

A coherent and strategic call for action

The transition of agricultural and food systems is a major challenge on the global sustainable development agenda. After notable improvements in the early 2000s, malnutrition has remained at a high level since 2021. The issues behind the three Rio conventions on Climate, Biodiversity and Desertification are increasing the vulnerability of family farming. It's against this backdrop that **AFD emphasizes the importance of supporting Farmers' Organizations (FOs)** that bring them together and contribute to a resilient and just transition of agricultural and food systems.

This commitment supports the implementation of the guidelines on international solidarity and official de-

velopment assistance set by the French Interministerial Committee for International Cooperation and Development (CICID) in 2023. This statement is aligned with AFD's "100% SDG" strategic objectives, which pay special attention to the transformational aspect of projects by finding the right mobilization of financial resources and relevant actors. In concrete terms, AFD supports FOs in three key strategic areas: the "social link" for greater equality and inclusion (consultations at a local level and the inclusion of the most vulnerable farmers); the planet (the restoration and preservation of natural areas, adaptation and mitigation); and institutions, citizens and democracy (the participation of farmers in decision-making processes).

AFD Group's intervention framework in agriculture, rural development and biodiversity¹



A framework based on three operational principles:

- A differentiated, context-specific approach
- Priority to populations who are economically, socially and/or environmentally vulnerable
- Systematic consideration of climate change and biodiversity issues

It has three main areas of action:

- Contributing to productive and ecological transitions
- Supporting cohesive, inclusive and resilient rural areas
- Promoting institutions and policies that support the ecological, productive, and territorial transitions

Family farming and transitions of agricultural and food systems

Efficient and sustainable **agricultural and food systems** contribute to the environmental and social balance of the planet. To meet the challenges of sustainable development, production systems must be transformed. And this transformation must especially involve family farms which, given their significant socio-economic role², contribute to territorial dynamics and the protection of natural resources. Efficient family farms bring vitality to rural areas, and also provide job and income opportunities, particularly for young people and women. Providing support to **family farms** is relevant because of their central yet fragile role in rural systems³.

The fragmented nature of family farms limits their efficiency, but when gathered together through different forms of organization, their **impact** increases.

The **Food Systems Summit** organized by the United Nations in 2021 highlighted the key role of FOs in transforming food systems. At the end of 2024, the Conferences of the Parties (**COP**) of the three Rio conventions (UNFCCC⁴, UNCBD⁵, UNCCD⁶) on **Climate, Biodiversity and Desertification** reconfirmed the importance of the transition of **agricultural and food systems as well as the critical involvement of FOs to meet these global challenges**.

How FOs serve and represent their members at different levels

While facing extensive risks (e.g., food insecurity, climate change, collapse of biodiversity and land degradation⁷), family farms can rely on FOs to provide them with the following wide range of services:

- 1. Better integration in agricultural and livestock value chains: the provision of goods and services upstream of production, including extension services and training, collection, marketing and processing in order to sell quality products of higher value
- Sustainable economic development of rural areas through the dissemination of innovations and the strengthening of "social links", including in crisis or conflict situations (Afdi, 20249)

Meaningful representation in public policy dialog at various levels (local, national, regional and international).

The economic and institutional contexts of agriculture in the countries where AFD operates have undergone indepth changes since the creation of autonomous rural organizations to overcome the effects of drought in the Sahel in the 1970s, or the development of cooperatives within State-administered agricultural value chains. These changes include not only State withdrawal, privatization and market liberalization, but also democratization and decentralization, hence the rise in power of FOs since the 2000s.

² 90% of the world's farms are family-run. They produce more than 80% of food [cf. FAO-IFAD, n.d., UN Decade of Family Farming, 2019-2028 (UNDFF)].

³ AFD 2014, "Family Farming Around the World – Definitions, contributions and public policies", Collection "A savoir" no. 28, 190 p.

⁴ United Nations Framework Convention on Climate Change

United Nations Convention on Biological Diversity

United Nations Convention to Combat Desertification

Wampfler B. (coord.), 2023, Étude de la contribution de l'accompagnement de Fert aux changements dans les exploitations agricoles familiales et les organisations de producteurs, FERT-AFD-Montpellier SupAgro, 62 p.

^{*} See also the strategic thematic areas (Report of the Eighth Global Meeting of the Farmers' Forum at IFAD)

Afdi, 2024. Les organisations paysannes et la résilience en Afrique de l'ouest et au Sahel.

They are more or less formally structured (cooperatives, groups, associations, social media networks, etc.). They differ from non-governmental organizations, local mutual-benefit financial institutions, private commercial companies, and local authorities that provide services that may be similar but without the same local ties or representativeness.

FOs, which are set up and organized in various forms, have enabled some farms to seize the opportunities offered by market liberalization. For small-scale producers in particular, FOs **also help make up for market failures**, such as disorganized supply and marketing of products, scarcity of credit

and its increased cost, price instability, and strong competition for supplying export markets and domestic markets. In addition, as State withdrawal and the lack of resources of local authorities limit the availability of infrastructure and support services, farmers can benefit from **goods and services of general interest from their FOs**, such as information, education (including literacy classes), health (nutrition) and training and extension services (in particular on agroecological practices). Finally, given the low level of diversification of the rural economy, the deterioration of production conditions, and the scarcity of resources that lead to food insecurity and migration, FOs can contribute to **the inclusion of the most vulnerable people**.

Farmers Organizations:

"FOs are autonomous membership- based professional organizations of smallholders, family farmers and rural producers, including pastoralists, artisanal fishers, landless people and indigenous people. They are structured beyond the grass-roots or community level, at the local, national, regional and global levels, on either a commodity or a territorial basis. They include all forms of producers' associations, cooperatives, unions and federations." (IFAD, 2018¹⁰)

For example, FOs played "unprecedented" roles during the Covid-19 pandemic (IFAD, 202211). Thanks to their local outreach, they conducted health-related activities and channeled financial transfers in emergency situations. FOs have also often participated in information systems and promoted innovative solutions to sell products (in local networks) and deal with supply problems such as storage. For these reasons, maintaining networks of generalist FOs (such as regional local cooperatives), is a crucial resilience factor in rural areas, complementing the activities of value chain-specific FOs.

However, with the increasing financialization of the agricultural economy, a reduction in subsidies and the development of companies, tensions (sometimes leading to conflict) threaten the sustainability of family farming. Such conflicts are linked to access to resources (land, water, seeds, investments, etc.) or to inequalities in how family farms are represented in public policies or in the allocation

of support. Partners (e.g., companies in agricultural value chains, investors, public decision-makers or researchers) can accentuate these imbalances and, through **ignorance or lack of interest**, promote agricultural models that exclude family farms and FOs.

The expansion of grass-roots organizations is accompanied by an aggregation trend the extent to which varies between countries. This movement is enabling a **change of scale in collective action** and often leads to an increase in the impact of FO activities. Unions, which can bring together local groups, associations, and cooperatives, are organized at regional level and come together in larger federations at national level. In sub-Saharan Africa, federations have been created for the main agricultural value chains and services. They are grouped into national coordinating bodies, or platforms, and can be associated with other actors within inter-branch organizations.

IFAD, 2018, "Engaging with farmers' organizations for more effective smallholder development", How To Do Note, 36 p.

IFAD, 2022, "Multiple Roles of Farmers' and Producers' Organizations in Responding to the Covid-19 Crisis", IFAD-FO4ACP-EU, 102 p.

This trend has continued since the 2000s, with the launching of international confederations and networks. ¹² More recently, these networks have joined global organizations, such as the Pan-African Farmers' Organization (PAFO), Via Campesina, and the World Farmers' Organization. All of these organizations, when part of coalitions

that include civil society, give to the farmers a seat at the table of trade negotiations. And, more broadly, they help make farmers influential actors in the international political economy, on issues related to the transformation of food systems in the context of climate change, biodiversity collapse and land degradation.

FOs as actors of just and sustainable agricultural and food transitions

Moderate and severe food insecurity affected 2.3 billion people in 2023.

In many areas, "planetary limits" have been exceeded, and land-use change accounts for nearly one fourth (24%) of greenhouse gas emissions. In turn, climate change is affecting food systems, particularly the most vulnerable stakeholders, including family farmers.

More than ever, the transition of agricultural systems is crucial for resilience and the reduction of inequalities. **FOs are effective and critical enablers of this necessary transformation.**¹³

Six major leverage mechanisms aligned with AFD's three sectoral priorities, have been identified:

- 1. Sustainable management of natural resources (land, water, forests, pastures, etc.). For example, collective actions carried out by water users' associations in irrigated areas or by pastoral associations involved in the management of pastures or hydraulic wells. They may also involve the preservation of biodiversity through agroecology or agroforestry programs, the management of natural areas, or genetic heritage (farm-saved seed or local animal breeds).
- 2. Production services dedicated to sustainable farming (supply of inputs, training, independent and innovative agricultural and veterinary extension services, management consulting, financial services, seasonal loans, land security, agricultural insurance, information on markets and prices, meteorological data, pooling of equipment, contract work, and others).

- **3. Structuring of agricultural value chains** (collection, storage, processing, quality control, marketing). These activities help reduce the asymmetric information that producers suffer from, strengthen their bargaining power, and reduce food losses (thereby helping to improve farm efficiency and reduce greenhouse gas emissions).
- 4. Dialog with other stakeholders in the rural ecosystem to negotiate either the conditions for access to resources or the rules of coexistence. This dialog can also be on the due-process for the determination of trade rules, prices, and the sharing of added value (particularly within inter-branch organizations).
- 5. Social and economic inclusion of women and young people, including through the development of specific activities (training, access to credit, etc.). This inclusion fosters both their professional capacities and their representation in FOs governance bodies.
- 6. Representation of the diversity of interests of family farmers in public policies related to agriculture, food, environment, trade, and rural territories. This involves networking from local to international levels, and considering the specific characteristics of family farms and their key role in agricultural and rural development.

Several subregional networks in Africa (ROPPA-Afrique nourricière, Billital Maroobé network, APESS, Propac, Sacau, EAF, etc.) and in Asia (AFA), etc.

IS HLPE, 2019, "Agroecological and other innovative approaches for sustainable agriculture and food systems that enhance food security and nutrition", Report of the

The SDGs: challenges and opportunities for FOs¹⁴





Prevalence of poverty among rural populations and low agricultural incomes among FO members

Increase in agricultural productivity, prices of agricultural products, diversification of activities and income

Management of financial transfers (agricultural support, social safety nets, food aid, payment for ecological services, etc.)

Participatory guarantee systems











Capacity building for farmers and their organizations in the management of rural services related to social well-being and territorial transition (literacy, training and education, preventive health, environmental education, water management and sanitation, agro-energy, etc.)





Food insecurity

Access to "transition" inputs

Agroecological intensification

(innovation and extension services for the agroecological transition)



Women's access to land

Strengthening the role and participation of women in **farm management** and post-harvest activities (processing, marketing, etc.)

The role, participation, and representation of women in FOs





Attractiveness of the farming profession (vocational training, status, income, social protection)

Diversification of rural economic activities in connection with agricultural value chains

(agro-processing, marketing, etc.) The role of young people and their participation in FOs

Access to information and communication

as well as to technological innovations



Diversification of markets in connection with the **development of secondary cities** and growing **demand for quality food** (agro-processing, local networks, suitable nutritional foods such as infant cereals, etc.)



Reduction of post-harvest losses

Storage, conservation, and management of the marketing of food products



Irrigation development and sustainable water resources management

Adaptation to climate change for crop, livestock and food systems (agroecology, food-loss management)

Territorial and watershed management, **suitable infrastructure** (flood spreading, etc.)





Sustainable management of natural resources

Production of local seed varieties

Agro-ecological transition

Implementation of nature-based solutions (e.g., agriculture-livestock integration, agroforestry, etc.)

Safeguarding of **local know-how** and taking into account the role of indigenous peoples





The social utility and social responsibility of FOs

Dialog and concertation with local and **public authorities on public policies and investments**

AFD and FOs

Support to FOs is aligned with AFD's sectoral intervention framework for agriculture, rural development and biodiversity (2022).

Taking a sample of projects financed by AFD since 2008 whose brief description explicitly refers to FOs, analysis shows that the main priorities dealt with strengthening social dynamics, improving production services, and structuring value chains. The projects financed by AFD involving FO stakeholders therefore have the following objectives:

- **Institutional consolidation**, which guarantees their representativeness, their negotiation capacities, and the continuity of their activity by:
 - strengthening their **governance** bodies (including the participation of young people and women)
 - · improving administrative and financial management

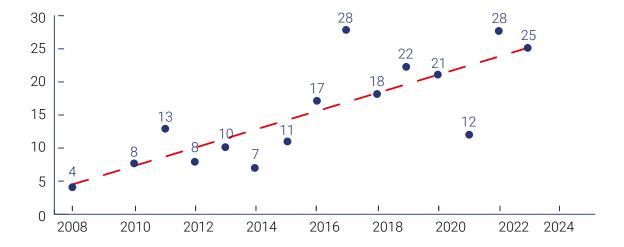
- developing the skills (change management, management in general, leadership) of elected representatives and employees, as illustrated by the Farmer University of ROPPA (Network of Farmers' and Producers' Organizations of West Africa)
- identifying and carrying out public service delegations
- **implementing projects**, in connection with internal and external accountability and rigorous evaluation procedures.
- Access to financing (certified accounts, access to financial services, implementation of tools, taxes, funds) to support activities, operations, the development of services, investments, infrastructure and, more broadly, projects implemented to benefit farmers, value chains, and rural territories.

FISH FARMING MARKETING LOCAL **KNOWLEDGE STRUCTURING** PRODUCTS PEOPLE ADDED-VALUE IMPROVING QUALITY VALUE CHAIN **STRENGTHEN TRAINING** INCOME **CAPACITIES COOPERATIVE TECHNICAL ADVICE INFRASTRUCTURES** WATER **PRODUCTION** SEEDS

- Design and dissemination of sustainable professional practices:
 - · technico-economic training
 - setting up and supporting young farmers
 - establishing agricultural management centers
 - testing and structuring agroecological advisory services¹⁶
- Value-chain structuring, including:
 - export products (cotton, coffee, cocoa, etc.)
 - fair trade or quality labels (organic farming, geographical indications, etc.)
 - food value chains (plant proteins, milk collection, processing, etc.).
- The sustainable management of natural resources and the resilience of rural areas (land management or water resource management, preservation of protected areas). In addition to project financing, the capitalization of experiences is carried out within technical committees such as CTFD¹⁷ and COSTEA¹⁸.

- Financing food-security schemes such as replenishing "first line of defense" food-security stocks (cereal banks, food-security granaries), the regional food-security storage strategy in West Africa and supplying institutional markets such as school canteens.
- The establishment of permanent collaborative platforms (State-sector, interprofessional and inter-FO) and support for advocacy between peers and from economic operators, as well as agronomic research centers and the State. For example, the multi-stakeholder platform to support the promotion of local milk in West Africa and the Sahel.
- The participation in public policy dialog to integrate agroecology, the adoption of trade measures in West Africa (Inter-Réseaux¹⁹), and the mobilization of regional FOs to develop agro-pastoral policies in West Africa (ECOWAS).

Number of projects financed by AFD Group with a mention of FOs in their brief description



⁶ Cf. AFD, 2023, "Improving the Integration of Agroecological Transition within Projects Financed by the AFD Group", position paper, 49 p.

¹⁷ CTFD, "Land and Development" Technical Committee.

¹⁸ Cf. COSTEA <u>Scientific and Technical</u> <u>Committee for Agricultural Water</u>

¹⁹ Inter-Réseaux Développement Rural

Analysis of the AFD Group database (2008-2023) and complementary interviews enables the **non-exhaustive identification** of 234 operations in which support to FOs was implemented with a **trend increase since 2008**.

The areas of implementation are diverse. The projects cover the AFD geographical departments of Africa (48%), Asia and the Middle-East (16%), Indian, Pacific and Atlantic Oceans (9%) and Latin America (5%). In addition, 22% of projects are multi-country.

Nearly all of these projects are financed by AFD. Some projects financed by PROPARCO are also referenced (financing of private companies owned by tea producer cooperatives in Kenya, a grouping of rubber farmers in Côte d'Ivoire, ARIZ guarantees, etc.).

84% of these projects are funded through grants, including 21% through the CSO Initiatives Facility²⁰, 12% of delegated funds mainly from the EU, and 4% from Debt Reduction–Development Contracts (C2D).

These operations come in various forms, such as conventional projects or trade capacity building programs (PRCC), in which FOs are in the capacity of contracting authorities or operate as partners, long-term support (three 3-year phases in the CSO Initiatives Facility), methodological approaches of agri-agencies/NGOs, and so on.

Proactively supporting FOs

The 2023 French Interministerial Committee for International Cooperation and Development (CICID) specified the 10 priorities of **France's international solidarity policy and official development assistance**. These ambitions should be reflected in AFD's specific performance indicators, particularly regarding the fight against **climate change**, the preservation of **biodiversity, training, entrepreneurial innovation** in Africa, **human rights, gender equality** and the strengthening of **food sovereignty**, particularly in Africa. For example, the indicator relating to food security deals with the proportion of AFD Group sectoral commitments that contribute to improving agricultural and agri-food value chains and to agroecological transitions. FOs are key partners in the achievement of each of these objectives.

There are multiple ways to strengthen collaboration with FOs. First of all, **AFD Group's commitment to supporting FOs should be reaffirmed**. Dialog with FOs and direct or indirect investment in their activities are ways of promoting the three priorities of AFD Group's sectorial intervention framework in agriculture, rural development and biodiversity. AFD considers it crucial to take FOs into account in operational projects and to enhance the dialog with these organizations (in particular through alliances such as Agricord). Through knowledge management activities and evaluations, AFD will highlight the potential and impact of FOs, especially in economic terms (jobs, production, added value, etc.).

²⁰ AFD's CSO Initiatives Facility

Secondly, AFD will continue to take into account the role of FOs in **public policy dialog** with **national conterparts** and will support the principle of effective participation of FOs in the development of regional, national and local policies and strategies in the agricultural field. This dimension is part of AFD Group's strategic priorities regarding the **social link and institutions.** Based on lessons learned, AFD will include the issue of strengthening FOs in the international dialog forums in which it participates (N4G-2025, COP, Food Systems Summit, ECOWAP-2035, etc.), drawing on action proposals from initiatives such as those of the Farmers' Forum (IFAD) or UNDFF (FAO-IFAD).

A trusted partnership with FOs is possible only if it lasts over time. It is therefore important that AFD contributes to the sustainable structuring of FOs, and, more specifically, to the development and implementation of **their financing strategies**. Self-financing is a challenge for FOs. To support a wide range of services, it is therefore essential to support the mobilization of diverse resources, including agricultural development funds, taxes, funding intermediaries via the State, remuneration for FO services (including common and public services), institutional contracts, public-private partnerships, shared-cost financing, payment for environmental services, and loans.

The implementation of these strategies requires **solid governance** (including succession planning for leaders) and **robust management and information systems**.

With this same goal of durability in mind, AFD will pay increased attention to all **mechanisms of FO dialog with stakeholders in the agricultural value chains and in local areas**. The aim is to support ongoing processes and improvements for new activities such as: certifications for cash transfers, supply of collective catering, setting up young farmers, collaborative agricultural research, and tripartite partnerships with financial institutions, public authorities, etc.

These activities and commitments make up AFD's renewed framework for proactive support to FOs. AFD has historically focused on the professionalization of FOs in relation to the liberalization of agricultural sectors in the 1990s. Given their key roles in response to global challenges, the range of actions to promote FOs must thus be adapted to the context of agricultural and food transitions.

AFD will help to ensure that FOs are able to play an active, well-known and acknowledged role in the necessary transformation of agricultural and food systems, and will participate whenever possible in their undertakings and those of their partners, so that their voices are better heard.

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For a world in common

AFD Group finances and drives the transition to a fairer, safer and more resilient world, working with its partners to support communities all over the world. Drawing on the complementary strengths of its entities – Agence Française de Développement for public financing, Proparco for responsible private investment, and Expertise France for technical expertise – the Group is ideally positioned to meet all sustainable development challenges.

Working in over 160 countries, including France's Overseas Territories and Departments, the Group adapts its operations to the realities on the ground, actively supporting local initiatives. With over 4,000 projects, whose objectives are aligned with the Sustainable Development Goals (SDGs), AFD Group works on behalf of the French people, together with all stakeholders committed to economic development and the preservation of common goods: climate, biodiversity, peace, gender equality and global health. Working by your side, toward a world in common.



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