



## Promoting the Role of Small Food Enterprises in the Transformation of Rural Communities

14 June, 2017 German Room – C269

### Agenda

#### 8.30-9.00 ARRIVAL AND REGISTRATION

**Master of Ceremonies:** Ms. Maria Magdalena Heinrich, Programme Officer, FAO

#### 9.00-10.30 OPENING

**Introductory Remarks:** Mr. Kostas Stamoulis, Assistant Director-General, Economic and Social Development Department, FAO

**FAO strategy for engaging with the private sector:** Mr. Francesco Pierri, Chief Advocacy Unit, FAO

**Overview of the DCED:** Mr. Jim Tanburn, Coordinator, DCED

**Keynote and discussion:** Mr. Martin Webber, Executive Vice President, JE Austin Associates, “Attracting investment for the missing middle in agri-food sector in developing countries”

**Chair:** Mr. Rob Vos, Director, Agricultural Development Economics Division, FAO

#### 10.30-11.00 COFFEE BREAK

#### 11.00-13.00 THE ROLE OF SMAEs IN RURAL TRANSFORMATION

- **Doing business with small domestic enterprises:** Mr. Daniel Gad, SMAE advocate and owner of Omega Farms in Ethiopia
- **Getting SMAEs and producers to work together:** Mr. Zikria Ahmadhi, Chairman of the Kabul Dairy Union of Afghanistan
- **Going from micro to a medium sized company:** Ms. Peace Byandusya, Director of the Mushroom Training and Resource Centre, Uganda
- **Financial institutes’ requirements when investing in small agro-enterprises:** Mr. Ruud Nijs, Partner of the TheRockGroup

**Chair:** Ms. Siobhan Kelly, Agribusiness Economist, FAO

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**3.00-14.15 LUNCH**

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Restaurant (Buffet) 8th Floor

**14.15-15.45 APPROACHES AND TOOLS FOR SMAEs IN AGRICULTURAL VALUE CHAINS**

- **Learning from agro-entrepreneurs in Africa:** Ms. Noma Mhlanga, Agribusiness Officer, FAO Ethiopia
- **SMAE business models - lessons for growth:** Ms. Amanda Hickey, Cornell University. Results of a cross-case analysis of SMAE business models across 8 countries in Africa
- **Opportunities and challenges of incubating SMAEs in Africa:** Mr. Alex Ariho, Chief Executive Officer, Africa Agribusiness Incubator Network
- **Mentoring for sustainable agri-food systems:** Ms. Aisling Croning, Deputy Chief Economist, Ministry of Agriculture, Ireland. Ireland's approach on supporting sustainable agri-food systems in Africa

*Chair: Mr. Jim Tanburn, Coordinator, DCED*

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**15.45-16.00 COFFEE BREAK**

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**16.00-16.45 PLENARY**

**Policy implications for supporting the growth of SMAEs in rural transformation**

*Chair: Mr. David Neven, Group Leader, Sustainable Markets, Agribusiness and Rural Transformation, FAO*

**16.45-17.00 CLOSING REMARKS**

DCED and Jamie Morrison, Director/Strategic Programme Leader, Inclusive Agriculture and Food Systems Programme, FAO

**17.00-19.00 ROOFTOP TERRACE COCKTAIL**

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## Background

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The food price crisis of 2007-8 brought to the fore the powerful link between agriculture-led growth, poverty reduction and global food security. As a result, smallholder farmers and agriculture were placed back on the agenda of developing countries. The crisis also resulted in the recognition of the importance of staple crop production. In regions such as West Africa, government interventions were designed to stimulate production of staple food crops with the aim of import substitution.

The increased focus on agricultural production alone, however, will not deliver on food security and nutrition objectives; nor will it produce the results required for rural communities to move out of poverty. Thailand, Malaysia and Chile are good examples of the successful transition from agriculture-based to diversified economies, where employment in rural areas has increased, profitable smallholder farming has improved and widespread poverty has been reduced. In such contexts, the role of agri-food industries has been critical for the transition.

Agro-industrial value added has expanded substantially in Asia and Latin America. In contrast, the sector is still small in Africa. Recent studies indicate that 50-70 percent of value added generated along food chains in developing countries originates in the middle segment, where storage, processing, transportation and distribution takes place. This middle segment is typically represented by micro and small agro-enterprises (SMAEs).

In many contexts, SMAEs, like small farmers, have difficulty accessing finance, services, and modern inputs to build viable enterprises, constraining their potential role in local food systems. Regulation and policy measures focus mainly on agricultural sector, trade, or broader industrial development, failing to address SMAEs' specific needs. Providing an enabling environment for SMAEs can promote a strong agri-business sector that is inclusive of small actors, including smallholders - contributing to sustained poverty reduction.

The Donor Committee for Enterprise Development (DCED), including FAO, works with public and private sectors in developing countries to develop capacities to improve the enabling environment for the development of agri-food industries and SMAEs as vehicles to reduce poverty and improve food security and nutrition. Against this background, FAO and DCED will hold a meeting focusing on the following objectives:

- (i) identifying policy guidance to support SMAEs' role in linking farmers to markets
  - (ii) exchanging experiences and approaches of small and large domestic food companies in linking their activities with those of smallholders and SMAEs
  - (iii) identifying priority areas where DCED and partners should align and coordinate support to accelerate results.
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