We are delighted to share Producers Direct’s first Impact Report. This is also an exciting opportunity to celebrate our rebrand from Cafédirect Producers’ Foundation to Producers Direct.

Over the last several months, our dedicated team has worked to rebrand our organisation and showcase our direct relationship with smallholder producers. In recent years, our work has continued to shift from historical roots supporting primarily coffee, tea and cocoa smallholders to working with a diverse network of smallholder producers. Our new name reflects this shift, and our goal to place smallholders at the centre of all we do.

The future of food is at risk. In the next 3 decades, the world’s population will reach 10 billion. Food production will need to increase by 70 percent to match this growing population. The world’s 500 million smallholders produce 70 percent of the world’s food supply, making them key players in responding to global threats.

This is where Producers Direct comes in. We are led by farmers, for farmers. As a farmer-led enterprise, with significant experience working directly with Producer Organisations and smallholders, we know smallholders must play a key leadership role in addressing global food insecurity, climate resilience and poverty reduction. Producers Direct has developed a farmer-led, scalable model to reach all 500M smallholders, empowering them to build resilience to changing climates, increase incomes and improve food production in a sustainable way.

In the following pages, we will share how we are breaking down barriers facing smallholder producers and transforming life in smallholder communities. To date, our work has effected change and transformed lives for 600,000 smallholder community members from Kenya, Tanzania, Uganda, and Peru. Incomes increased by 50% for farmers who diversified into new crops or on-farm enterprises. Further, crop yields and quality improved for 90% of farmers adopting an agricultural innovation on their farms.

We are eager to work with you to improve livelihoods for smallholder producers, as we address and solve global threats together. As we look ahead, we are proud to share our work as a truly farmer-led enterprise that is impactful and scalable.

Sincerely,

Lebi Hudson
Producers Direct, Chair - Tanzania

Claire Rhodes,
Producers Direct, CEO

Producers Direct is an award winning enterprise led by farmers across East Africa and Latin America. We offer a scalable model with the potential to reach the 500m smallholder farmers worldwide:

- We are a global network of over 600,000 farmers.
- We are led by farmers for farmers.
- We co-invest with farmers to create lasting impact.

50% of board members are farmers - holding us accountable.
PRODUCERS DIRECT IMPACT
Here's what we have achieved so far:

50% INCREASE IN INCOME FOR FARMERS.

£7 INVESTED IN EACH FARMER.

90% INCREASE CROP QUALITY AND YIELD.

OUR WORK HAS IMPACTED ON 600,000 FARMERS AND THEIR FAMILIES SINCE 2009.

Contributing to the UN's Sustainable Development Goals to improve food security, climate resilience and decrease poverty.
How does Producers Direct work?

By working from the bottom-up and harnessing the strength and knowledge of our network, Producers Direct empowers farmers to be leaders and combat challenges.

Producer Direct delivers services by farmers, for farmers through a global network of farmer-led businesses called Centres of Excellence. Based at Producer Organisations, our Centres of Excellence are one stop shops and consist of living, learning classrooms where innovations can be tested, developed and shared with other farmers.

Centres of Excellence also work closely with local farming, youth and women’s groups, guaranteeing each Centre responds to local needs - including finding constructive ways to engage young people, who are vital to the future of rural communities.

What does a Centre of Excellence look like in practice?

1. Farmers deliver unique training & information
2. Farmers co-invest to provide access to finance.
3. Farmer-owned opportunities to access markets are created across the network.
4. Data is collected to make informed decisions and increase output & profitability.

The Problem

However, farmers are facing multiple challenges - climate change, volatile markets and aging populations. This puts the world’s food security at risk.

70% of the world’s food is made by smallholder farmers.

Top-down methods designed in head offices fail to promote farmers’ natural entrepreneurialism and leadership, preventing the potential for lasting change.

15%* of farmers trained by traditional methods go on to make changes on their farms.

*According to Producers Direct evaluation from data collected in 2015 and 2017.
A FARMER’S JOURNEY THROUGH A CENTRE OF EXCELLENCE

The Centre of Excellence Model is brilliant. Offering a suite of services, and many ways to engage, each farmer has access to a unique bundle of services they can pick and choose from, customizing for their unique needs.'

Meet Agnes. She is a typical small scale tea farmer from Kenya. She wanted to improve her $1.35 a day income. She visited a Centre of Excellence to learn how to diversify her farm.

Access to Finance

In order to make the necessary investment on her farm when she returned home, Agnes accessed a micro-loan which had been co-financed with contributions from Producer Organisations and fellow farmers.

Access to Markets

Once her crops were harvested, she was ready to sell her bananas. Producers Direct offered her links to local markets and a youth group to help package and transport her bananas to market.

Training and Information

Agnes attended an affordable training at a nearby demonstration farm. She was introduced to a simple way to plant and harvest bananas. The farmer delivered the training in the local language.

Data for Decision Making

Along the way, the Producers Direct farmer-led data system allowed Agnes to keep records, helping her track, analyse and manage the overall health, productivity and profitability of her farm.

‘From my training...I learned you do not need to have a large piece of land to have farm innovations.’

Farmer interview during evaluation of Centre of Excellence training

Agnes’ banana business quickly enabled her to increase her income to $2.50 a day. This extra income was not only enough to pay back her loan, but also make further investments on her farm.

‘The Centre of Excellence Model is brilliant. Offering a suite of services, and many ways to engage, each farmer has access to a unique bundle of services they can pick and choose from, customizing for their unique needs.'

Picture Impact, Independent Evaluator October 2017
SYLVIA LIZANA RODRIGEZ

Mrs Silvia is a promoter farmer from our Centre of Excellence in Chirinos, Peru.

Her farm demonstrates the whole coffee process and how best practices and innovations such as solar drying can be used in order to improve coffee yield, quality and incomes.

CHRISTOPHER ROP - KENYA

After receiving training and support to set-up beehives on his farm, Christopher quickly impressed his skeptical neighbours when he harvested and sold his first batch of honey.

Joining together with other farmers at his producer organisation, they have now been able to provide honey harvesting equipment for the community. The Producer Organisation has also worked to create a strong brand and reliable packaging, to establish a local market for honey.

RESILIENCE

Producers Direct builds resilience to changing climates and shocks via the promotion of farmer-led adaptation and diversification.

87% farmers diversified into a new on-farm enterprise

BANANA

Can add an additional $24 a month (over 50% increase for farmers earning $1.35 a day).

BEEKEEPING

Production of Honey can add an additional $29 a month (over 50% increase for farmers earning $1.35 a day).

96% of farmers with a new enterprise report it improved incomes.

Photo Credit: Katrina Mitchell, Picture Impact
Our global network of farmers directs our work. The demographics below illustrate the reality and shared challenges facing farmers across our diverse network.

**AVERAGE AGE** 55

**LAND SIZE** 1.6 HECTARES / 4 ACRES

**AVERAGE INCOME** $1.35 /DAY

**NUMBER OF DEPENDENTS** 5

**94%** REPORT TO BE AFFECTED BY CHANGING CLIMATES

**2020 Targets**

- **WOMEN** 50%
- **YOUTH** 40%
- **1.5m FARMERS IMPACTED**
- **100% INCREASE IN INCOMES**
- **70% FARMERS CONFIDENT IN METHODS TO COMBAT CLIMATE CHANGE**

Our approach supports the UN’s Sustainable Development Goals to improve food security, climate resilience and decrease poverty.

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**FINANCIALS**

Previous 5 years’ Income and Expenditure ('000)

- **PROGRAMMES**
- **PRODUCER CO-INVESTMENT**
- **OVERHEADS**

2013* 2014* 2015* 2016* 2017*

- £900
- £700
- £500
- £300
- £100
- 0

*based on audited Cafedirect Producers’ Foundation accounts

**‘Working together, we will all do better’**

A Promoter Farmer from our Centre of Excellence Network
Cafédirect was founded in direct response to the coffee crisis of 1989, when prices plummeted and farmers were struggling to break even, let alone make a profit. In 2010, Cafédirect raised the bar even further and created Producers Direct. Cafédirect and Producers Direct have worked closely together over the years to help smallholder tea and coffee farmers to build their expertise, improving their crop quality, yields and building their livelihoods.

Producers Direct began creating the concept of Wefarm in 2010 and to-date it is still one of our proudest achievements. What is now the world’s largest farmer-to-farmer digital network, Wefarm is testament to the power of farmer knowledge exchange. This simple yet disruptive innovation is the first technology of its kind to offer farmers the ability to share and promote their own innovative ideas via SMS and online – rather than receive information from the top down.

Wefarm’s founding team brought farmers together to think about what they really needed – not only from agriculture but from each other. The result was a digital tool that is not only necessary, but also relevant and accessible to the farmers in our network – and beyond.

The initial Wefarm prototype was designed and piloted in partnership with four smallholder producer communities across Kenya, Tanzania and Peru. The pilot project took place in stages, introducing new users, languages and countries at each stage.

In 2014 Producers Direct won the Google Impact Challenge for creating the concept of Wefarm. With this funding, Wefarm was able to launch as an independent social enterprise in early 2015. It is now an independent company backed by venture capital. Producers Direct remains a strong partner and significant shareholder in Wefarm.

Wefarm is now able to utilise the latest machine learning technology and offer a service that works both online and over SMS. Wefarm has been named one of Africa’s Most Innovative Companies by FastCompany and has won Mobile World Congress’ 4YFN pitch, TechCrunch’s Europas-Tech for Good Award, and the EU Commission’s Ideas from Europe prize, among many others.

The Global Resilience Partnership aims to help millions of vulnerable people adapt to shocks and stresses, and invest in a more resilient future. Since 2016, GRP have been supporting Producers Direct to utilise technology to provide necessary data, tools and information to smallholders.

This work has helped us develop a farmer-led data collection system that gathers and analyses on-farm records to help farmers improve decision making. Producers Direct has been working with Big Lottery Fund since 2015 to set up Centres of Excellence with three of our producer partners in Peru. This partnership has enabled us to duplicate and test the learnings made in East Africa.

This work has been led by by smallholder coffee farmers and has focussed on improving coffee quality, additional livelihood opportunities and identification of low-cost climate change mitigations.
LET’S TALK: Claire Rhodes
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