



IFOAM Position Paper

The Role of Smallholders in Organic Agriculture

Draft for consultation to the membership

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IFOAM recognizes the essential role of smallholders, especially in food production and the dynamizing of rural economies: Ninety percent of farms worldwide are less than two hectares; they provide employment to 1.3 billion people and dominate agriculture in developing countries. Smallholder agriculture is multifunctional, as it accounts for the majority of rural employment, most food production and the provision of ecosystem services, contributing to the preservation of natural resources and biological diversity in their rural settings. Smallholder farming is the backbone of agriculture and food security, not only throughout the developing world (where, in many African countries, they represent the largest private sector activity), but also in several industrialized countries in Asia and Europe. It not only feeds families, but also generates jobs and catalyzes the growth of rural businesses, particularly in the sector of micro and small enterprises.

Smallholder agriculture is also important in urban settings, especially in Asia but increasingly in Africa and Latin America, and also in the industrialized world. Urban and peri-urban agriculture increases the amount and quality of food available to people living in cities, which is already over 50% of the world's population. Globally almost 1 billion people practice urban agriculture and produce approximately 15% of the world's food.

IFOAM recognizes that many smallholders are very poor, disadvantaged and have insufficient access to resources and support. IFOAM also recognizes this has to change: not all smallholder farms, however, are equal¹. The differing access of smallholders to resources (education, capital, land, natural resources, goods and public services) and the lack of efficient information systems, training and technical assistance, generates differences in their incomes, innovation capacity, production and participation in markets. Seventy-five percent of the world's poor live in rural areas and have deficits in education, health and nutrition due to the lack of public services, limited exercising of their civil rights and uneven access to market opportunities. The main limitation of smallholder farming in developing countries is poverty and social exclusion, especially within indigenous populations. For women farmers the lack of access and control over resources accentuates problems further.

While most small farms tend to be highly productive when the whole farm business is taken into account (as opposed to individual crop yields only), many smallholder farmers are very poor, scraping by on marginal or degraded lands, using under-performing and often unsustainable farming systems that erode soils and deplete biodiversity. Poverty is also a driver of erosion and the over exploitation of natural resources, rendering communities more vulnerable to food insecurity, climate change and natural disasters. Many millions therefore are unable to generate sufficient incomes to achieve an acceptable standard of living, and many more rural poor do not have access to land and other resources needed to feed themselves. Currently there is insufficient support for smallholders and rural communities: only 4% of official international aid for development is assigned to agriculture, and many national governments prioritise investments in large-scale agricultural development. This is severely undermining efforts to achieve the millennium development goals (MDGs).

IFOAM recognizes that smallholders have a fundamental role in the stewardship of biodiversity: In the International Year of Biodiversity, it is essential to highlight the importance of plant and animal genetic resources and agrodiversity as a whole. Only healthy rural communities, their cultures and their processes of continuous innovation and transformation can provide

¹ See background document to this position paper (Sánchez, 2009)

successful *in situ* conservation of genetic resources and a conscientious effort to assure that the benefits of biodiversity are felt by the poor. The IFOAM Position on Seed – currently also under stakeholder consultation – further addresses biodiversity in organic agriculture.

IFOAM regards organic agriculture as the most appropriate way to achieve ecological, agronomic and socio-economic intensification of smallholder agriculture: With its techniques in soil, water and biodiversity conservation, as well as its integral and sustainable farm management, OA can be highly productive, achieve family food security and improve incomes. Organic farming systems are also more resilient than conventional systems that are highly dependent on external inputs, which are not only expensive and harm the environment but are increasingly being controlled by a handful of corporations throughout the food chains. IFOAM regards large-scale industrialized agriculture as a faulty model that disenfranchises people, limits diversity and severely degrades the environment. OA has well-established practices that simultaneously mitigate climate change, build resilient farming systems, reduce poverty and improve food security. OA emits much lower levels of greenhouse gases and quickly, affordably and effectively sequesters carbon in the soil. In addition, OA makes farms and people more resilient to climate change, mainly due to its water efficiency, resilience to extreme weather events and lower risk of complete crop failure. Finally, in order to conserve their traditions and be successful in the marketplace, organic smallholders organize themselves, strengthen their social structures, build innovative links and promote entrepreneurship.

IFOAM recognizes that major efforts are needed to improve smallholder farm productivity: IFOAM's definition states that OA combines tradition, innovation and science to benefit the shared environment and promote fair relationships and a good quality of life for all involved. OA should go beyond the simplistic guarantee that prohibited materials are not used in the production system (organic-by-default) to an integrated implementation of better and more productive systems, with measurable improvements in yield, ecosystem services and functional interactions between the different actors and components of a farming community. IFOAM is collecting more comprehensive data of organic farmers worldwide, whether certified or not, in order to measure the real contribution of OA and the potential for growth and improvement.

IFOAM calls for a much higher investment in pro-smallholder science, technology, infrastructure and innovation: Expensive and short-term solutions proposed by conventional agriculture will not reduce hunger and could worsen the social and environmental problems of many countries; this assessment is thoroughly substantiated in the IAASTD² report. IFOAM therefore urges local, regional and national authorities, as well as donor agencies and multinational organizations, to accelerate their efforts to promote OA as the most viable system, in order to empower smallholder communities and help them become more resilient.

IFOAM also wishes to stress the fact that, in a world where individualism tends to reign, rural communities dominated by smallholders and family farmers represent a vital counterpoint. They cherish communal values and provide fantastic opportunities for more sustainable types of business, often linked to the concept of cultural and territorial development. This approach requires autonomous decision-making and specific investment decisions aimed at creating or maintaining sustainable jobs; infrastructural investment; development of the endogenous capacity of the regions; as well as support and animation measures for local development initiatives. In this respect, IFOAM supports the declaration of an International Year of Family Farming by the United Nations system in order to promote discussion, analysis and advocacy. IFOAM is also concerned about the acceleration of land grab schemes by multinational companies in developing countries, and calls on national governments to watch these issues very carefully and search for a balance between foreign investment and the need to improve the livelihoods of rural people in a sustainable way.

IFOAM calls for improved local, national and international policies to promote sustainable organic smallholder systems and businesses: Given that OA systems are equally applicable to subsistence farming and local markets as they are for international markets, IFOAM works towards the reduction of barriers and to establish mechanisms that support broader uptake – so that OA can contribute more extensively to food security, climate resilience and rural development. This includes raising recognition and uptake of OA practices within the policies of governments at all

² www.agassessment.org

levels, as well as facilitating the support of smallholders so that their systems are sustainable and consistently more productive and profitable. This support may take the form of dedicated instruments for improved extension, market incentives, micro-credit schemes, specific programs for the rural young, or access to land and participation in value chains where smallholders can flourish rather than be expelled. With regards to organic guarantee systems, IFOAM calls on competent authorities worldwide to broaden their recognition of the various guarantee systems available and help them develop and improve. Organic certification of smallholder groups in developing countries is already a well-established alternative to standard certification producers, and IFOAM promotes its practice and acceptance in other parts of the world, as well as encourages the further development and improvement of innovative alternatives like participatory guarantee systems.

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