

## **Benchmarking the Business of Agriculture**

### **Meeting Summary**

**Friday 11 October 2013**

*Organised by Practical Action (as a member of the Africa Smallholder Farmers Group) and the World Bank BBA team*

This meeting brought together members of the BBA team within the World Bank, donors supporting the BBA project and members of civil society. This event was organised by Practical Action (as a member of the ASFG) and the World Bank BBA team. This happened upon civil society groups involved in the ASFG and the Euro-IFI network identifying that the Bank was progressing with this project (the BBA) but had not actively consulted civil society. As such Practical Action wrote to the BBA team requesting that an event was held over the annual meetings. This was not a formal consultation, but rather an information sharing time where those members of civil society who were registered to attend the World Bank Annual Meetings were able to hear from the BBA team what the project was about and share some initial thoughts (and concerns) about this project.

**Will Galvin** of Self-Help Africa who sits on the BBA Advisory Council chaired the session.

**Alison Griffith** (Practical Action and a member of the ASFG) opened the session by highlighting why the ASFG believes that a focus on an enabling business environment for farming enterprises is important. The ASFG likes the BBA goals of improving food security, creating livelihoods and raising incomes. However to meet these goals effectively the BBA needs to look more at process (who decides what is important and how do they decide this). This is especially important if the Bank continues to see its main role being to enable governments to find their own solutions – as it highlights in the BBA concept note. The ASFG [framework](#) highlights a number of important areas for consideration for a pro-poor enabling environment for farming enterprises. There are two particularly critical areas which the BBA should address: the [needs and capacity of small-scale farmers](#) and [environmental sustainability](#). Both need to be mainstreamed across all areas of the BBA; if the BBA fails to address these two issues it risks failing to achieve the goals that it has set itself.

**Grahame Dixie** the World Bank lead on the BBA then presented an overview of the BBA project. (See GD's PowerPoint presentation). The overarching aim of the project is to leverage policy reform and to allow countries to benchmark themselves against other countries. The project is rooted in the belief that agriculture needs to be strong and market orientated if it is to meet the growing demand for food. Half of the current demand for food on developing countries is met by imports and producers are increasingly dislocated from the urban population in terms of space, time and preferences. An enabling business environment for farmers to flourish and be competitive is therefore needed. The BBA report needs to help people to have the key elements of an enabling business environment in mind and to be able to track their development as a country over time.

**Alan Rennison** of the Gates Foundation explained that they, as donors, believed that the BBA was important primarily because of the contribution that it made to data which could be used for better policy making which supports small holder farmers. The focus for Gates

would be on local farmers and local agribusiness and not bigger, foreign investors. (See AR's PowerPoint presentation).

**Emmah Nungari** the country director in Kenya for ACORD international highlighted some policies that would be important to consider if we want to support small holder farmers and food producers. It is critical that our policies consider access to credit, extension services, investment in agriculture, access to inputs, research, sustainable agriculture, natural resource management and research. Importantly, all of these need to be considered within a bottom-up framework based on small-scale farmers' needs and perspectives. Further, there is a need for political recognition for the invisibility of smallholder farmers (measures to support their organisation are key to this) and women's role in agriculture (a policy space needs to be created for women's voices). The BBA needs to make a clear distinction between small and large-scale farmers and ensure that clear steps are taken to support smallholders. An accountability mechanism is also urgently needed.

**Discussion Highlights:** (notes in black are from participants in the side-event, [feedback from BBA team](#) are written in blue)

- Security of access and control over **land** are important. The extreme pressure on land is only increasing. At the moment the BBA doesn't adequately take account of this intensely political context in its indicators. We need explicit language around the [Voluntary Guidelines on the Responsible Governance of Tenure](#) in the indicators. The BBA team reported that land tenure was a focus for their indicators. They encouraged interested CSOs to contact Nuria the Land Snapshot lead for the BBA and committed that Oxfam could feed into the language for the BBA questionnaires and indicators, including for the first pilot programme in Guatemala in November.
- Questions were raised around the BBA process and **consultations** with CSOs. The BBA team reported that there was still time to input into the process before the Guatemala pilot in November and for further input during the pilot phase. From March the team aims to be writing the first BBA report and will then have an advisory committee meeting and follow up with NGOs and country officials at this stage to get their input. The team emphasised that they would like to interact after the first draft report.
- BBA team emphasised that local business and local demand was the focus.
- BBA needs to follow in the context of the **Doing Business Review** and learn the **lessons about ranking and the lessons from the doing business review**. The BBA team explained that from a technical aspect they were nervous of imposing a ranking methodology though did not rule this option out. They explained that they are quite far from deciding to use such a methodology and would need to be sure that any ranking made sense.
- Access is important – specifically local producers need to have access to local procurement markets. BBA team feel that government is important but they only have time for limited focus and limited questions (there will only be 80 interviews done per country). The team feels therefore that these are not prescriptions but will rather serve to highlight areas where government will need to drill down further.
- The importance of **cooperatives** for building economic power was raised. This needs to be included in the framework.
- The **monopoly of big business in seeds** is problematic. The BBA team reported that they would like to deal with this monopoly and for the seed market to be more competitive. The team is aware that the private sector needs to be developed to deal with monopolies and better seed law is needed. The market needs to be inclusive and smallholder farmers need to be included and able to participate.

- **Sustainable agriculture** is key as is the overuse of **fertilisers**. The team reported that there was a lot of movement on the sustainability issue as the Danish donors were looking to increase the focus of sustainability within the BBA. The BBA team pushed back on the fertilisers issue saying that ½ the world is fed on fertilisers, a main concern for them would be whether or not there is a capacity to measure soil quality, fertility and nutrient levels.
- The BBA team acknowledged that they were currently missing an **accountability mechanism**.
- The BBA team reported that they have not shared the materials they have developed – especially the new materials developed since June where a lot of progress has been made. The team felt that a lot of the points that were raised have been covered in their recent work. It should be noted that as yet, civil society has no formal way of accessing this information and so have no way of commenting on this from an informed point of view.
- The issue of **contract farming** is a focus in and of its own right and needs a lot more investigation and work.
- The issue of **market access, logistics and quality of packaging** was raised. Especially around the role of cooperatives and farmer organisations in improving these. The ASFG team highlighted that to achieve scale of this sort, we cannot rely on NGOs. Government really needs to step in and fill this skills gap.
- It was highlighted again that many of the **points in Emmah Nungari's presentation** reflect the concerns of a number of people around the table; others echoed her calls for these issues to be addressed.
- The BBA team emphasised that having **two different teams / departments working on these issues** was a major achievement and is quite unusual. This should make the BBA a much stronger tool.
- The Gates foundation ended by saying that **BBA doesn't exist in a vacuum** and that it is important to consider other tools and indicators that have been developed and to see the BBA as just one part in a bigger picture. The participants in the workshop did not have the opportunity to come back on this point.