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**Trade Standards Practitioners Network (TSPN) Workshop**  
***African Smallholders and the Challenge of Assured Compliance:***  
***What Have We Learned From Our Interventions?***

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**Summary of best practices and lessons learned**

**World Bank**  
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I. *Upgrading of smallholders and associated firms to comply with market requirements is a stepwise process*

Key factors include:

- Coordination between donors
- Analysis of the starting point of smallholders and associated firms
- Identification of public and private roles
- Assessment of the impacts of various standards (food safety, environmental, social) to achieve poverty reduction objectives
- Sustainability of the initiative

II. *Incentives for participation must be clearly stated and consistently reinforced*

The clarity of incentives was highlighted as an important factor motivating farmer and firm investments. In certain instances price premiums provide clear inducements (i.e. for organic or fair trade produce) and in other circumstances farmers or firms were not rewarded with price premiums for meeting higher product standards (i.e. milk in domestic markets) or complying with process protocols (i.e. EUREPGAP). In the latter circumstances, the incentives needed to induce adoption may require a combination of subsidy, threat of supply chain exclusion, and evidence of broader benefits such as on farm productivity enhancement and worker health and safety.

III. *Interventions must be closely tailored to the ‘development stage’ or maturity of an industry*

The current market setting and structural features of an industry must be carefully considered in conjunction with the prevailing regulatory framework and technical and administrative capacities within both industry and government. Subsequent needs assessment work should consider realistic trajectories for the industry given their underlying capacities. Assessments should clearly distinguish between near and longer term priorities so that expectations by both implementers and beneficiaries can be met. Incremental upgrades in systems and capacities will be far more likely to succeed than ‘great leaps forward’.

IV. *The trade-offs in the 'targeting' of interventions to achieve upgrading of smallholders must be carefully considered*

Development strategies oriented to linking smallholders to markets should consider the opportunities for upgrading small farmers within the continuum of buyer requirements. Key questions that should be addressed include:

- Who is in a position to participate in such upgrades and who is not?
- Within development assistance, what trade-offs are evident?
- What are the benefits of these upgrades, from the perspectives of growth and poverty reduction objectives?
- What balance can be struck in terms of the targeted beneficiaries, supply chains, and focal compliance challenges?
- What contributions are made to growth and to poverty reduction by interventions focusing on upgrades to the more extreme (level 5) end of the market/regulatory continuum?
- Is there greater development impact from upgrades achieved at the lower end of the continuum, due to the wider scope for participation and the lower costs per beneficiary receiving direct or indirect support?

V. *Initial activities should focus on adoption of best practices which will allow smallholders to attain certification en lieu of attaining certification without a base of best practices within the farmer system*

Certain interventions have placed a primary emphasis on achieving formal certification of particular products or production systems to achieve/maintain access into a particular market or supply chain. Sometimes this could be done without requiring any substantial changes on the part of on farm agronomic, resource management, and record-keeping practices. Such certifications often were undertaken by individuals other than farmers who were certified. The impacts of such interventions are likely to be ephemeral as they do not include on farm adjustments that improve productivity, resource conservation, worker health and safety, etc. Interventions that have focused on changing practices and then attaining certification have achieved great developmental impact through as the standards have been used as a tool to the livelihoods of farmers.

VI. *Long term strategies for payment of certification related services must be established at the beginning*

Many farmers and firms that are receiving assistance are bearing only part of the costs of advisory, testing, organizational, certification, and other services. The subsidization of costs has created a lack of willingness to pay for commercial services by project beneficiaries. Payment for services by donors also distorts the price for domestically based services. Many projects identified the strengthening of local capacities in key services and establishing and maintaining exit strategies with firms and farmers as important challenges that is not being addressed adequately.