



Purchase for Progress

P4P

Stronger livelihoods for improved food security

Smallholder farmers produce most of the developing world's food. Still, many live in hunger, and others earn just enough to get by.

We know that agriculture has a major role to play in reducing poverty and hunger. We also know that the innovation and hard work of smallholder farmers feeds 80 percent of people in Asia and Sub-Saharan Africa. Most importantly, we know that with our help they can accomplish more.

Improving the livelihoods of smallholder farmers is key to achieving the Sustainable Development Goals. Investing in smallholders can strengthen rural economies, build more effective markets and increase food security and nutrition.

For decades, smallholder farmers have struggled to access formal markets due to low production, high post-harvest loss, limited information and lack of infrastructure. Without the assurance their efforts will pay off, investing in agriculture remains risky.

But Purchase for Progress (P4P) has shown that when farmers have an assured market for their crops, they can forge stronger livelihoods. With P4P, we provide smallholder farmers an entry point into formal markets and present governments with a model for demand-side agricultural market support.

An entry point to formal markets

Under P4P, WFP works closely with governments to help them purchase from smallholder farmers to meet the needs of public institutions, such as schools and hospitals. **Stable demand** encourages smallholder farmers to invest and catalyses broad capacity development and policy-level support from a variety of partners. These partners provide smallholders with support across the entire value chain – from production to post-harvest, business skills and access to finance.



“ We stopped being subsistence farmers, we stopped farming just to eat. What we have been doing is to produce excess surplus, high quality products so that we can start penetrating into those markets in our country which will give us profits ”

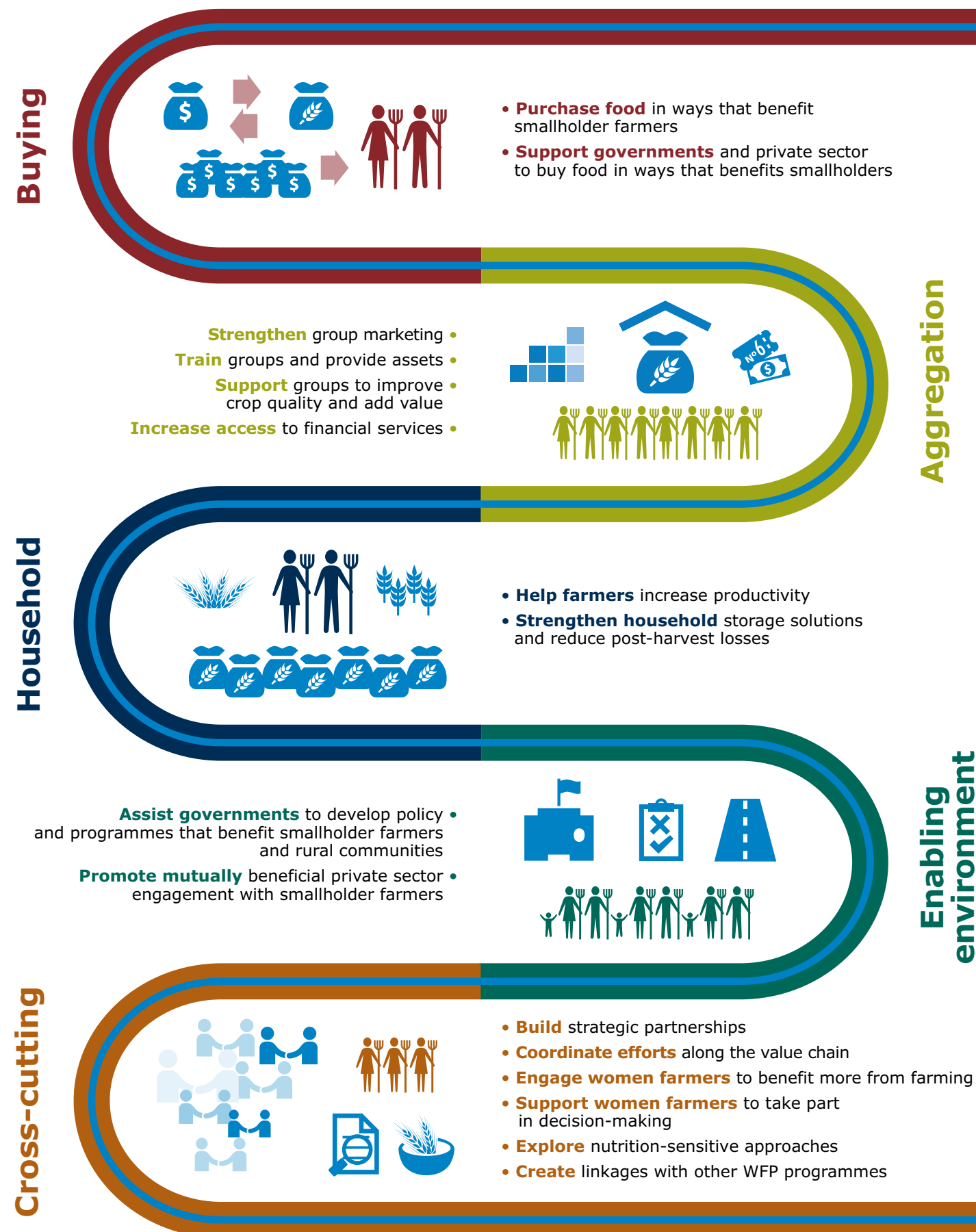
Karla Trujillo

President of El Garucho cooperative, which has become competitive in formal markets with support from P4P.



How P4P can support smallholders and more inclusive markets

Below are some examples of how P4P partnership approaches help strengthen farmers' livelihoods.



Household-level support helps farmers produce more, higher quality, more nutritious crops. Efforts to strengthen **inclusive aggregation systems**, like farmers' organizations, empower smallholders to build businesses together, increasing their bargaining power and access to markets. Governments forge more **conducive enabling environments**, leading the way to vibrant and inclusive trade in rural areas.

Brought together by strong coordination, these elements can empower farmers to gain a foothold in formal markets. With time and continued support, smallholders will sell more and more crops through aggregation systems, leading to more rewarding livelihoods for farmers and stronger food systems for their communities.



No one size fits all

Every country is unique, with diverse challenges to be overcome and opportunities to build upon. P4P incorporates government-led assessments to identify gaps and build programmes to fill them. A variety of activities and approaches can be used to meet the needs of smallholder farmers and agricultural markets, changing lives and livelihoods for the better.

Ethiopia

In **Ethiopia**, P4P supports smallholder farmers through a Government-led partner platform called the Maize Alliance. The Maize Alliance coordinates support for smallholder farmers, providing them with access to WFP's market, increased access to finance, and training in post-harvest handling and aggregation. This broad and coherent support enabled the purchase of large-scale quantities of grain from P4P-supported cooperatives.

Afghanistan



In **Afghanistan**, P4P works to reduce malnutrition by supporting local capacity to produce nutritious fortified foods using surplus cereals grown by smallholder farmers. P4P works with public and private partners, including farmers and co-operatives, food processors, policymakers and quality control labs to strengthen the entire value chain.

Guatemala

In **Guatemala**, P4P provides the Government with technical assistance in topics such as pro-smallholder procurement and supporting women farmers. With skills and experience built from P4P, organizations are becoming major players in private sector markets. Farmers' organizations have become thriving businesses skilled at analysing crop production costs, building business plans and assessing market opportunities.

The way forward

P4P has been implemented since 2008. The programme was initially piloted in 20 diverse countries, changing the way in which more than one million farmers engage with markets. P4P has been embraced as an investment in sustainable growth and transformation by host governments, private sector and other partners, and is expanding to reach more than 35 countries.

WFP has committed to supporting smallholder farmers for enhanced food security, including by purchasing 10 percent of our food needs from them. WFP's support to smallholder farmers is also being strengthened by a variety of specialized initiatives, building on specific lessons learned from the P4P pilot. But we are only one small part of the equation. P4P continues to help governments use public procurement and programming practices to support smallholders' livelihoods.

So far, we have learned a great deal about both old and new challenges in food systems, as well as how P4P can help address them. These lessons have clear messages for global change and transformation agendas – most importantly, it works!

P4P provides a foundation for change – linking farmers to markets to feed the world.



“ By accessing good markets, I am able to get money to take good care of myself and my children. I can meet my children's school needs, improve their health, and buy them good shoes and clothes. And then, I can even get inputs for the next farming season ”

Nafisa Iddirisu is a member of the Bobgu Nye Yaa farmers' group in Ghana, who is benefitting from increased access to formal markets thanks to P4P.

