

P4P Purchase for Progress

**Summary of the P4P “approaches” being tested
and emerging models**

Outline

What is P4P after almost 3 years of implementation?

- Context
- The four approaches

What has been the progress?

- Towards achieving the four objectives
- Challenges and questions!

Are there promising models emerging?

- What are they?
- Challenges and questions!

Leveraging WFP's procurement footprint to do and to learn about the potential and possibilities of using structured demand to stimulate pro-smallholder agricultural and market development



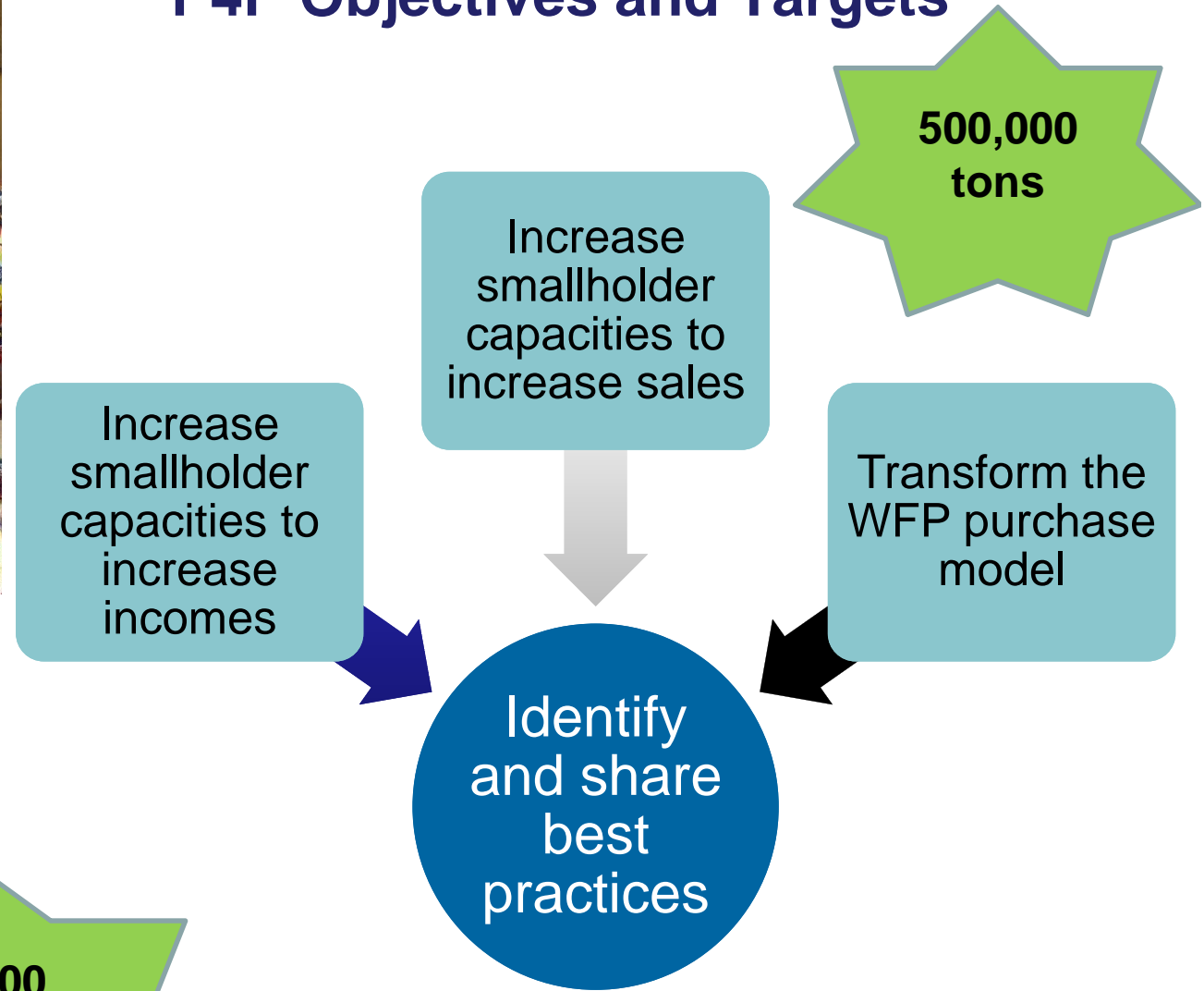
Increased Productivity + Capacity for Aggregation + Market Development + Enabling Environment = Increased income

P4P Approaches

Approach	Characteristics/examples of the approach
Approach #1: Farmers' organisations and capacity building partnerships	<ul style="list-style-type: none"> • WFP buys from farmers' organisations (FOs) of varying capacities • Procurement modality and quantity selected to match FO capacity • FOs expected to progress towards competitive tendering and wider market engagement over time • FOs receive support on production and marketing • Investments in storage and warehousing equipment
Approach #2: Support to emerging structured trading systems	<ul style="list-style-type: none"> • WFP supports establishing warehouse receipts systems (WRS) in two ways: <ul style="list-style-type: none"> • direct support for establishing WRS • purchasing through WRS • Purchasing through cereal fairs or commodity exchanges to create a “pull-in/follow-in effect” • Working with FOs to build capacities for structured trade
Approach #3: Small and medium traders	<ul style="list-style-type: none"> • The objective being to build competition in the market and provide alternative markets for farmers' surpluses • Purchasing from emerging traders/ agro-dealers through modified tendering • Training traders and agro-dealers on WFP procurement and contract requirements • Investing in marketing equipment – stitching machines, weighing scales
Approach #4: Developing local food processing capacity	<ul style="list-style-type: none"> • Connecting farmers' organisations to established food processors • Developing local processing capacity – biscuits, supplementary feeding products



P4P Objectives and Targets



Increasing smallholder farmers' capacities to raise their income from markets



1,050 Farmers' Organisations, > 1.1 million farmers

220 Partners

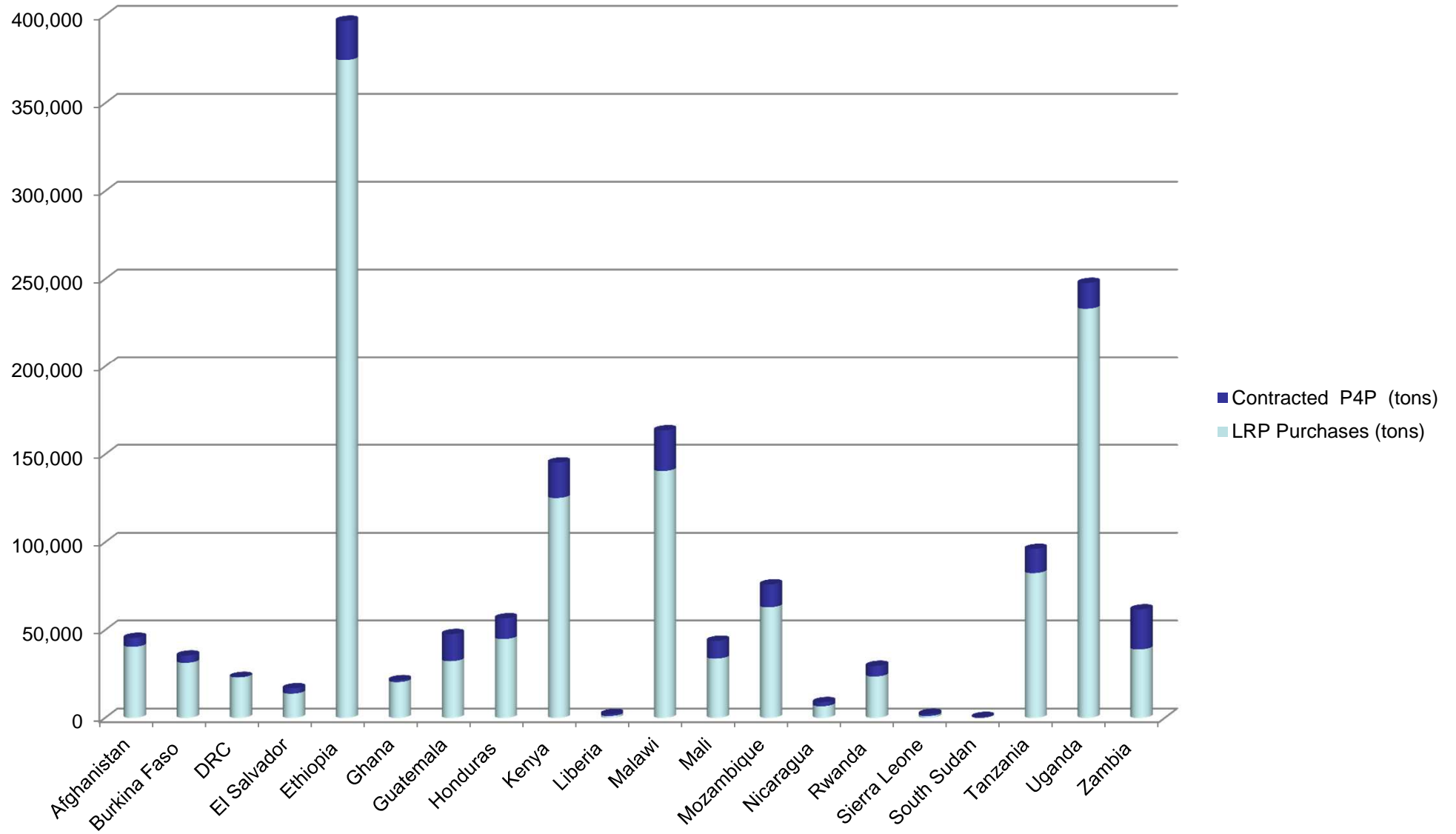
116,000 individuals trained

Increasing smallholder farmers' capacities to increase their sales to WFP and others



**190,000 tons
contracted**

Transforming the WFP Purchase Model



Identify and share best practices

M+E system in place

Data analysis hub

Websites – internal and external

P4P Monthly update

Country level case studies

P4P Mid-term evaluation

P4P Technical review panel

P4P Annual Review

Pilot write-shop process



Emerging Models



'Before, there was no reliable market, so the groups that formed did not last and dissolved quickly. In the last 3 years, new groups have formed, and many of them are surviving, because they see a market. Other traders and millers, knowing that there is good quality maize, are coming to Transmara, like the Lesiolo Grain Handlers. Quote from the Lolgorian farmers in Transmara district Kenya

Thank you

