

FINAL REPORT

**Report on Business Planning Meeting,
Held in Rome 4-6, 2007**

For the GFAR Global Partnership Programme

Linking Farmers to Markets



Credit: Practical Action

Report prepared by Interim Steering Committee

Contents

Contents	1
Executive Summary	2
LFM - Business Planning Meeting	4
Expected outputs from the meeting.....	4
Task 1: Preparation of Business Framework document for next 10 years	5
Commitment to Regional Subsidiarity and a “Farmer Focus”	5
LFM Governance and Management structures	5
Steering / Executive Committee.....	6
Secretariat.....	6
Functions of the Secretariat.....	7
Functions of the Technical Support Group	7
The Regional Nodes	7
Functions of the regional nodes / focus people will be to:	7
Election process for the Interim Steering Committee	7
Short term roles and responsibilities of the Interim Steering Committee	7
Transition to a permanent Steering committee and secretariat	8
Operationalising the LFM GPP.....	8
Regional investments	9
Task 2. Preparation of LFM Project Proposals.....	11
Draft Logframe: Linking Farmers to Markets Global Partnership Program	12
Draft budget to support activities in Linking Farmers to Markets GPP.....	16
Task 3. LOA Budget and Terms of Reference for regional.....	18
Budget for LFM seed funds	18
Regional studies to support LFM project and business plan development	18
Deliverables and Expected results for Product A.....	19
Deliverables and Expected results for Product B	20
Budget and disbursement schedule	21
Task 4. Key activities for next 6 months.	24
Financing strategy.....	25
Global.....	25
Regional	25
Next Steps.....	26
Inception phase tasks and dates.....	26
Annex 1. Interim Steering Committee Members	27
Annex 2. Agenda for GFAR – LFM Planning meeting Rome, 4-6 June, 2007	28
Annex 3. Example of Small Grant Design Document.	29
Annex 4. Detailed Budget (USD) for LFM seed funds for inception phase	34

Executive Summary

From June 4-6, 2007, the first meeting of the interim steering committee (ISC) for the GFAR global partnership program (GPP) entitled “*linking farmers to markets*” (LFM) was held at the GFAR offices in Rome. The meeting was attended by all members of the committee, see **Annex 1**. The purpose of the meeting was to define the parameters of the LFM-GPP in the long, medium and short term. The meeting made considerable progress in all of these tasks and this report documents main outputs.

The meeting was structured in a series of introductory sessions, followed by plenary discussions and group work. Over the three days, the committee divided the work into long, medium and short term activities. The output from these sessions have been written up as 4 tasks, seeking to provide guidance in (i) developing a long term plan, (ii) devising the structure for a large global project, based on regional field implementation, (iii) reaching agreement on the interim phase budget and defining the “terms of reference” for 4 regional studies and (iv) outlining important short term activities to be led by the interim committee and regional representatives and fora, to manage activities, that raise the profile of the LFM GPP and mobilise significant funds to fund longer term activities.

In the agenda, considerable time was also set aside to discuss ideas and objectives with the GFAR senior management and the interim steering committee was fortunate to meet with the executive secretary on three occasions, to discuss progress and to align strategy with both the GFAR Business plan and with ongoing initiatives such as the electronic information work being conducted by E-GFAR, **Annex 2**.

The reader should note that this report is not a strategy document rather it is a record of the outputs from the planning meeting with recommendations and next steps focussed on the interim phase, from now until December, 2008. The outputs are provided as four tasks:-

- Task 1.** Development of key parameters for a long term, 10 year business framework outlining the governance structure at the global and regional levels, roles and responsibilities and expectations. It is anticipated that the business plan will be completed by 10th November 2007, for review by the GFAR Program Committee.
- Task 2.** A medium term planning process, with a 5 year timeframe, focussed on outlining the parameters for a large grant proposal, targeting a budget of \$4-5 million with a duration of 3-5 years with a provision for potential development of a short term project of 1-2 years, if specific donors show interest in an initial pilot project phases, **Annex 3**. The activities, outputs and outcomes in these proposal plans aim to coincide with the current 2007-2009, GFAR business plan.
- Task 3.** A budget for expenditure of the seed funds over the next 6 months, which included support to planning, regional studies and mobilising funds to establish the LFM – GPP, **Annex 4**. This task focussed on developing Terms of Reference for the implementation of 4 regional case studies, that will be used to highlight regional innovations and successful experiences in linking farmers to markets. This information will be used to support the 10 year business plan, large grant development.
- Task 4.** A short-term program of activities and next steps was developed to lay the initial plans for resource mobilisation and build a communications strategy and monitoring and evaluation processes for the LFM-GPP and integration of the various activities to be undertaken over the next 6 months and beyond if significant funding is achieved.

Next Steps

Based on the discussions at the meeting the following steps will be implemented during this inception phase of the LFM-GPP:-

1. GFAR to finalise the LOA between GFAR and CIAT, the interim hosting agency of the secretariat for the LFM initiative, to facilitate the disbursement of funds.
2. GFAR to send a letter with TOR's for regional success stories / case studies to the regional fora, emphasising the importance of this task, the timeframe and the expected outputs.
3. GFAR to send letter to inform the regional fora that the commitment of the interim committee will last until such time as a permanent committee is in place, and indicating that interim responsibilities will not go beyond December 2008.

Inception phase tasks and dates

4. 15th August, 2007, the interim secretariat (IS) based at CIAT will sign all letters of understanding with each Regional Fora for undertaking regional studies as input into the LFM-GPP Business Plan.
5. 15th October 15th, 2007: Regions should deliver Product A of the Terms of Reference contained in the Letters of Understanding, (see Task 3).
6. 20th October, 2007. Regions should deliver Product B of the Terms of Reference contained in the Letters of Understanding, (see Task 3).
7. 25th October, *potential date for global team to finalise preparation of small grant proposal to be send to selected donors by 1st November.*
8. 30th October, 2007, interim secretariat to finalise LFM brochure, to support proposal submissions.
9. 30th October, 2007, LFM D-groups and information sharing systems to be functional.
10. 30th October, 2007. Deadline for Regional Fora to receive feedback from the Interim Committee.
11. 5th November, 2007. Final date for reception of corrected documents from the Regional Fora and for the final disbursement of funds.
12. 10th November, the interim steering committee (ISC) to finalise large grant proposal for final review by GFAR secretariat by end of November in preparation for circulation to donors at AGM.

LFM - Business Planning Meeting

The first meeting of the interim steering committee (ISC) for the GFAR global partnership program (GPP) entitled “*linking farmers to markets*” (LFM) was held at the GFAR offices in Rome from 4-6 June, 2007. The meeting was attended by all committee members, **Annex 1**.

The meeting was structured in a series of introductory sessions, followed by plenary discussions and then members were assigned to undertake group work, see **Annex 2**. Over the three days, the committee divided the work into long, medium and short term activities. For ease of the reader, the outputs from these sessions have been written up as 4 tasks, providing the outputs of the meeting into (i) developing a long term plan, (ii) devising the structure for a large global project, based on regional field implementation, (iii) reaching agreement on the interim phase budget and defining the “terms of reference” for 4 regional studies and (iv) outlining important short term activities to be led by the interim committee and regional representatives and Fora in managing activities, that raise the profile of the LFM GPP and mobilise significant funds for longer term partnership development.

In the agenda, considerable time was also set aside to discuss ideas and objectives with the GFAR senior management and the interim steering committee was fortunate to meet with the executive secretary on three occasions, to discuss progress and to align LFM- GPP strategy with both the GFAR Business plan and with ongoing initiatives such as the electronic information work being conducted by E-GFAR, **Annex 2**.

The reader should note that this report is not a strategy document rather it is a record of the outputs from the planning meeting with recommendations and next steps focussed on the interim phase, from now until December, 2008. The outputs are provided as four tasks:-

Expected outputs from the meeting

Task 1. A long term business framework plan providing recommendations for the development of a long term, 10 year business framework outlining the governance structure at the global and regional levels, roles and responsibilities and expectations. It is anticipated that the business plan will be completed in time to present the document by 1st December 2007, to coincide with the next GFAR Steering Committee meeting.

Task 2. A medium term planning process of 3-5 years, focussed on outlining the parameters for the development of a longer term large grant proposal, targeting a budget of \$4-5 million with a duration of 3-5 years. The activities, outputs and outcomes in these proposal plans aim to coincide with the current 2007-2009, GFAR business plan.

Task 3. A short term activities for the next 6 months, focussed on:-

- Budgetary development for use of seed funds up to December 2007.
- Criteria for the selection of 4 regional activities that will document successful experiences in linking farmers to markets and dates for compilation of results.

Task 4. A short term activities for the next 6 months, focussed on:-

- Developing a checklist of activities to be completed and reported at end of 2007, including a financial mobilisation plan, a communications strategy and a reporting timetable to present progress to GFAR Steering Committee in China, by November 2007.
- Report of first planning meeting, held in Rome 4-6th June, 2007.

During the planning meeting, significant progress was made in all of these task areas and the following text is a summary of the outputs achieved. These outputs are written up as tasks as shown overleaf:-

Task 1: Preparation of Business Framework document for next 10 years

This session began with a review of committee member expectations from a long-term initiative that seeks to build a robust “community of practice” focussed on increasing the market performance of smallholder producers and rural entrepreneurs. As described in the concept note, the *vision* for the LFM programme is:-

“that the potential of smallholder farmers and rural entrepreneurs is fully realized by being profitably integrated into dynamic markets”

In achieving this vision, the LFM programme will seek to be recognized for its openness to ideas and capability for generating innovative approaches for bringing together different players in creative and meaningful partnerships that enhance the competitiveness of the rural sector and improves the livelihood of smallholder farmers in developing countries.

The full potential of the smallholder farmers and entrepreneurs will be achieved through support to three strategic pillars:

- **Pillar 1: Policy:** Contributing to achieving an enabling policy and institutional environment conducive to successful linkages of smallholder farmers and entrepreneurs to growth markets.
- **Pillar 2: Knowledge Sharing:** Offering appropriate and targeted information tools and methods for catalyzing smallholder farmers and entrepreneurs linkages to dynamic markets.
- **Pillar 3: Training:** Strengthening the capacities of smallholder producers, farmer organizations, market chain actors and researchers, to respond to dynamic market opportunities.

Over the next 10 year timeframe the LFM partnership programme aims to offers a concerted effort to develop a better integration of existing and new expertise, products, methods, organisations and services in an action-based, iterative learning process, such that successful interventions can be tested in new areas, new solutions can be found to meet the commercial needs of poor smallholder farmers and that these solutions can be shared and scaled out into new areas more rapidly than has been achieved in the past.

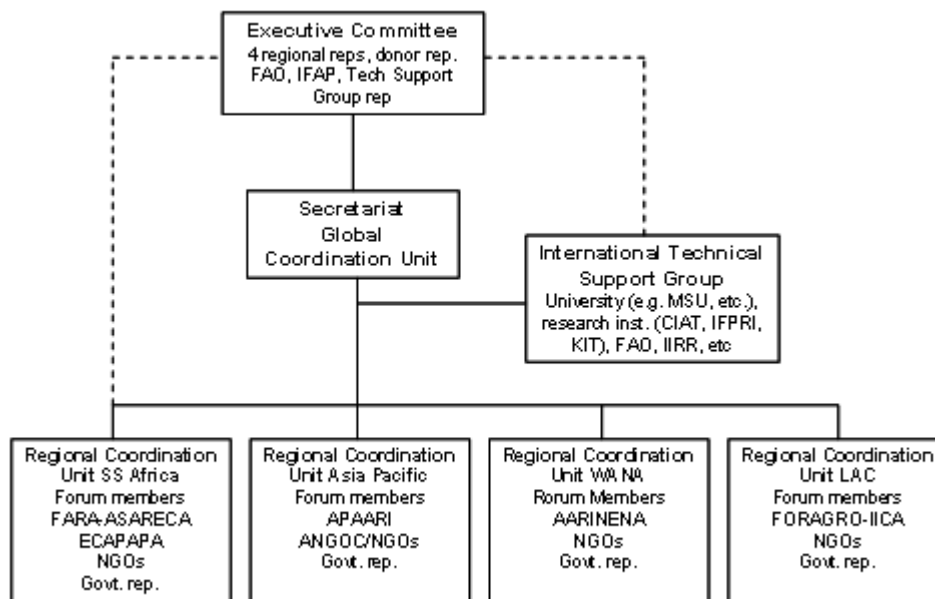
Commitment to Regional Subsidiarity and a “Farmer Focus”

In accordance with the GFAR mandate, the client focus for this initiative will be the Government Research and Extension services and farmer associations. These “change agents” will focus their efforts on the primary beneficiaries, poor, smallholder farmers. Given the focus on farmers, the ISC has included farmers in the steering committee. As indicated by the regional analyses, many research, extension agencies and farmer organisations currently lack the management / business skills, marketing information and market based strategies required to design and deliver technologies, organisational arrangements and learning processes within a market led approach. This places such agencies at a significant disadvantage in today’s more competitive funding environment where marketing skills and commercial links are considered mandatory for projects that claim to be working towards sustainable outcomes.

LFM Governance and Management structures

The partnership programme will have a governance structure led by a Steering Committee, Secretariat, Technical Advisory Group and four Regional Coordination Points, as indicated in **Figure 1**.

Figure 1. Proposed Global Governance Structure for LFM GPP



Steering / Executive Committee

The steering committee (SC) will provide overall coordinating authority for the programme. The SC will comprise members from the four participating regional forums, an international farmer organization (IFAP), FAO, the private sector and the institution hosting the Secretariat. GFAR will act as Ex-Officio for the duration of the programme. Members of the Steering committee will be elected for a period of 2 years with options for re-election. Functions of the Steering Committee will include:-

- Provision of guidance, focus and direction to achieve long term goals of the programme.
- Approval of policies, financial, programme and working plans.
- Monitoring and evaluation of progress and impacts of the programme.
- Provide advocacy for the successful implementation and sustainability of the programme
- Selection and approval of projects
- Promotion of the partnership and solicitation of funding for GPP activities.
- Strongly promote inter-regional collaboration

Secretariat

The secretariat will serve as the day to day implementing unit for the programme and will be located in one of the regions and hosted by a member institution. The secretariat will provide a low cost and inclusive, flexible management structure. During the interim period, initially planned up until December 2008 CIAT will host the interim secretariat and this will continue to operate until CIAT is confirm as the formal secretariat or a new agency is elected to take on the secretarial task. The Secretariat will report to the Steering Committee and should meet the following criteria:-

- Should be a legally established institution, with global representation.
- Be independent with no regional or political inclinations.
- Demonstrate a strong track record in administrating global programmes and funds.
- Have transparent and accountable administrative procedures.
- Be able to articulate global partnership needs

Functions of the Secretariat

- Promote and raise the profile of the LFM Global Programme.
- Provide leadership in fund raising with partners to support programme activities.
- Encourage new institutions to join the initiative.
- Provide efficient and transparent administration of funds assigned to the programme.
- Coordinate programme operations.

Functions of the Technical Support Group

In the future, it is anticipated that the GPP will be supported by a diverse number of technical experts who will provide specific expertise to support ongoing projects and activities within the GPP. The partners in this group will be organised on an informal, adhoc basis and their skills used as required.

The Regional Nodes

The activities in the program will take place through the regional fora and to support their operations, it is envisaged that specific contact persons will be hired, potentially on a part time basis to provide direct support between the field staff and the secretariat.

Functions of the regional nodes / focus people will be to:

- Promote and raise the profile of the LFM at the regional level.
- Prepare regional proposal to assist in expanding the GPP
- Provide leadership in fund raising with partners to support programme activities.
- Encourage new regional institutions to join the initiative.
- Provide efficient and transparent administration of funds assigned to the programme.
- Coordinate programme operations.

Election process for the Interim Steering Committee

During the inception phase of this project, an interim committee and secretariat (ISC) was designed and members elected at the LFM stakeholders meeting held in Cairo, August, 2006. The ISC members are listed in **Annex 1**. The membership aims to provide a mix of regional spokespersons, farmer's representatives and international agencies involved with improving policy matters, marketing information and training to support the process of linking farmers to markets.

Short term roles and responsibilities of the Interim Steering Committee

The timeframe, roles and responsibilities of this group include:-

- ISC will remain in place until a significant proposal has been prepared, submitted and approved for funding, or until December, 2008, when the committee will relinquish responsibilities, or submit for re-election.
- The ISC will prepare a full report to record the meeting and a summarised note from the Rome meeting to send to the wider LFM Group.
- ISC members will be involved in the process of proposal development.
- Target dates for submission of final proposal should be by 10th November, to provide sufficient time for the GFAR steering committee to review document for further discussion at the GFAR meetings that coincide with the CGIAR annual general meeting (AGM).
- There should be a presence of ISC at Beijing CG-AGM, by the Chair and Secretary.
 - GFAR holds donor support meeting at this time, opportunity to raise LFM

- The ISC should seek to ensure that ownership of the GPP should rest with the regional for and that regional members play an active role in both decision making and financial mobilisation to scale out the GPP
- ISC should convene for the following events:-
 - Electronically for 2-3 days to integrate regional information into the proposal
 - If information not easily compatible for integration into proposal, then mentoring of those responsible for the regional studies may be required from ISC members.
 - Possible physical meeting in January based on results from AGM
- Regional reps of the ISC are willing to take on, or facilitate / mentor, Tasks A and B.

Transition to a permanent Steering committee and secretariat

The transition from interim to a permanent steering committee and secretariat will clearly be determined by access to new funding. However, when this transition takes place, the ISC should carefully consider the relationship between the SC and the regional nodes. This relationship needs will need to be clearly defined, in terms of the following areas:-

- Process of selecting the institutions and persons to fill the permanent steering committee and secretariat positions.
- Definition about to whom the secretariat reports.
- Transition may require some attention to sequencing in funding of positions.
- This may include sunset clauses for regional and or global positions.

Operationalising the LFM GPP

The full business plan for the GPP will be completed by 10th November, 2007, for presentation at the next GFAR Steering Committee meeting in December, 2007. Some of the key activities that will make up the 10 year business plan are outlined below:-

1. 20th October, 2007. Regions should deliver Regional review studies, to support the 10 year plan and long term proposal development.
2. 25th October 2007, global team to finalise preparation of small grant proposal to be send to selected donors by 1st October.
3. 30th October, 2007, interim secretariat to finalise LFM brochure, to support proposal submissions and donor liaisons.
4. 30th October, 2007, LFM D-groups and information sharing systems to be functional.
5. 10th November, framework for monitoring and evaluation system designed and prepared for implementation in early 2008.
6. 10th November, the interim steering committee (ISC) to finalise large grant proposal for final review by GFAR secretariat by end of November in preparation for circulation to donors at AGM.
7. First quarter 2008, short term project implemented
8. First quarter of 2008, large project endorsed and shared with target donors.
9. Second quarter 2008, regional projects developed and submitted to regional donors.
10. First quarter 2009, implementation of global project.
11. From 2009, the GPP will be in full scale implementation having clear divisions of labour and decision making between regional, interregional and global activities.
12. From 2010 the LFM will seek to scale out activities and encourage more partners to be involved in the learning and implementation activities.

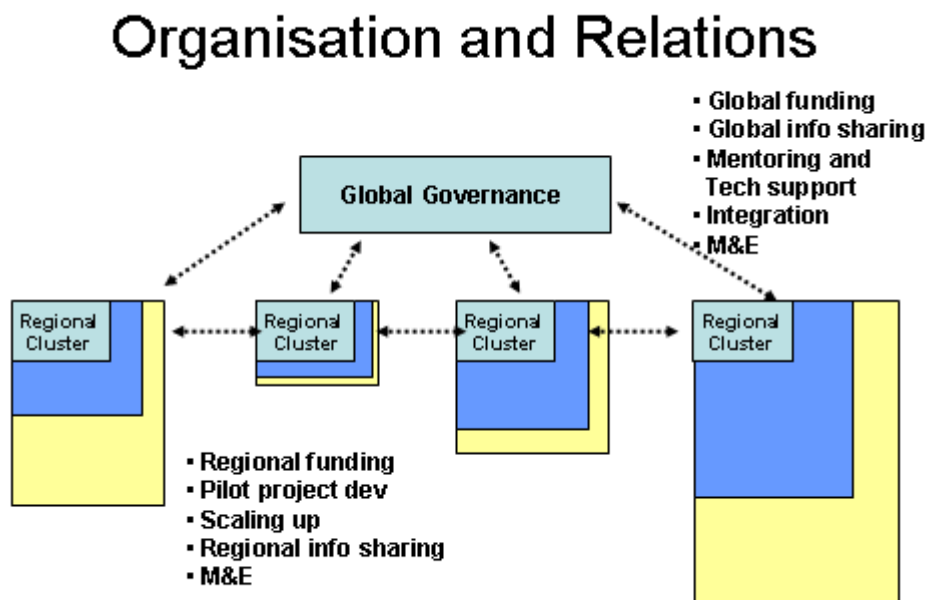
Summarised time frame and key activities for 10 year program

2007	2008	2009	2010	2011	2012	2013
Meeting Rome June						
Regional pilot projects August – Oct	Regional project development	Implementation of regional projects	Scale up	Scale up	Scale up	Scale up
Global fund raising activities implemented August – December	Committee confirmed					
Final short term proposal September	Implement short term project	Short term project ends shift to larger grants				
Final large proposal 10 th November	Negotiate funding with target donors	Initiate project in all or selected regions	ongoing	ongoing	ongoing	ongoing
Set up Monitoring and Evaluation (M&E) structure by end of November	Implement M&E	Implement M&E	Implement M&E	Implement M&E	Implement M&E	Implement M&E

Regional investments

It is anticipated that the development of the LFM-GPP will not be symmetrical or proportional in terms of regional level of effort, funding and support to the three pillars. As indicated in Figure 2 it is anticipated that most of the funding will be generated by the regional fora partners and it is likely that areas such as Africa will be better positioned to access funds than areas such as Latin America. It is also likely that certain regions will place more emphasis on specific pillars or thematic areas. To re-balance and share information based in an asymmetrical investment, it is vital that the global secretariat play a key role in drawing lessons from the regions and finding methods and strategies to share and implement best practices across the other regions.

Figure 2. Schematic of possible regional development of interventions



To support the development of the three pillars within the GPP, the three pillars, (i) Policy, (ii) Marketing Information and (iii) Training will be supported within the business plan and short term financing plan by selected members of the interim steering committee and representatives from the region. The ISC have proposed that the pillars are initially supported by selected persons from the committee to catalyse the development of these areas. These suggested names are indicated below. To support pillar development, members from the region will be recruited

to support pillar development over the next six month period. The selected candidates will be identified in subsequent documentation as point people for pillar development and implementation.

Proposed champions for Support to the three pillar areas of the LFM - GPP

Interim	Global	APAARI	AARINENA	FARA	FORAGRO
Coordination	CIAT				
Policy	Miguel Garcia				
Markets Info	Carlos Ostertag				
Training	Ed Seidler				
Funding raising					

Over time this pillar support matrix will be developed with the addition of people and organisations that will build the LFM process at the regional and global levels. The LFM intervention will be developed in a phased manner with projects spanning the following timeframes across the 4 regions. Progress in these areas will be highlighted in the LFM information sharing systems.

Task 2. Preparation of LFM Project Proposals

This task focused on resource mobilization through the design of a proposal to solicit funding from target donors to support LFM activities over the next 3 to 5 years.

Small grant development: At the meeting the option of developing a small grant (\$200,000) was raised, but was considered to be of less importance than development of a large grant, (\$5M). Nonetheless an example of the type of short term project that could be developed for a donor is provided in **Annex 3**. The small grant strategy would seek to build momentum in the LFM GPP and provide a pilot project option for the partners.

Large grant development: Under normal circumstances, it is envisaged that it may take up to 1 year of negotiation with an interested donor, to secure larger grant funding, to the value of US\$3-5 million. Therefore, the GFAR Executive Secretary Dr. Slama proposed that the interim steering committee develop a large grant proposal as soon as possible. Once developed, this proposal will be supported by the GFAR Secretariat and will be strongly promoted using the seed funds from this inception phase of the LFM GPP development. Progress in preparation of the large grant is indicated below:-

Title: Linking Farmers to Markets a Global Partnership Program

Goal and purpose

The **goal** for this programme is to enhance the market performance of smallholder producers. This will be achieved by policy research that will advocate for a pro-poor marketing environment, increasing access to marketing information and building the capacity of local researchers, extension agents and farmer organisations to support marketing interventions.

In achieving this goal, the programme will be recognized for its openness to new ideas and capability for generating innovative approaches for bringing together different players in creative and meaningful partnerships that enhance the competitiveness of the rural sector and improves the livelihood of smallholder producers in developing countries.

The **purpose** of the programme is to foster mutual learning and the sharing of knowledge among partners, which builds on and adds value to successful experiences, market oriented research, innovation and investment initiatives that link smallholder producers and entrepreneurs to markets.

The three pillars for the program:-

Pillar 1. Achieving an enabling policy and institutional environment conducive to successful linkages of smallholder producers and entrepreneurs to growth markets.

Pillar 2. Offering appropriate and targeted information tools and methods for catalyzing smallholder producers and entrepreneurs linkages to markets.

Pillar 3. Strengthening the capacities of smallholder producers, farmer organizations, market chain actors and researchers, to respond to market opportunities.

The following section outlines a draft outline of the Logframe for the LFM-GPP and a proposed outline for a budget to develop the full proposal. The budget is a preliminary attempt to assign funds to activities.

Draft Logframe: Linking Farmers to Markets Global Partnership Program

Management and communications				
Outputs	Activities	Implementing agencies	Indicators	Proposed Budget
<ul style="list-style-type: none"> Global secretariat functional 	<ul style="list-style-type: none"> Hiring of project co-ordinator Staffing of the secretariat, Secretariat equipped 	LFM GFAR GPP		\$ 664,400
<ul style="list-style-type: none"> Regional co-ordination functional 	<ul style="list-style-type: none"> Hiring of project co-ordinator Staffing of the secretariat, Secretariat equipped Regional staff partially supported 	LFM GFAR GPP		\$ 764,000
<ul style="list-style-type: none"> Global facilitation functional 	<ul style="list-style-type: none"> Global committee meetings Global communications Publications Consultants M&E 	LFM GFAR GPP		\$ 725,000

Pillar 1 Policies to enhance smallholder market access

Outcome. Producer organisations have capacity to influence policy decisions. Public and private policy makers are aware of policy and regulatory systems that promote market access for smallholder producers.				
Outputs	Activities	Indicators	Proposed Budget	Potential partners
<p>R1.1 Prioritised policies and regulatory systems that enhance small producer linkages to differentiated markets.</p> <p>R1.2 Factors and institutions that create the enabling environment for linking smallholder producers to markets identified and prioritised.</p>	<p>1.1.1 Undertake research to identify policies and institutions that support linking smallholder producers to markets.</p> <p>1.1.2 Prepare and publish policy briefs centred on smallholder farmer linkage to markets.</p> <p>1.2.1 Producer organizations enhance linkages at local, national and international levels to negotiate more effectively.</p> <p>1.2.2 Establishment of high level forums to discuss and disseminate findings from policy research.</p> <p>1.2.3 Establishment of policy dialogues with key stakeholders within and among regions.</p>	<p>Improved policies incorporated within national strategies in at least 3 regions by year 5.</p> <p>5 policy briefs per region published on project website annually.</p> <p>At least 1 national lobby group at the national level in 3 regions by year 4.</p> <p>1 cross regional policy forum held in years 3 and 5.</p>	<p>\$ 600,000</p>	<p>IICA, FAO, IFPRI, MSU, SFL, SAI,</p>

Pillar 2. Enhancing access to marketing information and knowledge sharing

Outcome. Smallholder producers and their service providers understand and utilize marketing information more effectively for better decision making on what, where and when to produce and sell.				
Outputs	Activities	Indicator	Proposed Budget	Potential partners
<p>R2.1 Strengthen EGFAR to provide a sustainable communication system established.</p> <p>R2.2 Best practices on successful market linkages (e.g. business models, contract farming etc.) made available to service providers.</p> <p>R2.3 Methods, tools and best practices for accessing and utilising market information identified and promoted.</p> <p>R2.4 Innovate information delivery mechanisms identified and tested by smallholder organisations.</p>	<p>2.1.1 Establish an interactive web-based community of practise to link producers to markets.</p> <p>2.2.1 Identify and share knowledge and good practice on market linkage and policy research.</p> <p>2.3.1 Identify and promote systems to access, analyze and utilize market information targeting smallholder producers.</p> <p>2.4.1 Facilitate the development and implementation of ITC innovations for the use by smallholder producer organisations.</p> <p>2.4.2 Share marketing knowledge with partners through novel learning methods. (e-debates, chat rooms, SMS, learning journeys, learning conversations).</p>	<p>1 global interactive, marketing platform established 18 mapsd.</p> <p>15 best practices on-line, per year.</p> <p>4 regional workshops on MIS delivery mechanism held and documented, by 36 mapsd.</p> <p>Impact study of delivery mechanism published by 24 mapsd</p>	US\$ 662,600	<p>CIAT and IFAP, KIT, MIA, MISTOWA, FOODNET, CTA, TRADENET</p>

Pillar 3. Enhancing access to marketing information and knowledge sharing

Outcome. Farmer organisations and their service providers are equipped with relevant market and business skills for enhanced market performance.				
Outputs	Activities	Indicator	Proposed Budget	Potential partners
<p>R.3.1. Database of existing tools and methods generated and made available to service providers to support market linkage smallholder producers to markets.</p> <p>R.3.2. The market oriented research and training capacity of research and extension service providers, have been improved to link smallholder producers to markets.</p> <p>R.3.3. The capacity of farmer organisations in target areas to provide marketing support enhanced.</p>	<p>3.1.1 Collate effective capacity building materials and methods that supports learning processes to foster improved business linkages between producers and differentiated markets.</p> <p>3.2.1 Develop curricula and mainstream training materials to enhance service providers capacity to link SP to markets</p> <p>3.2.2 Establish regional learning and innovation alliances <u>focussing on service providers</u> to link smallholders with market opportunities.</p> <p>3.3.1 Develop curricula and introduce training materials to enhance farmer organisations capacity to link SP to markets</p> <p>3.3.2 Establish regional learning and innovation alliances <u>focussing on farmer organisations</u> to link smallholders with market opportunities.</p> <p>3.3.3 Establish a regional innovation fund to link with learning processes.</p>	<p>1 global training materials database on-line by 18 mapsd.</p> <p>4 regional training materials databases on-line by 24 mapsd.</p> <p>Regional Curricula (4) developed and training packages assembled in at least 2 major languages.</p> <p>At least (4) regional marketing alliances operationalised by 18 mapsd.</p> <p>Regional Curricula (4) developed and training packages assembled in at least 2 major languages.</p> <p>At least (4) regional marketing alliances operationalised by 18 mapsd.</p>	<p>US \$ 1,584,000</p>	<p>FAO-Champion</p> <p>IFAP, ICRA</p>

Draft budget to support activities in Linking Farmers to Markets GPP

DRAFT Budget US\$ LFM GPP	2008	2009	2010	2011	2012	Total
Global Co-ordinator (part time)	60,000	60,000	60,000	60,000	60,000	300,000
Communications specialist	15,000	15,000	15,000	15,000	15,000	75,000
Regional travel	20,000	20,000	20,000	20,000	20,000	100,000
Office rental	1,800	1,800	1,800	1,800	1,800	9,000
Internet	1,200	1,200	1,200	1,200	1,200	6,000
Communications	1,200	1,200	1,200	1,200	1,200	6,000
Computers and printers	16,000	500	500	500	500	18,000
Visual and data support equipment	3,600					
Supplies	12,000	12,000	12,000	12,000	12,000	60,000
Services	6,000	6,000	6,000	6,000	6,000	30,000
Overhead (10%) inst. finance and admin	13,680	11,770	11,770	11,770	11,770	60,400
<i>subtotal</i>	<i>150,480</i>	<i>129,470</i>	<i>129,470</i>	<i>129,470</i>	<i>129,470</i>	<i>664,400</i>
Regional management						
Partial support to 4 Regional co-ordinators	120,000	120,000	120,000	120,000	120,000	600,000
Communications	16,800	16,800	16,800	16,800	16,800	84,000
Travel	16,000	16,000	16,000	16,000	16,000	80,000
<i>sub-total</i>	<i>152,800</i>	<i>152,800</i>	<i>152,800</i>	<i>152,800</i>	<i>152,800</i>	<i>764,000</i>
Global Facilitation						
Annual Committee Meetings	24,000	24,000	24,000	24,000	24,000	120,000
Global Conference			60,000		60,000	120,000
Publications and translations	30,000	15,000	30,000	15,000	30,000	120,000
Facilitated communication	20,000	20,000	20,000	20,000		80,000
Monitoring, learning and evaluation	48,000	48,000	48,000	48,000	48,000	240,000
Audit	12,000	5,000	12,000	4,000	12,000	45,000
<i>sub-total</i>	<i>134,000</i>	<i>112,000</i>	<i>194,000</i>	<i>111,000</i>	<i>174,000</i>	<i>725,000</i>

Pillar 1 Enhanced Policy Environment						
1.1.1 Research policies and inst arrangements.	50,000	40,000		40,000		130,000
1.1.2 Publish policy briefs for market linkage.	40,000	40,000	40,000	40,000		160,000
1.2.1 Producer organizations enhance linkages.		40,000	40,000	40,000		120,000
1.2.2 Regional policy forums.		120,000		100,000		220,000
1.2.3 Establishment of regional policy dialogues.			40,000		60,000	100,000
sub-totals	40,000	200,000	120,000	180,000	60,000	600,000
Pillar 2 Understanding markets						
2.1.1 Establish an interactive web-based.	25,000	15,000	10,000	10,000	10,000	70,000
2.2.1 Collate good practice on market linkage.	80,000	80,000	40,000	40,000		240,000
2.3.1 Good practices MIS.		25,000	25,000	40,000		90,000
2.4.1 ITC innovations for SP.		48,000	48,000	46,600		142,600
2.4.2 Novel learning methods.	40,000	40,000	40,000			120,000
sub-totals	145,000	208,000	163,000	136,600	10,000	662,600
Pillar 3 Building capacity						
3.1.1 Identify, document training methods.	25,000	10,000				35,000
3.1.2a training database.	15,000	10,000	10,000	5,000		40,000
3.2.1 Develop curricula, mainstream training	80,000	40,000	20,000			140,000
3.2.2 Establish regional learning program	166,000	166,000	150,000	150,000		632,000
3.3.1 Develop curricula to enhance farmer orgs	27,000	20,000	10,000			57,000
3.3.2 Establish training for farmer orgs	90,000	90,000	90,000	90,000		360,000
3.3.3 Innovation grants	160,000		160,000			320,000
sub-totals	563,000	336,000	440,000	245,000	0	1,584,000
Totals	1,185,280	1,138,270	1,199,270	954,870	526,270	5,000,000
Global management secretariat	150,480	129,470	129,470	129,470	129,470	664,400
Regional management	152,800	152,800	152,800	152,800	152,800	764,000
Global faciliation and interventions	882,000	856,000	917,000	672,600	244,000	3,571,600
Totals	1,185,280	1,138,270	1,199,270	954,870	526,270	5,000,000
Global management secretariat	664,400	13%				
Regional management	764,000	15%				
Global faciliation and interventions	3,571,600	71%				
Totals	5,000,000	100%				

Notes on budget:

It should be noted that this budget is a first draft to support the activities outline in the logframe. The group developed a budget and then tailored this to a \$ US 5 million ceiling. It should be stressed that these figures should be used as a guide in developing the full proposal.

Task 3. LOA Budget and Terms of Reference for regional

This section outlines the breakdown of the budget for seed fund use over the next 6 months and the terms of reference for short term regional activities.

Budget for LFM seed funds

Prior to and during the ISC meeting a series of discussions were held to finalise the budgeting of the first 6months activities. In this budget, US\$ 14,000 was agreed as the sum to be used by the regions for showing success in linking farmers to markets, with an additional US \$ 2,000 for regional proposal development. The budget is broken down into 4 sections as shown below, additional details are shown in **Annex 4**.

Budget summary for use of LFM seed funds

Activities	Funds US dollars
a) Organisation of a workshop for the LFM Interim Committee to design the business plan for the Global Partnership Programme (GPP) on Linking Farmers to Markets (LFM)	21,680
b) Activities for the 1 st phase implementation of the Business Plan	64,640
c) Communication and promotion of the LFM GPP	9,256
d) Establishment of the LFM GPP Government Structure	14,424
TOTAL	110,000

The funding of the regional short term studies is considered to be critical in achieving greater regional buy-in and support to the global LFM initiative. The regional FORA were particularly keen to highlight this contribution as one of the main interim GPP activities. Hence considerable time was spent in defined criteria within terms of reference to ensure that the studies would provide timely and effective information to support both regional project development and the global project development. The following section outlines the TOR for the regional studies.

Regional studies to support LFM project and business plan development

A key component in the development of both the LFM business plan and the proposal development will be to gather information from the regional fora, describing success stories and learning experiences in “linking farmers to markets”. This is considered to be a critical input into the process by the regional fora who are highly motivated to show both leadership in the LFM-GPP and innovation from their respective regions. The outputs from these regional activities will be included in the report submitted to the steering committee in December, 2007. Funds for these projects should be used to meet the conditions outlined below:-

Introduction to the regional studies

Fostering mutual learning and sharing of knowledge among partners is central to the success of the LFM-GPP. To support this process, strategic studies will be implemented in the regions to highlight successful experiences in “linking farmers and rural entrepreneurs to markets”.

The regional studies will highlight methods, projects and lessons learnt in improving the market performance of smallholders. The information will focus on the regional issues deemed most critical to successful market linkage, but also highlight areas for broader, global application of the knowledge gained. To achieve this objective, the reports from the regional fora will need to show how their activities can add value to the global program and promote closer inter-regional linkages and knowledge sharing.

The studies should provide a critical review of best practices being used in the regions and making use of selected case studies to provide insight into key issues and opportunities to improve the market performance of smallholder producers. This review should evaluate options with clear reference to the three pillars on which the GPP-LPM is based, namely (i) policy and institutions, (ii) understanding markets and value chains and (iii) capacity building. The outputs from these studies will be used to support the global partnership program in the following ways:-

- A. To build consensus on the three themes agreed at the Cairo Meeting.
- B. To use them as models for scaling up and replicating success stories.
- C. To serve as inputs for the creation of the five year plan of action for the GPP-LPM.

Goal and Objectives of the Regional Studies

Goal:

Provide critical regional reviews that present evidence of methods and tools to successfully link small producers to markets, based on policy interventions, sharing of market based information and training.

Objectives

1. Critical analysis of three success stories showing successful methods to link smallholder producers to markets with feasibility for replicating them at the regional or global levels.
2. Identify leading partners / countries to move forward this initiative at the regional and global level.
3. Provide clear direction of the expectations from each region for the development of a 1, 3 and 5 year action program.

Deliverables and Expected results for Product A

Product A: Each of the GFAR regions, with guidance from Regional Forum, should provide a document that:

1. Identifies and describes three “success stories” outlining interventions that successfully linked small producers to markets. These studies should provide a clear understanding of the current trends, challenges, methods and partnership arrangements used in the region to successfully link smallholder farmers to markets.
2. Identify and describe, within these three cases, best practices that lead to the successful linkage of small producers to markets.
3. Critically review the selected cases to:
 - a. Identify those elements that enhance success.
 - b. Identify those elements that represent the greater opportunity for replication regionally and globally.
 - c. Identify the feasibility of scaling up and funding for those elements that enhance success.

This document should address at least one of the three themes or pillars and activities of the Global Partnership Program as indicated in **Annex A of these TOR’s**:

B. Policy and Institutions

- a. Leading to identify those policies and institutions that support linking smallholder producers to markets.
- b. Leading to establish policy dialogues with key stakeholders within the region.
- c. Conducive to work with producer organizations to improve their capacity to interact with policy makers.

- d. Leading to establish policy dialogues with key stakeholders within and among regions.
- C. Understanding Markets and Value Chain:
- a. Leading to work with producer organizations and service providers to improve their capacity to access, analyze and utilize market information.
 - b. Leading to identify and select practices and experiences that link small producers to the value chain.
 - c. Leading to facilitate the development and implementation of ITC innovations for the use of small producers.
 - d. Leading to engage small producers in debates and dialogues over critical aspects influencing their linkage to markets.
- D. Building Capacity: Learning to Innovate
- a. Leading to promote and develop effective producer’s organizations, models, skills and business methods to link small producers to markets.
 - b. Leading to develop learning and innovation alliances within the Global Partnership Program
 - c. Leading to the design and promotion of action programs to enhance the capacity of service providers¹ in the widest possible sense, to help foster small producer linkages to markets.
 - d. Identify and disseminate methodologies to foster business relationships between farmer associations, service providers and other actors of the private sector.

Deliverables and Expected results for Product B

Product B: A working document containing the following elements:

- 1 Selection of best practices, processes and elements that can be incorporated into the regional and global partnership program for LFM.
- 2 Determination of those countries in which the Global Partnership Program: Linking Farmers to Markets can be sequentially implemented.
- 3 Selection of at least three leading institutions within the region that could lead the process regionally and globally.
4. Definition of those areas of intervention within the pillars and scope of activities of the Program that are required at the regional level.
5. Identify those alliances and partners within the region that are critical for scaling up the learning process.
6. Provide clear direction of the expectation of each region for the development of a 1, 3 and 5 year action program
7. This product should be constructed using the matrixes suggested in Annex B of these “Terms of Reference”.

These documents should be prepared in the English language using Times Roman font size 12 with a 1.5 line spacing. If needed tables can be sent in Excel 2003 format.

Guidelines

In order to help in the preparation of these products, the Interim Steering Committee of the Global Partnership Program: “Linking Farmers to Markets”, offers the following guidelines

Guidelines for the Selection of the “Success Stories” at the regional level

1. Success stories should include at least one of the pillars of the program.
2. Experiences should be generated through a collaborative effort of multiple stakeholders including private sector and government interventions.
3. Give preference to those success stories that directly involve farmers and farmers organizations and that have demonstrates success in improving income and profitability.
4. Have incorporated innovations or are the result of innovative research.
5. Preference will be given to experiences that include more than one region or country or that include in several national territories or economic conditions within a country.
6. Experiences should show use of leverages, either financially or technically.
7. Emphasis should be given to those successful stories that have practical elements that can easily be replicated and have the potential to be scaled up.
8. Preferentially document those success stories that could have interest and applicability to other regions and countries.
9. Use those success stories that show greater potential to attract donor interest.

Guidelines for the Selection of partner institutions:

- Should be a legally established institution.
- Be independent with no political inclinations.
- Demonstrate a strong track record in leading regional initiatives.
- Demonstrate strong track in administration of international funds.
- Have transparent and accountable administrative procedures.
- Be able to articulate national, regional and global partnership needs

Budget and disbursement schedule

1. The Global Partnership Program, through the Interim Secretariat at CIAT, will make a contribution for the implementation of the studies stated in these Terms of Reference, of \$12,000.00 (Twelve thousand US dollars 00/100).
2. This contribution will be made directly to each one of the Regional Forum participating in this Global Partnership Program, by way of their respective Executive Secretary. These Fora are: APAARI, AARENENA, FARA, FORAGRO, with whom a corresponding letter of understanding will be signed.

3. Disbursement Schedule

- a. 60% of the contribution will be released on signing of the Letter of Understanding.
 - b. 40% remaining upon acceptance of final report and not later that October 25th, 2007.
4. All administrative procedures governing the relationship between the Regional Forum and the Global Partnership Program will be done using the procedures established by CIAT for this purpose.
 5. It is agreed that the resources received by the Regional Forum from the Global Partnership Program, CANNOT be used to conduct capital investments, including the purchase of equipment and books. The contracting of consultants as well as travel and meeting costs can be covered with these funds.

CALENDAR:

August 15th, 2007: Signing of all letters of understanding between the Regional Forum and the Interim Secretariat (CIAT)

October 15th, 2007: Delivery of Product A of these Terms of Reference.

October 20th, 2007. Delivery of Product B of these Terms of Reference

October 27th, 2007. Deadline line for the Regional Fora to receive comments and suggestion from Interim Committee.

November 5th, 2007. Final date for reception of corrected documents from the Regional Fora and for the final disbursement of funds.

All products and queries should be sent to the attention of:-

Mr. Carlos Ostertag
Interim Secretariat
Markets, Institutions and Landscape Challenge Program
CIAT
Cali, Colombia
c.ostertag@cgiar.org

Annexes for Regional projects to include:-

- Annex 1: “Linking Smallholder Farmers to Markets: A Global Partnership Program”. Concept Note
- Annex 2 “Linking Smallholder Farmers to Markets: Proposed Global Partnership Program”. Presentation mate to GFAR Secretariat, Washington DC. December 2006.
- Annex 3 Matrixes for completion of product B of these Terms of Reference
Matrix 1. Characterization of Best Practices and Successes within Chosen Cases as a foundation for regional activities¹

1 This table has to be completed for each case that has been chosen.

Characterization of Best Practices and Successes within Chosen Cases as a foundation for regional activities²

Item	Sub-item	Policies and Institutions	Understanding Markets & Value Chains	Capacity Building: Learning to innovate	Clarifying Notes
1. Elements demonstrating success and best practices ³					
	1.1				
	1.2				
	1.etc				
2. Issues and innovations potential for scaling-up					
	2.1				
	2.2				
	2.etc				
3.Way Forward: Scaling-up and scaling out					
	3.1				
	3.2				
	3.etc				
4. Partners for fostering learning alliances ⁴					
	4.1				
	4.2				
	4.etc				

² This table has to be completed for each case that has been chosen.

³ An example would be something like a research programme under sub-item and nature, outputs and beneficial results under the themes

⁴ 4,1 to 4.etc would be names of partners; tick under thematic areas in columns

Task 4. Key activities for next 6 months.

The most important objectives for the Interim Steering Committee are to promote the LFM-GPP and mobile funds to transform the interim program into a fully funded, operational partnership program. Therefore two of the most pressing strategies are related to communications and resource mobilization.

Within the current budget, the interim secretariat aims to hire a person for a 5 month period to act as a focal point to share information, assist in documentation and promote the GPP to partners and potential donors. The communications strategy will have two components an internal management system and an external promotional process, as follows:-

Development of a communication strategy – Internal

Developing a robust and low cost communications system will be critical to building cohesion within the interim group. Due to the funding restrictions the communications will be done using freeware communications systems were possible.

- The committee will aim to hold at least 1 conference call per month, and if possible this exchange will be limited to committee members. Skype to be used where possible, all contact information should be shared with Antonio Schiavone and Carlos Ostertag to establish a regular discussion timetable.
- GFAR to send letters related to TOR for regional success stories / case studies to the regional fora, and also to inform the regional fora that commitment of the interim committee will last until such time as a permanent committee is in place, also indicating that responsibilities will not go beyond December 2008.

Communication strategy – External

To support information flow with the wider partners two mechanisms will be developed in the short term. Some progress has already been made in these areas as indicated below:-

- D-groups should be made operational using Linking Farmers to Markets name as this has useful branding history. <http://www.dgroups.org/groups/cta/LF2M/index.cfm>
- Wiki for linking farmers to markets is in development, with support from CTA and CIAT. The URL for this test site is <http://tikilf.ciat.cgiar.org/LF/tiki-index.php>

Promotional materials to be sent to regional representatives

- (i) PowerPoint presentation (comments by 15th turnaround, back to ISC) (done)
- (ii) Concept Note (PDF to D-group).
- (iii) Brochure (needs to be developed)
- (iv) Suggestion that the ISC chairman to visit regions to assist in fund raising at the regional level.

Financing strategy

Probably the most critical area in the development of the GPP is resource mobilisation. This needs to be conducted at both the regional and global levels. Fund to support this process has been assigned in the budget, see **Annex 2**. The following recommendations outline issues and steps towards gaining significant funding to support the GPP.

Global

- (i) The ISC to organise a donors' meeting and include the participation of regional representatives to explore and highlight opportunities, for research and development based on LFM principles. This process needs to be carefully developed and will be done in close collaboration between the ISC and the GFAR Secretariat.
- (ii) We anticipate that 2008 maybe a dead zone under current financial and project planning processes and therefore the option to develop a small grant with a donor such as IFAD should be explored. A draft proposal for the small grant has been prepared and will be circulated to ISC members.
- (iii) In next 6 months there maybe options to approach interested donors, with both small and large grant proposals. If this occasion arises, we need to devise a strategy to determine who approaches the donor and how we can empower partners to take on this task. One option that was discussed at the ISC meeting was to start this process by contacting Bill Vorley, Leader of the Re-Governing Markets project, to access funds for regional studies. **Action point:** Dr Nerlie Manalili to contact Bill Vorley.
- (iv) CordAid is a large donor that is currently talking to Re-Governing Markets, donor intelligence on this would be valuable. **Action point:** Dr Nerlie Manalili and or Carlos Ostertag to contact CordAid to find more information on this process.
- (v) A strategy document / guidelines needs to be further developed to show how fund raising money that is available in the inception phase LOA funds can and will be used to raise funding. These funds should be used to:-
 - Target major donors to fund a global program
 - Develop the materials for promotion to selected donors
 - Develop a task force (Dr. Nerlie Manalili, Edward Seidler and Carlos Ostertag) to outline how the donor support funds may be used and developing the promotion of the global program. This will then be circulated to the ISC.
 - Group should consider an IFAD small and large grant process, they are aware of and support GFAR.
 - Need to work with GFAR Secretariat in fund raising.

Regional

- (i) Regional reps should take every opportunity to submit to donors. Dr. Nerlie Manalili is meeting with European donor committee in June 28 – 2 July. Would be helpful to have a 2 page flyer to take to these donors.
- (ii) The secretariat needs to work with the regional representatives to find ways to use the funds in the LOA to support regional level donor liaison.
- (iii) Regional representatives to provide Carlos Ostertag with options and budgets to visit bilateral and multilateral donors in the region to present the LFM –GPP when full proposals are prepared.

Next Steps

Based on the discussions at the business planning meeting, there were a number of important issues that need to be completed. The most important next steps include the following:-

1. GFAR to finalise the LOA between GFAR and CIAT the interim hosting agency of the secretariat for the LFM initiative, to facilitate the disbursement of funds.
2. GFAR to send a letter with TORs for regional success stories / case studies to the regional fora, emphasising the importance of this task, the timeframe and the expected outputs.
3. GFAR to send letter to inform the regional fora that the commitment of the interim committee will last until such time as a permanent committee is in place, and indicating that interim responsibilities will not exceed beyond December 2008.

Inception phase tasks and dates

4. 15th August, 2007, the interim secretariat (IS) based at CIAT will sign all letters of understanding with each Regional Fora for undertaking regional studies as input into the LFM-GPP Business Plan.
5. 15th October 15th, 2007: Regions should deliver Product A of the Terms of Reference contained in the Letters of Understanding, (see Task 3).
6. 20th October, 2007. Regions should deliver Product B of the Terms of Reference contained in the Letters of Understanding, (see Task 3).
7. *25th October, potential date for global team to finalise preparation of small grant proposal to be send to selected donors by 1st November.*
8. 27th October, 2007. Deadline for Regional Fora to receive feedback from the Interim Committee.
9. 30th October, 2007, interim secretariat to finalise LFM brochure, to support proposal submissions.
10. 30th October, 2007, LFM D-groups and information sharing systems to be functional.
11. 5th November, 2007. Final date for reception of corrected documents from the Regional Fora and for the final disbursement of funds.
12. 10th November, the interim steering committee (ISC) to finalise large grant proposal for final review by GFAR secretariat by end of November in preparation for circulation to donors at AGM.

Annex 1. Interim Steering Committee Members

No.	Region/ institution	Name	Role	Contact information	Contact details (email & Phone numbers)
1	Asia and Pacific	Nerlie Manalili	Regional representative	Regional Advisor for Asia (market access) Vredeseilanden, VECO, Bali, Indonesia	drnerlie@yahoo.com nerlie@veco-indonesid.net +62 361 26 21 26 +62 815 582 71732
2	Latin America	Alfredo Albin	Regional representative	Director of Family Agriculture Program of INIA-Uruguay. Coordinator Regional Family Agriculture of PROCISUR	aalbin@inia.org.uy (00598) 2 3677641 – Fax (00598) 2 3677609
3	Sub-Saharan Africa	Andrew Temu	Regional representative	Sokoine University, Tanzania	atemu@suanet.ac.tz andy_temu@yahoo.com +255 23 2604691 +255 744 281 797
4	West Asia and North Africa	Mohamed El-Kholy	Regional representative	Egyptian Association for Supporting Olive Growers (EASOG), Cairo, Egypt	Elkholy49@yahoo.com +2012 310 7218
5	Latin America	Miguel Garcia	Meeting Chairman	Director de Competitividad Agroempresarial, Instituto Interamericano de Cooperación para la Agricultura	Miguel.Garcia@iica.int +1 305 240 9010
6	CIAT-Agroenterprise	Carlos Ostertag	Meeting Rapporteur	Manager, Rural Agroenterprise Development Project, Cali, Colombia	s.ferris@cgiar.org
7	International Federation of Agricultural Producers	Ron Bonnet	Resource person	Farmer Research Committee, Canada	ron.bonnett@ofa.on.ca 01 416 706 1646 01 705 785 3402
8	FAO-AGS	Edward Seidler	Task Assessor	Senior Officer (Marketing), Rome, Italy	Edward.seidler@fao.org +39 06 57056850
9	FAO-AGS	Rosa Rolle	FAO Resource person	Agricultural Industries Officer, Rome, Italy	Rosa.rolle@fao.org +39 06 5705 6872
10	GFAR Secretariat	Antonio Schiavone	GFAR resource person	Research Partnership Programmes, Rome, Italy	Antonio.schiavone@fao.org +39 06 570 54505
	Consultant	Rupert Best	Meeting Facilitator	Consultant	rupertbest@hotmail.com

Annex 2. Agenda for GFAR – LFM Planning meeting Rome, 4-6 June, 2007

Day 1 - 4th June

9:00: Welcome from GFAR and introductions from the team – **Antonio Schiavone**

9:15 Opening remarks **by Dr. Abdelmajid Slama, Executive Secretary GFAR.**

9:30: Overview of Status and Outline of Tasks to be achieved - **R. Best Facilitator**

10:00: Round table discussion of what the participants expect from the meeting and highlights of key issues which are important for the regions / institutes.

- Review of agenda items and timeframes

11:00 -12:30 : Task 1. Preparation of Business Framework for 10 years

- Discussion to define key parameters, components, targets and timelines
- Review of M&E structure
- Writing groups to prepare specific sections of the plan
- Writing groups focus on task 1

3:45 – Review of progress

Tasks set for writing groups to be completed for morning session

5:30 – Day ends participants return to Hotel

Day 2- 5th June

9:00 – 12:30 Review progress for business 10 year plan and finalise session. - **R. Best**

▪ **Task 2. Alignment of LFM with GFAR biz plan and 5 year project development**

- Update on new GFAR Projects in current Business plan 2007-2009.
- Discussion to outline off small and large grant options
- Writing groups to prepare outline of project proposals

Lunch meeting with GFAR senior staff. Drs Slama and Maru

▪ **Task 3** Review budget and **Task 4.** Setting the rules of the game for regional “Success stories / case studies”

▪ Tasks set for writing groups to be completed for morning session

Group 1 focus on **Task 2**, Large grant, **Group 2** focus on **Task 3** TOR’s for regional projects

Day3 - 6th June

9:00 – 12:30 Update and Review progress for writing groups

1:30 – 15:30: Task 5. Building consensus of actions for Next 6 months

- Detailed strategy for launching LFM
- Consensus on actions, roles, targets and responsibilities
- Outline communications strategy for LFM
- Final Review of progress
- Tasks set for proposal writing groups to be completed by defined date
- Delegation of unfinished tasks by group
- Communication for regional partners

16:00 Final discussion with GFAR Executive Secretary, **Dr. A. Slama**

▪ **Wrap up and Departure**

Annex 3. Example of Small Grant Design Document.

1. Grant Window	2. Division/Depart.	3. Originator/ Date/revised	4. Resource Holder Division
		Originator: Date: 24/1/07 Revised date:	
5. Title of the Grant: Innovation Partnerships to Provide Poor Smallholder Farmers with Skills set for linking to Higher Value Agricultural Markets			
6. Recipient (please include name, address, fax of Recipient organization and name and title of authorized person who will sign grant agreement): Global Forum Agricultural Research “Linking Farmers to Markets” Global Partnership Programme (LFM) Via Linking Farmers to Markets’ secretariat hosted by: International Centre for Tropical Agriculture (CIAT) Km 17 Recta Cali - Palmira A.A. 6713, Cali, Colombia Tel: 57 (+2) 445 00 00 Ext. 3084 Fax: 57 (+2) 445 00 73			
7. Recipient Legal Status: (State type of legal entity for compliance with Grant Policy paragraph 44, and date and country of registration (if applicable)). CGIAR Centre / GFAR secretariat			
8. Recipient Technical Capacity: (confirm technical capacity of Recipient to carry out Programme and provide brief information re relevant experience - except if organization and its technical capacity are well known to IFAD) Competency report of submitting agency.			
9. Programme Partners: (may assist in implementation, may be co-financiers, may participate in another way but are not service providers – provide name of organization(s) and information on how they will participate. If assisting in implementation, please also provide brief information re relevant experience or attach separate document) The Regional Forums of the Global Forum on Agricultural Research (GFAR) , including AARINENA, APAARI, FARA and FORAGRO who will be responsible for identifying suitable participating institutions and projects, for providing regional managerial support and for dissemination of results of the project to a wider audience. International and national non-governmental organisations (NGOs) Catholic Relief Services, Oxfam, Chemonics, ARD, Technoserve, which will act as potential support agencies as appropriate. International Federation of Agricultural Producers (IFAP) , which will provide access to farmer associations in the target countries. Food and Agricultural Organisation of the United Nations (FAO) , which will provide technical input to the project through the Agricultural Services Division. CIAT Management support for project implementation as secretariat for the Linking Farmers to Markets Global Partnership Programme			
10. Target Group / Participating Countries: Selection of participating countries and target groups will be competitive through grant arrangement to GFAR members, focusing on countries with IFAD supply chain projects, and linked to GFAR partners, such as Tanzania, India, Colombia, Philippines.			

11. Financing Plan: (total cost of programme to detail additional external financing, if any including financing provided by the Recipient or Programme Partners stating if in-kind or cash)

	Request	In kind
Output 1	20,000	10,000
Output 2	130,000	44,500
Output 3	45,000	39,500
Overhead (9%)	18,000	0
	200,000	94,000

12. IFAD Grant amount – (under USD 200,000) State amount of each instalment (minimum 2) and timing in months.

Phase 1. Output 1. \$50,000 (month 1)

Phase 2. Output 2. \$100,000 (month 3)

Phase 3. Output 3. \$40,000 (month 36)

Final report \$10,000 (month 45)

13. Implementation Period (max.2yrs – Please note that the Recipient should ensure that the implementation period stated here is sufficient to complete the programme.

2 years

14. Possible Start date of Activities (indicative only as cannot be before President's approval of the grant):

2008

15. Eligibility details in accordance with the Grant+ Policy: This section should state: (a) how the programme meets one or both strategic objectives detailed in paragraph 28 of the Grant Policy; (b) why activities could not be financed by IFAD admin. budget or PDFF; (c) confirmation that the grant will not finance costs of IFAD hired human resources or related costs thereof, etc. **This Section to be completed by IFAD Originator not Recipient.**

Background

The effects of urbanisation, globalisation and market concentration are rapidly changing the marketing environment for farmers across the world. Negative impacts include the steadily falling prices of major commodities and increased competition in domestic markets due to importation of low cost goods. At the same time there is increasing demand from the formal markets for reliable, sources of quality producer for both high volume products and new high value products, including niche and exotic products that can be sold into rapidly expanding formal and specialist markets.

Whilst these markets are attractive, they are more exacting in terms of product quality and supply chain requirements and most smallholder farmers are not sufficiently organised or have the skills to meet the conditions of these markets. Few service providers are sufficiently skilled to identify, evaluate or assist their clients in engaging in these markets. Perhaps more importantly the current combination of farmers and service providers lack the business credibility, incentives and agility to develop partnerships with private sector operatives in higher volume / value market chains. This problem was recognised at a recent GFAR – CGIAR meeting on high value market opportunities and the areas of developing business partnerships, improving the organisation of producer groups and testing new market facilitation methods were identified as key areas in link smallholder farmers with higher value markets.

The emphasis of this project is therefore to strengthen existing local organisation, and build the necessary skills and partnerships between farmer associations working with GFAR partners, from research, NGO's, extension, universities and the private sector to build credible business relationships in high volume and high value markets. A major outcome of this project will be the ability of the farmer groups and their service providers to analyse and develop sound business plans for engaging with business partners in high volume and higher value markets.

The benefit of working with GFAR Regional Forums will be their ability to establish learning platforms that bridge, national research, farmer groups and NGO's with the private sector. As a team this group can test and rapidly spread the best practise ideas for high volume / value market engagement through their associated members. The benefits to the research community will be the ability to show how new technologies can be applied into growth market chains

effectively in partnership with the private sector.

16. Goal: The goal of the Programme is to raise incomes and generate additional employment in rural areas through a combination of skills transfer in marketing and strengthening new institutional arrangements between farmer organisations, researchers, NGO's and supply chain actors to build and spread long term business partnerships to supply of, and share the benefits from, high value produce markets

17. Objectives: The objectives of the Programme are to overcome critical marketing constraints of smallholder farmers and enable them to organise more effectively to supply higher value products to new and existing higher value markets.

In the selected project sites, interventions will focus on:

1. Review existing business development models that have been successful in improving smallholder farmer linkage into existing and new higher value markets and share this information with GFAR LFM partners through a moderated - interactive e-discussion.
2. Select and field test marketing methodologies with private sector and development networks to understand and overcome critical constraints in key market sectors with specific reference to models that meet the needs of differentiated farmer groups, based on asset levels and market access options.
3. Support implementation processes through learning / innovation platforms so that farmers associations and their service providers can sequentially take on new skills and devise ways of matching smallholder farmer business plans with high volume / value market opportunities, in at least 2 GFAR regions.
4. Maximise spread of learning processes and best practises within and beyond the project zones and lay the foundation for improved business relationships between farmer associations, service providers and private sector consortia, such that successful approaches can be replicated in other areas.
5. Develop beta version good practice methods, information management systems and partnership required to shift smallholder farmers from low to higher value markets and lay the foundation for scaling up the intervention approach through the wider GFAR Global Partnership Programme.

18. Activities: The Programme shall consist of the following components: *(and provide under each component the relevant activities ensuring sufficient information to facilitate a technical review or attach additional document):*

1. Undertake a review of literature and gather experiences on alternative business development models and innovation platforms the enable a range of farmer types, asset stable and very poor to access markets, particularly higher value markets.
2. Establish an on-line partner information platform to share both existing literature and local experiences by farmer organizations and service providers in implementation of business development models, leading to a mini summit meeting between GFAR regional for linking smallholder farmers to markets.
3. Establish a competitive process to evaluate and select appropriate business models and partnerships for testing new approaches in a limited number of pilot supply chains, in at least 2 of the GFAR regions.
4. Provide capacity building and learning options that builds on the capacity of selected service providers to facilitate market identification, enterprise development and linkage to private sector actors interested to develop high value market linkages with smallholder

producers.

5. Test best practise marketing methods with the partnership platforms to enable smallholder farmers and their service providers to identify high value markets opportunities and match these with different levels of risk, depending on smallholder group capacity.
6. Monitor and evaluate performance of models in Output 2 pilot cases and evaluate ability of market value-adding strategies to self-replicate and avoid market oversupply issues and related to niche market options.
7. Prepare case studies to verify conditions for success and lack of success. Synthesis of experiences and development of appropriate and targeted information products for use by farmer organizations, service providers and private sector partners
8. Identify options for scaling up process through a diversification scheme such that benefits of the approach can be shared with many more smallholder farmers, through their associations.

19. Outputs: The Programme shall consist of the following outputs which shall be forthcoming from the Component Activities detailed in section 18 above:

Output 1. Existing business development models evaluated and selected to improve prospects of smallholder farmers to lock in more benefits from higher value markets

Output 2. Farmer organisation and service providers with improved management, and entrepreneurial skills resulting in strengthened engagement in higher value markets.

Output 3. Good practice methods, information management systems and critical partnerships required to shift smallholder farmers from low to higher value markets.

20. Short description of implementation arrangements:

The project will be implemented through the newly established GFAR “linking farmers to markets” (LFM) Global Partnership Programme. The project will be managed through the LFM Interim Secretariat, which will establish the framework for sharing of information and moderating a global d-group discussion on existing best practices being used by GFAR partners and specialists in the 4 GFAR regions.

Based on findings from a literature review and discussion on the d-group a competitive selection process will be established to establish or build on existing partnerships that are linking farmers with higher value / high volume markets.

The secretariat will arrange a panel review of proposals and 2-3 projects will be selected for implementation. The progress of these small projects will be evaluated and results from the process shared with the wider GFAR partners and projects.

Plans for scaling up successful approach will be developed for large grant application in the GFAR regions.

21. Short description of Recipient’s institutional financial management. Details re Recipient’s:

(a) internal financial controls exercised; (b) external audits and how undertaken; (c) whether in accordance with International Financial Reporting Standards or describe other; (d) policy on disposal of assets acquired under grant:

Should be completed by Recipients Finance Staff.

22. Reporting Requirements: (a) six monthly progress reports; (b) completion report; (c) Annual Work Plans and Budget; (c) statements of expenditure with each withdrawal application (except first) to justify previous advance disbursed; (d) final statement of expenditure for entire grant amount; (d) certified copy of audited accounts relative to the Grant amount and related audit report prepared by independent auditors in accordance with International Financial Reporting Standards. Confirm the foregoing, or state if different.

23. Rationale for IFAD (to be completed by IFAD Originator (not by Recipient):

24. Cost Table (by category).

Categories must be in accordance with Recipient's own expenditure accounts – please confirm. Figures should be rounded and detailed source of figures to be provided or attached. Please ensure that the allocation for each category of expenditure is based on accurate calculations to avoid the need to request later amendments. Suggest this information be provided by Recipient's Finance Staff.

25. Documents Attached: (a) audited financial statements of Recipient for last 2 years which includes Audit Report signed and dated by Auditor; (b) procurement guidelines of Recipient to cover goods, services, human resources including consultants; (c) evidence of legal status of Recipient. Or confirm date sent by email to IFAD – or confirm that they are available and will be sent prior to finalization of Grant Agreement..

Available and will be sent prior to finalisation of the Grant Agreement

26. PT Screening/Review Comments: (to be attached by IFAD (PT))

(Small Grant Design Document revisited by Originator after technical review comments. This document is cleared by PT only after satisfactory responses to technical comments are received).

27. Response of the Originator:

Annex 4. Detailed Budget (USD) for LFM seed funds for inception phase

a) Organisation of a workshop for the LFM Interim Committee to design the business plan for the Global Partnership Programme (GPP) on Linking Farmers to Markets (LFM)	
Hospitality (coffee breaks for 3 days) for 10 persons	480
Airfare for 4 persons traveling from South America (1800 USD per person)	7200
Airfare for 1 person from North America	1500
Airfare for 1 person from Sub Saharan Africa	1500
Airfare for 1 person from Asia	2000
Airfare for 1 person Middle East	1000
Accommodation for 8 persons (4 days per person at 250 USD)	8000
Sub Total	21680
b) Activities for the 1st phase implementation of the Business Plan	
Fund raising activities in collaboration with IC	5600
2 fund raising meetings (2 airtickets @1500 + 6 days at \$180 / day)	4080
Further Project development for fund raising (consultancy fees 400 USD per day x 20 days)	6960
Documentation of Regional Case Studies on successful practices in LFM's (\$12,000 for each Region: FARA, FORAGRO, APAARI, AARINENA)	48000
Sub Total	64640
c) Communication and promotion of the LFM GPP	
Part time secretarial assistance (850 USD per month x 8 months)	7240
Communications systems, web site, promotional materials	2016
Sub total	9256
d) Establishment of the LFM GPP Government Structure	
6 Airfare tickets (1800 x person)	10800
DSA (3 days x 155 per day x 6 persons)	3240
Miscellaneous (visas and hospitality)	384
Sub Total	14424
TOTAL	110000