PRODUCERS DIRECT BY FARMERS FOR FARMERS

IMPACT REPORT 2023



WELCOME



As we celebrate our 15th anniversary, we reflect on the journey that has brought us here—a journey of collaboration, impact, and shared purpose to strengthen the incomes and resilience of smallholder farmers across East Africa and Latin America.

Smallholder farmers play an essential role in global food systems, yet they receive a disproportionately low share of the value their crops generate. This report highlights the resilience and innovation that smallholders demonstrate every day.

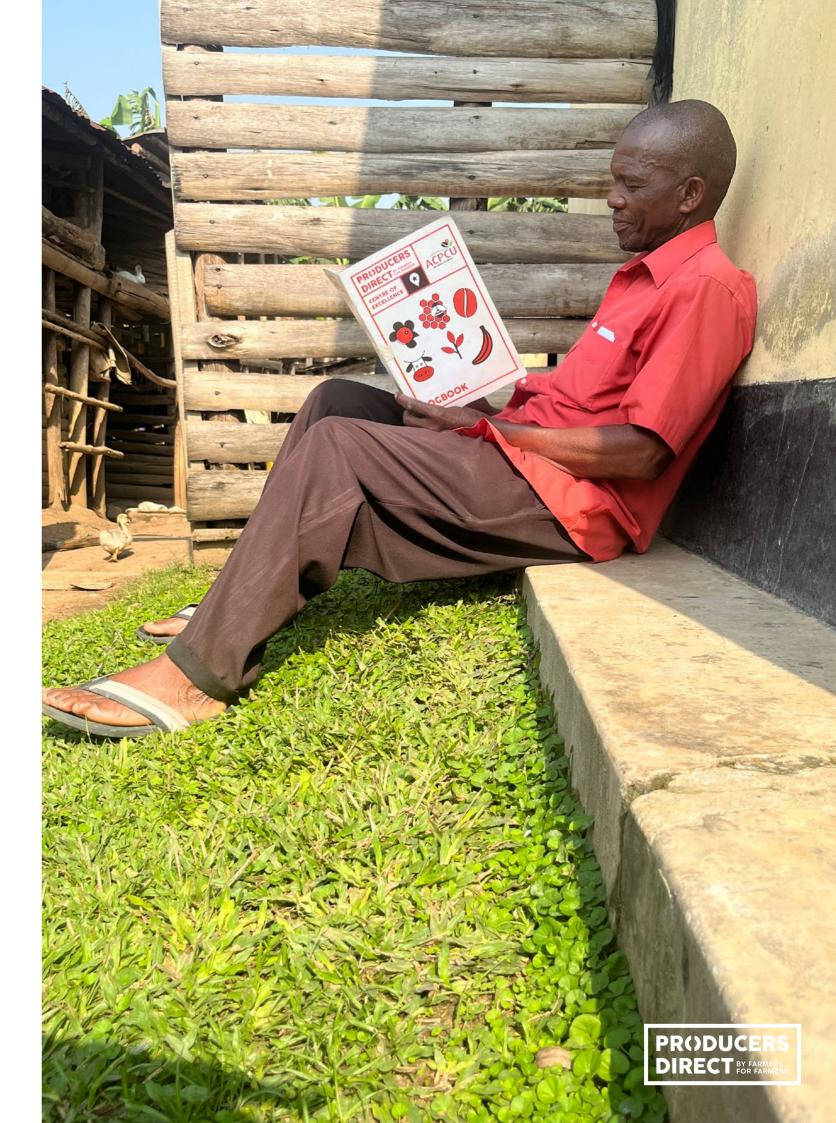
For 15 years, our partnership with smallholder Producer Organizations has strengthened smallholders' collective voice and expanded market access. By empowering farmers with the tools and data they need to make informed decisions, we have seen increases in productivity, incomes, and resilience. Partnerships have helped smallholders leverage collective power and access fairer markets, reclaiming their rightful place within the value chain, while also contributing to a more climateresilient future.

As we look to the future, our commitment to building a sustainable global cooperative remains strong. We extend our deepest gratitude to our partners, supporters, and especially the smallholder farmers who inspire us daily. Together, we will continue to transform lives and create a more equitable, climate-resilient future for smallholder farmers worldwide.

Claire Rhodes
CEO, Producers Direct







ABOUT US

Producers Direct invests in smallholder farmers to address power imbalances in the way food is grown, distributed, and accessed.

As a trusted global network of over 1 million smallholder farmers, we use our collective voice to tackle persistent global challenges. By blending traditional wisdom with new technology, we strengthen farmers' incomes, power and resilience.

Together, we are building a profitable, sustainable, and smallholder-owned global cooperative.

We focus on three priority areas to drive our mission:



Market Access

We enhance farmers' market access through a digital marketplace, helping them reach wider markets and secure fair prices.



Data for Decision-Making

We provide farmers with real-time data to make better decisions and use their own knowledge to improve practices.



Local Leadership

We celebrate and amplify the voices of smallholder farmers, supporting their leadership and knowledge-sharing.



THEORY OF CHANGE

A resilient, profitable, and sustainable global cooperative owned by smallholders, that showcases smallholders' collective power.

Increased Incomes



Strengthened Resilience



Amplified Collective Power



Expanded Market Access



Informed Decision Making



Strengthened Leadership



In-Person: Led by Local Youth Agents, Lead Farmers, and Extensionists:

- Lead agricultural training and leadership development.
- Facilitate peer-to-peer knowledge sharing.
- Collect, aggregate, and sell surplus crops.
- Gather real-time data from smallholders.

Digital: Accessible to all farmers, regardless of literacy or technology access.

- Connect smallholders to markets, and generate digital records.
- Deliver personalized agronomic, financial, and climate tips.
- Encourage data sharing across a diverse network.
- Integrate smallholder knowledge to create inclusive solutions.



2023 HIGHLIGHTS

79,182

(1.3m since 2009)

farmers reached directly

55% 45% Female

业 37%

income increase on average for farmers selling on Farm Direct

2,751
farrmers
received tips and
advice digitally





of farmers reported increased confidence to mitigate climate shocks

Value of products sold on Farm Direct

\$664,000







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FOR FARMERS

OUR NETWORK

Producers Direct is owned by a network of smallholders from East Africa and Latin America. We are united by a shared vision of resilient, united and profitable smallholders. Our initiatives come to life through the dedication of our cooperative partners, smallholder farmers and youth agents, who are also integral members of our team and board.





































MARKET ACCESS

When farmers connect directly with buyers, they unlock significant income improvements. Farm Direct, our digital marketplace, enables farmers to aggregate products, fulfill larger orders, and secure better prices.

In 2023, over 3,000 smallholder farmers sold 1.2 million KGs of produce and generated \$664,000 in revenue. This contributed to an average income increase of 37%.

Diversifying for Resilience

Diversification is essential for farmers to build resilience against market and climate shocks. In 2023, 37% of smallholder farmers sold two or more products, including banana, avocado and honey.

Empowering Women Farmers

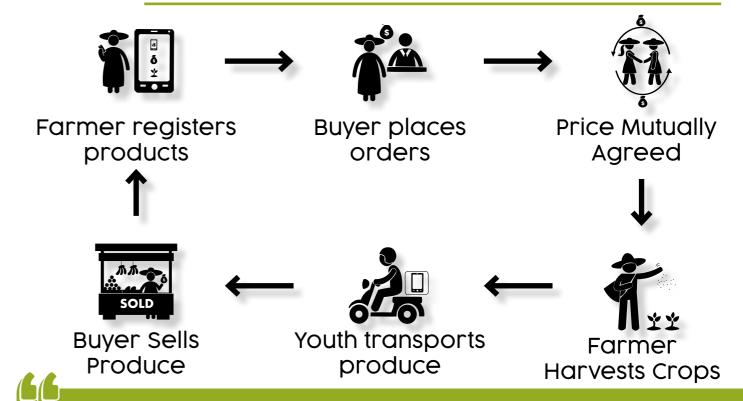
Women account for over 70% of regular sellers on Farm Direct. By bypassing intermediaries and directly connecting with buyers, women farmers negotiate better prices and secure fair compensation, significantly improving their livelihoods.

Harnessing Youth Entreprenurialism

Youth Agents support smallholders by aggregating produce, negotiating with buyers, and facilitating logistics. They ensure last-mile delivery, enabling farmers, especially those in remote areas, to access broader markets.



FARM DIRECT PROCESS



Before registering on Farm Direct, my bananas would rot because I couldn't find buyers. After working with Youth Agents, they started buying the surplus from my farm. Now, my bananas don't go to waste, and I'm earning extra income.

Birungi Jescah, ACPCU - Uganda

Prioritising Inclusion for All

Recognizing that many farmers do not own smartphones, we've introduced solutions to ensure Farm Direct is accessible to everyone. Farmers can use a WhatsApp bot for easy signup and sales, while those without smartphones connect via a USSD interface, allowing text-based communication on any mobile phone. This guarantees that every farmer, no matter their location or tech access, can participate in our digital marketplace, sell their produce, and access fairer prices.

By ensuring inclusivity, we're reaching the most marginalized farmers and helping them thrive in new markets.





MARKET ACCESS - HONEY

Producers Direct supports farmers in diversifying their crops, which boosts incomes, enhances biodiversity, and contributes to more resilient farming systems. Beekeeping is a key venture that helps achieve these goals by strengthening incomes and resilience.

In 2023, we provided tailored training to improve farmers' beekeeping skills, covering everything from hive setup to post-harvest handling. We also disbursed loans to 30 beekeepers in Peru to boost honey production.

The introduction of logbooks for recording agricultural activities has enabled beekeepers to make data-driven decisions to enhance farm productivity.

Commercial sales of branded honey continue to grow, and our enhanced packaging system in Kenya has improved operational efficiency, ensuring timely delivery during peak seasons.



Beyond income generation, honey production supports local biodiversity and plays a vital role in climate resilience.





"I began beekeeping with 8 traditional hives, and with support from Producers Direct, I've now added 15 modern hives.

My goal is to expand to 200 hives in the coming years and eventually package and sell my own honey to Producers Direct and local cooperatives."

Justine Muhereza, ACPCU, Uganda



YOUTH NETWORK

Our network of youth agents is at the heart of Farm Direct's success. Equipped with specialised training and a deep understanding of local needs, youth agents streamline the Farm Direct experience, assisting with deliveries, connecting farmers with buyers, and navigating the platform's functionalities.

Young people possess valuable local knowledge and relationships, ensuring efficient product aggregation, demand planning, and order fulfillment. With their entrepreneurial spirit, some youth agents manage local distribution centers, playing a key role in scaling up Farm Direct's reach and impact.



I'm motivated when farmers say, 'I had never sold anything from my organic kitchen garden. I didn't think I could earn extra income from my vegetables, but now I can.'

I'm committed to helping farmers in my community by connecting them to larger buyers, providing training, visiting farms, and supporting them to increase their production, income, and resilience.

Yacory, Youth Agent, 24 Jaén city, Peru





CASE STUDY

Lidia Burga and her family are located in the hilly terrains of Bagua Grande, Peru, about 1 hour drive from the main commercial centre.

Inspired by increased market access provided via Farm Direct, Lidia and her family diversified their family farm from growing coffee to producing a diverse range of produce.

Lidia explained how the revenue they generated through commercialising their farm helped them fund the education of their children. They are now actively exploring ways they can invest in irrigation equipment to scale their vegetable production.

<u>In Numbers</u>

Amount sold (KGs): 988

Revenue: **\$1,253**

Income Increase: 94%

Products: Chickens, Guinea pig, Taro, Eggs, Cheese, Granadilla





DATA FOR DECISION MAKING

Smallholder farmers lack access to real-time data and information, which limits their ability to make informed decisions. To address this, we partnered with the Alliance of Bioversity International and the International Center for Tropical Agriculture (CIAT) to develop Croppie, a tool that provides actionable data and insights for smallholder farmers, including coffee yield predictions. Croppie empowers smallholders by giving them greater control over their decisions.

Smallholder Farmers

In 2023, 2,751 coffee farmers in Peru, Uganda, and Colombia generated over 1 million data points, including photographs of red coffee cherries, plot altitude, and fertilization frequency, to train Croppie to 90% accuracy. Farmers received yield predictions and tailored agronomic tips, enhancing their ability to make informed decisions.

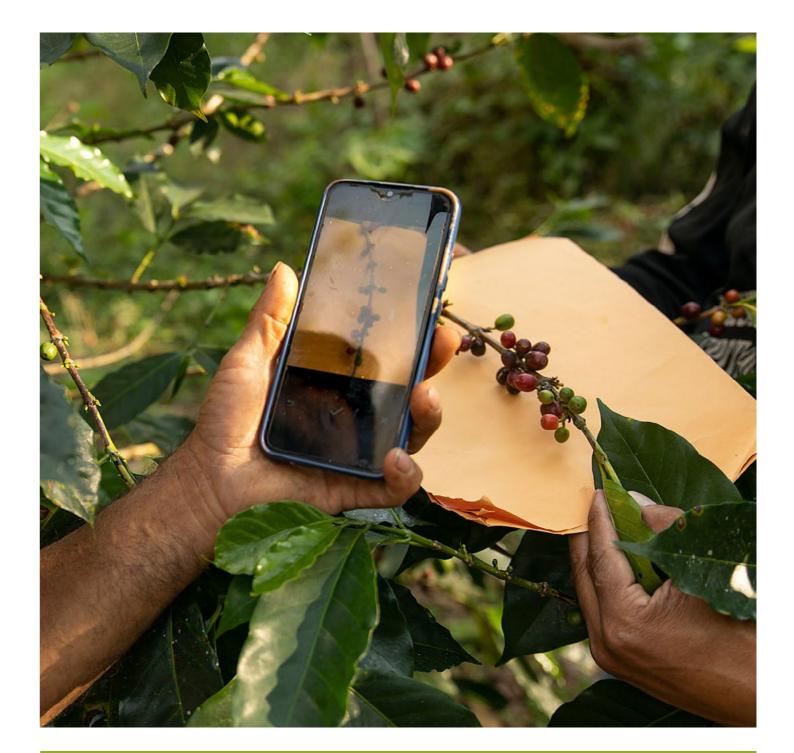
Recent surveys revealed that:

 78% of farmers adopted multiple climate-smart practices.

- Farmers are eager to receive yield predictions and tips for the next harvest season.
- 75% of farmers reported increased confidence in tackling climate change impacts and managing price fluctuations.
- Over 55% of farmers feel more confident using digital tools for on-farm management.

Producer Organisations

As climate change disrupts harvests, Producer Organisations struggle to guide smallholders without timely data. To help, we partnered with six Producer Organisations to create dashboards that consolidate information on agricultural conditions and climate risks. supporting better decisionmaking. We also conducted climate risk analyses in Peru to manage these challenges proactively. By integrating data sources like certification records. sales figures, and weather and climate information, we aim to improve decision-making and risk management throughout the supply chain.



Tailoring advice for farmers

Farmers have generated over 1 million data points to train the Croppie AI tool, which integrates smallholder-generated insights to provide tailored advice.

For example, Croppie offers recommendations on optimizing shade tree coverage in coffee farms based on altitude and sun intensity, helping farmers adapt their agroforestry systems to local conditions.





STRENGTHENED LOCAL LEADERSHIP

We are committed to empowering smallholder farmers by uniting them and amplifying their collective voice.

Training and Youth Leadership

In 2023, our in-person training programs reached over 3,300 farmers, focusing on diversification, climate change adaptation, and leadership. We actively engage young people as leaders, cultivating a generation of innovators who bring fresh energy to farming. Our Youth Agents and Lead Farmers work directly with smallholder communities, offering tailored support and facilitating market access. Our farmer-led approach ensures that initiatives are co-designed and driven by the farmers, making solutions more relevant, impactful, and sustainable.

Building a Smallholder-Owned Global Cooperative

Smallholder farmers are inherently innovative and powerful when united. We work across all areas—digitizing

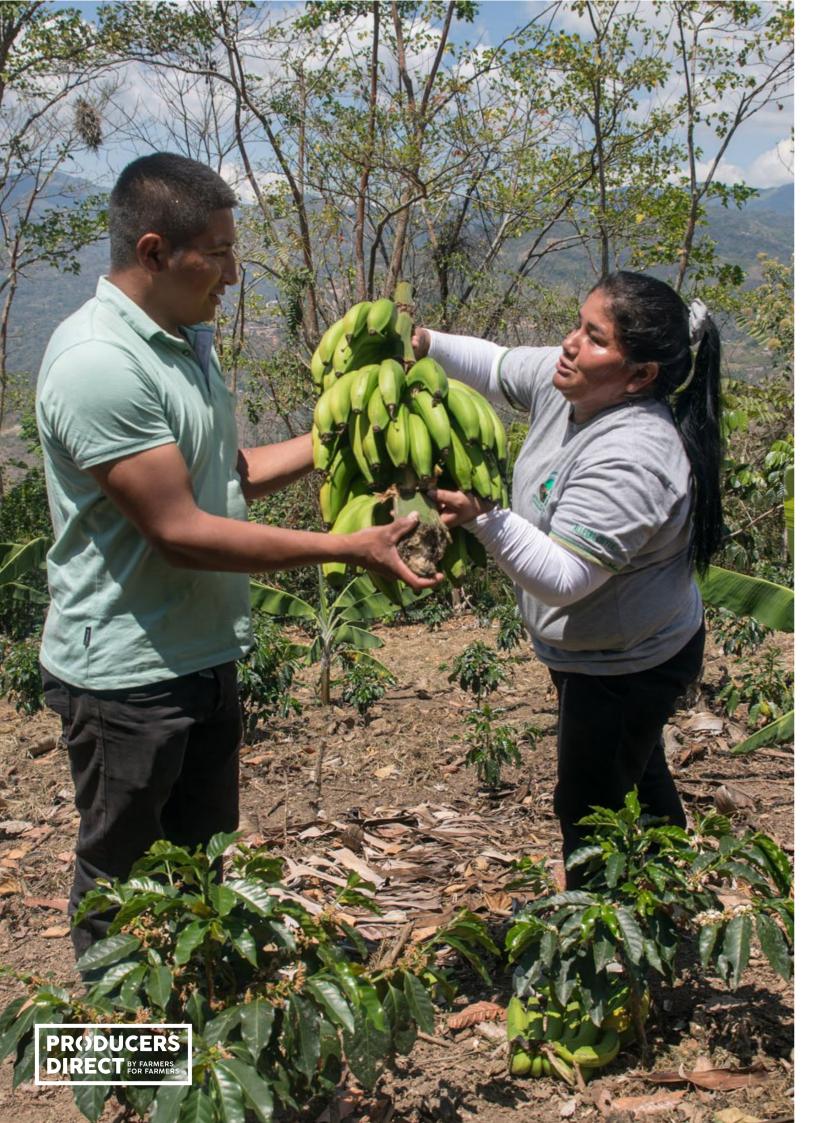
market access, providing actionable data, and elevating farmer leadership—to amplify the collective power of farmers working together. This approach showcases the strength of a farmer-owned cooperative model, where farmers not only participate but also take ownership of the process.

By placing farmers at the core of decision-making and leveraging their insights, we create solutions that align closely with their needs. This farmer-led model transforms smallholders into active leaders, empowering them to tackle challenges collectively and drive meaningful change.

Through close collaboration with our partners and leveraging our global network, we are working toward our vision of building a resilient, sustainable cooperative that will strengthen farmers' incomes, amplify their voices, and enhance their resilience.







SUPPORTERS AND PARTNERS

Unlocking Partnerships

We identify and leverage the unique capabilities of our partners and supporters, and unite them toward a common goal: to strengthen farmers' incomes and resilience. By harnessing the collective power of their diverse expertise, we create a world where smallholder farmers thrive.

Our Partners













AGRIFIN





Our Supporters













DOVETAIL IMPACT FOUNDATION







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