CROSS PERSPECTIVE

How are partnerships between farmers and businesses contributing **to the sustainability of the food system in West Africa?**

What connections, rivalries or synergies unite farmers, farmers' organisations and formal companies within food systems? What types of support already exist or should exist in West Africa in order to promote synergies in partnerships between these different actors?

Grain de Sel (GDS): How do you define the "private sector" when discussing food and nutritional security

Bio Goura Soule (BGS): In my view, the private sector refers to any enterprise that is established in a given area of activity, producing goods and/or services. As micro-enterprises, family farms (FF) are a key component of the private sector in terms of jobs, production volume, etc. When thinking about the role of FFs in the global food system, the most important thing is to consider how the different actors enter into partnerships, closely examine the balance of power, and make sure contracts do not demean farmers' organisations (FO). It has been observed that the best valued contracts are those negotiated in groups, within cooperatives or interprofessional bodies, as this has an influence on the attitude of industrial firms, which tend to minimise their own exposure to risks.

Jean Phillipe Audinet (JPA): I think we need to be careful with respect to the systematically ambiguous and often improper use of the term "private sector" which has permeated the discourse of public actors (governments and development partners). The term "Public-Private Partnership (PPP)", for instance, is used almost exclusively to imply agreements between public investors and large industrial, commercial or financial companies, while FFs play a fundamental role in food systems (FS). This misuse of language reflects the economic, political and cultural power that multinational agrifood, tech and finance companies have, which allows them to position themselves as "providers of solutions" vis-à-vis public decision-makers. This simultaneously generic and exclusive usage of the term "private sector" also tends to neglect the nature of the rivalries and conflicts of interests that usually exist between private actors and between private interests and public interests in market economies.

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Sidy Ba (SB): FFs pool together knowledge, know-how and plans for the future, as well as financial and material resources, in order to ensure food security, maintain their family-centred social fabric, and save the land and the values attached to the land. Agribusiness companies are fundamentally different. The link between members is often capital (financial resources in the form of contributions and shares, or the individual promoter's capital), and the companies themselves focus exclusively on achieving growth and profit.

GDS: Do African states support formal private companies differently than farmers and farmers' organisations?

SB: In most of our countries, unequal access to public resources has been observed between family farms and other more capitalistic types of farms. In terms of access to loans and land, for instance, the latter are systematically given priority. FFs can help address the challenges of sustainable development, provided that a few conditions are met: access to resources, access to capital, access to the market, access to technical assistance, access to the results of relevant research, etc. Food sovereignty is within reach if the public authorities support us more.

BGS: State support varies from one country to another, and comes in a variety of forms. It may be implicit (setting prices for products) or explicit (subsidising inputs), or it may come in the form of guarantee funds, lower interest rates, insurance systems, etc. But the best place for the state to intervene is in managing insurance, guarantees and, most importantly, funding. If there is no funding mechanism for coordinating or regulating the operations and the product and financial flows between farmers and other actors – whether industrial processors, traders or distributors –, there will always be a pretty strong bias against farmers and FOs, particularly when it comes to price negotiation and trade diversion.

JPA: DOver the past several years, states and their financial partners have tended (through development projects) to fund PPPs in the agricultural sector, where public funds are channelled towards models of "productive partnerships", which consist of business alliances between primary producers and companies positioned in the downstream (and sometimes upstream) part of their respective sectors. In this model, large companies and financial investors are given a boost, and their business environment is facilitated by the state through land concessions, construction of infrastructure, access to water and energy, etc. States often appear to be more focused on attracting large private investors than on strengthening the negotiating positions of small farmers vis-à-vis those actors.

GDS: Do agricultural cooperatives complement the other types of private companies when it comes to processing and marketing? Or do they present an alternative?

SB: Given their intrinsic values (solidarity, personal and social responsibility, democracy, equality, equity, ethical standards based on honesty, transparency, and the primacy of the common interest over the individual interest), cooperatives do present a credible alternative for FOs. But they need greater public support in order to be able to fully complement agrifood companies.

JPA: I think the cooperative model is also essential when it comes to establishing or strengthening the autonomy and economic power of farmers vis-à-vis other actors in the value chain and vis-à-vis consumers. It certainly has its place within the landscape of adding value to and marketing products. The same goes for companies in the social and solidarity-based economy, and joint-venture models where farmers hold a stake in the entity and benefit directly from the financial success of the enterprise. Public support should give priority to helping these types of entity, which promote autonomy, participation, and social and environmental values.

BGS: On the contrary, I think that in the current context, this model has shown its limits. Under the OHADA Act, which applies to the Francophone zone (pp. 28-29), we currently have cooperatives that are either very large (with over 100 members) or very small, more closely resembling economic interest groups (EIG). Cooperatives are too cumbersome, and their governance is sometimes deficient and undemocratic. They are still promoted in some countries, but success rates are truly minimal. EIGs, on the other hand, are becoming increasingly widespread. They allow operators from a given sector with proven affinities to band together, with very flexible management procedures that empower their members. EIG members enjoy greater independence, and the groups themselves are easier to set up and join.

GDS: Do you think that actors in agricultural sectors should reorient their activities towards local, national or sub-regional markets rather than international export markets?

JPA: Yes, because the goal should be food security, inclusiveness and sustainability. Only local food systems can be governed and regulated by local public bodies. Just like the 2008 crisis, the COVID-19 crisis revealed many inconsistencies in production and international-trade models, and highlighted the risk of becoming overly dependent on imported products. Progress must be made in terms of regional integration, real enforcement of laws on the free circulation of goods, and common regulations on quality and traceability, but also – and perhaps more importantly – common enforcement of measures to help protect this integrated sub-regional market. These measures, however, will only be successful if they are accompanied by major investments in the infrastructure of a

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true intermediate-urbanisation policy.

BGS: Local and regional markets, in my view, present a learning opportunity where product quality, traceability, normalisation and standardisation can be improved before moving on to the more demanding regional and international market. Depending on their development, FFs and agricultural companies must initially target the market that is suited to their offer, and not get ahead of themselves. There is a local market offering opportunities to introduce products that are in line with consumers' expectations and habits. To convert those consumers into loyal customers in the future, it is important to focus on quality.

SB: Because of their flexibility and their ability to combine subsistence crops and commercial crops, FFs are capable of supplying sub-regional and international markets. They can adapt from year to year depending on prices and marketing capacities. To do so, they need reliable economic information and adequate resources. In West Africa, it was observed that after attempts to entrust cotton, groundnut and cocoa cultivation to large companies or private plantations, the colonial power turned to small farmers. As countries started to gain independence, the decision was made to confirm family farmers in their role as suppliers of export markets through programmes to stabilise prices and fund investments.

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GDS: Could you give an example of a successful partnership between companies and farmers? What about a partnership that failed, or that had shortcomings?

SB: One good example is the partnership in the groundnut sector between the Senegalese Association for Grassroots-Level Development (ASPRODEB) and the Senegalese Company for the Exploitation of Oils (COPEOL). Under their partnership, COPEOL prefinances inputs (seeds and fertiliser) for farmers, ASPRODEB supervises and evaluates, inputs are delivered to apex FOs belonging to the Senegalese National Council of Rural Dialogue and Cooperation (CNCR), prices paid to farmers are aligned with the national market price set by the National Groundnut Interprofessional Committee (CNIA), and farmers undertake to fully repay the loan in kind and to sell at least an additional quantity defined in advance at the time of marketing. This public-private partnership between a FO and an industrial firm benefits both parties.

BGS: There have been some true examples of success in the rice sector. Structuring value chains requires flexible forms of intervention and regulation where small farmers are not roped in against their will. I can think of one example in the Nigerian state of Nasarawa, where a large company set up an industrial facility for processing rice. The company entered into contracts with groups of farmers whom the company supplies with inputs, and who in return provide the company with paddy at previously negotiated prices. The facility is operating at full speed, and production continues to increase. It is important to secure ties between actors who have different interests and different means.

GDS: Do you think that international technical and financial partners (TFP) have consistent approaches when it comes to supporting the private sector?

BGS: Approaches differ from one donor to another. As recipients of aid, states rarely have a consistent form of intervention – even within individual countries – when it comes to orienting the support they receive. Greater support is provided to large companies, which enter into contracts with small entrepreneurs and FFs. Everyone today is counting on a sort of innovation platform, and I think states are throwing in the towel. They just negotiate loans but leave implementation to international NGOs, to entities which, even though they are established within the ministry, are not controlled by the state because they behave like miniature empires within the state. Partners, for their part, are primarily concerned with the rate of loan consumption and the implementation of what is planned, even if it does not produce the expected results.

JPA: It is not up to TFPs to define approaches for supporting private actors. Ensuring the food security of the people is mainly the responsibility of the states and their regional and sub-regional organisations. And what support are we referring to? If the objectives are those of the SDGs, then public support should first be focused on small family farms. And there should be clarification as to what conditions must be met in order for public funds to be provided to large upstream or downstream companies that want to partner with small farmers. ■

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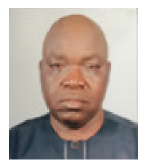

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