

Farm System Crops

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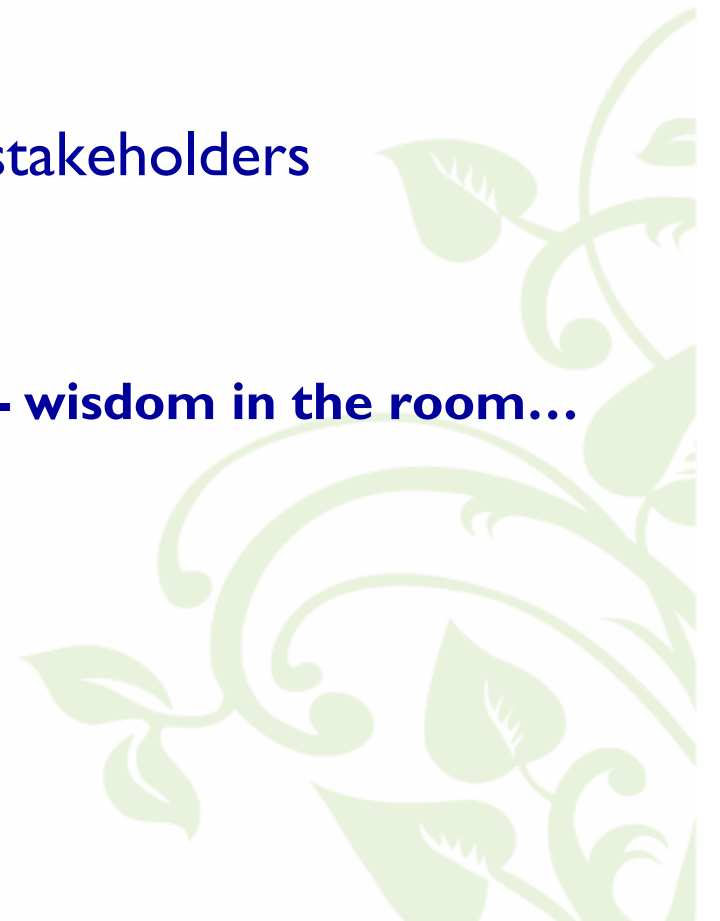
Introduction to the Farm System Crops project

•Project outline

- Producer survey
- Survey findings
- Interviews with key stakeholders
- Interim conclusions

Challenges and Opportunities – wisdom in the room...

- Producers
- Intermediaries
- Retailers & Brands
- Customers





Who is involved?

Us:

- Organic Exchange (Farm Development Team)

Donor/Partner:

- ICCO

Collaboration:

- PAN UK/PAN Germany (OBEPAB partners)



What have we done?

First stage:

Baseline information

- Identified what the organic cotton farmers grow as part of their 'farm system'? (survey and interviews)
- Started to explore the business expansion opportunities available to them and the barriers and challenges. (research and interviews)
- Consulted on how Organic Exchange can best assist and facilitate (interviews)
- **Baseline Report:** Farm System Crops - status and stakeholder consultation.
- **Recommendations for 'Stage Two'**



What's next?

Second stage:

Pilot work

- Tailor a strategy(s) to a Region, Project or other pilot project hook
- Develop a proposal to work in partnership with major Buyers, and/or Brands or Retailers (identify common goals)
- Select one (or a few) farm system crops with good market potential and focussing on these
- Collaborate with other organisations (such as farmer groups, local agencies, financial services) to minimise risk and establish long term success



Second stage: Building Bridges

- Continue to build on current information gathering systems and improve accuracy
- Develop a system of reviewing and updating crop data on a regular basis
- Linking Farm System Crops to Cotton Track and Trace system - Historic Futures
- Explore ways of mapping successful pilot work to other regions, projects, partners and products
- Building on progress and establishing permanency e.g. fair returns via Codes of Conduct, facilitating the market via organic brokering, enabling producers via knowledge transfer etc



**So what did the
producer survey ask?**





Producer Survey

Part 1: Project information

Part 2: Product/crop information

Part 3: Views on farm development





Producer Survey: Part 2

Part 2: Crop/product information

What role does this crop play in the farm crop system? E.g. rotation, intercrop, border crop etc

What is the availability of this crop? e.g. all year round, harvested/picked once per year (annually), etc

When is this crop harvested? i.e. what month(s) of the year

How much of this crop is harvested per year? (estimated quantity)

Does this crop under go any further processing on the farm? If so, please specify the process e.g. pulping, etc.

What is this crop grown for? e.g. food supply, for feeding animals, cash crop etc. Please provide brief details.

How much of this crop is grown for your own food/farm supply? Please provide approximate amounts grown

If this crop is currently being sold (or exchanged), please provide brief details e.g. international market, local

Please estimate the amount of this crop that is sold or exchanged? (approx. quantity)

What 'Grade' is this crop/product? e.g. food, feed, pulp, oil

Is this product organic?

Is this product certified 'organic'?

If certified organic: Please provide details of certification.

Certified fair trade'?

If 'certified fair trade': Please provide details.

Does this crop/product meet export food and safety standards? Please provide details.

Is there any further information about this crop that you consider important to this survey?



Producer Assessment

Part 1: Existing farm and market framework

Part 2: Farm and market development information

Part 3: Farm and market future development and assistance

Potential for:

Growing more...

Introducing new crops...

Value adding...

Business planning...

Business financing





**... and what did
the responses
show?**





Topline results

- Response rate: approx: 60%
- Number of projects: 27
- Africa: 7
- India/Pakistan: 9
- South America: 8
- Other (Turkey, USA, East Asia): 3

- Number of farmers represented: >49,383
(13/27 responses)
- Number of women represented: >14,653
(total recorded)
- Number of crop types reported: 66



EXAMPLE OF DATABASE INFORMATION

Country	Project	No Farmers	No Women	Structure	Crop	Harvest qty Kg	Own use: %	Qty Sold Kg
Tanzania	BioRe	2410	62	Ltd Company	Sunflower	12701	5%	11793
					Beans	226796	30%	158757
					Sorghum	5896701	90%	589670
					Maize	5443108	90%	544311
Uganda	LOFP	27000	10800	Farmers Assoc	Sesame	18143695	40%	10886217
					Chilies	15422	0%	9253
					Ginger	NR	0%	100%
					Soya	907185	10%	544311
Mali	Mobiom	6516	2125	Co-Operative	Sesame	226796	NR	226796
					Groundnut	27216	15%	27216
					Shea	108862	15%	90718
					Maize	NR	75%	NR
					Millet	NR	75%	NR
					Sorghum	NR	75%	NR



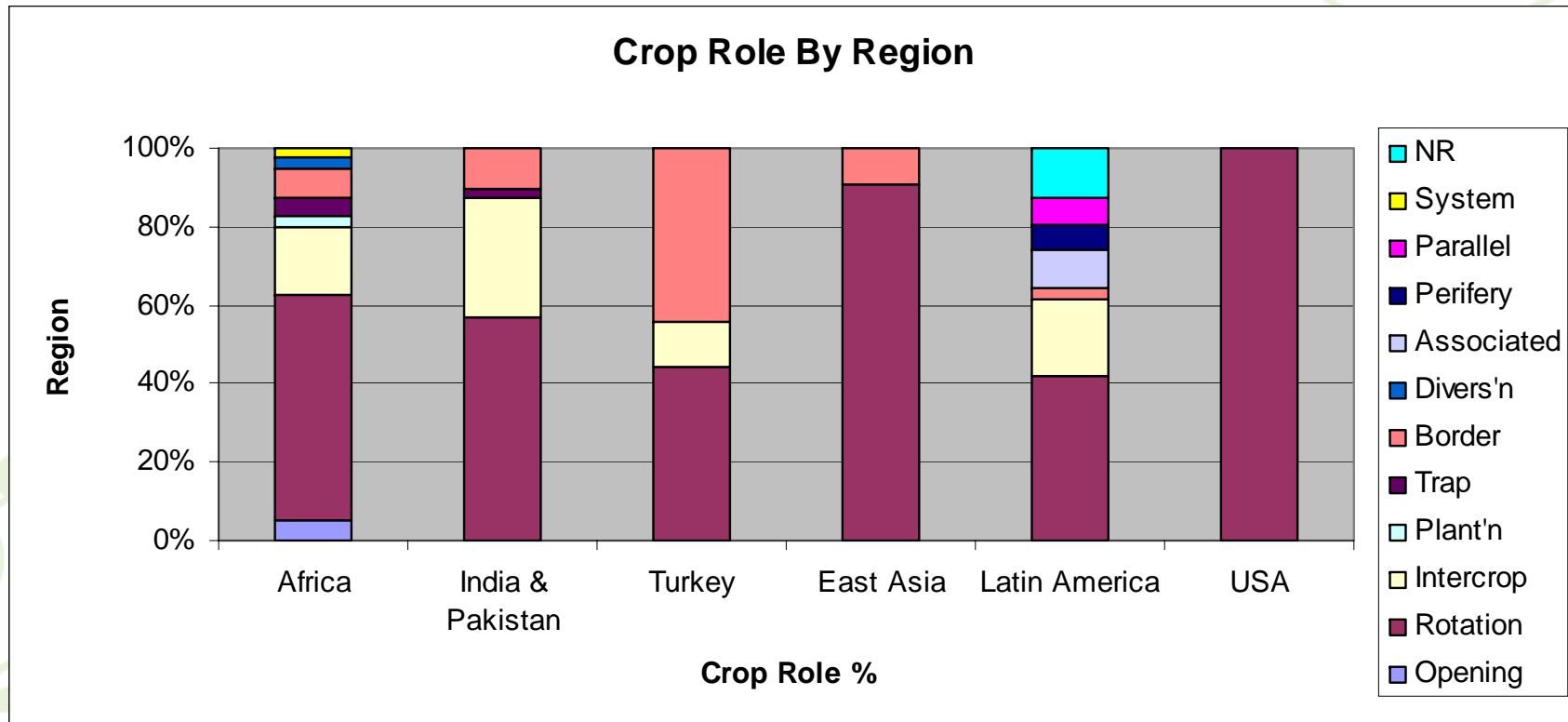
FARM SYSTEM CROPS

LISTED BY ORDER OF COMMONALITY

AFRICA	INDIA/PAKISTAN		LATIN AMERICA
Maize	Mung Beans	Bajara	Maize
Sesame	Wheat	Bengal Gram	Beans
Sorghum	Black Gram	Cumin	Sesame
Groundnut	Soya	Guar	Sweet Potato
Beans	Castor	Onion	Algarrobo (Prosopis sp.)
Millet	Maize	Pigeon Pea	Banana
Soya	Red Gram	Pulses	Cassava
Sunflower	Chickpea	Sugar Beet	Coffee
Bissap	Grams	Vegetables	Groundnut
Cashew	Groundnut		Honey
Chilies	Jowar		Lentil
Cowpea	Mustard		Mango
Fonio	Paddy		Soya
Ginger	Safflower		Sunflower
Hot Pepper	Sesame		Vegetables
Indigo	Sorghum		
Mung Beans	Sunflower		
Shea	Aniseed		

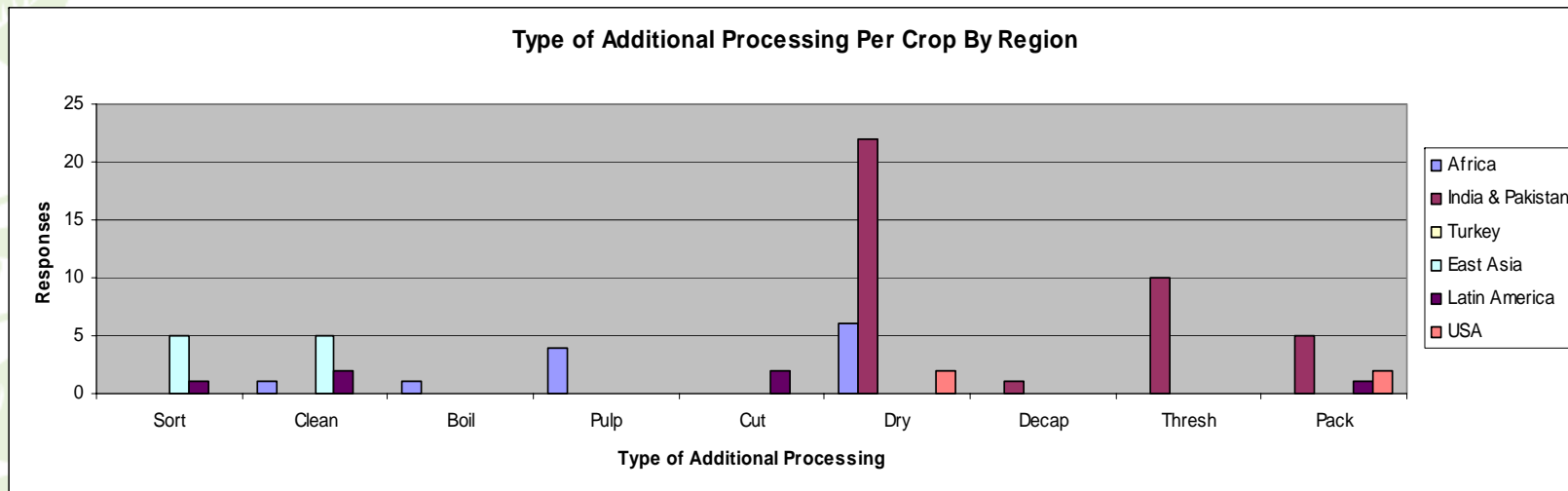
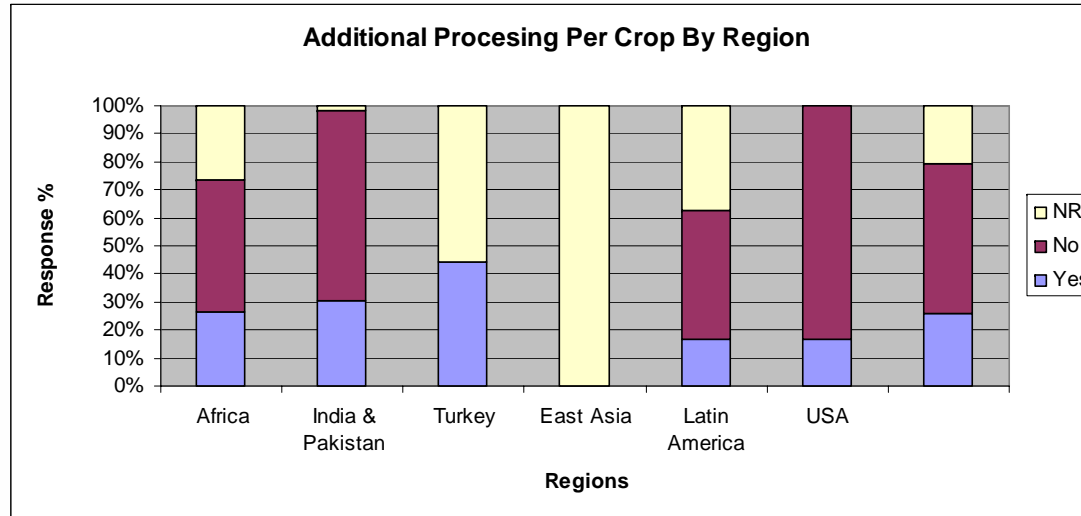


Crop roles in organic system





Additional processing

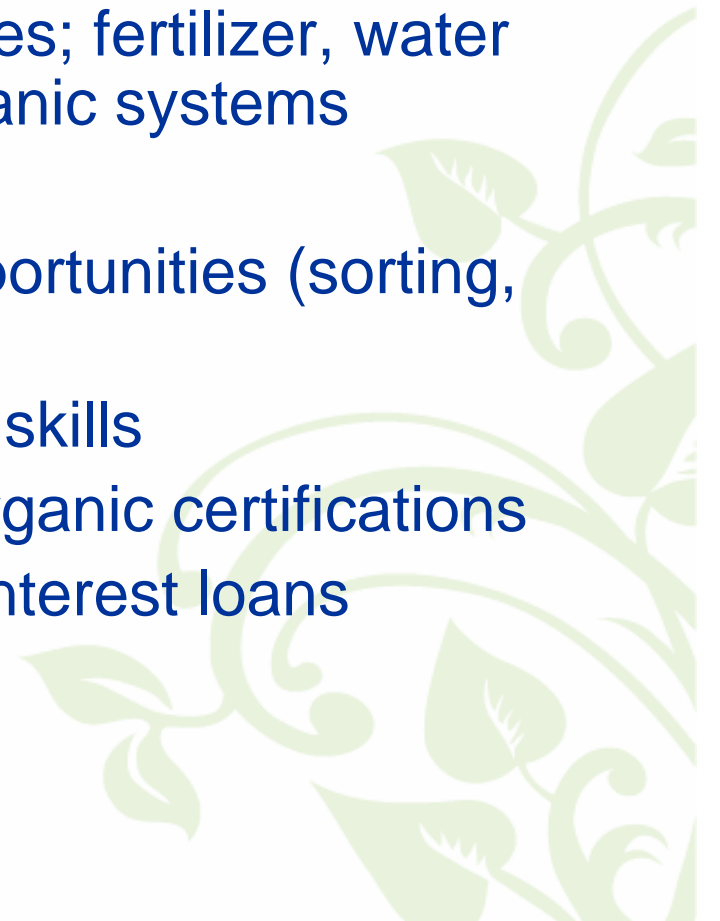




Topline results

Ambitions for the next five years:

- Increase product into the local market
- Improve farming techniques; fertilizer, water and understanding of organic systems
- Increase diversification
- Look for value-adding opportunities (sorting, cleaning, drying, pulping)
- Increase farmer business skills
- Increase farmer-owned organic certifications
- Acquire financing or low-interest loans

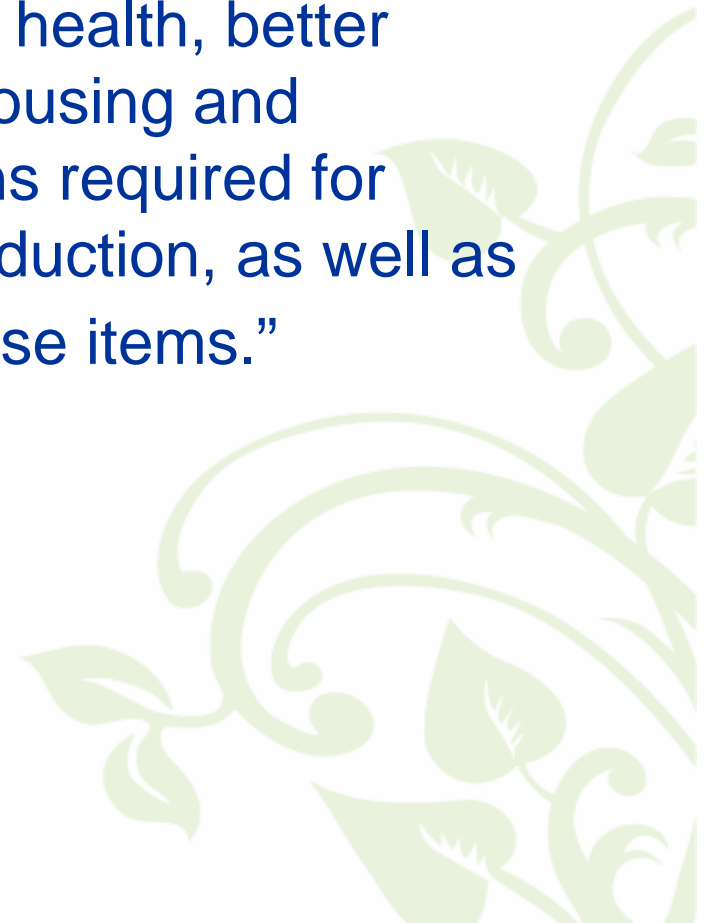




Progress made...

“In the 5 years has prospered in the field in the economy of rural families, achieve better nutrition, education and health, better material conditions in housing and environmental conditions required for compliance organic production, as well as profits in sales of all these items.”

Coproexnic, Nicuagua.

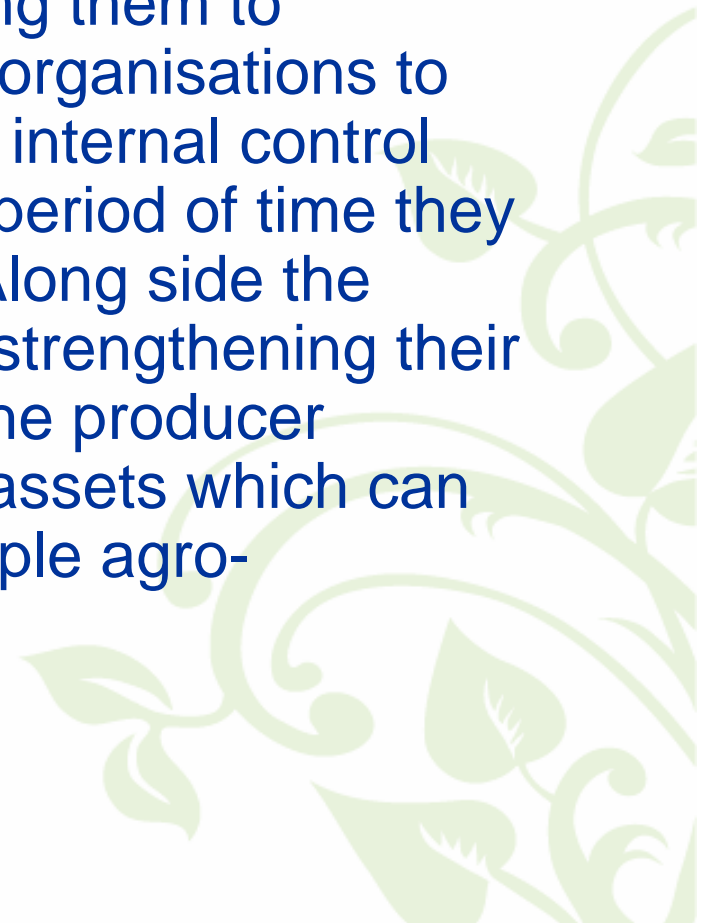




And in the next 5 years...

“Training the farmers to develop leadership qualities, marketing skills for collective bargaining and educating them to strengthen their farmer organisations to execute their plans and internal control systems so that over a period of time they become independent. Along side the training of farmers and strengthening their associations, creating the producer company with tangible assets which can process and trade multiple agro-commodities.”

Zameen, India





Thoughts on business planning

“At present there are no existing arrangements for marketing of the crops that are grown in the project area. Products other than cotton are sold in the open market at a lower price as the trades don't treat these products at par with the conventional produce. Lack of awareness among the local consumer about organic and its availability is one of the reason for this misconception.”

Arvind Mills, India

“We will encourage more farmers to promote this crops/access to better variety of seeds, assistance in research, putting up processing plants where applicable, assistance in packaging material & marketing.”

BioRe, Tanzania



**Who else did we
talk to about
issues, risks and
opportunities?**





COMMERCIAL / CORPORATE	TITLE
AK Organic	Head, Organic Production
Bart Spices	Chairman
Community Foods	Trader (new suppliers), Sales & Supplier Communications
FairMatch	Director
Green People	Research Manager, Sales & Marketing
Hermann Buhler Yarn	Managing Director
Innocent Drinks	Head of Procurement, Trade Communication Mgr
Kadioglu	Director
Marks & Spenser	CSR Manager
Neal's Yard Remedies	Head of Sustainability
Olam International	CSR Manager
Organix	Supply Chain Manager, Public Relations
Root Capital	Director of Strategy & Innovation
Sainsbury's UK	Company Agronomist, pesticide policy
Soma Organic	Supply Chain Advisor
Spiezia	Director
The Body Shop	Head of Sustainable Development
Triodos Bank	Relationship Manager, Organic Agriculture
Tropical Wholefoods, UK	Marketing Director
Wal Mart/ASDA	Head, Ethical and Sustainable Sourcing
Whole Earth	Supply Chain Manager
Yes!	Sales & Marketing



ORGANISATIONS / AGENCIES	TITLE
Agro Eco	Country Manager - EPOPA
Fairtrade Foundation	Policy Advisor, Commercial Team
Helvetas	Organic & Fairtrade Competence
Historic-Futures	Director
IIED	Head, Sustainable Markets Group
Organic Exchange	Farm Team and other advisors
PAN UK	International Programmes, Cotton Advisors
Practical Action	Senior Policy Advisor
Regoverning Markets	Consultant and Professor
Solidaridad	Economic Development and Fairtrade Advisor
Suzuki Foundation	CEO/Ex CEO of MEC Canada
Technoserve	Senior Director of Marketing and Corporate Partnerships

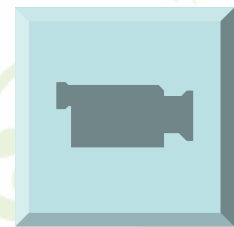


Interim conclusions

- Organic farm systems are by their very nature healthy, safe and nutritional
- Farmer and family food and nutritional security in a time of a 'food crisis'
- Local and community wellbeing - including contribution/improvements to existing markets (organic)
- Leveraging local economic opportunities (employment)
- Regional markets – in many cases farm system crops reflect cultural/typical local diets (nutritional value)
- Farmer-level decision-making and contribution to the end-product (two-way opportunity to share stories)
- Export markets with organic - and fairtrade premiums... tapping into demand for high value products such as bissap, essential oils, exotic chillies
- Regional development and improved health and wellbeing locally whilst contributing to sophisticated – and fair – value chains where appropriate.



Wisdom in the room...





Interview Soundbites

1. **Farmer autonomy.** Director Farm Team, OE
2. **Food/nutritional security.** Regional Manager, India, OE
3. **A buyer's perspective on organic.** European Director, Olam International
4. **Story of 'origins'.** CEO, Suzuki Foundation (ex CEO Mountaineering Equipment Co-op)
5. **Corporate investment in new economies.** Head, Sustainable Markets, IIED
6. **When it works!** Director, Fairmatch (ex ICCO)



Farmers/Producers

Issues/Risks:

- Change (risk)
- Food security
- Impact on local trade
- Access to finance
- Market security
- Access to training
- Business planning
- Marketing skills
- Logistics
- Climate change

Opportunities:

- Diversification
- Crop already organic
- Organic premiums
- Less dependency on cotton
- Increased income
- Farm management
- Independence
- Food security
- Value adding
- Regional development



Traders/Intermediaries

Issues/Risks:

- Quality
- Quantities
- Reliability
- Business demand
- Prices
- Competition

Opportunities:

- Business opportunity
- Relationships
- Risk sharing
- Farmer loyalty
- Price premiums
- Emerging/growing markets (product)





Retailers and Brands

Issues/Risks:

- Quality
- Quantities
- Logistics
- Reliability
- Existing structures
- Risk

Opportunities:

- Innovative business
- Cost savings
- Producer Loyalty
- Farmer story
- Labelling
- Regional investment
- Millennium Dev Goals
- Employee loyalty and links
- Company (CSR) story
Reputation
- Brand loyalty
- Emerging
market/economies





Customers/Consumers

Issues:

- Quality
- Cost and value for money
- Availability
- Food hygiene
- Food safety
- Range of organic produce
- Nutrition
- Healthy choices
- Food miles

Opportunities:

- Fairtrade / ethical spending
- Choice and politics of choice
- Supporting local, small scale, and less 'powerful' retailers and brands
- Brand loyalty



Thank you!

