

# **Small Farms: Key Characteristics and Issues**

**PPFS Seminar on Enhancing Market Entry for  
MSMEs including Smallholders in the Asia  
Pacific Region, 6 Aug 2018**

**APEC Food Security Week 2018**

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FAO**



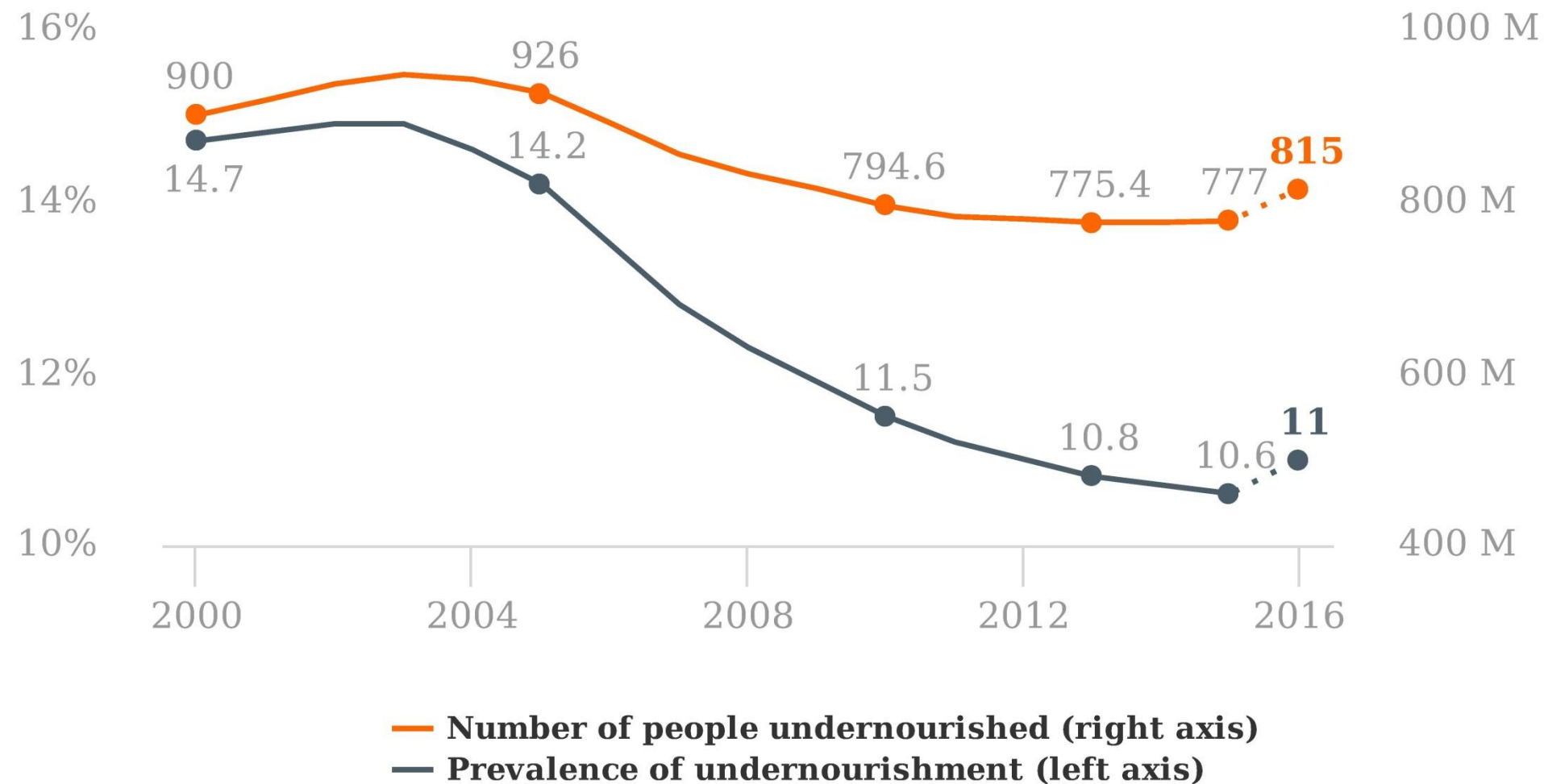
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# Global Food Security Overview



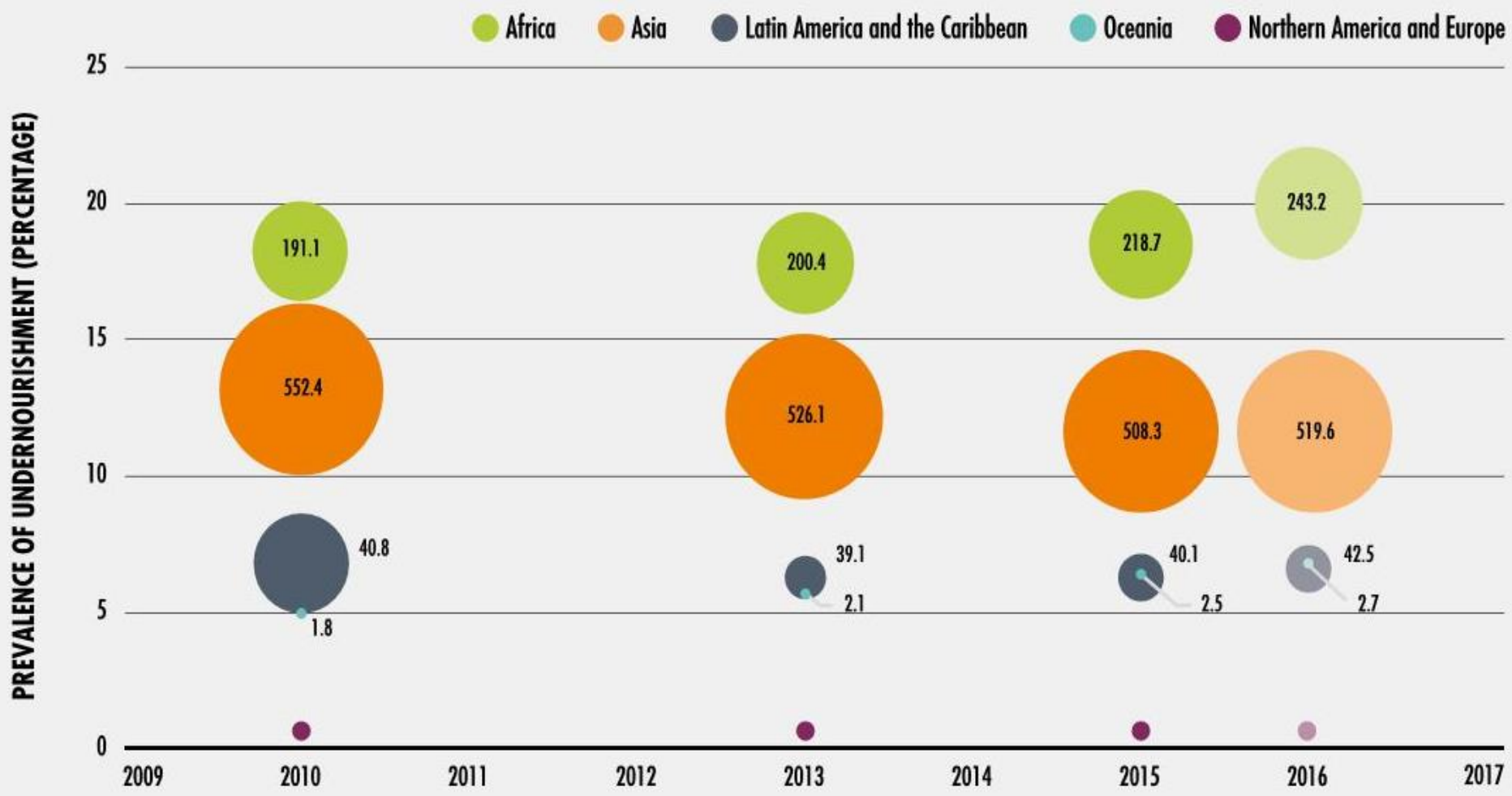
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The number of people undernourished in the world has been on the rise since 2014, reaching an estimated 815 million in 2016



NOTE: Prevalence and number of undernourished people in the world, 2000-2016. Figures for 2016 are projected estimates. SOURCE: FAO.

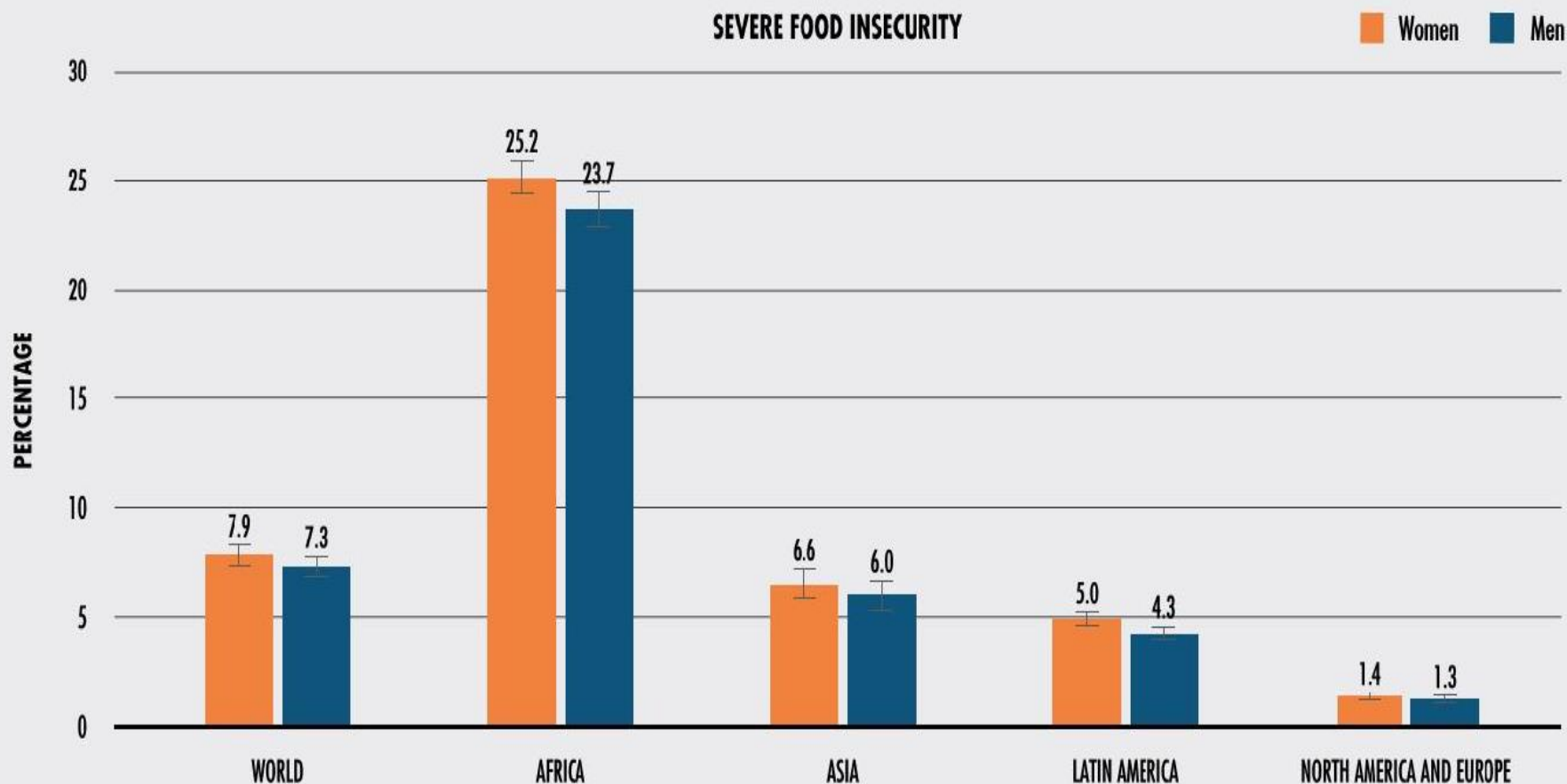
# THE PREVALENCE OF UNDERNOURISHMENT IS HIGHEST IN AFRICA; THE ABSOLUTE NUMBER OF UNDERNOURISHED PEOPLE IS LARGEST IN ASIA



NOTE: Comparison of prevalence and number of undernourished people by region. The size of the circles represents the number of undernourished people in millions, as labelled. Figures for 2016 are projected values.

SOURCE: FAO.

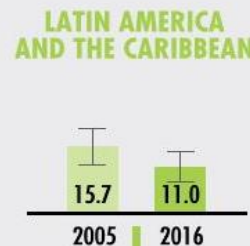
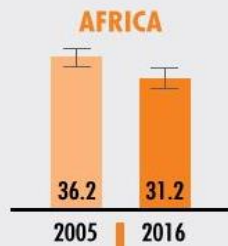
# WOMEN ARE SLIGHTLY MORE LIKELY TO BE FOOD INSECURE THAN MEN IN EVERY REGION OF THE WORLD



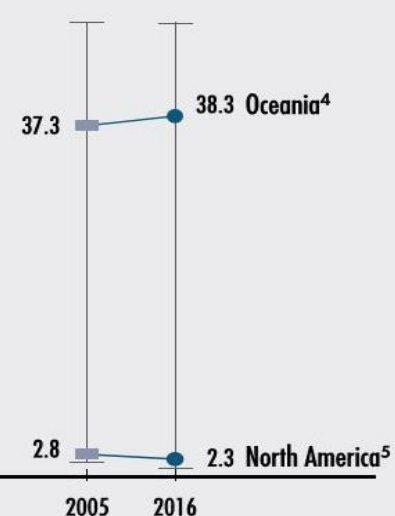
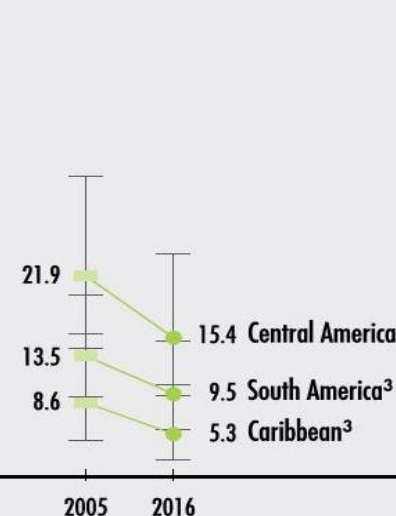
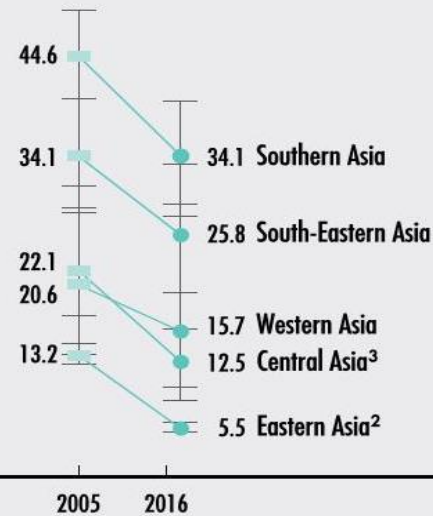
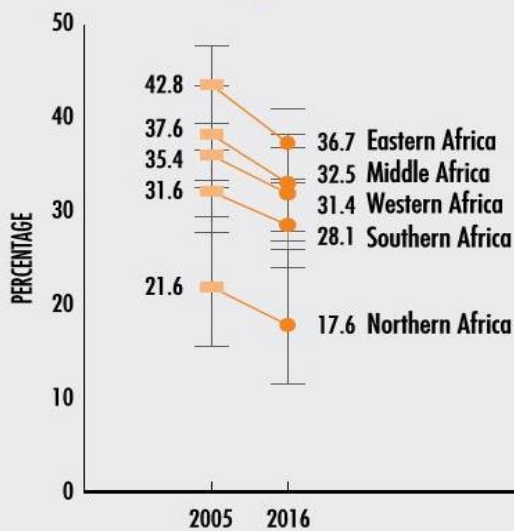
NOTE: Comparison of the prevalence of severe food insecurity among men and women aged 15 years and older (2014–16 three-year averages).

SOURCE: FAO Voices of the Hungry project.

# RATES OF STUNTING AMONG CHILDREN ARE ON THE DECLINE WORLDWIDE, BUT REMAIN VERY HIGH IN MOST PARTS OF AFRICA<sup>1</sup>



**OTHER REGIONS**

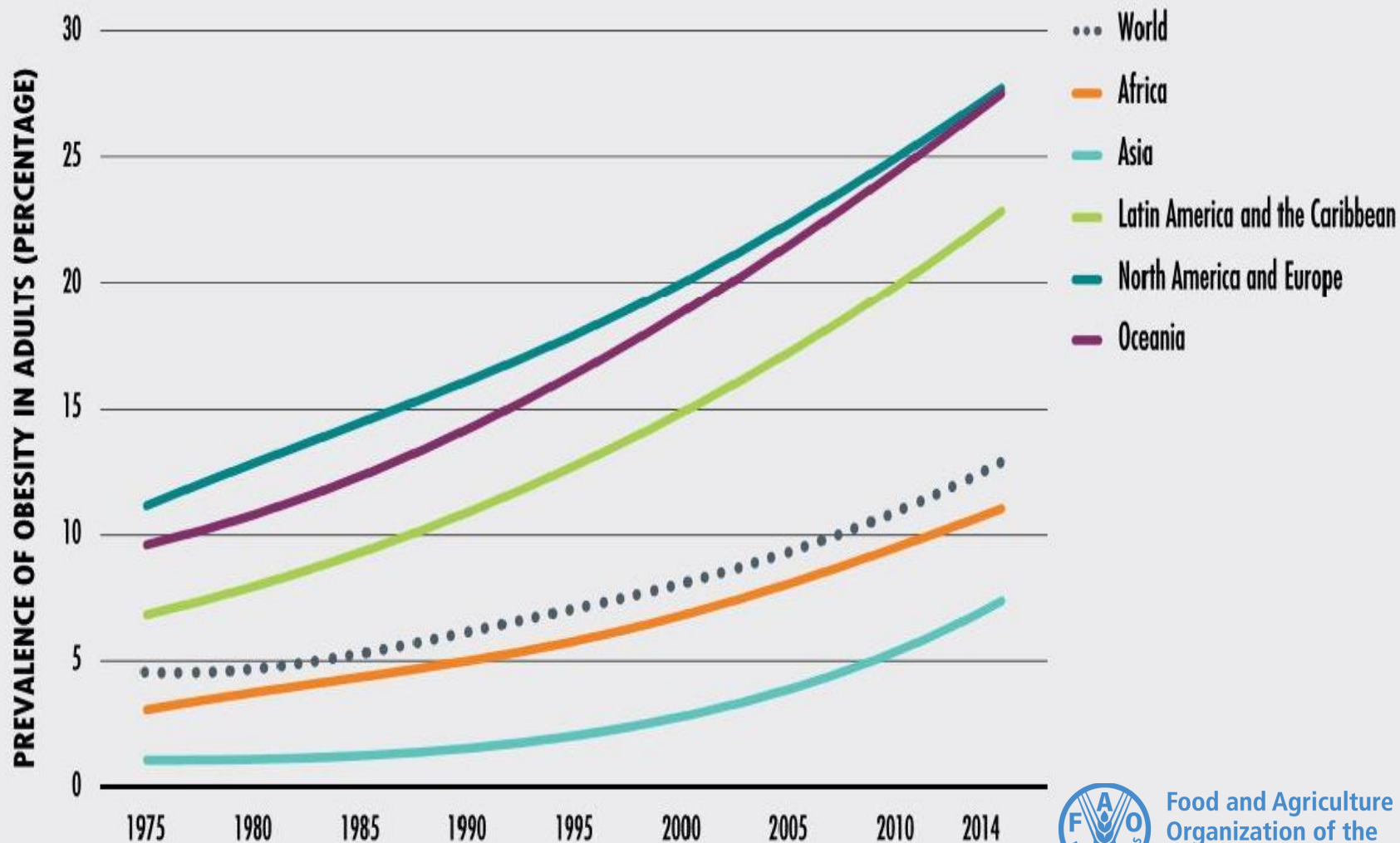


# State of Nutrition in a snapshot (2016)

Indicator	Number	Share of the reference population
Children under 5 who suffer from stunted growth	154.8 million	22.9 percent
Children under 5 affected by wasting	51.7 million	7.7 percent
Children under 5 overweight	40.6 million	6 percent
Adult obesity	640.9 million	12.8 percent
Women of reproductive age affected by anaemia	613.2 million	32.8 percent
Infants younger than 6 months exclusively breastfed	60.3 million	43 percent



# ADULT OBESITY IS RISING EVERYWHERE AT AN ACCELERATING PACE





# Global Food Security Trends

- **Recent estimates warn that achieving 2030 SDGs will be challenging.**
- **Number of conflicts also on the rise. Exacerbated by climate-related shocks, conflicts seriously affect food security and nutrition.**
- **Given the link between climatic shocks, crop and livestock price collapse and conflict outbreaks, there is a need to adopt agricultural practices and livelihood strategies for climate change adaptation and mitigation**
- **Even in some peaceful settings, food security has deteriorated as economic slowdowns challenge access to food for the poor.**
- **Multiple forms of malnutrition coexist, with countries experiencing simultaneously high rates of child undernutrition, anaemia among women, and adult obesity.**
- **Change in dietary patterns and urbanization leading to increased consumption of highly processed food and sedentary lifestyles—resulting in increased obesity and an associated rise in non-communicable diseases such as diabetes.**



# Small Farms: Key Characteristics



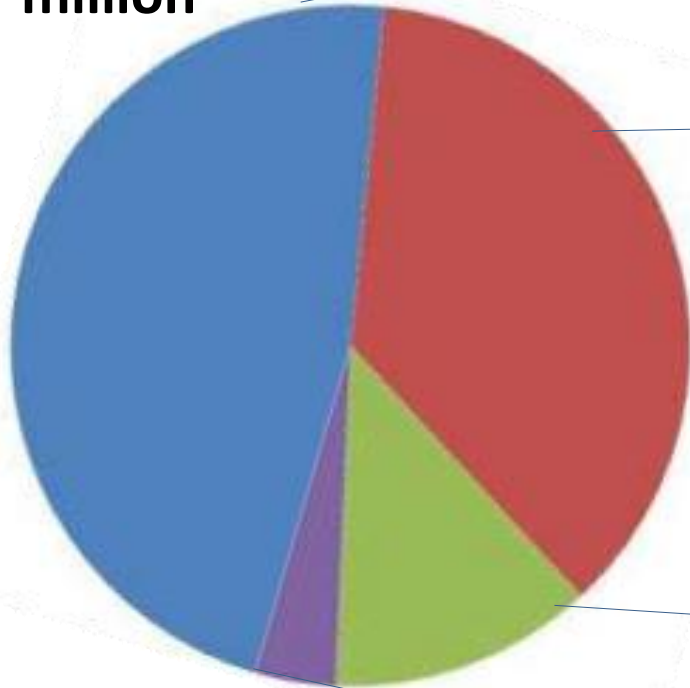
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# More than 570 million farms in the world

## Number of farms by income group

Source: FAO SOFA 2014

World total = 570 million



**47%** Upper-middle-income countries

**36%** Lower-middle-income countries

**13%** Low-income countries

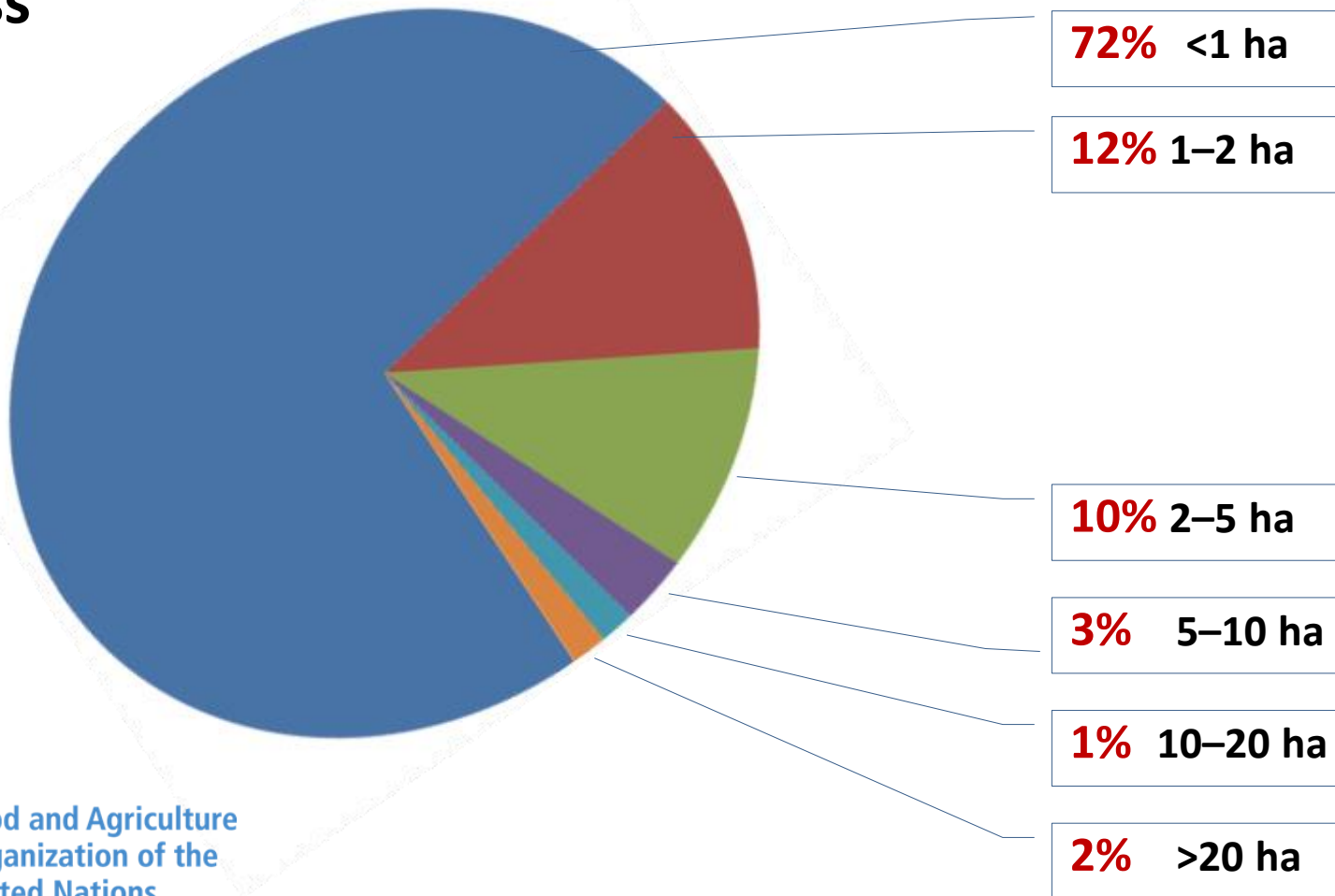
**4%** High-income countries



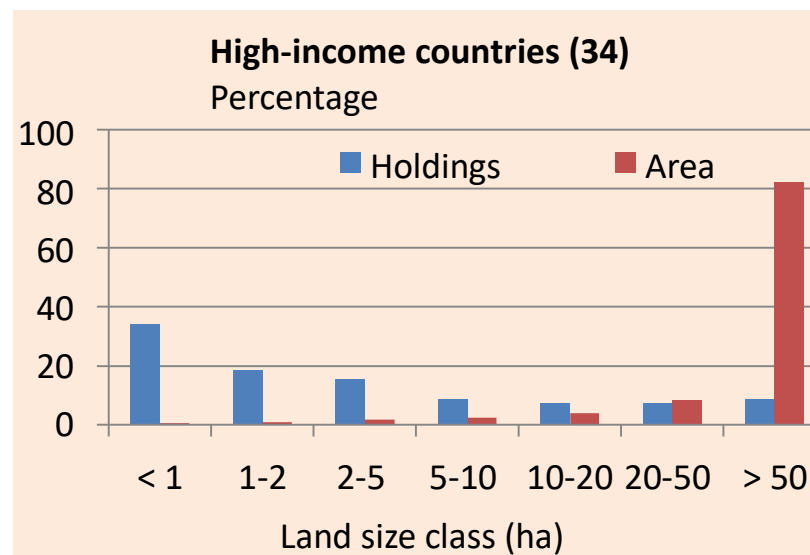
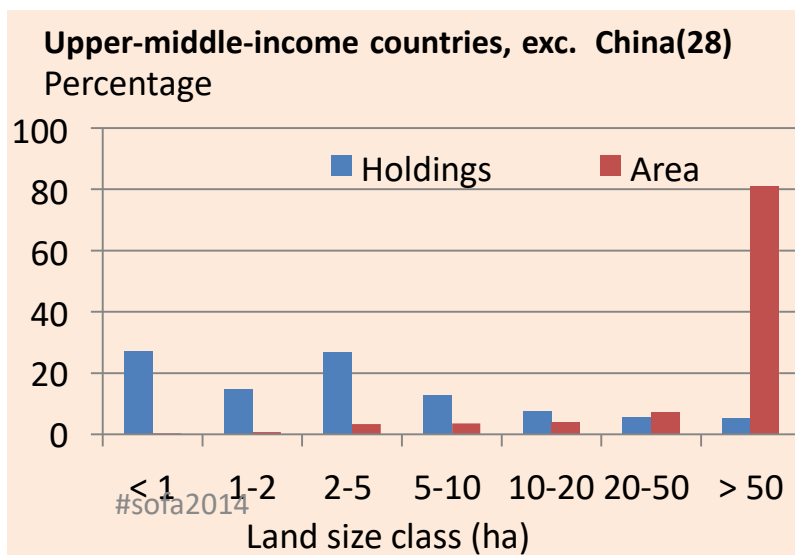
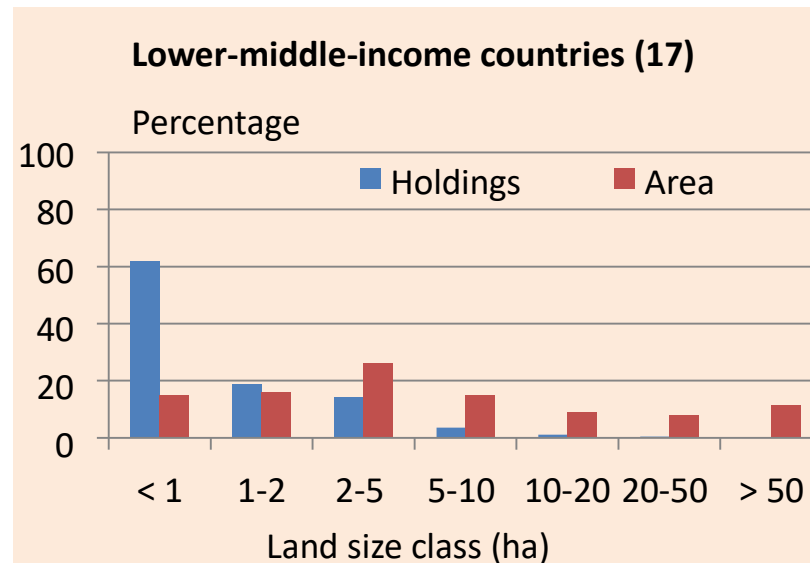
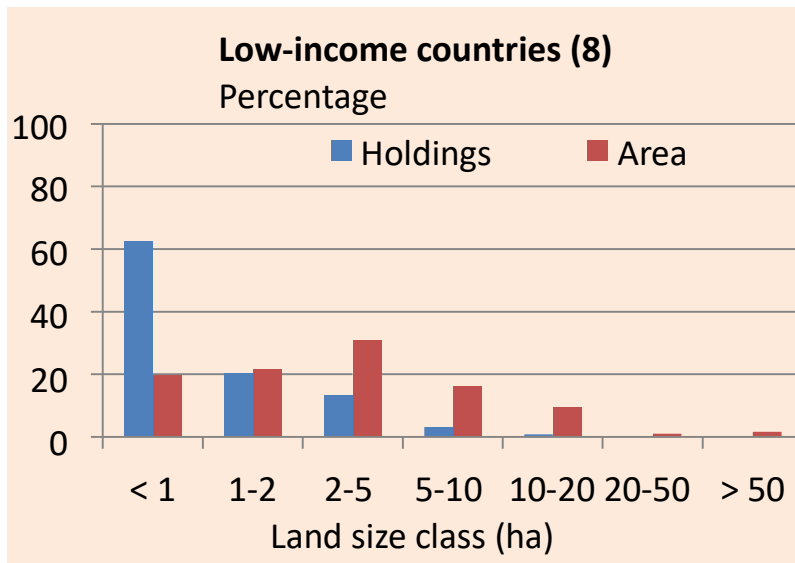
# Most of the world's farms are small

Source: FAO SOFA 2014

## Share of farms, by land size class



# Smaller farms hold large shares of land in lower-income countries

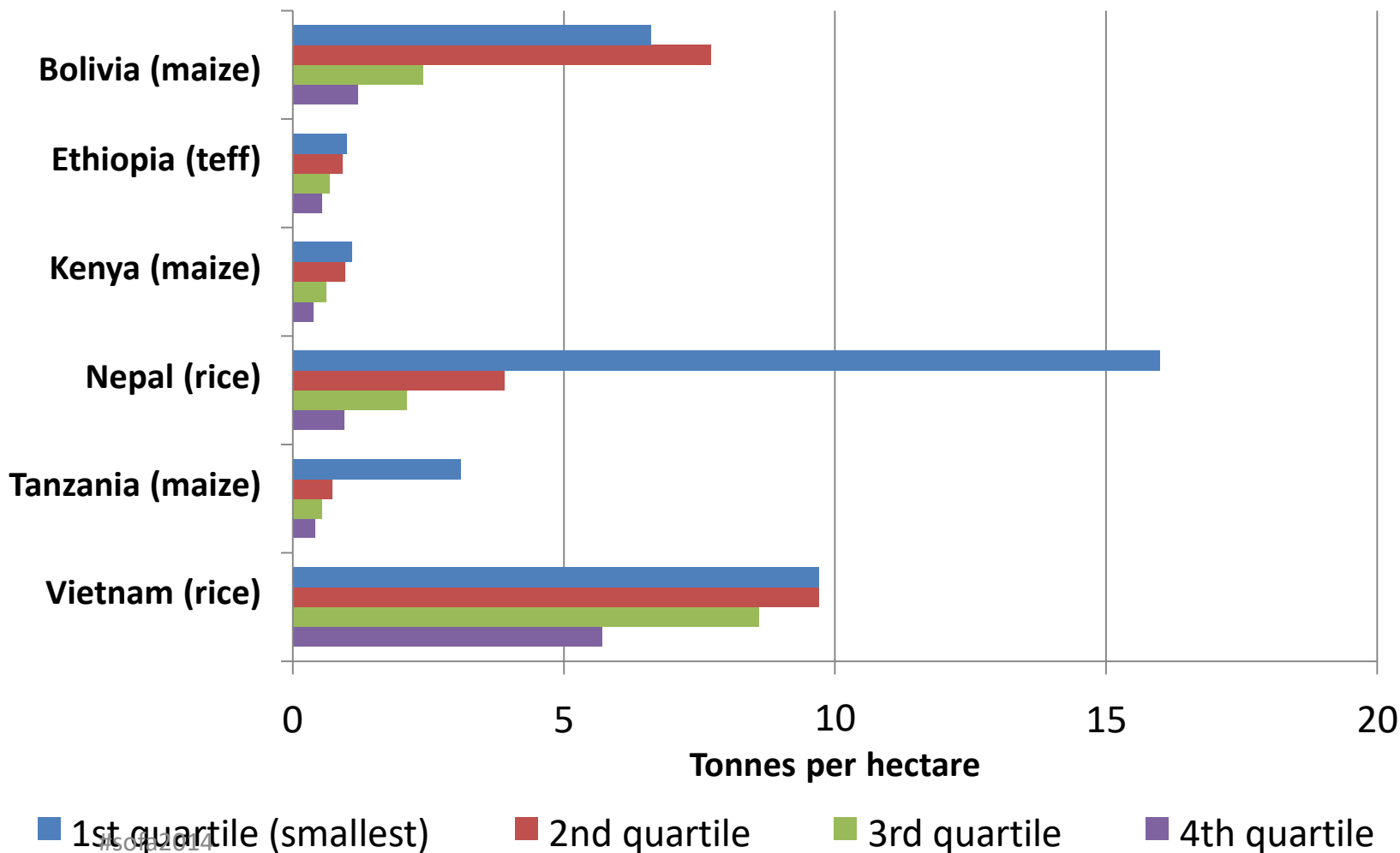


- More than 90 percent of farms are managed by an individual or a household.
- They operate about 75 percent of farmland.
- They produce more than 80 percent of food.

# Small farms have higher yields than large farms

## Selected crop yields, by farm size

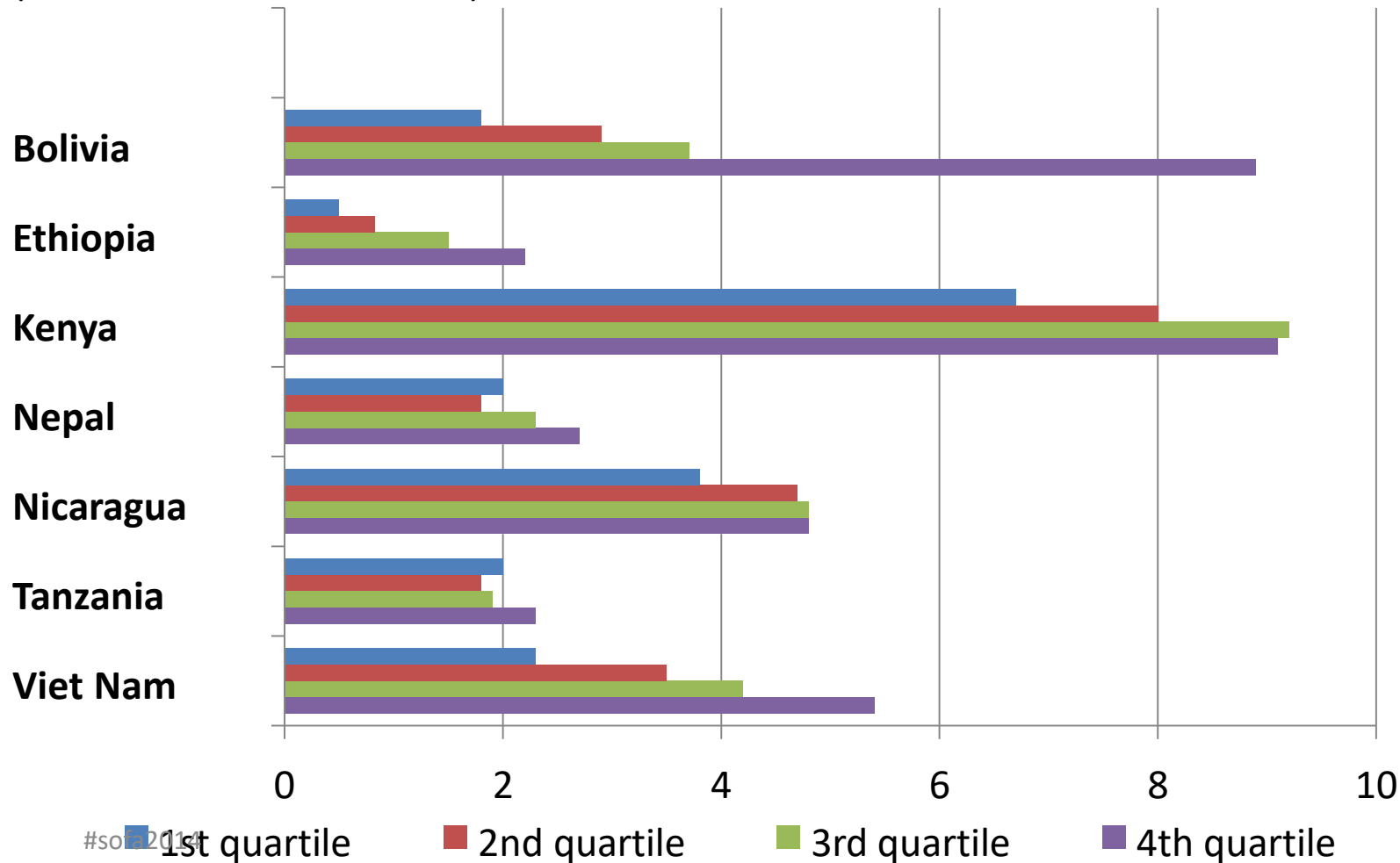
Source: FAO SOFA 2014



# but they have lower labour productivity

## Value of agricultural production per worker per day

(constant 2009 PPP dollars)

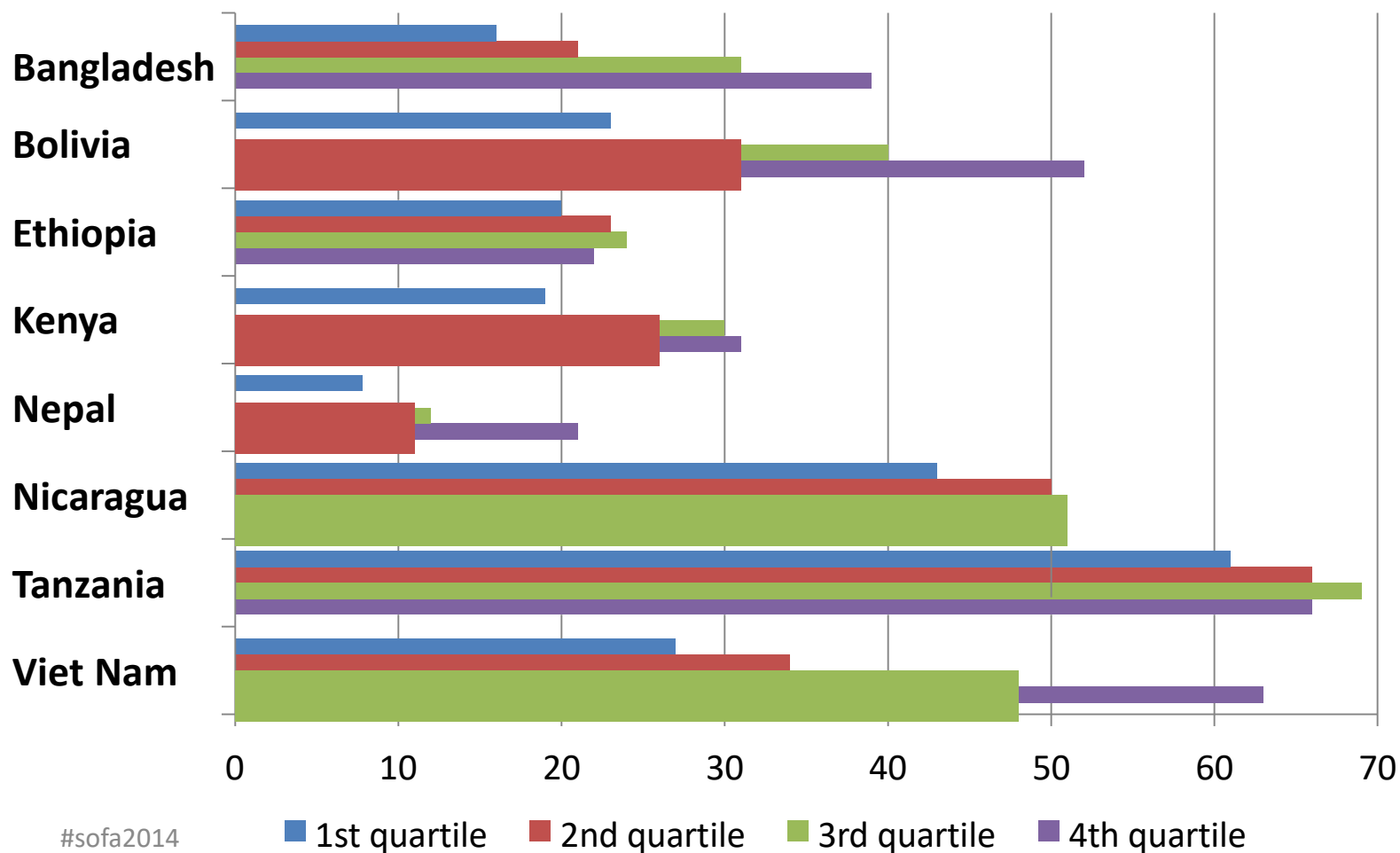




# Small farms sell less on the market

## Share of agricultural production sold (percent)

Source: FAO SOFA 2014



- **Small farms can and must produce more with fewer resources.**
- **If they are enabled to innovate, they can:**
  - **increase production**
  - **preserve natural resources**
  - **raise rural incomes.**
- **We need an innovation system that meets the needs of small farms**



# SMALL FARMS: KEY ISSUES



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# **Key Components: Innovation System for Small Farms**

- **An enabling environment that promotes capacity to innovate**
- **Agricultural R&D**
- **Inclusive extension services**

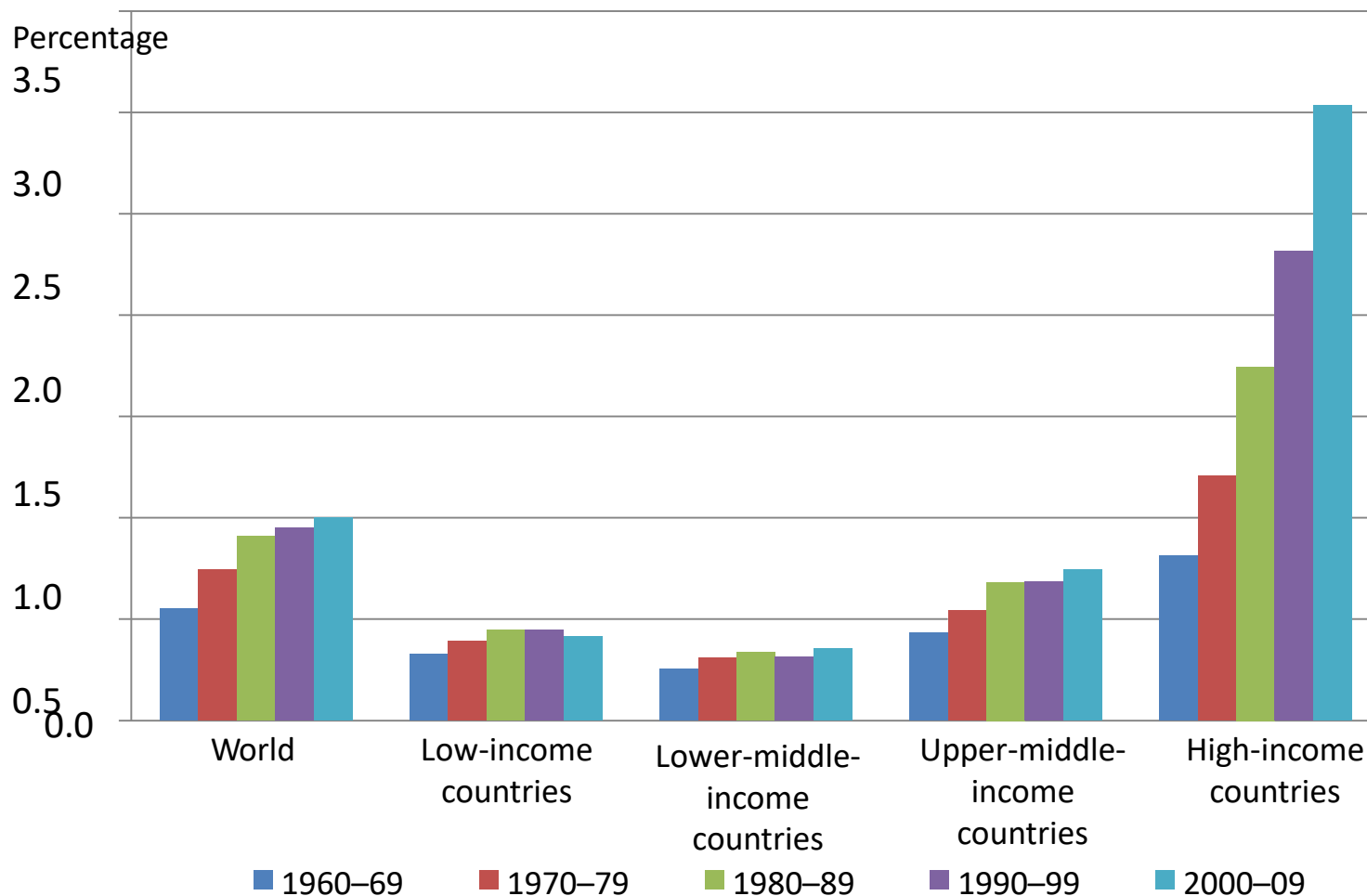


# Many countries need to invest more in agricultural R&D



**Agricultural research intensity, averages by decade and income group**

Source: FAO SOFA 2014



# Agricultural R&D can be made more effective

- International cooperation can make research efforts more effective.
- Farmer-led innovation and formal research complement each other.
- Inclusive and participatory research can meet the needs of small farms.



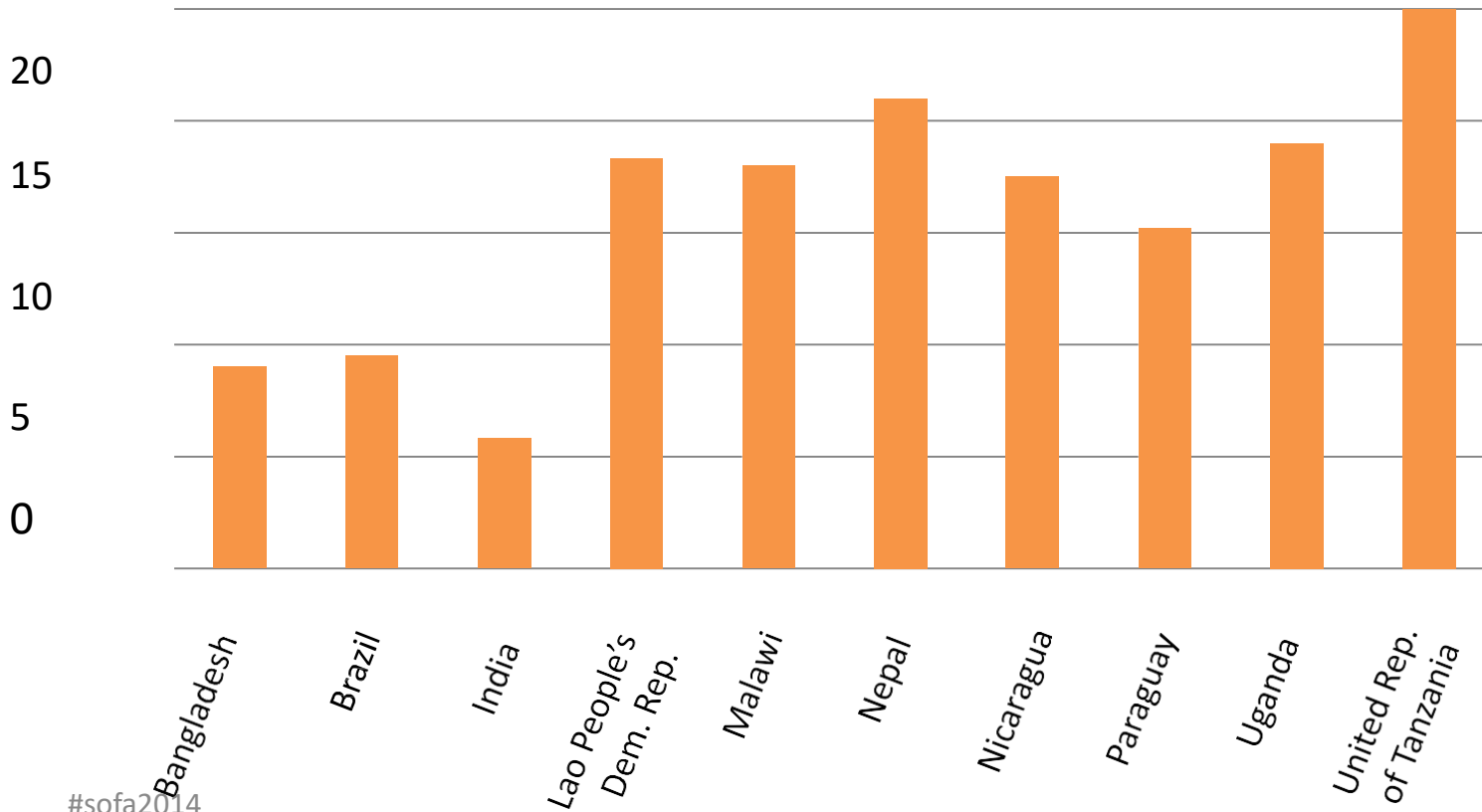
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# Agricultural extension is also a priority area

Shares of farms accessing information through agricultural extension, selected countries most recent years

Source: FAO SOFA 2014

Percentage 25



# Extension models have changed...

- **Areas of advice broadening beyond technical production**
- **Increasing environmental concerns**
- **Diversification of farm household income sources**
- **Multiple actors involved in advisory services**



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# ... but governments still have a role in extension

- **Recognize the role of pluralistic and mixed systems**
- **Create conditions for private delivery of advisory services**
- **Coordinate and regulate**
- **Ensure that advice from the private sector and civil society is technically sound and socially and environmentally appropriate**



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# Certain types of advisory services will only be provided with government initiative

- Sustainability and environmental preservation
- Addressing crop and livestock diseases
- Food security and poverty eradication
- A key concern: making services available for small family farms, especially in remote areas
  - but need to consider trade-offs between costs and broad delivery



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# Capacity to innovate must be developed at different levels

## Capacity development in different dimensions

The enabling environment dimension is the broad social system in which organizations and individuals function

The organizational dimension refers to all public, private and civil society organizations

The individual dimension relates to all individuals in organizations and communities



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