

## SESSION 1: FOCUS AND POLICIES ON TROPICAL FRUIT DEVELOPMENT

### CHALLENGES IN SMALL HOLDER INTEGRATION INTO THE FRUIT VALUE CHAIN

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#### EXTENDED ABSTRACT

An important and compelling conversation is underway about how to engage smallholder farmers in established agrifood chains. More than half a billion farmers with less than 2 hectares of land to farm are producing 80% of the food that is feeding today's world population.

The importance and timeliness of this conversation should not be undervalued. Many sources project that the world's agricultural systems will need to produce almost 60% more food to feed nearly 10 billion people, by 2050.

The challenges of engaging smallholders in tropical fruit chains are many. Public and private research and development efforts are significant, but smallholders' key constraints and the types of research and communication needed to reach them still appear unclear.

Many agencies involved in international development (including research for development) are vigorously discussing private sector engagement and inclusion, yet this discussion is rarely effectively converted to action. When a group of smallholders informs researchers that an innovation, that research identified and introduced them to, is the best way for them to improve their incomes and their livelihoods, but nevertheless stop using the innovation when the project stops, what message should it send to researchers? That there is unfinished research, another project, or finding new "methods of scaling up".

Smallholder farmers are private sector players. In almost every case, they are the smallest private entity amongst the many that they transact with to operate their farm, their business, and deliver benefits to their families: often the "minnow amongst the whales". The research community and governments, neither of which are directly engaged in the linkages to markets and to key inputs, are the only non-private sector parties in the agrifood system.

It is unlikely that adopting innovations developed through research, government initiatives like Association of Southeast Asian Nations (ASEAN) or country specific Good Agricultural Practice (GAP) training, or provision of physical infrastructure at no cost can truly improve the livelihoods of smallholder farmers, without improving their engagement with, and contribution to, market-driven and private firm led agrifood chains.

For chain captains and other downstream commercial firms, this challenge is not a research question. It is an essential part of the future, of adapting chains for improved delivery of: more volume, better quality, consistency, lower residues, traceability, lower waste and through-chain

losses, fulfillment to retailers (in-full, on-time, every-time), avoiding stock-out penalties or reputational risks, promises to consumers, and future commercial success.

Private firms including (in particular) the many local and near-farm firms, researchers, (government and private) extension / grower services / sustainability teams, governments and policy makers and men and women smallholders (micro-businesses) have an imperative to learn how to work collaboratively and inclusively (inclusiveness is not singularly about gender). To collectively identify and solve bottlenecks that are inhibiting smallholder adoption of change, for mutual benefit.

Recent supporting field experiences are shared to illustrate bottlenecks that are to be found in many areas including and not limited to: sources of finance for smallholders and chain participants, information flows and transparency, policy and regulation, understanding risks and causes of risk aversion from the smallholders' perspective, communications, private and public infrastructure (e.g. irrigation, near-farm processing, storage, roads, access to plots), collective thinking for mutual benefit, listening and asking questions.

Examples from Fast Moving Consumer Goods (FMCG) are used to discuss and understand scenarios and issues from the smallholders' point of view so as to effectively drive change for mutual gain. Some are investing heavily on farmers' education and sustainability programs with varying degrees of success.

Keywords: smallholder integration, communication, collaboration, agrifood chains