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CONNECTING WORLD FARMERS TO THE VALUE CHAIN

~FINAL REPORT~

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WORLD FARMERS' ORGANISATION
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CONNECTING WORLD FARMERS TO THE VALUE CHAIN

7th April 2017, 9:30 a.m. – 5:00 p.m.

Copa-Cogeca Secretariat, Rue des Trèves 61, Brussels

~FINAL REPORT~

Please find the agenda and concept here

In addition you can find the biographies of each speaker here

Concept: The workshop provided a platform to discuss how policy, including trade and development policies, can help farmers, from developing and developed countries, to be integrated into the value chain, supporting the development of new technologies while fostering innovation. The discussion focused on the development of policy priorities that are relevant to all farmers and cooperatives around the world. Panellists were invited to reflect on how the introduction of digital technologies can help developing countries gain access to markets and, consequently, benefit from trade.

Welcoming speech by

***Mr Pekka Pesonen**, Secretary General of Copa and Cogeca*

***Dr William ROLLESTON**, Acting President of the WFO*

Main conclusions:

Copa and Cogeca thanked WFO, in particular Dr William Rolleston, President, and Dr Marco Marzano, Secretary General, for having responded positively to this initiative that we are very proud to organise jointly. Copa and Cogeca and WFO thanked our partners, CEMA and DG DEVCO for the support provided to organise this event.

- Agriculture is in the front seat of the technological and digital revolution: biotechnology, sensors, automated vehicles, robotics, drones, informatics, satellite imaging, etc. The technological and digital transformation of agriculture is no longer a discussion for the future but is rather a reality for many farms and cooperatives all over the world.
- The new data-supply chain places informed farmers in a new context and redefines their role in the supply chain, which will enable transformative agricultural business models to

develop, leading to more transparency, as well as safer and better produce. The farmer remains at the heart of collecting and processing of data.

- The farming community has to lead this debate. Otherwise, there is a risk that the debate will be driven by a public opinion that does not necessarily take the reality of farming into account, both in terms of nature itself and market conditions. It is important to bring the public and the consumer with the farming community, in this journey.
- The use of technology combined with digital transformation can help farmers and agri-cooperatives to step into the future of farming, achieving ambitious targets and responding to dynamic markets. Nevertheless, the real driver for technological and digital transformation is strategy, not technology or digital tools. A good digital strategy is born out of a vision for the sector.
- The role of woman in farming, the improvement of the family lifestyle and expectations of the new generations were underlined.
- Copa and Cogeca will provide a contribution for the "EU-Africa Summit on ICT" (November 2017).

Key note Speaker

The priorities of Estonian EU Presidency and ICT

Margus MÄGI, Digital Policy Coordinator of the Government Office of Republic of Estonia

Please find here the link to his presentation

Main conclusions:

Mr Mägi presented the main priorities of the Estonian presidency on ICT and agriculture:

- An open and innovative European economy
  - The development of a business environment that favours stability, knowledge-based growth and competitiveness.
  - More focus on the research facility "Horizon 2020", the connecting Europe facility (Cef) and on launching a debate on the future of the common agricultural policy (CAP).
- Safe and secure Europe
- Digital Europe and the free movement of data
  - Free movement of data
  - E-Government
- Inclusive and sustainable Europe
  - Efficient use of resources (water ,air, soil)

PANEL DEBATE 1: THE IMPACT OF KNOWLEDGE ECONOMY IN THE NEW VALUE CHAIN APPROACH

Concept: This panel highlighted the key challenges to policy which could facilitate the use of technological developments and transformations in the business models of farmers and cooperatives in particular. How the introduction of digital technologies can help developing and developed countries, to adapt to market requirements and benefit from trade? What are the

mechanisms available to transfer and share technology with developing countries? What is the support provided by current policies, including trade and development policies? What are the initiatives around the world that aim to enhance innovation in agriculture?

Moderator - panel debate 1

***Pekka Pesonen**, Secretary General of Copa and Cogeca*

Best practices:

***Max Schulman**, MTK, Chairman of Copa and Cogeca Working Party on Cereals*

***Dr William Rolleston**, Acting President of the WFO*

***Dave Velde**, USA National Farmers Union*

***Dr Theo de Jager**, PAFO President (Panafrican farmers' organisation)*

***Hirofumi Kobayashi**, Ja-Zenchu Japan* - Please find here the link to his presentation

***Alberto D'Avino**, Deputy Head of Unit at DG Agriculture & Rural Development*

Main conclusions:

- Agricultural production provides incomes, employment and food at affordable prices as well as raw materials for the processing industry and foreign exchange from exports. Creating a sustainable agricultural development path means improving the quality of life in rural areas, ensuring enough food for present and future generations, while also generating sufficient incomes for farmers all around the world.
- The significance of the Internet in business model innovation has increased steadily since the 1990s, and each new Internet wave has given rise to new digital business model patterns. Digital business model patterns have now become relevant in physical industries

as well. The separation between physical and digital industries is now past. The key to this transformation is the Internet of Things which makes possible hybrid solutions that merge physical products and digital services.

- The role of agro-cooperatives in the technological and digital transformation was underlined by the speakers. They play a key role on facilitating the linkage between farmers and consumers, reducing marketing tunnel and marketing costs, facilitate the business ties between farmers and other players, and help strengthen the value chain.
- Technological and digital transformation represents an unprecedented opportunity to find new ways of producing value and create new business opportunities, by applying data-driven solutions:
    - improve resource efficiency (e.g. use of fertilizer, seed, plant protection products, water) and productivity (e.g. monitor grass growing that provide more accurate decision making support);
    - provide tools that increase the knowledge of measures to mitigate climate change and environmental processes;
    - more targeted applications;
    - tackle income volatility, respond to dynamic local & regional and global markets (e.g. online trading of stock, shorten supply chains, reduction of marketing costs) and consumer expectations (e.g. increase transparency and traceability);
    - deliver better public services (e.g. prove compliance to sustainable methods);
    - modernizing and simplifying by decreasing red tape, costs and bureaucracy;
    - maintain high quality of products and add value to the commodities;
    - provide tools to negotiate better position in the value chain (e.g. common management of inputs in function of market information and data);
    - better and more prosperous living conditions for farming family;
    - increase connection, communication, cooperation and transparency within the value chain;
    - making agriculture more dynamic and attractive for new and talented people;
    - allow all farmers, not matter their size gender, sector or region to be more competitive (e.g. in safety, tapping into new markets);
    - increase cooperation (e.g. increase the menu and reach of the services provided by farmers' organisations) & organisation of the sector;
- Technological and digital transformation of the economy is one of the ten top priorities of the EU Commission.
- What are the bottlenecks and what do we need to close the gap?
    - Governance of data. Important to keep the ownership of the data but most important is to control the access to the data. The data can help paying the infrastructure and services (e.g. insurance, access to SIM cards, mobile provider, cyber security and conservation of data, etc.) to the benefit of the farmer leading to a new concept of membership fee of the farmer organisation.
    - Infrastructure (e.g. broadband in rural areas), connectivity, interoperability, standardisation, portability and quality of data.
    - Training and up skilling of workforce, knowledge transfer, awareness of the farming community, increase on farm research that's suit farmers' needs.
    - Regulatory hurdles; investment and financial instruments; access to land.

PANEL DEBATE 2: FOOD SECURITY

Concept:

- How can we encourage the adoption of digital/smart farming in order to meet farmers' needs? What is missing in order to close the gap? What kind of infrastructure we need to have in place, especially in poor regions with natural constrains?

- How can trade/development policy help developing and developed countries tackle the development of digitalisation of the economy and to the benefit of farmers?

Moderator – panel debate 2

***Ulrich Adam**, Secretary General of CEMA*

Best practices:

***Jason Brantley**, Managing Director of JD Ltd South Africa* - Please find here the link to his presentation

***Fritz Glauser**, Swiss National Farmers' Union*

Jethro Greene, member of CaFaN (Caribbean Farmers' Network)

***Charles Ogang**, President of the Uganda National Farmers, Board Member*

***Mark Watne**, USA National Farmers Union, North Dakota* - Please find here the link to his presentation

***Leonard Mizzi**, Head of Unit, Rural Development, Food Security, Nutrition - DG DEVCO*

Main Conclusions:

Food security means that the population must access enough and affordable and nutritious food throughout the year. In addition, solving conflicts and structural vulnerabilities are fundamental to unleash rural dynamics.

Farmers and contractors in poor regions with natural constrains need to access the same solutions as other farmers in other regions of the world:

- Mechanization is important for higher yield;
- Lower cost commodities do not encourage consumers to add another meal;
- Family farming is a good model for food production. Family farms are the basis for safe, secure and stable food systems;
- In many areas, family farms rely on manual work which is not easy to find. Technology can help in this regard;
- Access to financing is key (e.g. it's about making people bankable). Technology can make people bankable as well;
- It's important to increase reliability of machinery and equipment in order to reduce costs;
- Access to technology and education must increase exponentially;
- Technology can also help on simplifying and reduce administrative costs (including time);
- Certification is a fantastic tool to trace the life span of a product; it provides a tool for consumer to be prepared to establish a real price;
- Important to improve bargaining power of farmers and remain market driven, promoting abundant food supply but avoiding overproduction. Technology can help farmers to achieve these objectives.
- Small farmers don't mean remaining marginal, you can scale up and collaborate with other farmers to provide new products and tap into new markets (e.g. baskets of agri products for tourists or retailers).
- Empowering of women, youth entrepreneurship, quality of extension services land ownership and broadening of partnerships, were underlined as areas to improve the framework conditions.
- The importance of the role of governments and policies cannot be overstate. They are important to remove barriers, incentivise private investment and put in place systems that help farmers. It is fundamental to enhance public dialogue to enhance public policy setting and empower producer organisations.

PANEL DEBATE 3: CLIMATE CHANGE

Concept:

- How can we encourage the adoption of digital/smart farming in order to meet farmers' needs? What is missing in order to close the gap? What kind of infrastructure we need to have in place, especially in poor regions with natural constrains?

- How can trade/development policy help developing and developed countries tackle the development of digitalisation of the economy and to the benefit of farmers?

Moderator – panel debate 3

***Dr Marco Marzano de Marinis**, WFO Secretary General*

Best practices:

Dyborn Chibonga, NASFAM Secretary General

***Dr Theo de Jager**, PAFO President (Panafrican farmers' organisation)*

***Toussaint N'Guessan**, President of OMCC – WCPO (World Cocoa Producers' Organization) and President of RIAD, Ivory Coast Farmers' Organization*

***Dr William Rolleston**, Acting President of the WFO*

***Martin Haworth**,* Director of Strategy, NFU, UK

***Daniel Spoiala**, International Officer at DG CONNECT*

Main conclusions:

Climate change creates technical and political problems in all regions of the world, especially in poor regions with natural constrains. As result of COP 21, several countries have adopted or are implementing concrete strategies on climate change. In some countries the agricultural sector is expected to reduce greenhouse gas emissions in large scale. Climate change has seriously impacted production (e.g. floods, droughts) and the farmer needs to integrate them in their day by day management.

The adoption of digital/smart farming it's at initial phase but it's an innovative tool that, step by step, can help farmers to tackle many of the challenges caused by climate change. The panellists shared some initiatives that are improving income and reducing vulnerability for producers through capacity building and a comprehensive value chain approach. Please find below some of

the areas mentioned:

- soil carbon capture,

- better management tools,

- data flows that help on improve water management

- technological and digital tools that can provide knowledge on environmental processes (e.g. the farmer can choose the best seeds that adapt to the changing environment)

- increase the tool kit for farmers to deal with the gas emissions resulting from biological production.

For example, methane researchers are now better understanding the role of microbes in the production of methane. Researchers are looking at inhibiters (e.g. feed); vaccines and genetics in livestock. The key is to look on how to increase food productivity and mitigate climate change, increasing carbon efficiency.

Policy making needs to help farmers to adopt agricultural practices and technologies that are environmentally sustainable, such as integrated pest management, water conservation methods, agro-ecological approaches and agro-forestry and raise rural incomes. Policy making is also very important to set the right training policies and implement extensive services and provide some baseline conditions, such as infrastructure (broadband but also electricity). The objective is to improve the awareness, education, implementation of the measures by farmers and acceptance by the public.

Sustainability intensification supported by a multi stakeholder approach are key. Panellists underlined the importance to work on resilience to climate change, crop diversification and irrigation, forestation, increasing productivity and nutrition.

Digital tools can help small and family farms to tap into new (local or global) markets (e.g. supermarkets), and to create hubs for rural production. Aggregation of farmers is crucial and helps improving their negotiation position in the value chain.

In the scope of the international initiatives within DG Connect and Devco, the Commission is supporting the digitisation and will launch very soon a staff working document on digitisation and developing countries based on four priorities:

- Connectivity in rural areas.
- Digital skills and digital literacy
- Digital entrepreneurship in Africa
- Digitizing across sectors such as E-government and mobile network

The panellists underlined the importance of representation of the farming community, via WFO, in the international organizations such as FAO.

Finally, farmers representatives from all over the world showed a strong interest to coordinate their actions on technological and digital transformation.

COMMUNICATION OUTPUTS:

a) **Media** – Press release can be found here

b) **Social media** – Several original tweets (@CopaCogeca @worldfarmersorg @CEMAagri) via **#DynamicAgri** and posts on Facebook and LinkedIn
You can find us on:

c) **Online Photo album** from the event is published here

Thank you for participating, contributing and supporting farmers across the globe.