

## Module 2: Best practice on “farm to factory” handling of grains

How food processing companies can contribute to farmers income increase - Why contribute to farmers income increase?



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# Farmers are on the line

The people that grow our food are often those who will go to bed hungry at night.

60% approx. of African workers are farmers.

60% approx. of African farmers are subsistence farmers.

60 years is the average age of farmers in Africa.

The farmers live in such impoverished conditions at so many levels that is not a surprise that youth does not want to work in this sector.

# Weakest in the value chain

Agri-businesses have realized that the value chain can only be as strong as its weakest link and the weakest link here is the farmers.

Upon that realization, some have started to invest in their farmers and suppliers and purchase products that fulfil social and environmental criteria as well.

Traditionally, agribusinesses have mainly focused on price and quality. **The first step as a processing company is to widen your scope of vision and create awareness that some if not most of the farmers you work with live in poverty.**

# Weakest in the value chain

Processing companies need to commit to paying prices which enable farmers fair living wages for a decent standard of living. The food industry needs farmers who are thriving, efficient and productive.

Read more: Sumar, F. Z., & Barry, P. (2020). Are we brave enough to fix the broken food system? Farmer Income Lab.  
[https://www.farmerincomelab.com/sites/g/files/jydpvr621/files/2020-09/Are we brave enough to fix the broken food system .pdf](https://www.farmerincomelab.com/sites/g/files/jydpvr621/files/2020-09/Are%20we%20brave%20enough%20to%20fix%20the%20broken%20food%20system.pdf)



# Value chains are changing

**Value chains** with aligned visions, ambitions and goals are coming together to improve relationships, communication and transparency.

The processing companies which have a close relationship with farmers have the advantage that they can play a active part in making sure their product complies with social and environmental criteria. They can also secure their inputs more easily.




# Win-win solutions

Processing companies could have a serious, positive impact on farmer incomes, if they design and manage their business to serve farmers' interests as well as their own.

Solutions have to come from the business side and make sense for businesses. We encourage you to **find solutions that work for your business**. We encourage you to learn from other businesses what is working and not working for them, and tailor it to your context and needs.

Read more: Farmer Income Lab. (2020). RACE TO ONE: Mobilizing Business Action on SDG 1. Page 8.

[https://www.farmerincomelab.com/sites/g/files/jydpyr621/files/2020-09/FINAL\\_FINAL\\_Poverty\\_Hotspots\\_UNGA\\_2019\\_2.pdf](https://www.farmerincomelab.com/sites/g/files/jydpyr621/files/2020-09/FINAL_FINAL_Poverty_Hotspots_UNGA_2019_2.pdf)

A wide-angle photograph of a field of golden wheat. Scattered throughout the field are several bright red poppies. The sky is a pale, hazy blue with soft, wispy clouds. The overall lighting is soft and warm, suggesting a late afternoon or early morning setting. The text is centered horizontally and overlaid on the lower half of the image.

Read more about how to engage with farmers for mutual benefit in the next chapter