent process of consultation, assessment and readjustment among National Food Security Council (CONSEA), farmers' organizations, communities, NGOs and civil society
2. PAA has an educational/capacity building value. It promotes access to markets and stimulates the improvement of the internal management processes in farmers' organizations.
3. The operational methodology is appropriate since PAA is able to respond to the different realities of the country
4. PAA promotes local food habits, stimulates production and strengthens local economies.
5. The evolution of PAA has now transformed it a public policy.

### **d) Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN)**

FANRPAN offered some thoughts on what may be particularly effective mechanisms to promote learning and sharing.

Firstly, the speaker noted that the ability to influence policy is the critical point for influencing sustainable development. WFP and partners therefore needs to generate the evidence that will inform policy development. In doing this, WFP and partners must put the smallholder farmers at the forefront of data collection and analysis. They need to be empowered with knowledge and given the space to communicate what they know.

There is also need to utilise the local research communities (nationally based universities and other institutions) as they understand the local context and are better placed to support such processes. This is also the case with the private sector where often multinationals are the ones that national governments dialogue with while overlooking their local actors in the private sector.

It was noted that government is thirsty for knowledge and evidence of what can work to address the development and poverty challenges faced by their populations. In many cases, government has only their own institutions to rely on and the knowledge brought by other actors such as WFP would be invaluable.

The media can be a powerful tool in promoting the evidence WFP and partners generate and contribute to influencing policy. There are a variety of media that can be of value including radio and cultural theatre groups, particularly.

**FANRPAN** is a regional policy research and advocacy network whose operations are informed by major regional policy frameworks and processes in Southern Africa. These are currently the SADC's Regional Indicative Strategic Development Plan (RISDP), the SADC Heads of State Dar-es-Salaam Declaration, the Comprehensive Africa Agriculture Development Programme (CAADP) of the New Partnership for African Development (NEPAD) and the Common Market for Eastern and Southern Africa (COMESA) Agricultural Plan.

FANRPAN is currently operating in 13 SADC countries through an inter-sectoral network platform in each country designated as a Country Node. Each country node is served by a hosting institution which provides a secretariat and coordination services. The node comprises of the following stakeholders:

1. Government ministries responsible for FANR;
2. Policy research institutions such as relevant university departments;
3. Private sector national umbrella organizations which deal with FANR;
4. National farmers' organizations; and
5. Civil Society organizations.

FANRPAN policy research studies are undertaken by FANRPAN nodes and their participating institutions, as well as information and knowledge from other national, regional, continental and international partners. The activities are coordinated by the FANRPAN Secretariat both at regional and national (node hosting institutions) levels.

## VI. Donor perspectives

A panel discussion was convened on the last day of the annual review meeting. Panel members included: Anne Mbaabu - Director of Market Access at **AGRA** based in Nairobi, Kenya, Brian Conklin - the Agricultural/Private Sector Team leader for **USAID** based in Kampala, Uganda and Dr. Lutz Goedde - the Deputy Director for Agricultural Development with the Global Development programme of the **Bill and Melinda Gates Foundation**, based in Seattle, USA. The purpose of the session was to allow participants to learn more about the broader operating environment, challenges facing donors and how P4P fits into their strategic vision. The main points raised by each panel member are summarised below:

### a) AGRA

The AGRA representative used this opportunity to explain AGRA's programme to participants. AGRA is working in a number of areas to address key aspects that will support a functional, sustainable food production system in Africa.

1. The Programme for Africa's Seeds Systems (PASS) is investing in improving the availability and variety of seeds that can produce higher and more stable yields in the often harsh conditions of Sub-Saharan Africa.
2. The Soil Health Initiative aims to improve soil management practices and provide small-scale farmers with access to both organic and mineral fertilisers, along with information about their efficient and environmentally safe use.
3. Improving access to water and water-use efficiency through a range of options that will make more efficient use of this scarce resource, such as trapping it in small ponds or cisterns, and employing farming techniques that allow the soil to retain moisture. AGRA is also exploring easily adaptable "micro" irrigation techniques that use simple methods like foot-operated treadle pumps and low-cost drip irrigation systems to ensure that crops continue to thrive during periods of drought.
4. AGRA will explore a variety of ways to strengthen markets, including through pro-poor market information systems; improved storage, processing, and utilisation of local food crops; commodity exchanges that improve regional trade in grains; and ways to stabilise market prices and improve farmers' access to credit.
5. AGRA will bolster agricultural research by funding more graduate-level training for a new generation of African agricultural scientists. The programme expects to support M.Sc. and Ph.D. plant scientists to complete their studies.
6. AGRA is committed to working with its partners to promote well-co-ordinated national, regional, and global policies that accelerate agricultural growth for small-scale farmers and that promote environmental health.

**AGRA** is a grantee of the BMGF and Rockefeller Foundations working with smallholder farmers and governments to bring about a green revolution in Africa. AGRA's goal is to double the income of 20 million farmers by 2020, put 20 countries on track to attain an African green revolution.

P4P is seen as a good platform for commercialising the smallholder farmers and helping to address systemic challenges of storage, market information, infrastructure and quality. Similarly, climate change is a growing concern and there is need to work with smallholder farmers to ensure that they are prepared to face and adapt to this reality.



## **b) USAID**

The USAID representative spoke on behalf of the United States Government. The presentation highlighted the US Global Hunger and Food Security Initiative and provided details of how it will operate. It was also emphasised that the US is supporting regional and continental initiatives such as CAADP which will receive support because they put African countries in the lead and provide a common agenda around which a range of actors can come together and contribute. The US wants to be part of a collaborative global effort to fight hunger. The L'Aquila declaration is guiding the development of the US strategy based on a consultative process within the US government and with the global community. This is a good time for an initiative such as P4P because its elements, such as increased productivity, access to inputs, sharing information with FOs, natural resources management, expanding markets, post harvest market infrastructure etc, are at the centre of the US strategy.

### *What this means for P4P*

There will be significant resources available to support the efforts of P4P at country level through USAID, particularly for those countries that have signed the CAADP compact. It was noted that P4P brings something unique to the table which is WFP's buying power.

P4P country coordinators were encouraged to engage with their USAID counterparts and discuss how P4P can help them reach the goals of the USAID country implementation plans. Emphasis was also placed on the need for and value in sharing studies and information as part of the collaboration at country level.

## **c) Bill and Melinda Gates Foundation (BMGF)**

BMGF commended the work undertaken by P4P to date and noted that the Foundation continues to invest in breaking the cycle of poverty and malnutrition and is committed to increasing the incomes of 350 million people in Africa. Projects supported by the Foundation focus not only on cash and higher value crops, but also the increased production of basic food crops are important to make headway against hunger. The Foundation highlighted WFP's unique purchasing power in staples.

The implementation of P4P can help answer some of these challenging questions; How can/will the procurement and development objectives be balanced and how can we maximize the benefit of procurement? What are the pricing policies? Will WFP distort markets? How direct and deep should WFP's involvement in the supply chain be? What are the links to food reserve agencies (FRAs)? What will the resurgence of FRAs mean for WFP in the long term? Where do we want to be in five or ten years? We need to find out how the lessons we learn can help national governments purchase for their own food reserves or other such programmes.

WFP and partners need to focus on impact, scale and sustainability and keep challenging themselves to ensure that smallholders (and the women in particular) really benefit from the interventions.

Sustainability will be key and we need to think ahead about our exit strategy and how to build capacities that absorb in the countries. The ideal is that P4P becomes mainstreamed into WFP's procurement activities and there is no additional premium or associated costs.

## **VII. Way forward**

WFP country offices were grouped in regional/context specific clusters to take stock of the issue, discuss and agree on priorities for the second year of P4P to discuss and to prioritise the P4P activities for WFP, partners and stakeholders in 2010. (The detailed plans are listed in Annex 1 for each region).

The first year (2009) was recognised as having focused on rolling out the pilot i.e. developing country implementation plans, hiring staff, putting systems in place, developing guidance, forging initial partnerships etc. In 2010, the focus will be on moving implementation forward in all pilot countries. The common themes that emerged across all regions were:

1. Need for the development of regional gender strategies based on commonalities in the cultural and religious environments. The strategies will outline the role of P4P with regard to the empowerment of women in agricultural production and marketing, as well as appropriate actions to support women to realise meaningful economic and social benefit for their labour.
2. Greater alignment of P4P to national and regional development plans/agendas.
3. Identify appropriate strategies for enhanced engagement with the private sector and financial institutions to promote pro-smallholder agricultural and market development.
4. Improve on learning and sharing mechanisms and the frequency of learning events at country and regional levels.

## Annex 1 – P4P 2010 Priorities by Region/Cluster

<b>P4P 2010 Priorities</b>		
<b>Latin American Countries (El Salvador, Guatemala, Honduras, Nicaragua)</b>		
<b>Credit Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Inventory of Credit Organizations <ul style="list-style-type: none"> <li>Prepare formats for CO data collection</li> <li>COs prepare inventory of credit organizations and programmes available within their countries</li> <li>Prepare summary of credit options to determine gaps and highlight options which may be available in other countries that could be utilized. Develop a list of recommendations for credit options and partners to contact for credit meeting below</li> <li>Review and discuss during P4P Coordinators meeting in preparation for below meeting</li> <li>Strengthen contacts with regional global credit institutions (IFC, World Bank, BCIE, IDB etc.)</li> </ul>	RB P4P P4P Country Coordinators  RB P4P Coordinator (Consultant?)  All  RB/CO	Mar 2010 Dec 2009  Feb 2010  Mar 2010  Mid-Mar 2010
Central America P4P Annual Review – focused on Credit Options (Guatemala) <ul style="list-style-type: none"> <li>Prepare list of attendees</li> <li>Organize forum, invitees, agenda etc.</li> <li>Organize meeting logistics</li> </ul>	RB P4P RB P4P GTM CO	Apr 2010 Mid-Mar 2010
Crop Insurance Opportunities <ul style="list-style-type: none"> <li>Each CO to investigate current crop insurance programmes operating in country and provide a short description of types available, restrictions, and other information</li> <li>RB/HQ to investigate crop insurance programmes which may be available that could be adopted or expanded in Central America for P4P (including universities, multilateral banks, etc.)</li> </ul>	CO P4P  RB/HQ P4P	Jan 2010
<b>Partnership Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Partnership Stakeholder Analysis <ul style="list-style-type: none"> <li>Develop methodology and format for stakeholder analysis</li> <li>Perform in country stakeholder analysis including evaluation of current partners, gaps, and determine if new partners should be approached</li> <li>Summarize stakeholder analysis from 4 countries to determine underlying gaps and make recommendations for regional partnerships</li> </ul>	RB P4P  CO P4P  RB P4P	Apr 2010 Jan 2010  Mar 2010  Apr 2010
Strengthen partnerships <ul style="list-style-type: none"> <li>Strengthen contacts with regional global credit institutions (IFC, World Bank, BCIE, IDB etc.)</li> <li>Formulate regional UN Partnerships specifically with UNIFEM, UNFPA, FAO, IFAD</li> </ul>	RB P4P	Ongoing
<b>Procurement and Market Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Procurement: Urgent approval of 3 <sup>rd</sup> party payments to be utilized for next harvest season	HQ P4P	Asap
Regional Market Intelligence System <ul style="list-style-type: none"> <li>Review existing market intelligence systems including prices collected by each country and VAM</li> <li>Determine methodology for collecting and updating</li> </ul>	RB/CO	Jun 2010 Feb 2010

pricing information	RB	Apr 2010
<ul style="list-style-type: none"> <li>Determine feasibility of regional system and implement based on funding availability</li> </ul>	RB/CO	Jun 2010
<b>Capacity Development</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Develop minimum training package requirements <ul style="list-style-type: none"> <li>Each CO to determine minimum training package in their country (Essential P4P Package)</li> <li>Create reference list of training materials used by each country to share with other coordinators</li> <li>Share creative approaches and methodologies with others</li> </ul>	CO P4P	Jan 2010  Ongoing
<b>Gender Considerations</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Incorporate gender horizontally in all project activities with experienced partners to conduct training: <ul style="list-style-type: none"> <li>Ensure inclusion of women on management boards</li> <li>Investigate ways to ensure women are receiving real benefit and funds from P4P. (Review this topic for the 2<sup>nd</sup> Regional Coordinators meeting)</li> <li>Include gender sensitivity training at organizational level</li> <li>Request support from experienced partners on how best to include gender sensitivity activities (contact UNFPA, UNIFEM on regional basis)</li> </ul>	HQ P4P  RB	Asap
<b>Learning and sharing</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Continued learning and sharing through the regional P4P coordinators meetings	RB/CO P4P	Ongoing
Each CO to ensure lessons learned are brought back to the community level to adjust ongoing programmes as necessary.	CO P4P	After each agricultural season
Case studies/Visibility <ul style="list-style-type: none"> <li>Build a body of case studies and stories for sharing and increased visibility and PR</li> <li>Each CO to prepare at least 2 case studies on successful practices per year for sharing globally</li> <li>Each CO to prepare one PR story per quarter for advocacy / PI purposes.</li> </ul>	CO P4P with PI units	On-going

<b>P4P 2010 Priorities</b>		
<b>Eastern Africa (Kenya, Uganda, Rwanda, Tanzania, Mozambique)</b>		
<b>Credit Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Linkages with credit providers <ul style="list-style-type: none"> <li>COs to take the next steps with banks they are already negotiating with (Tanzania, Kenya, Mozambique, Uganda, Rwanda)</li> <li>Explore/expand on financing opportunities for farmer organisations with Root Capital</li> </ul>	P4P Country Coordinators HQ/P4P Country Coordinators	Mar 2010
<b>Partnership Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
COs to engage with USAID COMPETE programmes in country	P4P Country	Asap

	Coordinators	
Rwanda and Uganda COs to follow up/link with Technoserve on the market information system being developed	RWA & UGA P4P Country Coordinators	Asap
Country offices to link with FAO, National governments, EAGC etc. for market information	P4P Country Coordinators	Asap
<b>Procurement and Market Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Address storage capacity constraints <ul style="list-style-type: none"> <li>Review options for output marketing through agro-dealers</li> <li>Support establishment/expansion of warehouse receipt systems (Kenya, Uganda, Zambia, Rwanda)</li> <li>Research various options for storage including cocoons and village warehouses (Tanzania)</li> </ul>	P4P Country Coordinators  Tanzania P4P Coordinator	Asap
Support strengthening of regional markets		
Private sector engagement: identify opportunities for new partnerships with the private sector Each CO to review and move forward with private sector linkages	P4P Country Coordinators	Asap
<b>Capacity Development</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Collate available training materials for the region in collaboration with FAO and AGRA	HQ	Mar 2010
<b>Gender Considerations</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Explore opportunities to link into USAID funded gender assessments	P4P Country Coordinators	Ongoing
COs to explore partnerships with UNIFEM, national governments on gender	CO P4P Coordinators	Ongoing
<b>Learning and sharing</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Enhance internal and external coordination <ul style="list-style-type: none"> <li>Improve coordination at country office level through engagement with national government and donor groups and agriculture coordination forums in country</li> <li>Improve regional coordination through regional P4P meetings and engagement with regional economic bodies such as ACTESA</li> </ul>	P4P Country Coordinators  HQ /ACTESA	Mar 2010
Monitoring and evaluation <ul style="list-style-type: none"> <li>Explore opportunities to partner with MCC</li> <li>HQ to provide case study guidance</li> <li>COs to begin working on case studies</li> </ul>	HQ HQ CO P4P/PI	Jan 8 2010 Ongoing

<b>P4P 2010 Priorities</b>		
<b>Western Africa</b>		
<b>(Burkina Faso, Ghana, Mali, Liberia, Sierra Leone)</b>		
<b>Credit Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Explore opportunities with local banks and existing financial institutions for financing of farmer organisations and develop forward contract implementation	P4P Country Coordinators	
<b>Partnership Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Develop stronger partnership with institutions such as IFAD	P4P Country	

and CAADP at field level	Coordinators	
Identify opportunities for new partnerships with the private sector	P4P Country Coordinators	
Explore possibilities of scaling country partnerships to regional levels	P4P Country Coordinators	
<b>Procurement and Market Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Strengthening regional markets <ul style="list-style-type: none"> <li>▪ Explore opportunities for P4P to stimulate/support the process of regional market integration. P4P to participate and make recommendations for action to be tabled at the next sub-regional and regional meetings on regional market integration</li> <li>▪ Promote public dissemination of data on production costs, market transaction costs, transport costs, etc.</li> </ul>	RB CDs in COs where regional meetings are held	Asap
Improve price setting approaches <ul style="list-style-type: none"> <li>▪ Conduct external and internal review of price setting mechanisms and how rules are being applied in order to identify possible opportunities for flexibility</li> <li>▪ Explore new tools for price discovery beyond tenders and Import Parity Comparison, such as responsiveness of markets to demand (price elasticity, price transmission etc)</li> </ul>	HQ/P4P Country Coordinators HQ (proc) with partners e.g. FAO, academics	
<b>Capacity Development</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Develop market literacy training modules for FOs	P4P Country Coordinators with partners	
With partners, take stock of training to date and available materials, determine gaps and adapt the capacity building activities	P4P Country Coordinators with partners	
Involve potential partners earlier in the planning phase to ensure commitment and recourse	P4P Country Coordinators	Ongoing
<b>Gender Considerations</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Develop a common regional strategy to address gender identified gender constraints	P4P Country Coordinators with RB/HQ support	Asap
Conduct analysis of gender roles in the agricultural production and marketing chain	P4P Country Coordinators with RB/HQ support	Asap
Link with partners with expertise in gender especially Ministries of Gender and UNIFEM	P4P Country Coordinators with RB/HQ support	Asap
<b>Food quality/safety/processing</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Link and follow up recommendations of regional programmes on quality, food processing standards, testing, developed by UNIDO on the regional context of ECOWAS and UAMOI	RB/HQ support	Asap
<b>Learning and sharing</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Promote cross fertilization of experiences and best practices among the COs of the region through meetings and visits	P4P Country Coordinators	

<b>P4P 2010 Priorities</b>		
<b>Southern Africa and Ethiopia</b>		
<b>(Malawi, Mozambique; Zambia and Ethiopia)</b>		
<b>Partnership Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Investigate the potential/additional roles of the private sector and rural enterprises in P4P implementation in Malawi with particular emphasis on capacity building	P4P Country Coordinator Malawi	Mar 2010
Build a list of appropriate partners for P4P (public and private sector)	P4P Country Coordinators	Mar 2010
<b>Procurement and Market Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Strengthening of regional markets <ul style="list-style-type: none"> <li>▪ Channel regional tenders through the commodity exchanges in Southern Africa in order to facilitate regional price discovery</li> <li>▪ Engage and advocate in CAADP roundtable discussions under Pillar II, for an enabling market environment</li> <li>▪ Amend the WFP financial rules to allow more flexibility for advance financing to facilitate food procurement</li> <li>▪ Investigate how to expand the “Regional Agricultural Trade Intelligence Network” RATIN, market information system to include Southern Africa</li> </ul>	WFP Zambia and RB  All  HQ  PROFIT & US “COMPETE “ programme	Jun 2010
Address storage capacity constraints: catalyse/push for improvements to the rural storage networks in each of the countries: <ul style="list-style-type: none"> <li>▪ Mozambique: 10 community warehouses of 300 mt capacity each.</li> <li>▪ Zambia: 6 district warehouses and 50 community warehouses</li> <li>▪ Malawi – 18/20 certified district warehouses</li> </ul>	P4P Country Coordinators	Dec 2010
<b>Food quality/safety/processing</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Carry out business feasibility study for small processors	P4P Country Coordinator Malawi	Jun 2010
<b>Gender Considerations</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Conduct a gender power analysis within the communities targeted through P4P to inform programming on influencing power relations, and the unintended consequences	HQ	Jun 2010
<b>Learning and sharing</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Develop M&E mechanisms to show that the marketing systems being built (CEX) can provide traceability (which is not commercially restrictive) at the front and back-end of procurement transactions	HQ/ZAMACE	Jun 2010
Increase Learning and Sharing between P4P Country Coordinators in the region. Schedule 2 regional meetings in 2010	HQ	Jun & Nov 2010

<b>P4P 2010 Priorities</b>		
<b>Conflict and Post Conflict Countries (Afghanistan, DRC, Sudan)</b>		
<b>Coordination</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Create an Advisory Group for high-risk operating environment to jointly establish dialogue with HQ to accelerate operations/implementation of P4P within these contexts: prepare budget proposal	P4P Country Coordinators	Dec 2009
<b>Credit Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Identify partners to facilitate credit access to finance for farmers and traders	P4P Country Coordinators	Mar 2010
<b>Partnership Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Strengthen engagement with governments to advise, inform and seek support on P4P in all COs	P4P Country Coordinators	Dec 2010
<b>Procurement and Market Activities</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Investigate adapted procedure and possibility to apply special rules for conflict countries: <ul style="list-style-type: none"> <li>▪ Allow the use of cash payments for direct purchases (up to a certain limit)</li> <li>▪ Adapted pricing mechanism to highly distorted market conditions (IPP-based on traders)</li> </ul>	HQ HQ	Asap Mar 2010
Establish community collection structures in DRC	P4P Country Coordinator	Jun 2010
Establish buying posts in Sudan	P4P Country Coordinator	Jun 2010
Investigate applicability of community collection structures and buying posts in Afghanistan	P4P Country Coordinator	
Establish "trading scheme" in DRC	P4P Country Coordinator	Jun 2010
Investigate applicability of "trading scheme" in Sudan and Afghanistan	P4P Country Coordinators	
Investigate the use of locally grown produce (nuts and sesame) for processed foodstuffs elsewhere that could be purchased by WFP (e.g. biscuits)	P4P Country Coordinators	Jun 2010
<b>Capacity Development</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Work with FAO and other partners on capacity building for farmers' organizations.	P4P Country Coordinators	Dec 2010
Work with partners to establish local food processing capacities with USDA, IFC and others in Afghanistan	P4P Country Coordinator	Jun 2010
<b>Learning and sharing</b>		
<b>Action</b>	<b>Responsible</b>	<b>Deadline</b>
Investigate adapted procedure and possibility to apply special rules for conflict countries: Allow for lower risk M&E	HQ	Asap
Promote a knowledge sharing platform specific for conflict/post-conflict countries (through regional meetings, exchange visits etc.): arrange regional meeting in Dubai (P4P funded)	P4P Country Coordinators	