

Technical Session 1: Small farmers' collectivization and its role in agricultural development

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Outline

Refection on the topic

IFAD in the global context

Vision building for farmers' collectives in Asia Pacific region

Question and answers



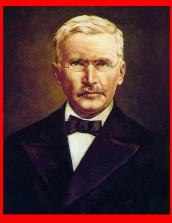








>> Farmers' collectives: A key institution in enhancing access to institutional financial services by smallholders <<





- Primary Farmers' collective/ association/ cooperative/ secondary FC/ union/ tertiary FC
- Pioneering Rural and Agricultural Co-operatives in Germany
- Community-based financial organizations (CBFOs) as partners of banks in providing financial services to people: "Linkage Banking"









Strengthen Institutions of and for Smallholder Farmers

Rural people develop effective, inclusive and sustainable institutions: producers' organizations and agricultural cooperatives, CBOs and self-help groups and water/natural resources users associations



Main areas of intervention:

- Assist rural people, including youth and women, building their institutions
- Public and private agricultural extension/advisory services, including Farmers Field Schools
- Institutional aspects of Community Driven
 Development programmes
- **Territorial development** approaches
- Institutional set up for effective delivery of rural development programmes



Partnerships: Farmers' and rural producers' organizations (FOs), Agricord, WRF and FAO on the UN Decade of Family Farming (UNDFF), International Land Coalition (ILC), FFS network, GFRAS, GAFSP Missing Middle Initiative

Special initiatives

The Farmers' Forum (FAFO)

bottom-up process of consultation and dialogue between organizations of smallholder farmers and rural producers from all over the world, IFAD and its Member States

FOs capacity building programmes with EU and other donors, Regional FOs





Building Inclusive Rural Finance Systems

Smallholder households and agricultural value chain stakeholders increase sustainable access to and use of inclusive financial services for their rural and agricultural livelihoods

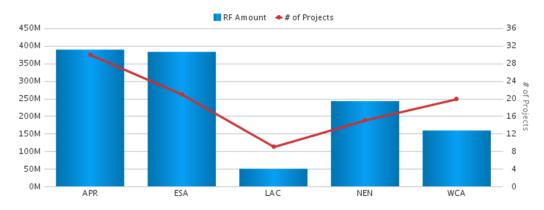
Main areas of intervention:

Customer focus - financial literacy and graduation, providers' capacity incl. CBFOs, financial support infrastructure – institutions incl. MNOs, policy and regulation; value chain financing

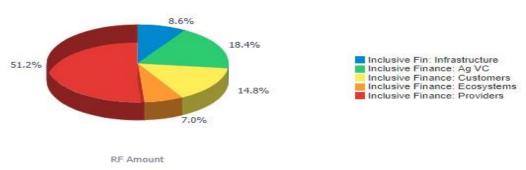
Partnership and policy development: RBAS MDRS/IEIS CAREIN-REII C/RAEP

RBAs, MDBs/IFIs, CABFIN-RFILC/RAFP, CGAP, RACAs, GPFI (G20), ILCUF, others

IFAD Rural Finance (ongoing)



Rural Finance by Activity (ongoing)

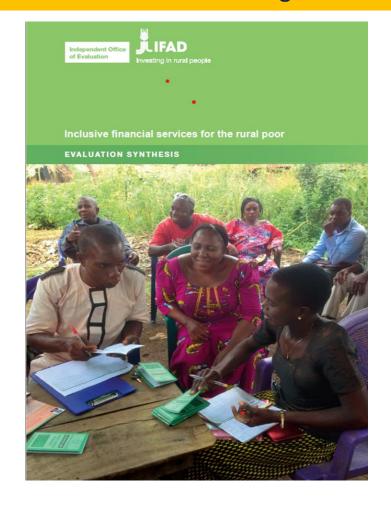


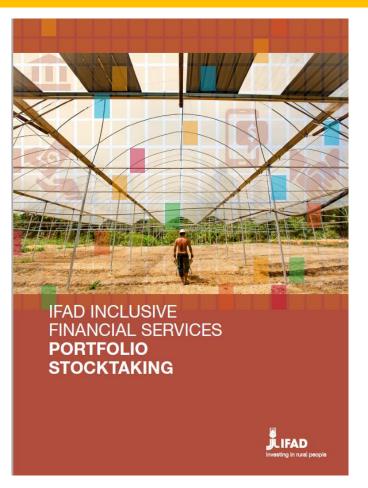




Building Inclusive Rural Finance Systems – the way forward

Evaluation Synthesis (2019) and Portfolio Stocktaking (2020) recommend: build on CFBOs with scope for improving effectiveness and outreach through innovation















The way forward and FCs' vision in Asia Pacific region a) member centricity

h aspiration



Organize unemployed rural youth into groups integrated in FCs; assist to engage in on and off-farm IGA; use tech-savvy youth to enhance digital financial interactions of FCs and FSPs; mind the digital asset values of FCs (risks and opportunities of data sharing)

onfocus



FCs address member households' demands to develop their livelihoods and become food secure; focus on nutritious value chains, while increasing agricultural productivity or production

oder let.



Empower women landholders: access to land and management rights, access to communal land resources, income, capacity building & training, membership in watershed committees & renewable resources

ange



Sustainable adaptation to climate change; integrated cluster approach to technology applications; mitigation learning centres; finance alternative rural energy supply





b) tiers structure of FC systems for division of labour

inter-action according to the principle of subsidiarity

Non-business functions **Collective Federations Training, HRD Auditing G2P Payment (C-19 response) Technical Assistance ICT**, Digital Asset Values **Deposit Insurance Institutional Protection**

Business functions Collective Apex Institutes Cooperative Central Banks Liquidity Compensation Re-finance **Payment System Credit Funds** Commercial Centrals in **Agriculture Value Chains Centralized Purchase Centralized Marketing Import / Export Market Links**

Primary Collectives smallholder farmers / customers of local collectives (MSME, general public), collectively-organized SHGs





