# Addressing rural poverty and food insecurity through local food purchasing and school lunch programs: PAA Africa, PRONAE and the creation of institutional markets in Mozambique

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## **Abstract**

In Brazil, the Food Acquisition Program (PAA), implemented in 2003 under the administration of the former president Lula, is a two-pronged public policy which creates rural employment while reducing food insecurity among vulnerable segments of the Brazilian population. Since 2012, small-scale pilot projects inspired by PAA have been implemented in five African countries, including Mozambique, under the PAA Africa initiative with the support of the Brazilian government. Based on interviews and fieldwork conducted in Mozambique, this article examines the PAA pilot project in Tete province - implemented by the Food and Agricultural Organization of the United Nations (FAO) and the World Food Program (WFP). The program's implementation process, its relationship to the PRONAE (school lunch) pilot projects, as well as its main achievements, benefits and challenges are highlighted. The author holds that the creation of institutional markets in Mozambique through local food-purchasing and school-feeding programs, like the PAA and PRONAE, promotes an endogenous and sustainable form of rural development that has considerable potential to reduce rural poverty and food insecurity in a far-reaching manner in the long term. Considerations for the future of the PAA are also discussed.

**Keywords:** Mozambique; Brazil; PAA Africa; food security; rural development.

### Resumo

Abordando a pobreza no meio rural e a insegurança alimentar através da compra de alimentos locais e dos programas de merenda escolar: PAA África, PRONAE e a criação de mercados institucionais em Moçambique

No Brasil, o Programa de Aquisição de Alimentos (PAA), implementado em 2003 no governo do ex-presidente Lula, é uma dupla política pública que cria empregos no meio rural, ao mesmo tempo em que reduz a insegurança alimentar entre os segmentos mais vulneráveis da população brasileira. Desde 2012, projetos-piloto de pequena escala inspirados pelo PAA têm sido implementados em cinco países africanos, incluindo Moçambique, no âmbito da iniciativa do PAA África com o apoio do governo brasileiro. Com base em entrevistas e no trabalho de campo realizado em Moçambique, este artigo examina o projeto-piloto do PAA na província de Tete, implementado pela Organização das Nações Unidas para Alimentação e Agricultura (FAO) e o Programa Mundial de Alimentação (PMA). O processo de implementação do programa, bem como a sua relação com os projetos-piloto do PRONAE (merenda escolar), e suas principais conquistas, benefícios e desafios são realçados. O autor afirma que a criação de mercados institucionais em Moçambique através de programas de compra de alimentos locais e de alimentação escolar, como o PAA e o PRONAE, promove uma forma endógena e sustentável de desenvolvimento rural que tem um potencial considerável para a redução da pobreza rural e da insegurança alimentar, em

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um modo de longo alcance, a longo prazo. Considerações sobre o futuro do PAA também são discutidas.

Palavras-chave: Moçambique; Brasil; PAA África; segurança alimentar; desenvolvimento rural.

#### Resumen

Abordando la pobreza en el medio rural y la inseguridad alimentaria a través de la compra de alimentos locales y de los programas de merienda escolar: PAA África, PRONAE y la creación de mercados institucionales en Mozambique

En el Brasil, el Programa de Adquisición de Alimentos (PAA), implementado en 2003 en el gobierno del expresidente Lula, es una doble política pública que crea empleos en el medio rural, al mismo tiempo en que reduce la inseguridad alimentaria entre os segmentos más vulnerables de la población brasilera. Desde 2012, proyectos piloto de pequeña escala inspirados por el PAA han sido implementados en cinco países africanos, incluyendo Mozambique, en el ámbito de la iniciativa del PAA África con el apoyo del gobierno brasilero. Con base en entrevistas y en el trabajo de campo realizado en Mozambique, este artículo examina el proyecto piloto del PAA en la provincia de Tete, implementado por la Organización de las Naciones Unidas para la Alimentación y Agricultura (FAO) y el Programa Mundial de Alimentación (PMA). El proceso de implementación del programa, así como su relación con los proyectos piloto del PRONAE (merienda escolar), y sus principales conquistas, beneficios y desafíos son realzados. La autora afirma que la creación de mercados institucionales en Mozambique a través de programas de compra de alimentos locales y de alimentación escolar, como el PAA y el PRONAE, promueve una forma endógena y sustentable de desarrollo rural que tiene un considerable potencial para la reducción de la pobreza rural y de la inseguridad alimentaria, de manera amplia, a largo plazo. Consideraciones sobre el futuro del PAA también son discutidas.

Palabras clave: Mozambique; Brasil; África PAA; seguridad alimentaria; desarrollo rural.

# Introduction

Smallholders, family farming and local food systems are fundamental for the food security of many countries across the globe (FAO, 2014; GRAIN, 2014; VANDER PLOEG, 2013). Despite this fact, peasant agriculture has historically been, and continues to be, marginalized by the current neoliberal food regime which instead prioritizes agribusiness interests, large-scale export-oriented commodity production and highly-mechanized monoculture plantations. Since the 1980s, the neoliberal policy agenda for agricultural expansion has ridden rough-shod over a large mass of humanity. Widespread social and economic inequality, dispossession, landlessness, hunger, malnutrition, deforestation and environmental pollution have been among the inevitable impacts. Numerous empirical studies confirm that the

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<sup>&</sup>lt;sup>1</sup> The simple definition of a food regime is a "rule-governed structure of production and consumption of food on a world scale" (FRIEDMANN, 1993, p. 30). Food regime analysis, as articulated by Philip McMichael and Harriet Friedman (1989) is a valuable analytical tool for examining the complexities of the current global food system. It combines different analytical approaches—political economy, ecological and historical—to explore the relationship between the reproduction of global capitalism and the relations of power entrenched in food production and consumption patterns, and conditions of food vulnerability and rural poverty. For a more in depth discussion on the food regime concept, the specificities of the current neoliberal or 'corporate' food regime and food regime analysis, see McMichael and Friedmann (1989), Friedmann (1993) and McMichael (2009; 2013).

prevailing corporate food regime has failed to create sustainable and dignified livelihoods for the vast majority of the world's family farmers<sup>2</sup> and to provide adequate food security for the growing contingent of extremely poor and hungry people (MADELEY, 2002; HOLT-GIMÉNEZ; SHATTUCK, 2011; PATEL, 2012; MCMICHEAL, 2013).

"For many years family farmers were seen as part of the problem of hunger", says José Graziano da Silva, Director-General of the Food and Agricultural Organization of the United Nations (FAO). "Family farmers are in fact, not a problem but part of the solution to hunger". Indeed, 2014 was inaugurated by the FAO as the International Year of Family Farming, precisely to "put a spotlight on the people that are [vital] for food security in most countries in the world, but, at the same time, [ironically] among the world's most vulnerable population" (SILVA, 2014, não paginado).

Pervasive poverty and hunger are persistent problems in Mozambique, especially in rural areas. According to the 2010 national survey, over half of all Mozambicans, some 12.8 million people, live in conditions of extreme poverty, on less than US\$ 1.00 a day (MPD, 2010), while over one-third of all families experience chronic food insecurity (WFP, 2014a). Although there are no easy, exhaustive or quick "fixes" to these urgent issues, there are, however, pathways forward and concrete actions that can be taken by States. What is necessary, as renowned Mozambican Economist and Rural Sociologist João Mosca states, are approaches that recognize "food security as a pillar of sovereignty, the question of social and territorial equity as elements of social and political stability [and] the elimination of poverty as a national imperative, not just for humanitarian reasons but for economic ones" as well (MOSCA, 2012, p. 10). State intervention, a central pillar of development, is crucial if the country is to meet long-standing social and economic development targets that seek to eliminate poverty and food insecurity, and new public policies that support peasants and family farming must necessarily be created, implemented and expanded (HANLON; SMART, 2014).

In Brazil, the Food Acquisition Program (PAA) is one such public policy that attempts to address the intertwined problems of rural poverty and food insecurity. The PAA is a two-pronged approach to rural development that seeks to create rural employment and improve rural incomes through local food purchasing programs and the creation of institutional markets while simultaneously reducing food insecurity among vulnerable segments of the population through food donations. Since the policy was implemented in 2003, over 876,000 family farmers and millions of consumers have benefited from the program. The National School Lunch Program (PNAE) is another example of a public policy that reduces food vulnerability in Brazil by guaranteeing every child studying under the public education system the right to a free and nutritious lunch. Both the PAA and PNAE have been enthusiastically promoted by the Brazilian government, especially under the administration of the former president Luiz Inácio 'Lula' da Silva, who championed the programs as being 'tried and tested' policies that could potentially be implemented in other developing countries to help combat hunger and poverty. Versions of the PAA and PNAE are

<sup>&</sup>lt;sup>2</sup> The concept of 'family farmer' will be used interchangeably with the terms 'smallholder' and 'peasant' throughout this paper. The author holds that all peasants are family farmers and all family farmers are peasants. Regardless of the term adopted, family farmers or peasants, both generally own or have access to a small landholding that is run or operated by the family unit, and thus can be denominated as smallholders. One or more of the members of the household engage in agricultural activities on the smallholding and through these activities the family derives most or much of its combined income. For a more detailed discussion of the concept of peasant and peasant farming see Van der Ploeg (2013).

presently being implemented in a number of countries in Latin America and Africa, including Mozambique, which will be the focus for this paper.

Since 2012, a small-scale pilot project inspired by PAA has been implemented in Mozambique, Tete Province, under the PAA Africa initiative. The program promotes local food purchases from Mozambicans, for Mozambicans and is executed by the FAO and the World Food Program (WFP) with the support of the Brazilian and United Kingdom governments. This paper specifically examines the PAA pilot project in Mozambique. The program's implementation process, its relationship to the PRONAE (school lunch) pilot projects<sup>3</sup> and its main achievements, benefits and challenges are highlighted. The author holds that the creation of institutional markets in Mozambique through local food-purchasing and school-feeding programs, like the PAA and PRONAE, promotes an endogenous and sustainable form of rural development that has considerable potential to reduce rural poverty and food insecurity in a far-reaching manner in the long term.

In terms of research methodology, the text that follows is based on a bibliographic review of relevant literature and official public policy documents as well as interviews and fieldwork carried out in July 2014 in Maputo city and the district of Angónia, in Tete, Mozambique. In Maputo, interviews were conducted with FAO and WFP officials. In Angónia, the author interviewed the local government representative for agriculture and a local FAO representative. Eight farmers' associations were also visited and several of their members interviewed. Six of these associations participate directly in the PAA and are quite small in size (measured by number of members). The remaining two associations visited are umbrella associations (with much larger membership) within which the former six are integrated. Interviews were conducted both in a group setting and with individuals.

# **Bringing the PAA to Africa**

The PAA was first created in Brazil through Law no. 10696 on 2 July 2003. The program is connected to the Brazilian Ministry of Social Development and Fight against Hunger (MDS) and the National Secretary of Food and Nutritional Security (SESAN)<sup>4</sup>, and is an extension of the goals of the federal government rural credit bank, PRONAF (National Program for Strengthening Family Farming) which began in 1996. Introduced under the Lula government's umbrella Zero Hunger Program, the PAA represents a dramatic shift in the framework and focus of national public policies, most notably in the area of family farming<sup>5</sup> and food security. This shift,

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<sup>&</sup>lt;sup>3</sup> There are currently two pilot projects related to PRONAE being implemented in Mozambique. The first, initiated in 2010, is denominated "the PRONAE pilot program" and is a tripartite Project of International Development Cooperation between Brazil, represented by Brazilian Cooperation Agency (ABC) and the National Development Fund for Education (FNDE), the Mozambican government, represented by the Ministry of Education (MINED), and the WFP. The second is the School Feeding Transition Program, a shoot-off from the PRONAE pilot program, that began in 2012. The program is a bilateral partnership between MINED and WFP.

<sup>&</sup>lt;sup>4</sup> SESAN is overseen by the MDS and is responsible for planning, implementing, coordinating and monitoring public policies regarding issues of food security, in accordance with the National Food and Nutritional Security policy (SAN). SESAN's Department for the Support of the Acquisition and Commercialization of Family Farming Produce (DECOM) is tasked with overseeing the PAA program.

<sup>&</sup>lt;sup>5</sup>In Brazil, a very specific definition of "family farmer" has been legally adopted in order to facilitate the functioning and administration of specific policies that benefit small farmers. According to Law no. 11,326 of July 24th 2006 of the National Family Farming Act, to be defined as an family farmer (*agricultor familiar*): the rural establishment (or area of activity) must not exceed four fiscal modules; the labour used in the related activities is mainly family-based; the family's income is based mainly from activities related to farming and the smallholding; and the establishment is directly managed by the family (BRASIL, 2006)

away from a characteristically neoliberal approach to rural development policies, reflects, in part, the changing attitudes of the Brazilian State and the growing middle class regarding the respective roles played by peasant farmers and agribusinesses in provisioning for domestic food security needs. The agribusiness-led model that has historically dominated development policy and discourse has resulted in the further concentration of land and resources—and while making an important contribution to Brazil's positive trade balance and Gross Domestic Product, has proven to be unable or unwilling to address the needs of local, regional and national markets and meet domestic food security demands.

With the Zero Hunger Program the Brazilian government proposed new policies, like the PAA, aimed at strengthening rural economies, actively fostering (and publically funding) the creation and expansion of institutional markets and decentralized local food supply systems as a means to create rural employment and reduce household food vulnerability. Since the introduction of the Zero Hunger Program, Brazil has witnessed a significant decrease in poverty; between 2003 and 2009, the rate of poverty fell from 28.1 percent to 15.4 percent and in 2009, extreme poverty affected 29.6 million people. In the same period the average income earned by family farmers also witnessed an increase of 33 percent (SILVA, 2010). The public policy initiatives implemented under the Zero Hunger Program are inseparable from the broader global discussions around issues of food security and poverty, including their principle causes and possible solutions and the roles of the State, civil society, and family farming in addressing them.

Since the early 2000s, Brazil's foreign policy toward Africa has undergone a dramatic transformation, replete with the revitalization of diplomatic, social, cultural and economic relations (SARAIVA, 2012). This transformation is predicated on a renewed emphasis on a South-South model of cooperation for development initiated through a specific approach to foreign relations, as advocated by Lula during his presidency (2003-2010). Seeking to strengthen its partnership with African countries and exchange ideas on agricultural development cooperation and combating hunger, in May 2010, at the end of Lula's final mandate, Brazil hosted the Brazil-Africa Dialogue on Food Security, Fighting Hunger and Rural Development. At the event the former president highlighted the potential of Brazil's Food Acquisition Program (PAA) as a possibility for expanding Brazilian cooperation efforts on the African continent<sup>6</sup>, drawing attention to the importance of the program in reducing rural poverty and food insecurity in Brazil. Subsequently, a set of guidelines were drawn up and Brazil's General Coordination for International Action Against Hunger (CGFome) was tasked by the Ministry of Foreign Affairs (MRE) with coordinating efforts to provide methodologies, operational tools and Brazilian experience for the implementation of food purchase programmes in five African countries—Senegal, Ghana, Niger, Malawi and Mozambique (BRAZIL; FAO; WFP, 2012).

In February 2012, the PAA Africa Program was formally approved under the project title: "Promoting local food purchases for food assistance on the African continent—Purchase from Africans for Africa". Since March 2012, FAO and WFP have been implementing a small scale PAA pilot project in Mozambique with the support of the Brazilian Ministry of External Relations (MRE) through CGFOME; the Brazilian Ministry of Social Development and Fight against Hunger (MDS); and the United Kingdom Department for International Development (DFID). Funding for the overall program—for all five beneficiary countries—is provided by the Brazilian government

<sup>&</sup>lt;sup>6</sup> President Lula's opening speech at the Brazil-Africa Dialogue on Food Security, Fighting Hunger and Rural Development. Available from: <a href="http://www.youtube.com/watch?v=rgN4qtLLqGK">http://www.youtube.com/watch?v=rgN4qtLLqGK</a>> Accessed on: 18 oct. 2013.

(approximately 80 percent) and the DFID (approximately 20 percent). In its first phase, an 18 month period running from March 1, 2012 to August 31, 2013, the Brazilian Government and DFID contributed over 4.5 million to developing small-scale PAA pilot projects in the five aforementioned African countries; of the total volume of resources allocated to the Program, FAO received US\$ 2,233,371 and WFP received US\$ 2,351,314 (PAA AFRICA, 2015). According to the 2012 funding agreement, for Mozambique alone, the total budget was approximately 567,000 during its first phase (BRAZIL; FAO; WFP, 2012, p. 47). For implementation of the second phase in Mozambique, which runs from January 2014 until August 2015, a second round of funding, approximate to that provided for the project's first phase, was allocated to the initiative<sup>7</sup>. The second phase initially included a further subphase which was planned to begin after August 2015 and run until August 2018; however, since the recent confirmation that funding for the program will not be renewed beyond August 2015, this additional sub-phase will have to be cancelled<sup>8</sup>.

# The challenge of rural poverty and food (in)security in Mozambique

Mozambique, located on the south-eastern African coast and bordered by Tanzania, Malawi, Zimbabwe and South Africa, is one of the "countries with the highest intensity of poverty" in the world (UNDP, 2013, p. 27). Rooted in a long history of colonial exploitation and slavery, poverty in Mozambique was exacerbated by three devastating wars, which came to an end only in 1992, followed by neoliberal structural adjustment policies imposed on the country by the International Finance Institutions (IFIs)—the World Bank and International Monetary Fund (HANLON; 2011). Agriculture has long been recognized as fundamental for national development; indeed, over 70 percent of Mozambicans live in rural areas and depend on farming to earn a livelihood<sup>9</sup>. Yet, "for two decades, aid levels for agriculture fell and the IFIs and donors maintained a rigid line of no subsidies and no government investment in agriculture" (HANLON; SMART, 2014, p. 12).

Since independence in 1975, government policy for agriculture and rural development has been subject to "constant variations...accompanied by institutional instability and a significant lack of resources" according to Mozambican economist João Mosca (2012a, p. 5). Although agriculture contributed on average to approximately 25 percent of the country's Gross Domestic Product (GDP) between 2001 and 2010, the sector received only 3% of government spending during the same period and less than 10 percent of all credit and financing (MOSCA, 2012a). Agriculture, explains Mosca, especially small-and-medium-holder agriculture, has never been a high priority for the State<sup>10</sup>. As a result, productivity per hectare today is essentially the same as it was almost four decades ago and per capita agricultural production is more than 40 percent less than in 1970 (MOSCA, 2012b). The country possesses 36 million hectares of arable land; of this, 5.7 million hectares are

<sup>&</sup>lt;sup>7</sup> Interviews with the WFP representative and FAO representative for the PAA program in Maputo on 22/07/2014 and 23/07/2014, respectively.

<sup>&</sup>lt;sup>8</sup> During fieldwork conducted in July 2014 local representatives from FAO and WFP and a number of beneficiaries of the program expressed hope that the Brazilian government and DFID would renew funding beyond August 2015 to support the continuing development of the program. However, in April 2015, the author received unfortunate news from FAO personnel on the ground in Mozambique, confirming that funding for the program will indeed end in August 2015 and will not be renewed.

<sup>&</sup>lt;sup>9</sup> See Mosca (2012a, p. 9; 2012b, p. 42).

<sup>&</sup>lt;sup>10</sup> Interview with João Mosca in Maputo 22/07/2014 and participation in Phd. seminar at UNESP in Presidente Prudente, Brazil 09/04/2015.

estimated to be cultivated (WFP, 2014a). Yet, in order to feed Mozambique's growing population large quantities of several staple food products, including rice and wheat<sup>11</sup>, currently need to be imported.

For the last decade the country has experienced high economic growth rates, averaging around 7.2 percent, strongly outperforming most other African nations and developed country economies (LOCKE, 2014). This growth is driven largely by the recent boom in the mineral-energy extractive industries and increased inflows of investments from (mostly foreign-owned) mega-projects in the sectors of mining, gas, construction, infrastructure and agriculture. Increased foreign investment and a decade of economic growth, however, have not yet translated into structural change or the creation of better material conditions of life for the majority of the country's 25.8 million inhabitants. In 2013 Mozambique ranked 178 out of 187 countries in the UNDP Human Development Index (UNDP, 2014); and since the turn of the century high levels of poverty and malnutrition have remained virtually constant. Between 2002/2003 and 2008/2009 poverty actually increased slightly, rising from 54.1 percent to 54.7 percent (MPD, 2010). The incidence of extreme poverty is higher in the countryside, where close to three-quarters of the population live. When population growth is considered, the total number of Mozambicans living below the poverty line increased by about 2.8 million people, from an estimated 10 million in 2002/2003 to 12.8 million in 2008/2009 (MOSCA, 2012a). Chronic malnutrition also remains a serious problem, affecting 46.4 percent of children in 2008/2009 (MPD, 2010) and one-third of all families face chronic food insecurity (WFP, 2014a).

"One reason for the very high levels of chronic malnutrition [and food insecurity] in Mozambique is that the average farmer produces only enough food to feed the family adequately for less than eight months of the year, and this is not changing" (HANLON & SMART, 2014, p. 12). Agriculture is predominately rain-fed and thus, susceptible to variable and increasingly unpredictable climatic events—drought, floods, or rain too early or too late in the agricultural season can affect entire harvests leaving whole communities in conditions of extreme food insecurity, hunger and malnutrition. With most farmers tilling the soil using only a hoe, farms are typically small, between 0.5 and 2 hectares in size. Smallholders<sup>12</sup> dominate the agrarian landownership structure, constituting 99.3 percent of all farms and controlling 96.37 percent of the total area cultivated (INE, 2011). Only 5.3% of farms are irrigated, 3.7% use fertilizers, 2.5% utilize pesticides, and 1.6% use tractors (MOSCA, 2012a). Despite numerous impediments, it is estimated that smallholders are responsible for 90 percent of all food production<sup>13</sup>.

In recent years, the Mozambican government has introduced a number of public policies that prioritize agricultural development as a means to combat poverty and hunger. One particularly important document, PEDSA 2011-2020<sup>14</sup> attributes rural poverty to "limited agricultural development, limited access of markets...and the weak productivity of food markets" (MINAG, 2011, p. 5). While causes of rural poverty and the need to overcome it by modernizing agriculture are frequently reiterated, the actual actions taken by the government and its decisions for development do not correspond with the prevailing policy discourse (IBRAIMO, 2013;

<sup>&</sup>lt;sup>11</sup> See Hanlon and Smart (2014, p. 50-51).

<sup>&</sup>lt;sup>12</sup> In the 2009-2010 Agricultural Census smallholder farms (smallholdings) are classified as being agricultural establishments between 0 and 10 hectares in size (INE, 2011). Medium farms are between 10 and 50 hectares, and large-holdings are more than 50 hectares.

<sup>&</sup>lt;sup>13</sup>Interview with João Mosca on 22.07.2014

<sup>&</sup>lt;sup>14</sup> The Strategic Development Plan for the Agricultural Sector (*Plano Estratégico de Desenvolvimento do Sector Agrário*).

MOSCA, 2011; 2012a; 2012b). Instead, the government has adopted a policy for modernizing agriculture that promotes large-scale land investments for foreign agribusinesses to produce agricultural commodities—such as soybean, rice, cotton and sugar-cane—for export. Numerous studies and reports show that, since independence, large-scale plantation style agriculture has failed to provide development in Mozambique (WUYTS, 2001; MOSCA, 2011, HANLON; SMART, 2014), and that most large scale land investments have had adverse impacts on peasant communities across the country, resulting in dispossession, deforestation, contamination of the environment and few job opportunities (JUSTIÇA AMBIENTAL; UNAC, 2011; 2014<sup>15</sup>).

Clearly, new approaches to rural development are needed in Mozambique and effective State interventions to support smallholders will be required. Civil society groups and peasant organizations also have a significant role to play in the development process and need to be granted greater and more meaningful participation in discussions related to the planning of national agricultural policy<sup>16</sup>. The section that follows looks specifically at the PAA pilot project being implemented in Mozambique's Tete Province, with funding from the Brazilian and United Kingdom governments. First, the local development context will be introduced. Then, the program itself and some of the main challenges and achievements will be discussed. Finally, considerations for the future of the program will be presented.

# How does the PAA fit in to the local, regional, provincial and national development matrix in Mozambique?

In Mozambique, the PAA pilot project is being implemented in three districts—Angónia, Changara and Cahora Bassa—located in the central province of Tete. The program works with 20 first-level ("small") farmers' associations in Angónia for the procurement of corn and beans, and four first-level farmers' associations in Changara and Cahora Bassa for the acquisition of horticultures (fresh vegetables). These associations are quite small measured in terms of membership (generally comprised of between 10 to 40 members), and will be referred to as "small associations" throughout the remainder of this paper. On the supply side, FAO is primarily responsible for the capacity development of the 24 small associations that participate in PAA, providing technical support and training in improved production practices and post-harvest handling and conservation. On the demand side, WFP is responsible for drawing up contracts with the associations, effectuating purchases, ensuring local processing and, finally, distributing the products through the school feeding program in Changara and Cahora Bassa.

Synergies are created by the PAA pilot project by creating linkages and working in tandem with other programs, projects and development efforts that have coalesced in the region, involving a myriad of different organizations, institutions and actors. A brief explanation of some of these vital linkages is necessary in order to

<sup>&</sup>lt;sup>15</sup> Presentations and interventions made by Friends of the Earth (Justiça Ambiental Mozambique) and UNAC representatives at the Triangular People's Conference – Mozambique, Brazil and Japan held in Maputo on 24.07.2014.

<sup>24.07.2014.

16</sup> In Mozambique, civil society and farming organizations, such as UNAC and Friends of the Earth Mozambique, have long been, and continue to be, marginalized by the government and excluded from important discussions on agricultural policy and development issues. Individuals or CSOs that criticize official policy are typically viewed by the government as 'opposition' and are often framed by the government as radical activists (or activist organizations) that are against development.

comprehend the over-arching development matrix within which the PAA pilot now operates. In particular, four programs and their complementary relationship to PAA need to be understood: The WFP's Purchase for Progress (P4P), the PRONAE pilot project, the School Feeding Transition Program (*Programa de Transição da Alimentação Escolar*) and the United Nation's Supply Chain Program (*Cadeia de Valor*), of which the Farmer Field Schools (FFS) implemented by FAO is but one componential project.

First, there is the P4P—a five-year pilot project launched by the WFP in October 2008, and financed by the Bill and Melinda Gates Foundation 17. Inspired by Brazil's Food Acquisition Program (PAA), the idea behind P4P is that, considering the enormous purchasing power of the WFP on a global scale, the organization can effectively use that power (and should!) to help poor smallholder farmers by purchasing their produce, then distributing products through disaster relief and humanitarian food aid programs operated by the WFP globally. Since 2008, the WFP has been purchasing corn from 20 farmers' organizations in Mozambique through the P4P. Some of these farmers' organizations, including the Tilimbique and Chiquirizano associations, are located in the district of Angónia in Tete. After the conclusion of the initial pilot in 2013, the P4P has received continued support through a joint grant by the European Union to FAO, IFAD and WFP. "All food purchases are financed by donations to WFP's regular operations" (WFP, 2014b). The experience gained, and lessons learned by the WFP through the P4P program have been incredibly valuable for the development of the PAA pilot, especially given that the majority of the associations that PAA works with are located in Angónia. With the PAA a new modality for food purchasing has been introduced that allows for a more participatory form of development. In this case, PAA works directly with the small associations that comprise the larger farmers' organizations (known as "mother associations") rather than bypassing the smaller associations and dealing with the mother organization.

Another initiative is the PRONAE pilot program, a tripartite initiative between Brazil, represented by Brazilian Cooperation Agency (ABC) and the National Development Fund for Education (FNDE), the Mozambican government, represented by the Ministry of Education (MINED), and the WFP. Initiated in 2010, the program aims to test different modalities for sourcing food locally in various agro-climatic and agro-ecological regions of the country to better understand the possibilities and challenges for local purchasing in these different regions. Through the pilot two different models for conducting decentralized local food purchasing (i.e. purchasing done by schools and by districts) are being tested in 12 schools, in 10 districts located in four provinces—Gaza, Manica, Nampula and Tete (OLIVEIRA, 2013, p. 8). One school in both Changara and Cahora Bassa participate in the program.

A third related program is the School Feeding Transition Program, a shoot-off from the PRONAE pilot program, being implemented in five priority districts since 2012. Again, Changara and Cahora Bassa are among the districts prioritized by the Mozambican government. The program is a bilateral partnership between MINED and WFP that seeks to transition the responsibility of implementing school feeding programs from the WFP, which has been implementing such programs in the country since independence, to the government. Presently, WFP manages all phases of school lunch programs implemented in various regions in Mozambique—from food purchase and storage to quality control, transport, processing and distribution.

<sup>&</sup>lt;sup>17</sup> Aside from Mozambique, P4P pilot 46 projects have also been implemented in more than 20 other countries worldwide. Only the projects in Africa were funded by the Bill and Melinda Gates Foundation.

Through the School Feeding Transition Program the WFP provides training in food procurement and distribution processes to MINED and local schools, working with them to reinforce the logistics and know-how necessary for the government to effectively take over from WFP. In 2013, the procurement of 270 metric tons of corn in Angónia through the PAA was used in the School Feeding Transition Program to provide daily meals for approximately 74,520 students, covering all of the 175 primary schools located in the Changara and Cahora Bassa districts.

Finally, there's the Supply Chain Program (*Programa de Cadeia de Valor*) which was launched in three districts in Tete—Tsangano, Anógnia and Macanga—in November 2013. Three organizations of the United Nations (UN)—FAO, WFP and UN Women—partner up to implement the program. FAO is responsible for implementing the program's production component, primarily through the Farmers' Field Schools (FFS) project; WFP purchases surplus from producers which it distributes to food vulnerable populations (in Mozambique or internationally) through P4P; and UN Women works to empower rural women by ensuring greater participation in farming associations and equal access to agricultural inputs, training and markets through P4P and PAA, among other specific projects with a gender-based component. In all three districts targeted by the Supply Chain Program a total of 1550 farmers are being trained in FFS; of these beneficiaries 52 percent are women. Members from two of the associations that participate in the PAA have received training through the FFS and are currently putting their training to use in their respective communities.

There have been discussions and some collaboration in the program's initial phase between FAO, WFP and the National Peasants' Union (UNAC), which has expressed its support for the program<sup>18</sup>, although it is interesting to note that local organizations and civil society groups have largely been absent in the implementation of the PAA. This is striking difference from the program in Brazil which includes greater participation of civil society and local farmers groups.

# PAA in Mozambique: implementation process, successes and challenges

As the above discussion highlights, the concept of local food purchasing and school feeding programs is not new in Tete. There are, however, fundamental differences between the P4P and the PAA. While the P4P continues to work with endogenous farmers' associations that are quite large (measured in terms of membership) for food procurement, the PAA introduces a new modality for local food purchasing that specifically targets first-level farmers' associations (small both in terms of membership and the size of the individual landholdings of its members). The large associations that work with the P4P program, hereafter referred to as farmers' organizations (FO's)<sup>19</sup>, are referred to as "mother associations" (associações-mãe) in Angónia, and are best understood as umbrella associations which bring together a number of smaller associations that operate in the same locality as the FO. A second major distinction is that while food procured through the

<sup>&</sup>lt;sup>18</sup> Interview with the national WFP representative on 22/07/2014 and a representative of UNAC on 05/09/2014. UNAC also expressed its support for the PAA program at the Triangular People's Conference – Mozambique, Brazil and Japan held in Maputo on 24.07.2014.

<sup>&</sup>lt;sup>19</sup> Large farmers' associations are referred to in this paper as farmers' organizations (FO's) in order to distinguish between the large-sized umbrella associations that participate in the P4P and the small first –level associations that participate in the PAA. In Portuguese, the large umbrella associations are referred to as associação-mãe (mother associations) and the small associations as *clubes de negócios* (business clubs).

P4P may be used to supply any number of programs run by the WFP, either nationally or internationally (not just school feeding programs), in the PAA, all of the food procured is consumed locally by Mozambican school children.

Indeed, the PAA pilot project is inextricable from the School Feeding Transition Program currently being implemented by WFP and MINED in Changara and Cahora Bassa districts. Characterized as semi-arid regions, neither district presents high levels of production of corn or beans—the two main staples used in the school feeding program. Over 500 kilometres away, Angónia is the nearest district with the agricultural potential to supply the requirements for the daily meals offered in the 175 schools covered by the School Feeding Transition Program. The inclusion of Angónia in the PAA is crucial to the success of both these interrelated programs.

Angónia is a highly productive agricultural region due to its temperate climate and favourable highland topography. With a total population of 430,000, the district comprises two administrative posts (Ulongué and Domué) and 18 localities. Bordered by Malawi in the Northeast, the Macanga district in the West and the Tsangano district in the South and East, Angónia is a significant regional producer of several food products including corn, beans, potatoes, peanuts and a diverse array of horticultures. The most important cash crops for farmers are soybean and tobacco. Hanlon and Smart (2014), estimate that one quarter of all of Mozambique's 68,000 small and medium commercial farmers<sup>20</sup> live in the Angónia Plateau, which comprises the district of Angónia along with three others—Chifunde, Macanga and Tsangano (p. 19).

Despite Angónia's considerable potential as an agricultural producer, access to markets for its family farmers remains a major problem. Although there are several buyers for soybean<sup>21</sup> and a guaranteed market for tobacco<sup>22</sup>, there are very few buyers (internally or externally) for the food products produced by smallholders. When buyers do appear the prices they offer are often so low that farmers do not make a profit from selling their produce. Still, in desperate need of cash to buy basic household necessities—like clothing or cooking oil—many farmers have little choice but to accept a profitless (or only marginally profitable) sale in order to put just a couple of dollars in their pockets<sup>23</sup>. This is a situation repeatedly described to the author by farmers who now see the programs like the P4P and PAA as the best avenue through which to commercialize their products. The two programs are highly popular among farmers, in part, because the prices offered are slightly above the local averages. In the 2012/2013 season the WFP purchased corn through P4P and PAA for 9.5 MT, a price consistently described as "good" and "fair" by all the participating association members interviewed, who added that other buyers had offered as low as 5 MT.

In Angónia smallholders are well organized in farmers associations and farmers' organizations (FO's). The P4P and PAA provide further incentives for farmers to organize themselves in associations in order to gain access to the assistance offered by programs (i.e. a guaranteed market, subsidized inputs, agricultural training, and extension services). According to the District Services for

<sup>&</sup>lt;sup>20</sup> The authors classify 'small commercial farmers' as those which earn a median income of at least 17,000 MT (567 \$US) per family per year while 'medium commercial farmers' earn a median income of 40,000 MT (1330 \$US) or higher, per family per year (HANLON; SMART, 2014, p. 21).

The primary buyers are Novo Horizonte, Clusa and Abino Antunes, as well as a number of itinerant buyers.

Mozambique Leaf Tobacco has an effective monopoly over all of the tobacco produced in Angónia by smallholders

smallholders 23 The median income of most rural families in Mozambique is 3,400 MT (113 \$US) per year (HANLON; SMART, 2014, p. 21).

Agriculture (SDAE) there are four large FO's in the district of Angónia. Two of these FO's, Tilimbique in Ulongué and Chiguirizano in Domué, were visited by the author in July 2014. Of the 20 farmers' associations that participate in PAA in Angónia, 10 are located in Ulongué and are part of the umbrella Tilimbique Association. These 10 associations are comprised of a total of 225 members. The remaining 10 associations that participate in the PAA are part of the umbrella Chiguirizano Association and are located in Domué, comprising a total of 272 members. Aside from Tilimbique and Chiguirizano, five of the 10 associations in Ulongué and one of the associations in Domué were also visited by the author.

The farmers' organizations Tilimbique and Chiguirizano were both formed in 2008, the same year that P4P was introduced. Since then the membership of the FOs has grown significantly. The presidents of both FOs attribute the rapid growth of the FO's membership largely to the introduction of P4P and PAA<sup>24</sup>. Members of the umbrella associations currently till and harvest virtually all of the respective areas planted by the associations by hand, using just a hoe. In 2013/2014, Chiguirizano alone planted around 6000 hectares of corn and 4000 hectares each of beans and soybean. Many of the members of the FOs have extra land in their smallholdings, but are only able to cultivate around one hectare without machines to till the soil. The average farmer does not have the enough additional cash income to pay day labourers in order to expand crop areas. If the FO's and their members had access to some form of mechanization the overall area planted could easily be greatly expanded. The productive capacity and potential of these FO's and their member associations cannot and, indeed, should not be underestimated.

Since 2012, the PAA has provided training and conducted seminars on agricultural production practices with the members of the 24 associations that participate in the program. Topics covered are: soil preparation, planting, pest and plant disease management strategies and the application of fertilizers. Training seminars in leadership and business plan development have also been carried out. Each year a new round of training and seminars is conducted and an evaluation of the previous year's activities is completed.

For the 2012/2013 crop season, each of the 20 participating associations in Angónia received an agricultural input package, which included: two different varieties of improved corn seed (certified) and fertilizers, along with all of the logistical support necessary for their use. Seventy percent of the cost of fertilizers was subsidized by FAO; the associations were responsible for paying the remaining 30 percent. Fieldwork visits revealed that the PAA's subsidization scheme for fertilizers has been met with much satisfaction by producers; most farmers said that without the assistance of PAA they would not otherwise have been able to acquire the vital inputs. Much of Angónia's agricultural land has been depleted over the last half a century due to heavy use of fertilizers to produce corn and tobacco. Yet as a representative from SDAE points out, fertilizers are necessary to maintain and expand corn production and increase current levels of productivity. The same representative adds that increased fertilizer use must be accompanied by appropriate crop rotations that allow exhausted land to rest and recuperate before it is put back into use<sup>25</sup>. Farmers interviewed expressed satisfaction with the certified corn seed provided through the program, indicating that when coupled with the fertilizers they

<sup>25</sup> Interview with SDAE in Angónia on 08.07.2014.

<sup>&</sup>lt;sup>24</sup> Beginning with only 100 members coming from 18 different associations, Tilimbique now boasts almost 5000 members from 100 associations. From 2013 to 2014 alone Tilimbique's membership grew by almost 50 percent, from 2440 farmers (60 associations) to 4862 farmers (99 associations). In Domué, the farmers' organization Chiguirizano currently comprises 130 associations and a total of 4296 members.

experienced a notable improvement in overall productivity<sup>26</sup>. Until now, only corn has been purchased through the PAA, but for the 2014/2015 season beans will also be procured and training and seminars specific to bean production are presently underway.

The training and capacity building aspect of PAA has also included training in post-harvest handling and conservation practices, including de-husking and cleaning corn, organizing and treating the produce and storing the product in silos. Members from several of the associations have been specifically trained in the construction of Gorongoso-style silos, which contribute to household food security. In the silos grain is completely protected from the typical hazards, namely weather exposure, pests, rats and petty theft, significantly reducing the family's food losses and increasing food security<sup>27</sup>. Close to 100 of these silos have been constructed, divided roughly evenly between the associations located in Ulongué and in Domué. Each silo holds one ton of grain and costs about 1500 meticais (just under 50 \$US) to build. The structures are extremely durable and are made almost entirely using traditional materials, aside from a few pieces of rebar for the foundation and a small amount of cement for the lid. This makes them easier and more cost efficient for poor farmers to replicate. All of the material is donated by PAA and special tool kits are provided to all of the members trained by FAO. Many of the farmers trained, including several women, have since constructed a number of additional silos for their family, neighbours and other members of their association, and in the process, have imparted their knowledge and demonstrated the building process to others who are keen to learn. Owners of the new silos were eager to show them off and explain the construction process, while families who did not yet possess one expressed their hopes to soon be owners of a silo. One farmer that was visited had built as many as five of the silos on his own family's farm since he had been trained by FAO.

Around 500 farming families benefit from the distribution of subsidized agricultural inputs and training on agricultural production systems, post-harvest handling and conservation methods. The actual number, however, may be much higher than this—the size of the associations is constantly growing as new families seek membership. During fieldwork, it was discovered that the number of members of some of the associations reported by their presidents, was far more than that which was included in official program data that the author had access to. It is important to note that, presently, not all the members of each respective association sell to PAA; in some cases the number is around half or less than half of the total number of members of any given association.

All of the members of the associations receive the same training and improved seeds from FAO, all are invited to commercialize their produce through PAA and acquire fertilizers at a subsidized cost. But not all members have the capacity yet to produce enough corn to sufficiently meet their own food security needs, let alone have a surplus that can be commercialized. This is a situation that, with time, is expected to change, as many smallholders are gradually able to increase productivity on the areas that they currently cultivate by adopting the improved seed varieties and applying the fertilizers acquired through PAA. Increased incomes earned through farming will help families to expand production gradually by hiring on more labour or acquiring machinery or cattle for animal traction that would enable greater areas of land to be tilled. With guaranteed markets at fair prices, farmers are more inclined and able to incrementally increase the areas they cultivate from perhaps 1.5 hectares

<sup>27</sup> Interview with the Vice President of the Hamba-Hamba association on 10.07.2014.

<sup>&</sup>lt;sup>26</sup> Interviews with PAA farmers in Ulongué and Domué on 08.07.2014, 09.07.2014 and 10.07.2014.

to 2 hectares, then from 2 hectares to 3 or 4 hectares, and so forth, in the process toward becoming small commercial farmers. With the introduction of programs like P4P and PAA, smallholders in Angónia are realizing the benefits of organizing themselves in associations. Membership in associations is seen as a means for smallholders to gain access to desired training, agricultural inputs and contracts and ensure a more secure means to commercialize their produce.

Although the PAA is still far too new of a program in Mozambique to make claim to any far-reaching or consistent concrete results, some instances of small improvements in the lives of some farming families are worth noting. One farmer of the Canhanja association (Ulongué) explains that since his family began producing for PAA, they have increased the area they plant in corn in order to supply the program.<sup>28</sup> The family typically plants one hectare of corn every year for household consumption. In addition to this, in the program's first year the family planted 3.5 hectares to sell to the program. For the second year (2013/2014 season) the family increased the area planted for the program by 1.5 hectares to 5 hectares to take advantage of the guaranteed market and good prices offered by PAA. At least three members of the farmer's family toil in the fields and do most of the planting and harvesting for the household. To help specifically with the 5 hectares planted in corn for the PAA, the family had to hire on as many as 15 farm labourers at different times throughout the season. Much of the area that is now used to plant corn was previously used to produce tobacco. The family also plants one hectare of soybean and one hectare of other crops. With the increased income earned selling to the PAA, the family has purchased two head of cattle to add to their small, but growing herd, and a cart for transporting goods and produce. The president of the Canhanja association and his wife said that they used their additional cash income to purchase solar panels for their home, since electricity has not yet reached their community<sup>29</sup>.

Several other farmers also reported small increases in income since becoming involved in the PAA and said that they had increased the size of the areas that they cultivate in order to produce surplus corn to sell to the program. These small increases to income have allowed farmers to invest more in their agricultural production the following season, using the money to acquire more inputs (fertilizers), buy seeds and hire more labour to plant larger areas, not just in corn but in other crops as well<sup>30</sup>. At a meeting at Chiguirizano in Domué, a number of members who participate in the PAA described how since the introduction of P4P and now PAA, many of them have been able to send their children to the secondary school in Ulongué (there is no secondary school in Domué)<sup>31</sup>. Regardless of whether they were in Ulongué or Domué, the members of all of the associations visited highlighted one very important point—how proud they were to be producing for a program that feeds the "sons and daughters" of Mozambique, supporting them to get an education and improve their lives, along with the living conditions of their families and the future of the country.

Indeed, through the School Feeding Transition Program the products that these farmers in Angónia produce are guaranteed a market and are able to find their way to a large number of food vulnerable consumers, school children. When it comes time to procure the food products produced by the associations and distribute produce through the School Feeding Transition Program, the WFP takes over from

<sup>&</sup>lt;sup>28</sup> Interview with PAA farmer on 08.07.2014

Interview with association President on 08.07.2014

<sup>&</sup>lt;sup>30</sup> Interviews with PAA farmers in Ulongué and Domué on 08.07.2014, 09.07.2014 and 10.07.2014

<sup>&</sup>lt;sup>31</sup> Interview with PAA farmers in Domué on 09.07.2014.

FAO. WFP deals with everything post harvest: the negotiation of price, drawing up contracts, ensuring that a quality control check is conducted, purchasing of the product and making payments to associations. The WFP also provides training to the associations that covers topics such as how to sell in a group, how to aggregate produce and how to ensure the quality of produce. Each association is given a kit that includes equipment for grain selection and various tools for testing the quality/grading of the product. Finally, ensuring local processing and fortification of corn (which is done by a local company in Tete city), and its distribution in the form of cornmeal flour in schools in Changara and Cahora Bassa is also part of the WFP's mandate.

In the 2012/2013 season when WFP arrived in Angónia to negotiate price, the organization brought with them a team from MINED who participated in the negotiations, as a form of preparing for procurement processes that will take place through PRONAE in the future. The negotiation of price marks the first phase in the procurement process. WFP uses direct contracts in the PAA. Direct contracts, for corn, for example, are established just before harvest time, at the beginning of the commercialization period for the crop. At that time, farmers know what they are going to harvest, more or less, and what the price for the product is during that period. It is at this time that WFP negotiates the price (which is fixed in the contract), the quantity to be purchased and the date of delivery. The WFP only purchases what surplus farmers are willing to sell, after their food security needs have been accounted for. Due to underfunding of the PAA, the purchasing power of WFP is limited. Much more corn could potentially be purchased if there were more funds allocated to do so. In an interview at the Chicodana association in July 2014 the president explained that the association had aggregated 40 tons of corn that they hoped to commercialize through PAA, but had been told by a PAA representative that only 10 tons would be able to be purchased<sup>32</sup>. Still, in the 2012-2013 crop season show that 270 metric tons of corn was purchased through the program from the 20 associations in Angónia (PAA AFRICA, 2015).

In Mozambique, the government doesn't set or regulate prices. Although some products, such as cotton, generally adhere to a specific system for price-setting, this is not the case for most agricultural products, including corn and beans, where the price is set by buyers, largely itinerant, that arrive in communities and at associations to purchase particular products. An important source of information on agricultural markets is SIMA (*Sistema de Informação de Mercados Agrícolas*), which provides historical data on prices for certain products for 25 reference markets, including Angónia. In the case of corn, the WFP analyzes data from SIMA for the last ten years for the month of July (when corn is generally harvested) to determine the average minimum price. All members of the associations participate in price negotiations, and using the price minimum put forward by WFP as a general guideline, farmers and WFP mutually come to a decision regarding the final minimum price that will be written into the contracts.

Following the negotiation of price the ten associations in Ulongué aggregate their corn and transport it to the umbrella association, Tilimbique. The ten associations in Domué do the same, bringing their corn to the other umbrella association, Chiguirizano. The first cleaning of the product takes place at the level of each of the individual associations, and the final cleaning is undertaken at the umbrella associations once all of the produce has been dropped off. From there, an inspection team, accredited by WFP, is called in to ensure the quality of the product

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<sup>&</sup>lt;sup>32</sup> Interview at the Chicodana association on 09.07.2014

and samples are taken by the team to a lab for inspection. Once the lab confirms the quality, the WFP is able to pick up the product at the umbrella associations. When WFP arrives to pick up the corn, if the minimum price, in that month, and for that specific market of reference, changes between the time that the price was decided upon through negotiation and the time that produce is collected, then WFP will make an addendum to the contract—but only if the price change is ten percent or more, in which case, the higher price would be paid. If the price drops to anything less than the price set in the contract, the contract is not changed.

The implementation process has not been without challenges. Working with fledgling first-level associations, as opposed to the larger, more consolidated umbrella associations translates into a very distinct set of hurdles for the FAO and WFP to overcome, particularly from a legislative, logistical and economic standpoint. One of the principle problems that occurred in the first year, 2012/2013, was that the contracts weren't finalized until several months after the associations had already aggregated the corn produced by their members and dropped it off at their respective FOs. In the end, due to the delay in the contracts and the urgent need for farmers to receive money for their produce, the corn was not acquired through PAA, but rather through P4P through existing contracts that both of the FOs had in place with WFP. The corn was picked up and payments were transferred to Tilimbique and Chiquirizano, which subsequently made payments to each individual producer from each of the smaller associations for the quantity of corn that he or she had delivered. The main reason for the delay in the contract was that some of the small associations had not yet been attributed a NUIT (a number that is registered with the Tributary Authority—TA), and many of those which already had NUITs, had not yet opened up a bank account, making it impossible for WFP to effectuate payments and formally transfer funds to farmers through PAA. Both Tilimbique and Chiquirizano had long been legalized, and had NUITs and bank accounts.

When PAA was launched in 2012, none of the 24 small associations had yet been formalized (registered). In Mozambique, this is not uncommon, as the legalization process is time consuming, costly and complicated for small associations. Further, a NUIT is not needed in order for a donor organization to provide technical training or agricultural inputs. In order to purchase produce through formal avenues for a program such as P4P or PAA, however, an association must be registered, and a NUIT and bank account are required. This is one of the primary challenges in working with small farmers associations as opposed to larger, more consolidated ones, in programs that involve a procurement component. The legalization process was cited by all parties (FAO, WFP and the presidents of the associations visited) as being the most significant of the challenges faced by the pilot project in its first 18 months.

In order to assist the associations with the legalization process, the local FAO representative worked in coordination with SDAE, which is responsible for dealing with the registering process, providing information to each of the associations regarding what documents are needed and how to go about the process. Presently, all 24 of the small associations are registered as legal associations, possessing NUITS and bank accounts. Of the total 99 associations which comprise Tilimbique only 10 are formally registered and of the 130 comprising Chiguirizano, again only 10 have been registered. All of these 20 associations are those that participate in the PAA. When (and if) the Mozambican government's new PRONAE (school lunch) policy comes into effect, associations will likely need to be formalized (registered) in order to legally sell produce and receive payments for sales made to supply the

school feeding program. This highlights the necessity for increased assistance by the government in the formalization process.

At the time of research, contracts were being drawn up for the 2013/2014 season and price hadn't yet been decided upon. It is expected that contract and procurement processes will run far more smoothly this year than last, considering the hurdles overcome in phase one of the pilot project. Currently, PAA is expanding to include beans, as well as corn, in Angónia in the 2014/2015 season. Certified bean seeds have been distributed to the associations and a new round of training and technology transfer is being done by FAO. In Changara and Cahora Bassa training sessions in nutrition and food preparation have been conducted with several schools. The horticultures produced by the four associations in these two districts are not able to be procured through the PAA since the WFP does not yet have a formalized institutional standard for purchasing and quality checking of perishable food products. The lack of a legal avenue to effectuate the purchase of fresh vegetables makes it impossible, at this time, for WFP to procure the associations' produce in Changara and Cahora Bassa. Efforts to decentralize some of the PAA's resources to allow for schools to directly purchase the fresh vegetables were successful in the 2014/2015 season.

# Considerations for the future of PAA

Based on fieldwork and research conducted in Mozambique, it is evident that the PAA, in conjunction with the PRONAE (school lunch) policy, has considerable potential as a public policy to alleviate rural poverty, create rural employment and reduce food insecurity and malnutrition. Given the possibilities and opportunities presented by the coupling of these programs, three main (and interrelated) considerations for the future are briefly noted.

First, as current funding is now expected to end in August 2015, renewed (and increased) funding for the PAA pilot-project is the paramount concern. Despite the exceptional progress made by the project to-date, the financial resources allocated to the program (per 18 month phase) have been insufficient to cover the basic costs of implementing the program on the ground<sup>33</sup>. Much more could be done to improve the PAA if some of the difficulties faced around transporting food products and increasing storage and warehousing capacity were addressed<sup>34</sup>. Also, with increased funding much more food and a greater diversity of products could be procured from local farmers and distributed through the school-feeding program in Changara and Cahora Bassa. In order for the PAA to continue (after August 2015) in the three districts where it currently operates, funding will be necessary, and where it comes from needs to be seriously considered. Abruptly ending a program such as this will have profound and negative impacts for a significant number of Mozambicans who

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<sup>&</sup>lt;sup>33</sup> According to interviews conducted in Maputo with the WFP and FAO representatives responsible for coordinating the PAA on 22.07.2014 and 23.07.2014, respectively.

<sup>&</sup>lt;sup>34</sup> The challenge of transporting corn from the small associations to the FOs (where the WFP picks up the produce) was ubiquitous among all of the associations visited/interviewed. The elevated costs and/or significant distances involved were cited as principal problems for the farmers; in some cases, distances were as far as 30 kilometres or more. Farmers explained that after having to pay the high costs of transport, there was little profit left over for their families from the sale of their corn. In the PAA's first phase, one of its objectives was to construct two warehouses as aggregation sites at each the mid-point between the associations in Ulongue and Tilimbique and the associations in Domue and Chiguirizano, thereby reducing the transport expenditures of the already overstretched small associations and farming families. As a WFP representative explained, this objective of the PAA has not yet been completed due to a lack of funds available.

currently benefit from the program (including producers and consumers). Following the termination of funding in August 2015, it may be possible for the 20 associations in Angónia that currently participate in PAA to continue to sell their produce to WFP through its P4P program, but what happens when P4P eventually comes to an end? How will farmers commercialize their food products then? Any genuine and lasting solution to rural poverty and food insecurity in Mozambique needs to be structural and oriented towards the long-term.

Secondly, there needs to be a greater appropriation of both the PAA and PRONAE policies by the Mozambican government—especially in financial and legal terms, for example, by creating effective legislation and a national coordination steering committee to specifically oversee such policies and allocating crucial State resources. The creation and consolidation of institutional markets represents a structural and long-term strategy for stimulating local economies, improving rural incomes, increasing food production and reducing food insecurity. Given that foreign agribusiness has little interest in producing food in Mozambique to supply local markets, peasant farmers have a crucial role to play in ensuring national food security. Many of the peasants participating in the PAA explained that because they had a guaranteed market and were confident that their produce would be purchased at a fair price, they were willing and able to expand their areas of production. They also explained that since they received subsidized inputs and improved seeds they were able to produce more on the land that they already work.

Bigger is not always better as a history of failed investments in agriculture in Mozambique show. Large-scale agricultural investments are not an effective means to reduce poverty or create food security, and often have the opposite effect. The government needs to change the way that it looks at agricultural development policy and recognize the benefits of supporting family farming not just in its discourse, but in practice. The highly contentious trilateral program ProSAVANA<sup>35</sup> has been eagerly adopted as national policy and received adamant support by the Mozambican government, while the PAA has received far less attention and resources (human and financial) from the national government and foreign donors alike<sup>36</sup>. The PAA is not a burden or an unnecessary expense for the government and donors, it is an opportunity to invest in the Mozambican people (both food producers and consumers), build human capacity and improve the material living conditions in a concrete way for a significant part of the population, while also tackling structural issues of inequality, poverty and hunger.

Finally, the continuation of the PAA and any success that it might result in (if adopted by the Mozambican government as a public policy and model for agricultural development) is inextricably linked to the expansion of the PRONAE policy. Continuing and expanding the school feeding program through PRONAE is vital to the future of the PAA. The reverse is equally true. Thus, a budget urgently needs to be allocated to the recently approved national PRONAE policy and implementation plan drawn up and presented. Only once a budget is allocated and

The estimated budget for ProSAVANA is around \$US 36 million (NOGUEIRA; OLLINAHO, 2013); compared

with approximately \$US 1 million for PAA Africa in Mozambique.

<sup>&</sup>lt;sup>35</sup> ProSAVANA is an ambitious and highly controversial trilateral cooperation program for the development of agriculture in Mozambique run by the Japanese, Brazilian and Mozambican governments. The program promotes the large-scale exploration of land along the Nacala Growth Corridor based on an agribusiness-centered development model and emphasizes the integration of family farmers with large and medium-scale agribusinesses, principally, through the promotion of contract farming and out-grower schemes. Since 2012, the program has been the subject of much scrutiny and criticism by academics and civil society organizations alike. For a more in depth analysis of ProSAVANA and the main contentions over the program see: Nogueira and Ollinaho (2013), Funada-Classen (2013), Ferrando (2013), Schlesinger (2014) and Mosca (2014).

an implementation plan is put in place can the policy begin to be implemented and can food procurement from family farmers through PRONAE, under the government's own oversight, be initiated. The expansion of a national school feeding program would greatly increase the demand for locally produced corn, beans and fresh vegetables, thereby providing a significantly larger market for local farmers to supply.

Through the PAA and the School Feeding Transition Program the WFP and FAO have been providing ongoing training and conducting seminars with school administrators and cooks and government/ministry officials on local-purchasing and school-feeding programs with the objective of transferring the responsibility for running such programs to the government and public institutions. Whether or not the government will assume responsibility for executing these programs in the future remains to be seen. Related to this, a formal Steering Committee for the PAA needs to be established. The responsibility of implementing PAA should not be borne by any one ministry. There needs to be a greater appropriation of the program by both MINAG and MINED, and connections with other relevant Ministries need to be created, such as with the Ministry of Commerce and Trade and the Ministry of Finances. Existing legislation needs to be adapted, clarified, and in many cases created to privilege local purchasing in Mozambique.

# Conclusion

The hegemony of the current neoliberal food regime is predominately advanced and maintained by a host of transnational agro-industrial giants and a relatively small contingent of wealthy international elites with tremendous economic and political clout. Rooted in an uncritical orthodox approach to development—understood primarily in terms of economic growth—this globalized food regime and the ideologically laden policies of its proponents have failed to create sustainable and dignified livelihoods for the vast majority of the world's peasants and rural poor. In many countries, including Brazil and Mozambique, rural poverty and hunger remain persistent problems that have only been exacerbated by the expansion of modern agriculture. While there are no easy or fast "fixes" to these difficult issues, it is clear that different approaches to development are necessary in order to address them.

Over the course of the last decade there has been a dramatic shift in the framework and focus of public policies in Brazil, particularly in the area of family farming and food security. The implementation of the Zero Hunger Program in 2003 effectively catalyzed this shift introducing new policies like the PAA and Bolsa Familia. The PAA actively promotes the creation and expansion of institutional markets and new decentralized local food supply systems as a means to simultaneously generate rural employment and reduce household food vulnerability. By sourcing food locally through the PAA, the Brazilian government at the Federal, State and Municipal levels has chosen to support its family farmers, recognizing the vital role they play in ensuring the country's future food security. With the success of the program the government has recognized that addressing rural poverty and food insecurity at the local level depends largely upon local actions, strategies and solutions, not illusory Ricardian notions of comparative advantage, competition and free markets. Further, policies must be oriented toward the long-term, and focused on making structural changes in profound ways. The consolidation of sustainable development models that produce lasting results takes time. With the PAA, it has taken Brazil a decade, but the results of the sustained effort speak for themselves.

A pilot version of PAA is located in three districts in Mozambique's Tete province—Angónia, Changara and Cahora Bassa—and, as previously noted, is implemented by the FAO and WFP with funding from the governments of Brazil and the United Kingdom. This paper examines the PAA pilot project, its genesis and its mode of operation from 2012 until the present, contending that the project can only be understood when situated within the complex historical, social, political and economic context in which it emerged and in which it is currently embedded and being conditioned. Compared to a number of controversial mega-projects presently supported by the Mozambican government for agricultural development, including the highly contentious ProSAVANA program, the PAA is vastly underfunded and represents but a micro-initiative in Mozambique. As with the implementation of any new development project the PAA has had its share of hurdles to overcome, but it is constantly evolving and improving, and smallholders that participate in the program are eager to see it expanded. The distribution of (subsidized) agricultural inputs and training on agricultural production and post harvest handling and conservation methods benefit around 500 farming families, while maize procured through the PAA provided meals for more than 74,000 students in 2013.

If continued and expanded, the PAA, coupled with the PRONAE school lunch policy represents a sustainable model for agricultural development with far reaching impacts in terms of rural poverty alleviation and the reduction of food insecurity in the long term. Breaking with the neo-liberal leanings of the past, the PAA does not seek to uniformly promote solely productive gains by means of capital accumulation; nor does it promote the commercialization of family farming by means of integration with the globalized model of capitalist agriculture. The PAA creates a space for marginalized farmers and social groups to play a fundamental role in the creation and implementation of public food policy. The decentralized nature of the program necessitates the formation of new structures of governance, promoting interaction and dialogue among different spheres of society—including organizations of farmers (cooperatives, associations and informal groups), local and federal levels of government and different federal ministries and executing agencies. It is precisely the characteristic structural elements of the PAA which set it apart as a public policy differential—as a truly emancipative pro-peasant and pro-poor policy initiative.

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