Peru at a glance

South – South and Triangular Cooperation (SSTC) Country Project

Supported by the Ministry of Agriculture and Rural Affairs of the People’s Republic of China

May 2023
Objective

Fresh food value chain development to benefit smallholder farmers in Ayacucho, Peru.

Contribute to the strengthening of capacities of farmers and authorities on associativity and food safety of fresh foods and to enhance access to the public procurement markets.

Implementing Partners

Ministry of Agricultural Development and Irrigation (MIDAGRI), Ministry of Development and Social Inclusion (MIDIS), Ministry of the Production (PRODUCE), Regional Government of Ayacucho, Nanjing Agriculture University.

Phase of the Initiative

II (January 2022- December 2022)
THEMATIC AREAS

- Value Chain Development for Smallholder Farmers
- Post-harvest Loss Management and Food Systems

SSTC MODALITIES

- Policy dialogue and workshops/seminars/webinars
- Online/offline training courses
- Study tours to China (virtual or in person)
- Expertise deployment/exchange visit

1012 PEOPLE ENGAGED

- 60 producers
- 107 Officials personnel from government

TECHNICAL PARTNERS INVOLVED IN THE SSTC ACTIVITY

- Ministry of Agriculture and Rural Affairs of the People’s Republic of China
- WFP Centre of Excellence for Rural Transformation in China
- Nanjing Agricultural University in the People’s Republic of China (China)
Zero Hunger has emerged in Peru as a key national priority to address the socioeconomic effects of the COVID-19 pandemic. The relevant Ministries, such as MIDAGRI, MIDIS and PRODUCE, are intensifying their joint efforts to tackle food insecurity while at the same time creating sustainable livelihood opportunities for smallholder farmers.

In November 2020, the Peruvian Government approved the Law 31071 and its regulations on state purchases of food of family farming origin in order to enhance the farmers organization and improve its possibilities to connect with the market.

The first phase of WFP’s project was focused on generating evidence through studies and interchanges with countries in the region and with Chinese experts from the Ministry of Agriculture and Rural Affairs of China (MARA) aimed at identifying the most important barriers that were preventing smallholder farmers to be included in the public procurement process.

As a result of this collaboration, a policy paper aimed at strengthening the linkages between smallholder farmers and public procurement was published and represented a key element for the issuance of the subsequent regulations that allowed the implementation of the Law 31071.

In this context, the WFP-MARA SSTC project in Peru is now focusing on strengthening the fresh food value chain development for smallholders in Ayacucho to connect the local production with public and private markets.

Through the SSTC mechanism, knowledge from China on food safety and associativity was shared with key stakeholders in Peru at central and sub-national levels.

### Development challenge and the SSTC solution

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### SSTC partnership with the Ministry of Agriculture and Rural Affairs of China (MARA)

In 2022, the second phase of the WFP’s Global Field Pilot Initiative on SSTC in Peru, supported by WFP’s Global SSTC Team in the Programme Humanitarian and Development (PRO-T) Division, the Regional Office for Latin America and the Caribbean (RBP) and WFP Centre of Excellence for Rural Transformation in China (China CoE), came to completion.

This represents a step forward in the financial SSTC partnership with MARA that started in 2020 aimed at leveraging the SSTC mechanism to create benefits for the most vulnerable rural populations.

The initiative in the past two phases of implementation focused on two main challenges, namely the need to support smallholder farmers to sell their products into public social protection programmes as well as in ensuring that they obtain a national certificate that identify them as family farmers producers.

In 2021 a policy paper was developed to inform the national public policy (Law 31071) on smallholders’ inclusion in institutional food procurement. The paper provided a comprehensive analysis of smallholder farming in Peru building on the peer learning with China and countries from the region. Furthermore, a policy-level webinar and a technical workshop were organized to discuss five studies’ findings, aimed at generating evidence on the challenges and opportunities for smallholder farmers’ access to public markets, including school feeding programmes, and facilitating knowledge sharing with China and other countries from the region.

In view of this, and upon host government demand, the phase II focused on the field implementation of the Law 31071 in Ayacucho to capitalize on good practices obtained in past intervention.

The project mainly focused on strengthening the government and producers’ capacity through the implementation of policy dialogues and a workshop with the support of an expert from the Nanjing Agricultural University in China.

In particular, this project aimed at enhancing the capacity of farmers and authorities to obtain key national certificates. The project supported smallholder farmers to receive the family farmers’ brand for their products, and now is in the process of strengthening the capacity of the smallholder farmers to obtain the food safety certificate for their fresh foods.
Key SSTC results achieved in 2022

This document provides a quick overview of the progress of the SSTC country project in Peru in year 2022, building on the achievements of the previous phase. During this timeframe the following results have been achieved through capacity strengthening activities, policy dialogues, workshops and webinars:

**SSTC training curriculum**

A national training curriculum was developed for producers and government authorities with the participation of MIDAGRI, MIDIS, PRODUCE and the Regional Government of Ayacucho. This curriculum included 8 modules that tackled the problems of certifications and food safety, among other topics. The curriculum was then adopted by the Ministry of Agriculture and Irrigation of Peru.

**Capacity building**

- 107 national and subnational government staff members and 60 smallholder producers improved their knowledge about food safety of fresh food value chain, through the policy dialogue and workshop developed with an expert from the Nanjing Agricultural University in China. FAO and IFAD participated in the event;

- 39 (out of the 60 above) smallholder farmers from Ayacucho received the family farming producers brand from MIDAGRI. The farmers registered in MIDAGRI’s list of associations and requested certifications for their products as locally produced and up to standards. This certification is required by public institutions to prove they are buying from family farms in compliance with the Law.

**Access to markets**

- 5 Municipalities of Ayacucho established “Compragro”, a committee responsible for following all the purchase processes that allows buying products directly from smallholder farmers. These are the first Municipalities in the country that are using “Compragro”;

- The policy of public purchases for smallholder farmers, that was listed as one of MIDAGRI’s priorities, was strengthened through the project with WFP’s technical assistance in the development of the action plan and in the mapping of capacity needs.

- Biohuertunchik, a women producers’ association that was initially supported by the project, strengthened its capacity to sell vegetables to complement the Qaly Warma national school feeding programme through the purchases made by the Municipality of Jesus Nazareno.
Next Steps

Building on the results of the past phase, the following activities will be implemented in 2023 (phase III) to deliver on the project objectives:

**Strengthening local capacity**
- Ensure the completion of the training programme with smallholder farmers producers and government representatives from the Ministry of Agriculture, the Ministry of Inclusion and Social Development and regional and local governments;
- Develop a webinar/workshop focused on e-commerce that can help in linking smallholder farmers with public and private purchases and exchange experience on this topic with China;

**Strengthening access to market**
- Strengthen technical assistance for smallholder farmers associations in order to ensure family farming public purchases from the government;
- Advocacy actions to be taken with new sub-national authorities involved in the market access to continue the support to smallholder farmers and ensure that the implementation of the public purchases law stays a priority in the agenda;

**Showcasing results and lessons learned**
- Develop visibility products to showcase the support received from China and the results achieved in 2023 in order to scale up the project and reach more beneficiaries.
Farmer history

Biorhuentunckick is a small enterprise of female farmers who live in a rural village in Ayacucho. They had been struggling to sell their vegetables to the market due to a lack of knowledge in marketing and food safety issues. They saw a great opportunity when the school feeding program Qali Warma with the support of WFP started a pilot to include fresh and healthy vegetables in school menus in 2018-2019.

Excited by the prospect of a reliable market, the group of female farmers decided to take action. They started by organizing themselves into a small enterprise “Biohuertunchik” and received training on vegetable production, food safety, and management, among others, organized by WFP and counterparts. The female farmers learned about different varieties of vegetables that were in high demand and the best practices for harvesting, storing, packeting, and labeling. In 2018-2019, they provided vegetables to 21 schools for 5 months. However, they had to stop their business because of the schools’ closure in 2020 and 2021 due to the COVID-19 pandemic.

In 2022, they resumed business activities with the support of WFP and the SSTC project financed by China. Considering that food safety was the most important requirement of the school feeding programme Qali Warma, they pooled their resources together and invested in the primary process center to assure the quality control of the vegetables. They also improved their knowledge through workshops and webinars about the food safety of the fresh food value chain developed by a Chinese expert.

Additionally, in 2022 they received the family farming brand from the Ministry of Agricultural Development and Irrigation, that allows them to sell their products to public institutions. That year they sold one batch of vegetables to Jesus Nazareno Municipality to be used in pre-kindergarten schools in Ayacucho. In 2023, the female farmers are enhancing their primary process center and looking forward to becoming a sustainable provider for public institutions (e.g., the school feeding programme Qali Warma).

The female farmers became successful entrepreneurs and role models in their community, inspiring other women to start similar ventures. They overcame their initial challenges and turned their struggles into a success story. They were able to support their families, contribute to their community’s nutrition, and empower themselves through their cooperative effort.
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