



Awakening the Sleeping Giant: Making Grain Markets Work for Smallholder Farmers and Consumers in Eastern and Southern Africa

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Conference Recommendations

The GISAMA conference entitled “Awakening the Sleeping Giant: Making Grain Markets Work for Smallholder Farmers and Urban Consumers in Eastern and Southern Africa” was held in Lusaka on 10 May 2010 as a precursor to the COMESA Agricultural Technical Committee Meetings and the ACTESA Stakeholder Forum. The meeting brought together policy makers, international experts in policy and market development, farmer organizations, trader associations, and other stakeholders. The meeting closed by making 4 critical recommendations aimed at catalyzing investments for sustained participation of smallholders in grain markets and improved access to food commodities by consumers. These recommendations should be considered carefully by COMESA policy organs, the COMESA-SADC-EAC Tripartite, ACTESA, and individual Member States.

The recommendations are as follows:

1. **Farmer Capacity Building:** Member States should facilitate training of farmers, particularly smallholder farmers, to acquire marketing skills. This includes the transmission of market knowledge to make them more market-responsive. This requires improved integration of smallholders into the marketing chain, with better linkages to traders/middlemen.

2. **Enhancing Regional and Global Competitiveness:** The conference noted that access to markets is important but not sufficient to address the primary constraints to wealth creation of the majority of smallholder farmers. In this regard, it is imperative that Member States enhance the regional and global competitiveness of the smallholder sector by:
 - a. Expanding public budget to extension programs in order to enhance capacity of smallholder farmers through extension so that they may increase their productivity.
 - b. Expanding public budget for agricultural research and development (including crop science, soil science, GMOs and irrigation systems) in order to improve yields/productivity.
 - c. Developing policies that will facilitate value-addition through agro-processing to benefit smallholders.
 - d. Facilitate the funding of training and capacity building to strengthen farmer-led producer organisations that organise smallholders in production and marketing.
 - e. Expanding public investment in rural road infrastructure.
 - f. Expanding public investments to encourage agricultural production in currently under-utilised areas.

3. **Supportive Policy Environment:** Increased yields must be supported by improving the markets for agricultural commodities. Improving markets for smallholder farmers requires:
 - a. Predictable government policies, particularly with respect to price interventions, import tariffs, export bans and stock releases. This allows producers sufficient latitude to make informed investment decisions. Inconsistent interventions have generally precipitated adverse market responses that have negatively affected agricultural productivity. Government interventions in the market, whether to secure grain or input supplies or manipulate prices should be handled in moderation if not altogether avoided.
 - b. Government facilitation for the development of policies and legislation of modern marketing tools for farmers (e.g. warehouse receipt system and commodity exchanges).

4. **Sustained Dialogue:** There is need to strengthen the regional dialogue architecture around actionable interventions targeting smallholder farmers and regional food security. ACTESA should assume a more strategic role in this. COMESA should develop a regional investment plan and encourage national investment plans consistent with the CAADP framework. This should be informed by an elaborate research agenda that is supplemented by a well-conceived network of strategic partners that include the private sector, academia, researchers, the media, governments, NGOs, etc.