

Farmer Agency for Rural Economies

1. Introductions and getting started

1.2. FARE approach: analyses for action in complementary intervention areas

The FARE cycle: analyses for action

FARE is about putting the results of complementary analyses into action. The figure below visualises cycle for developing farmer-inclusive agribusiness and food systems. The figure highlights the analyses (green part at the right), the planning and action (blue part at the left) and the proposed complementary intervention areas (red part in the middle of the figure).



The cycle begins with case studies and a sequence of analyses that lead to the identification of challenges and opportunities, which in turn form the basis for strategic and operational planning. On the action side, the focus is on what producers can do themselves, and in collaboration with other stakeholders, both public and private. Both for analysis and action, FARE distinguishes six complementary intervention areas.

Analysis

FARE offers a toolbox to carry out complementary analyses with and for farmers. The analysis starts with the selection and description of a specific case for inclusive agro-economic development. The analyses first focus on farmers' realities, conditions and entrepreneurial spirit, as well as their organisation and collective action. The efforts then continue with the analysis of production and farm management, the analysis of agricultural sub-sectors and value chains, and finally on the analysis of the actors and stakeholders of the selected case and some key issues for transforming the agri-food system, such as agri-finance, inclusive agribusiness, advocacy for a more enabling environment, and the challenge of new information and communication technologies.

Action

FARE analyses lead to the identification of challenges and opportunities, which in turn are input for strategic and operational planning. FARE puts strong emphasis on farmers' involvement in the design, implementation and adaptation of agro-economic development programmes and projects. This starts with defining strategic orientations and continues with operational planning and stakeholder alignment and collaboration. The implementation is closely monitored and evaluated, with aim that lessons learned lead to the adaptation of plans and implementation modalities and feed into further action research.



Collaboration and cooperation

To bring about effective change and to improve their performance, farmers and their organisations need to collaborate with other actors and stakeholders, from the private and public sector. They need to do so for analysis, for action planning and for the implementation of practical activities in all intervention areas. The search for collaborative links must be done at different levels (from local to international).

In addition to the views of farmers and their organisations, the perspectives of many other actors, need to be taken into account when designing inclusive agri-business models and food systems, among others: agri-input suppliers, processors, traders, wholesalers, supermarkets, financial institutions (microfinance institutions, banks, saving and credit cooperatives and others), national and local governments and government agencies, and donors and development partners. Inclusive agribusiness and food system transformation can only succeed and be sustained if they address the concerns of most, if not all actors and stakeholders involved.

A FARE design process leads to in-depth analyses with a high level of farmer involvement and comprehensive, coherent and well-structured action planning, with special attention to multi-stakeholder collaboration. Participants in a FARE training course, working according to the FARE cycle, develop an action plan for their FARE case, as well as a personal action plan, which concentrates on the application of the FARE approach and tools in their own working situation.

Intervention areas for the design of integrated programmes

Based on field experience and the distinctive focus of the FARE approach on farmer empowerment, six intervention areas for farmers' action and collaboration with other stakeholders are proposed. Two intervention areas relate to the production side: 'Production factors and agro-inputs' and 'Agricultural practices'. Two intervention areas relate to the market side: 'Post-harvest value creation' and 'Market relations and sales'. Two intervention areas relate to food system and agribusiness sector transformation: 'Agri-finance' and 'Enabling environment'. These intervention areas are closely related to, and allow for designing well-integrated programmes and projects for farmer-inclusive agro-economic development.

1. Production factors and agro-inputs

Farmers need to have access to land and water, which are the most fundamental agricultural production factors. And they need to have access to agro-inputs of reliable quality, at the right time, at the most affordable price. Through their organizations, they can improve accessibility and affordability. Access to production factors and collective procurement (buying or getting agro-inputs together) are the key words for this intervention area. Developing a business venture at the input supply side is a possible option for rural entrepreneurs and farmers' organisations.

2. Agricultural practices

Agricultural production is the core business of farmers. Farmers have to continuously adapt and innovate production practices to improve production, productivity and quality. In many different ways, farmers' organizations can facilitate the professionalization of farmers and the innovation of agricultural practices. In this intervention area, the focus on human capital: collective learning, testing and innovation.

3. Agri-finance

Access to financial services is a key issue in most agro-economic development cases. Farmers need to manage their finances, analyze production costs, organise sales and do cost-benefit analysis. For the purpose of financing their production and marketing activities, farmers need to understand and engage with banks and microfinance institutions and submit bankable proposals. Having collateral is generally a major concern (both for farmers and banks). Producers' organisations can play an important role in this intervention area.

4. Post-harvest value creation

This relates to operations on primary products to create added value. 'Post-harvest' operations change the characteristics and the market value of a product, as compared to the value of the primary produce. Options are storage, transport, grading, cleaning, processing, packaging and others. This domain is very important for producers' organisations who can set up specific farmer-owned businesses.

5. Market relations and sales

Collective marketing (selling together or organizing common sales outlets) is the key word for this intervention area. For producers, it is important to have market intelligence (what, when, where to sell?) and to have good relations with buyers. Collective marketing can help to improve bargaining power, to avoid middlemen and brokers, and to reach higher value markets. Innovating market relations, for instance contract farming, is also among the options that are possible in this area.

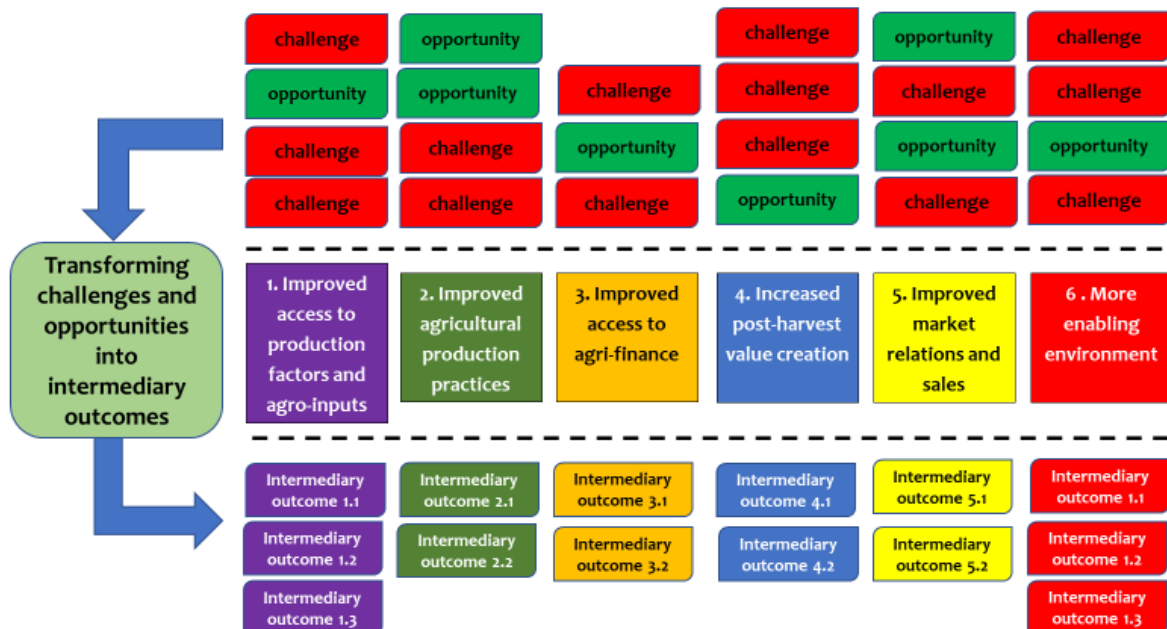
6. Enabling environment

The voice and influence of smallholder farmers are generally weak. Action in this intervention area is about getting a better policy and business environment. This can be for many different issues: policies and regulations, service provision (such as extension or veterinary services), improvement of infrastructure, adaption of tax conditions, ICT solutions, governance of food safety standards and many others.

Design of integrated programmes for farmer-inclusive food systems

Result-oriented design

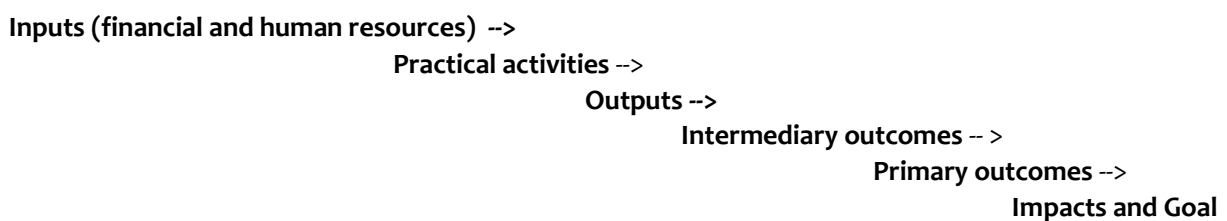
The six intervention areas are closely related and allow for coherent and well-integrated programmes for farmer-inclusive business models and food systems. It is by addressing the challenges and exploiting the opportunities - identified with the complementary analyses - that the primary outcomes, formulated for the six different intervention areas, can be achieved. The most important challenges and opportunities are transformed into intermediate outcomes (see figure below).



Result chain

Practical strategies and options for action are identified to generate outputs and have outcomes, with a focus on what producers and their organisations can do themselves and how they can cooperate with other actors.

Reading from the bottom up, the result chain that is produced, has the following logic:



This logic, which is rooted in the identified challenges, opportunities and policy options and which aims to contribute to the formulated vision, designs a well-structured and integrated programme, which gives due attention to farmers’ priorities, the production and market side, agri-finance and levers to effectively influence and change the political and economic environment.

