LETTER FROM THE CHAIR & CEO

2019 marked our 10 year anniversary. Providing an opportunity to reflect on achievements over the last decade, while setting our vision for the next one. Ten years ago, we were established to be an organisation led by farmers, for farmers. A decade later, farmer-leadership remains central.

Over the last decade, we’ve improved livelihoods for 1.3 million smallholders and their families.

Since our founding, we’ve been committed to showcasing farmers’ pioneering and innovative solutions, rather than parachuting in ‘expert’ solutions that are not readily adoptable, affordable or scalable in rural, smallholder communities. Necessity drives innovation. And we’ve known - and celebrated - farmers’ ability to innovate. We’ve also learnt a lot in the last ten years, and our current strategy reflects these learnings.

Our strategy is driven by the voices and visions of farmers, women and young people from smallholder communities across the globe. Together we’ve developed a solution that responds to unsustainable food systems and rapidly changing climates.

Here’s what we know. The global population will reach 10 billion by 2050. Rapid population growth will place unprecedented pressure on global food systems. 70% of our food is grown by smallholders. On average, smallholders are 60+ years old. Young people are facing an employment crisis that threatens global prosperity and security. The majority of youth entering the job market in the next decade will not find a job.

Ten years later, we are still providing farmer-led training for smallholders. And we are doing so much more. We are empowering smallholders with access to financing and peer-to-peer lending, fair and transparent markets for their products, and a digital system allowing all of us to make smarter decisions. Whether it’s a smallholder accessing realtime information to adapt to climate change or one of our youth leaders digitising food value chains

Producers Direct is working toward a food secure future. One where smallholders are resilient to changing climates and other shocks. One where youth, smallholders and women play key leadership roles in sustainable, ethical and nutritious food systems.

We are proud of our achievements over the last 10 years, and eager to embark on the next decade with you.

Sincerely,

Lebi Hudson
Chair - Tanzania

Claire Rhodes, CEO

PRODUCERS DIRECT

Producers Direct is an award winning enterprise led by farmers for farmers.

We provide direct farmer-led product sourcing and support services.

We impact a network of smallholder farmers across East Africa & Latin America.

We work directly with smallholder-owned cooperatives.

OUR MODEL

Our unique farmer-led model blends in-person services with cutting edge digital tools. Enabling smallholder farmers to enhance their participation in, and ownership of key crop value chains.

Enhanced access to sustainable markets

Farmer-led training services

Farmer-led data for better decision making

Farmer-to-farmer financing
PRODUCERS DIRECT IMPACT
Here’s what we have achieved so far:

50% INCREASE IN INCOME FOR FARMERS.

Value for Money
£7 INVESTED IN EACH FARMER.
+ 25% CO-FINANCING FROM PRODUCER ORGANISATIONS

90% INCREASE OF FARMERS CROP QUALITY AND YIELD.

OUR WORK HAS IMPROVED LIVELIHOODS FOR 1.3 million FARMERS AND THEIR FAMILIES SINCE 2009.

500 Youth Leaders
Transforming food systems

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

THE GLOBAL GOALS
For Sustainable Development
In 2011 we began piloting WeFarm for the first time, pioneering our farmer-led approach to technology development.

In 2012 we brought together producer partners from across Latin America and East to help develop our strategy.

In 2015 we brought together representatives from 9 Coffee cooperatives from across Peru to kick start our INSPIRE project.

In 2016 we held two big events. Launching our first Centres of Excellence in Kenya and our Feria de Innovaciones Agrícolas in Peru.

In 2017 we brought young people together to share ideas and think about how the next generation can be involved in agriculture.

In 2018 we launched our new name “Producers Direct” and our Centres Excellence in Peru taking our total up to 7.

In 2019 Producers Direct celebrated its 10th Anniversary. Since being set-up in 2009 as an organisation led by farmers, for farmers, Producers Direct has worked to support over 1.3 million smallholder farmers and their families.

This has been an exciting journey, and we look forward to working together for the next 10 years to build smallholder resilience to rapidly changing climates, increase on-farm incomes, and build a farmer-led approach for sustainable food production.
GLOBAL CHALLENGES

The world’s population is growing rapidly and the smallholders who grow our food need to increase their output dramatically to meet demand.

However, smallholders do not have access to actionable information to improve farming or strengthen resilience.

Farmers are ageing and require the next generation to take over their farming activities and introduce new technologies needed to increase productivity.

Although we are living in an era of Peak Youth – with more young people on the planet than ever before – youth don’t see farming as viable option and are increasingly moving to urban areas.

10bn world population by 2050
70% increase in production to match population
70% of world’s food grown by smallholders
60+ average age of smallholder farmers

Youth Challenges

1bn young people will enter the job market in the next 10 years. *
600m will not find employment.

* Data source: World Bank

Farmer Challenges

climate change, volatile markets & aging populations.
85% of farmers trained by traditional methods don’t adopt changes.*

* Data source: Producers Direct Survey Data

LOCAL SOLUTIONS

Working at the grassroots we’ve developed a solution that has the potential to scale globally benefitting 500 million smallholders, 1.8 billion youth and all 7.8 billion people depending on a food secure future that safeguards the health of our planet.

Youth: Providing viable - and exciting - employment opportunities in agriculture for the next generation of farmers.

- Empowering youth farmers to launch and scale agri-enterprises.
- Future-proofed food systems powered by Youth Leaders. Youth are engaged in multiple ways - as farmers, as leaders selling food products locally, nationally and internationally, and as specialists in pioneering digital tools to transform the sector.

Smallholders: Ensuring farmers have knowledge, skills and resources to:

- mitigate climate change impacts,
- access fair markets and
- produce food sustainably for a growing population.

We are investing in the long-term sustainability of smallholder livelihoods and global food systems so we can feed 10 billion people by 2050. Together we can shift market systems and make them work for smallholders, and for the planet. We will build a sustainable, resilient and future-proofed food system.
MARKETS
Increasing market access and empowering smallholder farmers as leaders in food production systems is critical to safeguarding the future of food, improving household incomes and protecting the planet. In 2019, we started selling food products into rural and urban markets in East Africa. 500 Youth Leaders led in the product aggregation, transport logistics and selling:

- 663 kilograms of honey
- 7,900 pineapples
- 552 crates of eggs

Sales of products have resulted in over $50,000 worth of transactions led by Youth Agents.

BEFORE
1 in 4 farmers wasted crops

NOW
79% of farmers say market access has improved incomes

TRAINING
Agricultural training is delivered by Promoter Farmers on demonstration farms. Key focus areas include:

- Good Agricultural Practices
- Climate-Smart Practices & Climate Adaptation
- Crop Diversification
- Micro-enterprise Development
- Digital & Financial Literacy

80% found the information provided useful
79% thought the promoter farmer had great knowledge
75% feel able to implement practices they have learned
76% liked the structure and content of the sessions

DATA
Access to data and information enables farmers to make smarter decisions on their farms. As climates continue to change rapidly, smallholders need access to real-time data. Working with Climate Edge, The International Center for Tropical Agriculture (CIAT) and 4 Producer Organisations in East Africa, we integrated:

- Historical climate data from CIAT;
- Real-time weather data from Climate Edge (air & soil temperature, soil moisture, rainfall etc.);
- and Farm-level data generated by farmers (crop productivity, profit & loss across multiple crops).

Trained youth are now supporting farmers to track and access integrated data on our FarmDirect App.

Farmers now have the intelligence needed to make data-driven, climate decisions on their farms.

93% of farmers improved farm productivity as a result of accessing information from FarmDirect

FINANCE
After attending training, farmers can access a peer-to-peer lending scheme. Access to financing empowers farmers to adopt lessons learnt during training on their own farms.

Our competitive, low-interest loans support smallholders who are unable to access bank loans, with the greatest impact on women and youth. Our FarmDirect App is now able to track loan repayments. This provides smallholders with a digital record of their on-farm productivity and loan repayments, which is critical for accessing larger loans in the future.

95% of farmers reported the loans improved their farm productivity.
2019 was an exciting year in East Africa.

We completed our World Bank funded project with Climate Edge and CIAT, enabling us to share integrated historical, current and future climate data with smallholders in a farmer-friendly format - empowering farmers with intelligence needed to make data-driven climate decisions at the farm-level.

Our East Africa team finalised our 4+ year project funded by the Global Resilience Partnership, reaching 346,029 smallholders since 2016. In 2019, our Youth Leaders Network reached over 500 young people.

In May 2019, we had the opportunity to host a strategy meeting in the central jungle of Peru with several Peruvian and international partners including our Producer Organisation partners, Cafedirect, Shared Interest, Rikolto, Bewleys, Falcon, and Social Enterprise UK. We worked with partners to develop a joint strategy to strengthen youth and women’s inclusion in agriculture, mitigate the impacts of rapidly changing climates and identify a way to improve market access for smallholders.

We also finished our 4-year project funded by the Community Fund, showcasing impressive results including reaching over 8,800 smallholder farmers directly - empowering them with skills and knowledge to improve crop quality, diversify their incomes and strengthen resilience to changing climates.

Across our partners in East Africa 67.5% of farmers now have 3 or more enterprises on their farms. This is compared to just 15% 3 years ago, an increase of 78%. This demonstrates how the increased access to markets and high quality training is vital in supporting farmers to diversify and build their resilience.
2025 PROJECTED IMPACT TARGETS

In order to transform food value chains from the grassroots and strengthen livelihoods and resilience, we need to respond to shared demographic opportunities across our network.

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<thead>
<tr>
<th>Current Demographics</th>
<th>2025 Targets</th>
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<tbody>
<tr>
<td><strong>AVERAGE AGE</strong></td>
<td>60</td>
</tr>
<tr>
<td><strong>YOUTH</strong></td>
<td>40%</td>
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<tr>
<td><strong>HECTARES / 4 ACRES</strong></td>
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<tr>
<td><strong>WOMEN</strong></td>
<td>50%</td>
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<td><strong>PER DAY</strong></td>
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<tr>
<td><strong>INCREASE IN INCOMES</strong></td>
<td>100%</td>
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<tr>
<td><strong>NUMBER OF DEPENDENTS</strong></td>
<td>5</td>
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<tr>
<td><strong>FARMERS IMPACTED</strong></td>
<td>2m</td>
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<tr>
<td><strong>AFRected BY CHANGING CLIMATES</strong></td>
<td>94%</td>
</tr>
<tr>
<td><strong>FARMERS CONFIDENT IN METHODS TO COMBAT CLIMATE CHANGE</strong></td>
<td>70%</td>
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</tbody>
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Our approach supports the UN's Sustainable Development Goals to improve food security, climate resilience and decrease poverty.

CASE STUDY

NIWAHEREZA ABIAS
Kayonza, Uganda

Niwahereza Abias is a youth sales agent from the Youth Innovation Hub, Kayonza Growers Tea Factory Centre of Excellence. He initially worked as a youth agent in data collection, working with the promoter farmers to collect information in support of our farmer-led data system. Now he is acting as a sales agent earning a commission on the weekly sales of produce collected from farmers across the region.

“This has helped me in so many ways as I have been able to increase my income; with this commission I was able to start my own piggery farm that is growing to a bigger project.”

Niwahereza has also been able to gain experience in identifying market opportunities and learning how to negotiate prices to the satisfaction of all parties. Furthermore, his experience working directly with farmers has allowed him to acquire new farming skills and techniques from experienced farmers that have helped him improve his farming practices.

“My work as a youth agent has inspired me to invest in farming as a business and I’ve also created a strong network with farmers and different organizations that I supply the produce to, hence trust, recognition, convenience, and transparency is ensured.”