Promoting access to markets for smallholder farmers in Colombia

Challenge
In Colombia, smallholder farming represents 80% of the country’s agricultural production and employs 1 out of 2 people in the fields; however, its link with the markets remains weak and static. This is due to the long chain of intermediaries that makes the final profit received by smallholder farmers significantly lower than what is paid by the final consumer.

Smallholder farmers are usually linked to wholesalers through intermediary traders. Only in some cases, farmers bypass the intermediaries, taking responsibility for the marketing of their harvests. However, this is usually not the case because smallholder farmers do not have the necessary means to sell to wholesalers directly, due either to insufficient storage facilities or, more often, to poor infrastructure. In the case of vegetables, for example, it is estimated that only 17% of smallholder producers act as their own intermediary (OECD, 2015).

In Colombia, the integration of smallholders into agricultural value chains remains challenging due to the structural and complex set-up of the sector. Creating cooperatives has partially helped to increase the margins of smallholder farmers, but mainly for products such as coffee or milk. However, in most agricultural value chains, the significant number of intermediaries continues to reduce farmers’ profit.

Solution
The Government of Brazil has very relevant experience in addressing these challenges, building on its national social protection strategy that connects various social safety nets, including the national school meals programmes, with food purchases from smallholder farmers.

The Brazilian experience in public food purchases has proven its effectiveness in fighting rural poverty, increasing food security and the nutritional status of policy beneficiaries, farmers and their families, and valuing local food habits. Government food procurement from smallholder farmers creates a stable demand that favors increased and improved agricultural production and reduces the chain of intermediaries.

Family farming in Colombia would benefit from more dynamic mechanisms to access markets because of a long chain of intermediaries that reduces the profit of smallholder producers.

The Government of Brazil, with support from FAO and WFP, has developed a project to promote innovative solutions to allow for an increase in income and business capabilities of smallholder families, by linking them to providers of public food-based social programs.

One of the countries supported through this programme is Colombia. Beneficiaries of the solution were smallholder families in Colombia, with incomes of less than USD 200 per month. The joint Colombia-Brazil South-South Cooperation program achieved the commercial linkage of 1000 smallholder producers to local markets.

Summary
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The Brazilian Government has developed a South-South Cooperation programme to promote its innovative approach with other developing countries. This programme, supported by the Food and Agriculture Organization of the United Nations (FAO) and by the United Nations World Food Program (WFP), promotes smallholder farmers’ access to markets by linking them to providers of public food based social programs.

One of the countries supported by this programme is Colombia, through the Colombia-Brazil South-South Cooperation programme (July 2014-April 2016). This programme served to promote Brazil’s innovative solution amongst Colombian smallholder farmers to allow them to increase their income and their business capabilities.

Stakeholders and Partners

Beneficiaries of the programme were Colombian smallholder agricultural producer families, with incomes of less than USD 200 per month. The programme targeted twelve organizations of smallholder farmers and three hundred families from the Colombian municipalities of Grenada, Carmen de Viboral and Cáceres in the Antioquia region; and of Córdoba and Samaniego in the Nariño Region.4

The program supported ethnic communities and victims of violence in the zones affected by armed conflict, prioritizing women’s participation.

The project was a joint collaboration between the Government of Brazil, WFP and FAO, with the support and collaboration of the Presidential Agency for International Cooperation of Colombia.

The Brazilian Government, in addition to contributing with its experience in institutional procurement models, financed this project in Colombia.

The Government of Colombia involved the Ministries of Foreign Affairs, Health, Education and Agriculture along with the Colombian Institute of Family Welfare, amongst others. These institutions provided technical support and follow-up to the initiatives generated locally.

FAO provided technical support to participants and their families in the application of good agricultural practices in crops, carried out trainings in associativity and business methods for this sector.

WFP developed procurement models for the producers involved in the project as well as provided marketing trainings and support in developing business agreements.

Methodology

The program included local governments and civil society. They actively participated throughout the following phases:

1. Diagnostic phase: Gaps between family agriculture and local markets were identified. Local public markets were identified and the productive capacity of the territories was defined.

2. Implementation phase: Family farmers were supported with the development of associative and entrepreneurial skills. Progress was made in the creation of a commercial network of “biotiendas” (organic food shops) and food collection centres. Political participation at the local level was strengthened to prioritize the local purchases of food, particularly in food-based social programs (i.e. school meals programme).

3. Evaluation and government transfer phase: Best practices were documented and public policy recommendations were presented.

"Our goal here is to improve food and nutrition security of populations and contribute to the rural economies and development."
An external evaluation was carried out and as a result, policy recommendations were made for the Colombian Government and its institutions to improve the impact of public procurement in the local context.

**Effectiveness/Validation**

The joint Colombia-Brazil South-South Cooperation programme, with support provided by FAO and WFP, achieved the commercial linkage of 1000 smallholder producers to local markets.

As a result, the food-based social programs achieved through this solution helped to improve the income of family farmers.

The programme facilitated economic empowerment and the creation of commercial networks for access to fresh foods like chicken, fish, eggs, dairy products, fruits, cereals and vegetables. **Women** were able to reinforce their role as income-generating actors. **Local governments** incorporated best practices in their local and regional programs. While no quantitative analysis was done to measure the increase in the income of smallholder producers, the contracts signed between trading partners showed an increase in the amount paid to buy locally produced food.

**South-South Cooperation**

Through **South-South and triangular cooperation**, the Brazilian Government, with support from FAO and WFP, helped Colombian smallholder farmers to increase their access to formal markets by linking them to providers of public food based social programs.

The implementation of the programme and the diffusion of the Brazilian methodology, was locally supported both by the Colombian Central Government (Presidential Agency for International Cooperation) and by the regional governments of Nariño and Antioquia.

The **Brazilian methodology** was shared through workshops that were developed locally between smallholder farmers and central and local government officials.

The **Brazilian South-South Cooperation program**, with the objective of supporting other countries’ capacity development through the exchange of information and knowledge, has been developed on the basis of over 15 years of implementation.
experience of the Brazilian national school meals programme.

Innovation

In Colombia, there had been few successful experiences with creating a direct link between smallholder farmers and local public procurement markets. This South-South Cooperation program brought new knowledge on how to establish the linkages between food-based social programs and family producers while improving the nutritional quality of the food delivered to educational centres and schools. Producers developed business and commercial skills and improved the quality and variety of foods offered in the market.

Sustainability

Economic empowerment, new partnerships, and the creation of spaces for political participation are all considered elements that promote the sustainability of this solution and the replicability of the experience.

Replicability

The relationship between local governments and civil society in the promotion of solutions and opportunities that lead to an increase in the income and capacities of the rural communities is a key driver for replicating this South-South experience. A strong cooperation between local governments and civil society is needed to replicate the experience in other contexts including post conflict areas, illicit crops, Internally Displaced People, and indigenous communities.

Resources

To learn more about this solution, please refer to the following resources:
- **Video:** [https://www.youtube.com/watch?v=EPyBV91mgY](https://www.youtube.com/watch?v=EPyBV91mgY)

Contact Person

For further information, please contact Deborah Hines, WFP Representative in Colombia.

References