

# Farming that works for a **BETTER WORLD**



Agriculture Capacity Statement



Agriculture faces several challenges, especially for small scale producers who account for the majority of production. Soil degradation and environmental damage are making production increasingly fragile. Access to markets and to finance for farmers and small businesses is often difficult, and young people are leaving rural areas. Climate change is exacerbating all of these problems, making both farmers and businesses in the food system vulnerable, and threatening food supplies to consumers.

**Practical Action aims to make agriculture work better for smallholder farmers, so they can adapt to climate change and achieve a decent standard of living.** We believe that for this to be achieved, agriculture needs to be:

- **Commercially successful.** Small-scale farmers need to be integrated into markets to make a reasonable livelihood. This includes having viable commercial relationships with businesses that supply inputs and services to them, and that buy their produce.
- **Environmentally sustainable.** Agricultural practises need to ensure adequate production whilst at the same time maintaining natural capital (soil, water and biodiversity) on which they depend. The ability of farmers and agri-businesses to adapt to climate change is a crucial part of this.
- **Inclusive.** Agricultural markets need to provide fair and meaningful opportunities to all, including women and youth. This includes farmers, but also agri-business entrepreneurs and workers. A healthy rural economy will reduce urban migration and help reverse the ageing of agricultural populations.



#### We are Practical Action

#### An international development organisation putting ingenious ideas to work so people in poverty can change their world.

We're a global change-making organisation comprised of three specialist groups with unique expertise. The organisation consists of:

- A development NGO which works alongside communities to trial and perfect creative solutions to problems that keep people poor.
- **Practical Action Publishing** takes our learnings and those of other practitioners and disseminates them worldwide through books, journals and open knowledge platforms.
- **Practical Action Consulting (PAC)** provides specialist technical expertise to our own projects, to other development organisations, government bodies and the private sector.

Currently we work in more than 20 countries and operate from 11 regional offices across Asia, Africa, Latin America and the UK.

In recent years, we have focused on four inter-related sectors and, importantly, on the nexus between them. These include access to renewable energy, agriculture and food security, urban water, sanitation, hygiene and waste management, and disaster risk reduction.

We believe in the power of small innovations to change the big picture. And that together we can take practical action to build futures free from poverty.

## Our approach to agriculture

Through ingenious solutions, we're making agriculture work better for smallholder farmers, many of them women, so they can adapt to climate change and achieve a good standard of living. In 2018-19, 1.1 million people benefitted directly from our work to improve agricultural productivity and incomes.

Working with farmer organisations since the 1960s, our core strength lies in our connections to communities and understanding of local contexts.

We take a **systems approach**. We address linkages between markets and business, climate change and environmental sustainability and gender and youth equality. We also work on the promotion of energy access as a means to strengthen agricultural productivity.

We have a variety of strategies and competencies that are relevant to companies including:

- **Developing sustainable agriculture.** We develop approaches and train farmers to adopt practises that protect natural capital and which lead to sustainable production increases, adaptation to climate change and reduction of GHG emissions. This includes regenerative agricultural practices, climate smart technologies and the reduced use of inputs.
- **Improving farmer livelihoods** so that farmers can make a decent living, and sustainable agriculture can deliver viable opportunities for young people and can transform rural economies.
- **Strengthening producer groups capacity** to support improved productivity, better quality produce, and aggregation, all assisting the integration into commercial supply chains.
- **Building inclusive supply chains.** We bridge the gap between companies and small scale farmers. We work with companies to enable them to better understand and engage with small scale farmers. We support small scale farmers, including women and youth, to develop the capacity, the confidence and the voice to engage with companies in ways that ensure supply chains are inclusive and resilient.
- Facilitating stakeholder engagement and cross-sector collaboration. We enable multi-stakeholder platforms, made up of business, civil society, research institutions and government, to address challenges holding back inclusiveness and growth of specific agricultural sectors.
- **Undertaking market assessments and analysis.** We carry out sectoral analysis to identify constraints and use this to focus on interventions where change is needed and establish partnerships with market actors.
- **Providing market expertise in renewable energy.** We support the analysis and development of 'productive use programming'. This includes the use of renewable energy to support irrigation, agro-processing and other functions that support improved productivity, value addition and sustainability in agriculture.



## Examples of our work around the world

Practical Action works with private companies and international institutions to develop more inclusive business practices and supply chains. Examples of our work include:

## Nestlé: Sustainable dairy supply chain in Peru

We developed a strategy for sustainable production and improved farmer incomes for the company's dairy supply chain. Key outputs included a tool to diagnose the potential of the communities to be part of the programme, a governance infrastructure and a long-term implementation plan to improve the productivity of farmers who supply milk to Nestlé.

## World Bank: Market access and climate change adaptation in Nepal

We worked with lead firms to improve market access and support climate change adaptation. Climatesmart packages, based on integrated agriculture, were delivered through training and demonstrations. Aggregation measures were developed, leading to more commercial relationships between farmers and off-takers, resulting in increases to farmer income and changes in business practices of lead firms.

#### European Union: Sustainable coffee in Peru, Bolivia and Nepal

We developed approaches for sustainable coffeebased agroforestry. This expanded the capacity of producer groups to adopt an ecosystem approach to farming to protect natural capital, prevent deforestation and reduce GHG emissions. Yields have doubled and the quality of coffee has improved as results.

## World Bank: Productivity and quality in poultry farms in Nepal

With their support, we worked with the largest poultry input suppliers (feed, chick, vaccine providers) to develop a comprehensive poultry support package for farmers. This led to increased productivity and quality, improved incomes for farmers and increased volumes for the lead firms involved.

### Swiss Development Corporation: Market access in Bangladesh

Funded by the Swiss Development Corporation (SDC), Practical Action facilitated the development of 420 producer groups, created a platform for engagement with other market actors and enabled business relationships to be built.

## Prabna Meat: Quality improvement of the company's products and empowerment of women in Bangladesh

We worked with Prabna Meat, the second-largest meat company in Bangladesh, to improve product quality and support women's economic empowerment



at the same time. Practical Action developed Rural Sales and Service Centres, which connected women to the company and enabled access to training from Prabna Meat and other service providers.

#### FCDO: Key value chains in Zimbabwe

With support from FCDO, Practical Action is working with private companies and farmers to develop contract farming in key value chains, and access to finance for women farmers and women-led enterprises.

#### IKEA: Improvement of value chains in Kenya

In partnership with the IKEA Foundation, we are developing a multi-stakeholder platforms that aims to improve the poultry, groundnut and tomato value chains. Working groups, made up of businesses (e.g. Kenchic, Equity Bank) and government agencies, are tackling access to finance, access to training services and the provision of market information.

#### Advocacy in use of agricultural soils in Nepal

Practical Action has recently supported the creation of a national platform for soil organic matter made up of government, civil society and agri-businesses. The platform aims to develop strategies for the renewal and maintenance of agricultural soils in the country.

#### USAID: Market System Analysis in Nepal

As part of the USAID Feed the Future programme in Nepal we conducted market systems analysis for agricultural and livestock sectors. This helped the project identify technology solutions for the intensification of production and for increasing market system efficiencies including recommendations on strategies to increase incomes for marginalised women farmers.

#### Participatory Market System Analysis in Rwanda

We carried out a participatory market analysis in the horticulture sector to inform the development of Oxfam's strategy. The analysis included: cost analysis, risk analysis, assessment of local markets, stakeholder mapping and an assessment of the growth potential of specific subsectors. Recommendations were provided on the development of market development strategies for specific crops.

#### Other services provided to private sector clients:

In addition to the agriculture focussed examples above, Practical Action has monitoring, evaluation and learning expertise that can support companies improve operations. For instance, we carried out a review of TRANSFORM, the FCDO, Unilever and EY partnership providing grants and technical support to last mile distribution companies in sub-Saharan Africa and South Asia. This initiative has supported 56 projects in 13 countries so far. Our assignment explored strengths and weaknesses of the partnership and identified opportunities to create efficiencies to how activities were run.

Learn more about these and other examples in: https://practicalaction.org/consulting/





Together we can create a world that works better for everyone.

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