Learning from Vietnam and from positive experience Made in Africa

Hanns R. Neumann Stiftung

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Structure

HRNS – who are we?

Vietnamese coffee sector – some learnings

HRNS in Africa – our approach
<table>
<thead>
<tr>
<th><strong>Concept</strong></th>
<th>Non-profit foundation acting as a sector platform and implementer of role model projects promoting sustainable livelihoods of coffee farmers and their families</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Founders</strong></td>
<td>Family of Michael R. Neumann</td>
</tr>
<tr>
<td><strong>Establishment</strong></td>
<td>2005 (project work since 1991 as EDE Consulting)</td>
</tr>
<tr>
<td><strong>Annual project value</strong></td>
<td>€ 8mio (2015) - public private partnership projects</td>
</tr>
<tr>
<td><strong>Staff</strong></td>
<td>260 staff members worldwide, 235 in origin countries</td>
</tr>
<tr>
<td><strong>Contact</strong></td>
<td><a href="http://www.hrnstiftung.org">www.hrnstiftung.org</a></td>
</tr>
</tbody>
</table>
Comprehensive capacity building and support to improve the livelihood of smallholder farmers and their families based on profitable and sustainable farming

Addressing gender, youth and climate change as crosscutting issues to contribute to the development of societies in a globalized world
Vietnamese Coffee Experience

History

- **1857:** French missionaries brought coffee to Vietnam
- **1940:** 10,000 ha
- **1954:** Vietnamese transformed French plantations into 24 state cooperatives
- **1980:** Production doubled to 12,000 mt
- **1990:** 92,000 ha / 92,000 mt
- **2000:** 385,000 ha / 720,000 mt
- **2016:** 620,000 ha / 1,400,000 mt
  - 620,000 families, 2.5 mio. people; productivity 2.3 Mt/ha (ICO); new varieties up to 6-8 mt/ha
Vietnamese Coffee Experience

Three main factors for growth of sector:

- Government policy, comprehensive sector support strategy
- Overwhelming response by farmers to Government support
- Favourable developments in world coffee market: Brazil, increasing interest of coffee companies in robusta

Policy: Resettlement and migration

- 1975: Resettlement policy: 580,000 people migrated to Central Highlands
- Late 1980’s: Spontaneous migration of 350,000 people; high profitability of coffee production (economic growth: 12% in Dak Lak)
Vietnamese Coffee Experience

Agricultural Policy

Before 1981:
- State cooperatives, no private landownership

1986:
- “Doi Moi” policy: centrally planned to market-based economy, private sector

1990’s:
- Incentives for export crops: favourable credits / subsidized inputs
- Land reform: privatization / perennial crops favoured (annual crops, 20 y / for perennials, 50 y / no land tax during first 4 years)
- High percentage of international coffee prices: up to 95% of FOB
- Long-term coffee breeding program generating improved varieties
- Extension network at commune, district, provincial level
- Emphasis on high input package: seedlings, fertilizer, irrigation
Vietnamese Coffee Experience

The Downside

Source: GSO 2000
Vietnamese Coffee Experience

The Downside

- Excessive irrigation $\rightarrow$ water scarcity
- Increased erosion

- More rains during harvest because of changing land use pattern $\rightarrow$ product quality decrease
- Monoculture $\rightarrow$ risk for pests & diseases
Vietnamese Coffee Experience

Major learnings:
- **Strategic approach** and planning of interventions are required
- **Professional farmers**: farmers with good educational level, business minded, developing as professionals and entrepreneurs are required

Now different set of problems:
- **Climate change, water resources, competition for land and natural resources**
- Measures being taken: diversification; limitation of production area from 620,000 to 550,000ha; research on sustainable water use - dissemination of results

**Structures and capacity to learn and adapt are in place to work on current problems!**
Our Scope of Action – Focus on Africa
Key Problems for Smallholder Coffee Farmers in Africa

- **Farming is not a business but subsistence:** Low productivity, old trees, no inputs, no GAP, dependency on middlemen, natural resource degradation
- **Climate change:** adaptation practices unknown, low resilience
- **Lack of performing farmer organizations:** lack of services, no economies of scale
- **Gender inequality:** inefficient use of resources, poor planning, households not developing
- **Youths not interested in agriculture:** generational change not taking place
- **Insufficient support structure:** extension, research, coaching for farmer organizations, access to finance, agricultural policy

We developed Theory of Change with 5 major components: help the farmers help themselves!
The diagram illustrates the Theory of Change for improving income and livelihoods through improved competitiveness in traditional coffee and food crop production.

The process begins with Traditional coffee and food crop production. This leads to Business-oriented Farmer Organizations, which in turn improve competitiveness. Improved competitiveness results in Improved income and livelihoods.
Uganda Coffee Farmers Alliance - UCFA
Organizational levels and functions

Project activities

UCFA

Uganda Coffee Farmers Alliance
Registered Apex Organization

Coordination, market access, link to service providers, code of conduct, representation on policy level

Depot Committees
“Coffee Companies”
Registered Companies of 400-800 farmers

Bulking, value addition, logistics, quality control, marketing, access to service providers

Producer Organizations
Village Groups of 20-30 farmers

Extension (Demo plots, Farmer Field Schools), collection of coffee

To date established: 1,668 Producer Organizations and 82 Depot Committees, about 50,000 farmers
Building Farmer Organizations

Required features of modern farmer organizations:

- Bottom-up: farmer owned organizations, high identification and active participation
- Farmer organizations as service providers
- Linkage to other service providers, support structures
- Linkage to value chains, commercial partnerships
- Partners for policy development and implementation
Traditional coffee and food crop production

Theory of Change

- Improved + resilient farms (coffee and food crops)
- Business-oriented Farmer Organizations
- Improved competitiveness
- Improved income and livelihoods

Traditional coffee and food crop production
Farming as a business
Improved and resilient farms

Farmer Field Schools: needs oriented, permanent
• Farmer to Farmer Learning with FFS facilitators
• Full ownership of the extension system by farmers
• Key service of farmer organizations
• Stepwise extending curriculum: agronomy, organization development, saving and credit schemes, gender, youth, diversification, social issues
Climate Change Approach in Uganda
Focus: Adaptation capacity, resilience
10,000 households, Luwero

Actions
- Systematic assessment of climatic risk and adaptation options
- Improvement of practices: e.g. efficient water use, soil quality, Training of Trainers
- Linkage to coffee and climate initiative (www.Coffeeandclimate.org): Online platform - know-how exchange

According to forecasts, 40-60% of coffee growing areas in Uganda may no longer be suitable for its cultivation by 2050 – if no measures are taken
Theory of Change

Traditional coffee and food crop production

Improved + resilient farms (coffee and food crops)

Business-oriented Farmer Organizations

Household members share roles and responsibilities

Improved competitiveness

Improved income and livelihoods
Gender household approach:
• Joint decision-making within households on generation of income and use of income
• Change agent couples as multipliers in groups
• Participation of women in Farmer Organizations

Impact: income - livelihood
• More investments into farm development
• Quality – better harvest & post-harvest practices
• Higher yields – men and women work together efficiently
• Less side selling – couples plan together and do not “steal” their own coffee
• Investments in education, health, food, housing
Traditional coffee and food crop production

Improved + resilient farms (coffee and food crops)

Improved competitiveness

Business-oriented Farmer Organizations

Household members share roles and responsibilities
Youth engaged in agribusiness

Improved income and livelihoods

Theory of Change
Youth engaged in agribusiness
Examples Uganda and Tanzania

Objectives:
• Change of mindset: Agriculture is business!
• Professionalize youths in agricultural value chains
• Support generational change in families
• Promote active participation of youths in farmer organizations

Approach
• Development of Youth Farmer Field Schools
• Training in business skills, income generating projects by teams: vegetable production, agric service teams,..
• Establishing linkages with markets, service providers
• Address problem of access to land with parents, farmer organizations, local districts
Theory of Change

Traditional coffee and food crop production

Improved income and livelihoods

Improved + resilient farms (coffee and food crops)

Improved competitiveness

Business-oriented Farmer Organizations

Household members share roles and responsibilities

Enabling business environment

Youth engaged in agribusiness
Enabling business environment

Elements:

- **Inclusive stakeholder platforms required**: Exchange; learning from positive and negative initiatives; aligned impact measurement; strategy development; follow-up

- **Building up of structures and capacity in farmer communities**: needs to be recognized as crucial; funding has to be made available for scaling

- Positive framework for the development of **public private partnerships**

- Specific structure required for **coaching and supervision of modern farmer organizations**

- **Diversified farm systems** require combined support and services on different crops/activities.

- **Climate change – fast reaction**: farmers have to be enabled to quickly adapt to upcoming problems; a system has to be in place to ensure this: research, extension, etc.

- **Exchange between countries** and learning from each other on a global scale
Merci beaucoup!
Thank you very much!