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Supporting Food Production and Food Access through Local Public Procurement Schemes: Lessons from Brazil by Darana Souza and Danuta Chmielewska, International Policy Centre for Inclusive Grow International Policy Centre for Inclusive Growth

Approaches that combine giving vulnerable segments of the population access to food with support to smallholder farmers for food production can offer significant benefits in tackling poverty and hunger. Public procurement can play an important role in these approaches, ensuring supplies for food aid schemes and market opportunities for farmers who otherwise would face great difficulties in establishing advantageous commercial relations. The benefits of such approaches can be very substantial when procurement strategies are implemented in line with local food production and consumption patterns.

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Brazil's Food Acquisition Programme (Programa de Aquisição de Alimentos, PAA) can offer important lessons for debate in this context. PAA is a strategic part of the country's food security policy framework known as Zero Hunger (Fome Zero). It aims to ensure that populations suffering from food and nutritional insecurity have access to food, and to promote social inclusion in rural areas. Two components of the programme, known by their Portuguese abbreviations CDLAF and CPR Doação, facilitate the government's purchase and distribution of various agricultural goods. Between 2003 (when the programme was created) and 2008, the federal government spent more than US\$ 1 billion through PAA to buy nearly 2 million tons of food. In 2008, about 120,000 farmers were selling products through the scheme, and those products were donated to 16.8 million people (CONSEA, 2009).

Goods are bought without a bidding process, guaranteeing that the targeted "family farmers" have access to what would otherwise be a highly competitive market. The programme can supply a wide range of food items to local institutions, such as community associations, day-care centres and hospitals. Local populations thus might have access to the food free of charge.

A case study in the northeast of Brazil shows that these two programme components offer farmers a crucial commercial opportunity, support relevant changes in the farmers' production practices and organisational capacity, and serve as an important strategy to ensure the proper provision of food items (Chmielewska and Souza, 2010).

That case study argues that for family farmers, the availability of secure markets with guaranteed prices encourages them to re-invest in their production and to optimise existing resources. This has led to benefits in the areas of inputs and labour, diversification of produce and greater quality control. The improved product quality can be attributed to the control imposed by the programme and to farmers' commitment to deliver good

food products to the local beneficiaries. Farmers' organisations have also been strengthened by the PAA, as evidenced by the regularisation of their legal status, increased memberships and greater project management capacity.

Critically, the PAA approach has made available a diverse range of good quality and locally relevant foods for beneficiaries of the programme's "food access component". Moreover, the PAA has been found to encourage the production and consumption of foodstuffs that were being abandoned, such as various kinds of cassava.



Like any programme of this size and complexity, it is not without challenges. The study reveals that farmers still need access to complementary support actions, such as technical assistance for production planning. This is justified by the limited capacity to deliver the types and quantities of products specified by producers in the PAA projects. Additionally, the intervals between projects have caused substantial difficulties for some farmers, affecting their income from sales and the flow of goods to beneficiaries.

In view of the above, we find that public procurement can be a relevant approach and tool in supporting the larger macro strategy for food production and access to food. The Brazilian experience has demonstrated the potential for this approach to confer significant benefits on producers and consumers, a circumstance accentuated by the promotion of diversified products that can be consumed locally. In this context, purchase and distribution linkages, combined with support programmes, provide an important opportunity to improve farmers' capabilities and to deliver benefits to the community as a whole.

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