

Government Engagement

P4P Experiences in Systemic Change

Strong government engagement is a critical element of sustainable pro-smallholder agricultural market support. By engaging in coordination, capacity development, pro-smallholder procurement and building a strong enabling environment, governments can strengthen smallholder farmers' inclusion in formal markets. These efforts have a major role to play in national poverty reduction agendas and efforts to achieve zero hunger.

P4P and Government Engagement

From its inception in 2008, Purchase for Progress (P4P) was designed to provide lessons for the design and implementation of government-led pro-smallholder initiatives. National agricultural and rural development strategies informed the design of P4P programmes, aligning them with countries' agricultural policies. Governments played a key role in P4P in a variety of ways, including by: coordinating the initiative through national steering committees, strengthening the capacity of farmers' organizations and their members, engaging in pro-smallholder procurement and providing an enabling environment. Governments' commitment to developing sustainable smallholder farming systems has proven essential to make rapid gains in increasing productivity and market capacity.

Highlights

- P4P yielded a variety of lessons about pro-smallholder demand-side support. This has informed WFP's technical support to strengthen government-run public procurement and has informed policy reform and institutional innovation to support the sustainable engagement of smallholder farmers in public and private sector markets.

Coordination

- Governments play a key role in coordinating value chain actors to ensure efficient and effective delivery of pro-smallholder approaches. In many cases, this has been carried out through project steering committees bringing together stakeholders to discuss approaches and foster joint decision-making.

Capacity development

- Ministries of agriculture are a key channel for disseminating information on agricultural production and post-harvest handling. Training ministry staff and strengthening their outreach through extension providers and agricultural training centres can increase the availability of agricultural education for smallholder farmers.



Achievements

- Since 2008, P4P engaged in **114 partnerships** with government agencies across the 20 pilot countries.
- In Ethiopia, P4P played a key role in supporting the Government to form **the Maize Alliance to provide all-round support to maize farmers**. In 2016, WFP aims to purchase 40,000 mt of maize through this alliance.
- Successful WFP procurement worth **US\$1.2 million** under P4P in Rwanda led to the government scaling up the approach into a national Common P4P programme. The Rwandan government now leverages its institutional buying power to support and procure 40 percent of food requirements directly from smallholders.
- In Guatemala, P4P has inspired the government to provide technical assistance to **67,500 farming families**.

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Public procurement

- WFP has helped governments to develop programmes to increasingly source their food needs from smallholder farmers. Continuous government demand exists for national grain reserves, home grown school feeding programmes, hospitals, prisons and the military.

Enabling environment

- Governments have a major role to play in supporting smallholder agriculture by building a thriving private sector presence in rural areas. Investment is crucial in building the infrastructure necessary for market development such as storage and roads, the development of favourable trade regulations, strengthening market price dissemination and the enforcement of quality standards.
- Enforcement of food quality standards and provision of quality testing services are crucial to strengthening smallholder farmers' engagement in quality markets. Effective uptake of these standards requires support to government actors to work together with farmers and other value chain actors. This has helped increase awareness and ensure quality standards are met. In many countries, P4P trained and equipped quality control inspectors and labs.
- To engage profitably in formal markets, smallholder farmers generally require increased access to market information. Governments can play a key role in strengthening the gathering and dissemination of market information in rural areas, by bringing together partners to develop national market information systems using technology such as radio and mobile phones.
- Government engagement with smallholder farmers can encourage increased investment by private sector actors such as agro-dealers and large training companies in agricultural development. Private sector partners can impact the value chain in various stages by distributing fertilizer, credit and training to smallholder farmers. Governments can also play a major role in facilitating smallholder farmers' access to credit by supporting the production of pro-smallholder products by financial institutions and engaging with smallholder farmers to build their credibility.

Further reading

- Publication: [The P4P Story, Chapter 2](#)
- Publication: [Reflections on the P4P Pilot, Chapter 3](#)
- Report: [Snapshot: P4P Farmers' Organizations, Capacity Development and Partnerships \(September 2008 to December 2014\)](#)
- Article: [Government of Guatemala Builds on Lessons Learned from P4P](#)
- Article: [Banishing Bushweight: Helping Small-Scale Farmers Earn Fair Prices](#)



In Guatemala, WFP supports the government to institutionalize and integrate the P4P approach at a national level, through a trust fund to support pro-smallholder procurement and capacity development for government institutions. WFP has purchased around 4,300 mt of maize from 17 P4P-supported farmers' organizations through this trust fund. Oscar Hernandez, Adviser of the Minister of Agriculture says, "P4P is aligned with the legal and political framework [in Guatemala] and it has shown in the field that it is possible to move forward from aid to trade."

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Public procurement programmes

Governments, as large and reputable buyers, can leverage their institutional purchasing power to provide smallholder farmers with a sustainable and assured market. This can serve as an incentive for farmers to increase production and work collectively, and can raise the profile of smallholder farmers' organizations with other buyers.

National governments are increasingly leveraging public procurement to support smallholder farmers. National food reserves, government-sponsored hospitals and schools can provide significant and sustainable demand for smallholders' production. Similarly, home grown school feeding (HGSF) programmes implemented by governments with the support of WFP and other partners are increasingly providing assured markets for smallholder farmers. The successful adaptation of pro-smallholder procurement models led to cross-country learning through exchange visits, and increased government ownership in countries such as Kenya, Burkina Faso, Ghana and Mali.

Case study: Common P4P

The Government of Rwanda was one of the first to fully embrace the P4P concept. The pilot was launched in Rwanda in 2010, alongside government initiatives for increasing agricultural productivity, reducing post-harvest losses, consolidating fragmented land plots and strengthening smallholder farmers' cooperatives. In the first year, WFP bought US\$1.2 million-worth of maize and beans from farmers' organizations in the eastern and northern provinces of the country. Impressed by this achievement, the Government of Rwanda requested WFP's support in scaling up the P4P approach across the nation in an initiative called Common P4P (CP4P). Under CP4P, the government uses its institutional buying power to support smallholders. Legislation commits the National Strategic Reserve (NSR) and other public institutions, such as schools, hospitals and prisons, to procure up to 40 percent of their staple grain requirements directly from smallholder farmers' cooperatives.

Between 2011 and 2014, the Government of Rwanda purchased commodities worth an estimated US\$4 million (10,000 mt) for the NSR from CP4P cooperative unions. Under CP4P, the Government advocates for increased private sector involvement in agricultural development. Agrodealers and large trading companies have distributed fertilizer, credit and training to smallholder farmers, and coordinated the country-wide collection of smallholders' maize for delivery to the NSR. The success of P4P in Rwanda illustrates how government ownership and strong partnership between government and WFP can facilitate gains for smallholder farmers.



Achievements

- Farmers' organizations have been linked to **home grown school feeding programmes in more than 10 P4P countries**, providing a sustainable market to smallholder farmers.
- In Tanzania, the National Food Reserve Agency purchases grains from P4P-supported smallholder farmers. In 2014, NFRA procured **US\$6.9 million worth of maize (23,000 mt) from 165 farmers' organizations**. Increased procurements now allow NFRA to become the regional food basket by extending their emergency supplies to neighbouring countries in need.
- In Honduras the national school feeding programme reaches **90 percent of schoolchildren**. In 2013, nearly half the maize and beans required for the programme was provided by P4P-supported farmers' organizations.
- In Zambia, **30 to 50 percent of pulses** required for home grown school feeding programmes are procured from P4P-supported organizations of women farmers.