Ken Davies: reflections and key observations

Friends, partners and colleagues

Good morning

The intention of the P4P pilot has been to learn how patient, reliable and assured demand,

Coupled with the capacity development of many partners,

<u>Could leverage a host of changes in the lives of smallholder farming families across very diverse</u> <u>contexts.</u>

The P4P pilot has been a learning experiment -we are synthesizing the learning now -

And this will be put into the public sphere this year,

And provided to the evaluation team conducting the final strategic final evaluation of the P4P pilot in 2014.

If one distills the essence of P4P to one word, it is catalyst.

P4P has <u>catalysed</u> a great deal of positive change, across 20 diverse countries.

And five years is a <u>very</u> short time frame for <u>any development effort</u>, particularly within agriculture.

The theme of this fifth and final annual consultation is embracing change.

Therefore, I would like to concentrate on some of the changes that we have seen,

And the on-going change that we would hope to see over the next five years.

Let me reflect on change for farmers, for governments, for development partners and within WFP and the $\ensuremath{\mathsf{UN}}$

P4P has targeted over a million farming families who are members of farmers organizations.

The accomplishments of the past five years are much greater than tonnages and dollars

For farmers, I will highlight four changes:

Firstly, <u>a change of mind set –</u> thousands of farmers working with P4P now see themselves as small entrepreneurs, small business people, who have the ability to grow more, sell more and earn more.

Second, gender relations have begun to change across farmers groups

And their communities

From El Salvador, to Liberia, to Mali, to Ethiopia and elsewhere

Money from the sale of staple crops is going directly into the hands of women

And you will hear for yourselves the tremendous impact this is having on the lives of women and their families

As Magreth, a farmer from Tanzania, shares her P4P story later this morning

And then again tomorrow when Mazouma from Burkina Faso speaks to us during the gender session.

Thirdly, the quality provided by farmers has improved rapidly across all of the 20 pilots -

And farmers now understand the value of quality for market sales higher up the value chain,

And for the health of their families

Fourth, hundreds of farmers' organizations, representing thousands of primary farmers groups,

Are now linked to formal quality markets,

And selling higher quality staple crops to a variety of <u>private</u> and public sector buyers, <u>including</u> <u>traders</u>

We will hear more directly from farmers today about what has changed over the short period of the pilot.

Where should smallholder farmers be, five years from today?

Farmers and farmers organizations should be developing viable business plans every year,

And have access to affordable financial services

The adoption of improved practices and soil conservation should spread and multiply ten fold

Farmers productivity should have at least doubled and ideally tripled.

Ideally, crop insurance should be widespread and affordable

All FOs should be negotiating fair prices for their production with potential buyers, including traders

The scale of farmers collective sales through cooperatives should have increased,

And an increasing %s of of members will sell more of their surplus collectively

Farmers groups in all regions should be selling to diverse markets,

Including multiple private sector buyers, as well as governments. And WFP,

Millions more family farmers should be earning a decent living on their land

And no longer need to migrate to the city because they have no prospect in the countryside.

Turning to government

P4p has always been about leveraging systemic change

But systemic change at a national scale <u>does not happen in 4 to 5 years</u> – it probably takes 10 years

Today governments in a number of the p4p pilot countries are adopting the P4P model,

Combining demand and capacity development, to sustainably connect smallholders to formal markets.

We will hear from Rwanda and Ethiopia during this gathering.

Governments are asking WFP to work with them to build their capacity to incorporate P4P approaches into government programmes,

Because they are seeing the positive change in farmers lives.

We would like to accept this challenge

In five years, where should governments be in this journey?

Government capacity should have been built so that governments are <u>effectively managing these</u> <u>programmes themselves</u>

Extension services should be adequately funded and effectively reach rural farmers

Improved seeds should be widely available

And <u>road infrastructure</u> should have improved markedly so that farmers can transport their production to markets

Turning to technical partners and partnerships

We are working with <u>over 200 partners</u> – with government ministries, research institutions, private sector including financial institutions, un agencies, local and international NGOs and regional organizations

Over half a million farmers have received training in

Production and productivity Agri-business management Agro-processing Credit and financial literacy Organizational management for FOs Post-harvest handling and Gender equity

But we still have too few qualified partners in the field with dirt under their fingernails

And not all partners have solid technical depth

We could <u>do better in coordinating the provision of technical support and ensuring that farmers are</u> more equitably served across all regions

And this is certainly a government role

How should we move forward together?

Partners should be planning programmes jointly and together with governments

And seeking support for these joint programmes together

In a spirit of genuine partnership

The will exists, but we have yet to fully achieve this across the countries

Turning to the UN agencies

There has been collaboration between the Rome-based agencies in implementing the P4P pilot

FAO has provided technical support on the ground in 16 P4P pilot countries, but this has been fairly ad hoc

We are collaborating on an investment analysis and case studies of institutional buyers in 7 countries

We are working together with Brazil and national governments in 5 countries to implement a small HGSF pilot called PAA Africa

I believe Eugenia will talk more about these shortly

FAO and IFAD have both participated as members of the p4p technical review panel from the beginning, providing guidance on implementation and impact analysis

Both have also been key members of the P4P access to finance working group

But we can do much more together, building on the strengths of each agency.

I believe the will exists now in all three organizations to move forward

As we plan for building on the pilot experience over the next five years,

We need to jointly plan how we can work more effectively together

And implement these efforts for the benefit of smallholder farmers in Africa, Asia and Latin America, with WFP playing its primary role as a buyer

Turning to WFP

Where have we come over the past five years?

At the launch of the P4P pilot, there was huge internal scepticism as to whether it was viable for WFP to engage with smallholder farmers at scale.

Today, <u>the organization is solidly behind the concept of using WFP's demand in a more developmental way</u>, linked with the cd efforts of multiple partners.

P4p has <u>truly become a corporate undertaking</u>, bringing together diverse components of our organization: programme, procurement, logistics, finance, the partnerships division.

<u>But we can do better</u>. Yesterday we discussed how we can better link P4P to nutrition, resilience and climate change adaption, weather index insurance, home grown school feeding.

Notably, P4P has been incorporated into the next five year strategic plan - 2014-2017.

The strategic final evaluation of the pilot will guide us on how to build on the most promising outcomes

Many WFP country offices are writing P4P type programming into their country plans of work

And host governments are encouraging them to do so.

This will require financial support to actually implement

Therefore, I call on governments that would like WFP to implement P4P type programing in their countries

To advocate with the development partners, clearly communicating that they would like to see these components of the WFP country programs funded,

As today, many cps do not receive funding for full implementation.

Most notably with regard to internal change in WFP, <u>our procurement division has now made pro-</u><u>smallholder procurement a centerpiece of the new corporate procurement strategy.</u>

We will hear more about this shortly from our director of procurement, Corinne Fleischer.

We have some very ambitious and innovative proposals to partner with the private sector to increase the impact and scale of pro-smallholder demand

And to triple WFP's pro-smallholder procurement to about \$120 million per year

This will involve <u>much closer collaboration with private traders from whom WFP buys</u>, as only about 20 % of smallholder farmers belong to farmers organizations

Let me close by also reviewing some of the quantitative outcomes of the p4p pilot

Under p4p modalities, WFP has contracted over 400,000 metric tons of high quality food,

With a value of over \$150 million dollars,

Putting money more directly in the pockets of smallholder farmers across 20 countries.

Farmers are reinvesting this income and the positive change in people's lives is quite astounding

In addition, p4p-supported farmers organizations have sold an additional 200,000 tons of food,

At least another \$50 million, to other buyers beyond WFP.

This is particularly impressive if one considers that very few of the farmers' organizations that p4p has worked with

Were selling staple food crops cooperatively at all before this programme

In conclusion,

We have come a long way over the past five years

But we still have a long way to go.

As the African proverb goes:

If you want to travel fast, travel alone

If you want to travel far, travel together.

So that is the challenge for us all moving ahead, together

Many thanks to each one of you for taking the time in your busy schedules to join us for these two days of dialogue

On where we have been

But more importantly, on where we should be going, moving beyond the pilot.

Thank you very much