



# Purchase for Progress (P4P)

## Highlights from the Fourth Annual Consultation 28 – 31 January 2013 Moving Forward Together

98 World Food Programme (WFP) staff and 99 partners from 25 countries gathered at the headquarters of the Food and Agriculture Organization of the United Nations (FAO) in Rome, Italy for the fourth global Purchase for Progress (P4P) Annual Consultation to collectively review progress and discuss the transition beyond the pilot phase. Two days were dedicated to discussions with all stakeholders (29-30 January) and two half days to internal discussions with WFP colleagues (28 and 31 January).

The Annual Consultation was officially opened by Ertharin Cousin, Executive Director, WFP; Daniel Gustafson, Deputy Director General, FAO; and Lakshmi Menon, Head of Corporate Services, International Fund for Agricultural Development (IFAD).

Following a summary of progress to date and the road ahead, the P4P Coordination Unit presented quantitative evidence regarding building of farmers' capacity and the economic empowerment of women. Senior Government and Donor representatives described how P4P is serving as a catalyst to support broader agricultural transformation in Ethiopia, El Salvador, Honduras and Mozambique. Presentations were also given by representatives of three non-pilot countries (Ecuador, Niger and Zimbabwe) highlighting how smallholder farmers are being incorporated into local purchase by leveraging P4P momentum and models.

Participants then moved into break-out groups to gain a better understanding of different stakeholders' perspectives (government, local partners, international development partners, United Nations/intergovernmental agencies) regarding both strengths and weaknesses of the initiative and participants' recommendations looking beyond the pilot phase.

Four years have passed since the launch of the P4P pilot and partners were encouraged to share both successes and challenges. A final independent evaluation of P4P will take place during the first half of 2014. The findings and recommendations will be presented to WFP's Executive Board in November 2014, followed by a formal policy to guide the integration of the most promising P4P activities into WFP's programme of work at country, regional bureau and Headquarter levels.

### **A sharp lens on partnership, scalability and sustainability**

Experiences and perspectives vary from country to country, from partner to partner, from farmer to farmer. Among the 20 pilot countries and five non-pilot countries present, three themes emerged consistently, especially looking forward: partnership, scalability and sustainability.

As WFP Assistant Executive Director and P4P Steering Committee Chairman Ramiro Lopes da Silva stated, "P4P has never been about WFP. P4P is about how WFP can use its demand as a catalyst to connect smallholder farmers to markets. Therefore, partnership is critical: in particular partnership with governments, with the other Rome-based United Nations agencies, and with the private sector".





Government partnership may help to pave the way for sustainability by linking smallholder farmers to procurement for safety net programmes or other public needs. Government ownership can also lead to significant strides in improving limited basic infrastructure (e.g. warehouses, access roads) that constrain many smallholders from optimizing their potential engagement in markets. Clear opportunities exist to further strengthen the collaboration between WFP, FAO and IFAD. FAO can offer a wealth of technical expertise in sustainable agricultural practices and knowledge sharing, while IFAD can offer extensive expertise in access to financial services and further linkages with IFAD-funded market access programmes. Access to affordable credit remains a key challenge as smallholder organizations continue to struggle with high interest rates in their efforts to expand production and collective marketing. And strengthened partnerships with the private sector can assure sustainable access to commercial markets beyond WFP that offer a premium for higher quality. Partnerships will continue to be fundamental in the coming year and beyond, and will need to be pursued strategically, rigorously and through structured dialogue in planning beyond the pilot phase.

Within WFP itself, there are many opportunities for synergy with other WFP activities to promote scalability and sustainability – for example, linkages with nutrition programmes and home-grown school feeding, enhancing resilience to climate change, and linkages with cash and voucher programming. P4P-type capacity building efforts can link smallholder farmers to the shops that redeem vouchers or where cash beneficiaries buy their food. This would enable farmers to build upon the principles of quality and collective marketing to supply a much more diverse food basket beyond the basic staple food commodities that WFP buys.

### **Balancing learning and implementation (with a steady dose of experimentation)**

As Mr. Khalid Bomba, CEO, Ethiopian Agricultural Transformation Agency, stated, “The most important aspect of our partnership is our willingness to learn by doing rather than learning by being extremely cautious.”

While implementing this innovative initiative, partners are continually uncovering new areas of knowledge and learning. In working with diverse farmers’ organizations across a wide range of countries, WFP and partners are learning more about their dynamics, their potential and challenges, and how to support them to effectively grow from low- to high-capacity market actors. WFP and partners are also deepening their collective understanding of a wealth of issues, including smallholders’ agricultural potential, local processing, quality control and food safety, access to financial services, institutional capacity, procurement models and procedures, gender empowerment, and potential linkages with small and medium-scale traders, among others.

Learning and knowledge are the central capital that WFP and partners have gained through the implementation of the P4P pilot. A Global Learning Agenda has been designed to structure the learning from five years of implementation and this will be a primary focus of P4P during 2013. The experiences in 20 different pilot countries and contexts will be exhaustively captured and documented. At the same time, implementation – and experimentation – will need to continue unabated for the next 24 months. As the WFP Executive Director stated, “If P4P stands for effective actions more than motivational words, we must always be prepared to prove the operational value of our learning. At the same time, all this great learning we collect will never be enough to tell us how to tackle the next challenge unless we continue to experiment.”

A full report of the P4P Fourth Annual Consultation is forthcoming.

