



CASE STUDY: KEY ROLE OF MARKETS IN THE AGROECOLOGY TRANSITION



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About this paper

The Southern African Faith Communities' Environment Institute (SAFCEI) commissioned a series of research papers focused on agroecology in South Africa, Tanzania, Zimbabwe and Zambia. This paper provides an overview of the role of markets in driving an agroecological transition. SAFCEI aims to use this work to further deepen its understanding of the linkages between climate and food justice in Africa and to support the generation of advocacy material and practical recommendations it can offer to its members.

The base research for this paper can be found in:

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Acronyms

AFSA	Alliance for Food Sovereignty in Africa
FAO	Food and Agriculture Organization (United Nations)
IFOAM	International Federation of Organic Agricultural Movements
PELUM	Participatory Ecological Land Use Management
PGS	Participatory Guarantee Systems
SAFCEI	Southern African Faith Communities Environment Institute
SAT	Sustainable Agriculture Tanzania

Executive summary

Food production sits within a broader context of consolidated and most-often corporate dominated input and output markets. In this context, markets can be viewed as a commodity-driven framework in which food is viewed as a product output. And the way that it is then valued and exchanged is through an economic, profit-driven lens. This is not an appropriate system for anyone, let alone farmers and consumers in Africa.

Food as an outcome of the relationship between farmer and land is rich with myriad cultural dimensions. It is as a result of centuries of place and plant-specific knowledge and practice. It is not a commodity.

Changing the agricultural landscape in Africa towards one that is sustainable, equitable and inclusive cannot rest on food production alone. It must also tackle the inequitable market dynamics in place on the continent. The market must be thought of as a lever to bring about food and nutritional security, build adaptive capacity to climate change and support the realisation of dignified livelihoods. We therefore need to reimagine the market.

This paper explores the role of markets as a lever for transformative change. This exploration is of agroecology as a suitable framing for markets because it supports the concept of circular economies, promotes cultural and food traditions, builds resilience, encourages diversification and honours human and social values.

This paper explores the work of a for-profit agroecological producer in Zambia and a not-for-profit organisation in Tanzania to explore how their agroecological mindset impacted market dynamics.

Key findings

- Work must be done to bring about **just policy frameworks**. This includes support for appropriate input and output markets, re-orientation of subsidy systems, and the dismantling of discriminatory seed frameworks, among others.
- Farmers need support in **agroecological production and in business and marketing skills** to enable them to enter or create their own local markets.
- The dominant narrative around industrial agriculture and export markets needs to be dismantled to support the need for **localised, short food chains** that deliver diversity.

Agroecological markets are an expression of our values of what is important – bio- and agrobiodiversity, cultural integrity, building resilience, fairness and equity, and sovereignty. It is therefore key that we support agroecological producers, that we join in the food system through organisations such as PGS groups, that we pressure policymakers to put the necessary systems in place to safeguard and promote local food networks, and that we raise awareness of the need to support agroecological systems for our wellbeing and that of the planet.



1. Introduction

The global industrial food and farming model has failed to deliver food and nutrition to those who need it most. It has also negatively affected soil health, contaminated water bodies and devastated biodiversity.

This industrial model – which uses hybrid seeds and chemical agricultural inputs (synthetic fertilisers and pesticides) – has successively stripped away our connection to our food and farming systems and it has eroded our much-needed ability to adapt to climate change. The industrial agricultural and food distribution model is itself a key driver of climate change.

While there is increasing acknowledgement of the need for agroecological production that places an emphasis on producing nutritious food sustainably, efforts are constrained by the marketplace environment that supports the industrial model.

Former United Nations Special Rapporteur on the Right to Food Olivier De Schutter notes reorganising markets to make them equitable and inclusive requires structural changes (Alliance for Food Sovereignty in Africa [AFSA] 2020). He notes that investment in markets must prioritise local over global markets; i.e., export markets (AFSA 2020). He further notes that collective organisation of farmers – through cooperatives for example – will enable farmers to have a larger say in decision-making circles and strengthen their bargaining power (AFSA 2020).

This paper explores the roles of markets in an agroecological transition using examples of both a private business in Zambia and a non-profit organisation in Tanzania to illustrate the dismantling and reimagining of markets in Africa.

2. Markets as a key enabler for the transition

2.1 *A globalised agri-food system*

The global agri-food system is based on the industrial model of production with distribution, marketing and retail occurring within a neo-liberal economic framework in pursuit of profit.

A driver of this model is globalisation that has created a uniform, single market that is significantly exposed to global shocks (Borsellino et al. 2020). The liberalisation of global food markets has created an environment of competition, and the winners are those able to deploy economies of scale. This, in turn, has driven concentration in the sector, further restricting entry to smaller actors, such as smallholder farmers and processors.

Access to market is very dependent on strong physical, economic and intellectual capital (Borsellino et al. 2020). The countries of the Global South tend to be disadvantaged.

Market access is often cited as a key constraint for smallholder farming success in that these farmers are often located far from established markets, lack transport and storage facilities and knowledge about markets and market pricing. They also face significant obstacles to entering the formal value chain. This includes the need to reliably produce to scale and to uniform standards. In addition, in the global agri-food system, 'ingredients' of food are moved around the world with consumption typically happening far from the base of production.

This has resulted in increasingly complex food safety requirements (Borsellino 2020) – which are then also imposed on localised producers with short chains to market despite it not being always necessary at this scale.

The industrial agri-food system model damages soil health, pollutes water bodies, drives climate change and negatively impacts human and animal health through pesticide use and consumption of low-nutrient foods. Glyphosate, for example, is the most used herbicide in the world and is known to cause "eye and skin irritation, respiratory, haematological, hepatic, gastrointestinal, renal failure, metabolic, ophthalmological, neurological, cardiovascular and when ingested causes esophageal erosion" (Anakwue 2018). A study undertaken in France notes a significant reduction in the risk of cancer among consumers of organic food (Baudrey et al. 2018).

The nature of the market determines what is produced and what value is placed on what is produced (Borsellino et al. 2020). The value exchange that takes place in markets is determined by a set of 'rules' and norms. At the formal level, these includes government regulations and private contracts, and market conditions are often dictated by a few companies that 'control' it through monopolies and economic power. At the more localised market level, cultural customs and public norms tend to dictate the exchange of value (Borsellino et al. 2020).

When the market is envisioned in a commodity-driven framework in which food is viewed as an output, the value placed on it is devoid of its rich social and cultural dimensions. In the globalised industrial model, food is grown for markets and not for people.

The consequence of this is that people have no control over their own food systems (Borsellino et al. 2020). The outcomes of this model are therefore not only a loss of agrobiodiversity (reduced number of species and varieties), but also an erosion of cultural diversity as the world shifts to a homogenous culture suited to a homogenous market.

2.2 Reimagining the market

The agri-food market stretches through 'time and space'; it performs functions beyond economic exchange of value to also speak to social and political dimensions. We need to therefore conceive of the market as a lever to bring about food and nutritional security, build adaptive capacity to climate change and support the realisation of dignified livelihoods. The market must therefore:

- **Deliver food security and dietary diversity.** The nutrition transition happening as more people live in cities and access high-calorie, low-nutrient processed foods implies that the industrial agri-food system does not deliver dietary diversity. Even rural markets are not delivering this as government subsidisation support is orientated towards increasing yields rather than nutrition.
- Bring about more **equitable and inclusive social and economic relationships.** This means breaking monopolies over production, processing, distribution and marketing to open space for all producers. It also means ensuring that farmers get fair prices for their products, and that women have enhanced access to markets.
- **Reward those who produce chemical-free food.** This does not mean that this food should be more expensive than chemically produced food thereby putting it out of reach of most people on the African continent. It means that current subsidy systems should support those who produce nutrient-rich, poison-free food without harming any lifeforms. And that those who are devastating the life support systems of our home Earth should include the negative costs of production, distribution and marketing within their costs – or be penalised for them.
- **Support climate change mitigation and adaptation efforts.** The market must promote those products that do not contribute to greenhouse gas emissions through their production, processing, distribution or marketing. And it must support those that help build adaptive capacity. This means encouraging shorter, localised market chains and circular economy practices, as well as promoting production that helps to preserve and enhance biodiversity and that reduces chemical usage at the farm level.



3. The potential of agroecological markets

A reimagined market aligns with the principles of agroecology in that it supports the concept of circular economies, promotes cultural and food traditions, builds resilience (in terms of nutritional security and stable ecosystem functioning), encourages diversification and honours human and social values.

Agroecological markets can take several forms – roadside stands to mass and territorial markets that operate at local, cross-border and regional levels and are “highly diverse markets through which most of the food consumed in the world passes” (AFSA 2020).

The term mass markets is preferred to informal markets given their importance in feeding communities and in acting as locations of trade and exchange (AFSA 2020). Key is that they are “deeply rooted in a specific territory in line with cultural norms” (AFSA 2020).

They act as a counterpoint to supermarkets, which have recognised negative effects on African food systems (AFSA 2020).

3.1 Characteristics of agroecological markets

Key characteristics are that they offer a diversity of fresh produce, including indigenous and seasonal foods. They are inclusive with a diversity of actors from producers and consumers to traders, and they tend to be dominated by women (AFSA 2020). They provide a space for social exchange and are accessible to local communities. They are also spaces of negotiation – around prices and portion size, which is not an option in supermarkets (AFSA 2020). Some have noted that “African mass markets are centres of knowledge, nutrition, and socially appropriate food” and can be viewed as a form of social protest (Food and Agriculture Organization [FAO] & INRA 2018).

They are also widely diverse as they are rooted in different contexts and cultures (FAO & INRA 2018). This characteristic is a significant contribution towards stopping the slide from culture to consumerism.

Agroecological markets also tend to involve the farmer and consumer in many stages of the farming and food system with market value assigned by relationship and trust rather than global trading patterns. Many of those involved in agroecological markets also tend to prioritise environmental and human health alongside gaining a fair exchange for their products (FAO & INRA 2018). Very importantly, farmers are consuming their own products first before selling onto markets.

A 2018 FAO report that looked at multiple forms of agroecological markets across three continents noted that farmers used at least 15% of their production for self-provisioning (FAO & INRA 2018).

This is a key point as so many of our farmers in Southern Africa are themselves hungry because of the government-supported focus on maize production in a monocropping model for sale onto national and regional markets. This focus tends to discourage multi-cropping, which is a prerequisite for nutrition at the farming household level.

3.2 Supportive policy for agroecological markets

There are challenges to the scaling out of agroecological markets, including the lack of supportive government policy and regulations.

Government policy could play a supportive role by:

- **Recognising agroecology** as a farming system at the national level, including the recognition of assurance systems like participatory guarantee systems (PGS).
- **Providing funding for the hosting of farmers' markets, fairs and festivals.** This includes providing or improving infrastructure for **storage and stand facilities** and for **infrastructure to maintain sanitation and hygiene within markets.** Markets need to have the necessary infrastructure and facilities for vendors such as cold storage.
- **Removing subsidy supports for chemical agriculture** (FAO & INRA 2018) and supporting the transition to chemical-free farming systems.
- **Dismantling seed frameworks that either discourage or criminalise** the saving and marketing of farmer seeds.
- **Growing the agroecological input sector** and including these products in national input supply databases so that they can be accessed through subsidy support programmes.
- **Developing appropriate trade and food safety regulations** for agroecological producers according to their size and production capacity.
- **Promoting consumer involvement** in platforms focused on building sustainable local and regional markets.
- **Measuring the extent of agroecological production** at the national level to provide an evidence base for its uptake.



3.3 Key challenges

A key challenge to the out-scaling of agroecological markets is the low availability of affordable agroecological inputs. This market is underdeveloped and encompasses products such as open-pollinated seeds, organic fertilisers and plant protection products. In many cases, these are developed and shared/traded in very local contexts. As they are not commonly available through state-led farm input subsidy programmes, agroecological farmers can be marginalised from government support.

A further challenge is low consumer awareness of the benefits of agroecology in delivering nutritional diversity (FAO & INRA 2018). A particular problem is the modernity narrative that places indigenous and local foods as inferior to the homogenous foods bought from a supermarket. Food cultures – based on a “specific set of cultural values, attitudes, habits, and customs of a group of people” – are being eroded by

the belief that the Westernised global food culture is superior. In addition, consumers do not perceive agroecology as a differentiator, and, in most African countries, they are not willing or able to pay more for sustainably produced food. Organic products, with associated certification of production, have more market recognition, but tend to appeal to a niche market of high-income consumers.

There is also a donor and developmental institution trend towards encouraging smallholder farmers into sustainable production, but with a focus on producing for export markets. This runs contrary to an agroecological market view that rather supports food sovereignty and more localised market systems. This is to ensure that local food and nutrition security is the priority.



4. Case study: Loctaguna Organics, Zambia

4.1 About Loctaguna Organics

Loctaguna Organics was established in 2010 on private land owned by Kanangwa Newlove and her husband. It is a formally registered for-profit company. The farm produces seasonal organic vegetables for market purposes in Lusaka, Zambia.

Owner and manager Kanangwa Newlove had more than a decade's experience in business and marketing before turning her hand to farming. She has a Bachelor of Arts in public administration and sociology and several certificates in marketing, including social media marketing. In her professional career prior to becoming a full-time farmer, she worked as a sales and marketing manager for Seba Foods and for Community Markets for Conservation in Lusaka. Kanangwa is passionate about sustainable food systems and agriculture and on a mission to make

sustainably grown food available to consumers throughout the value chain. She is a member of the International Federation of Organic Agricultural Movements (IFOAM) Ecological Organic Agriculture Leadership Course and is regularly invited as a speaker to workshops focused on agroecological agriculture.

4.2 An agroecological approach

Since inception, the farm has used organic production principles to produce crops for market with crop selection based on market demand.

There is a focus on human and environmental health in the marketing of produce. Kanangwa's farming practice expresses the 10 elements of agroecological farming.

4.3 Market dynamics

Loctaguna Organics has successfully created a market for itself in Lusaka, and one willing to pay for organic food. This is likely due to the owner's business and communications skills that have enabled her to create a brand that has attracted a loyal following.

In support of an agroecological approach, Loctaguna is also a demonstration space with a training offering that supports the co-creation and sharing of knowledge between farmers and with consumers.

The preferred market is the formal retail market because it supports stable cash flow compared to other markets. Customers are mostly drawn from middle- to upper-income groups; they are buying for health, among other reasons. Loctaguna sells through IL Mercato Zambia, a retail store with a dedicated organic food section; Greens and Grains, an organic outlet selling organic vegetables from local growers, as well as animal feed, agricultural books and other related products; and a Spar. She can gain the organic premium in some of these outlets. She also sells directly from the farm.

To a large degree, the success of this farm can be credited to the knowledge, passion and business sense of its owner. Kanangwa is a member of the just founded Ubumi PGS and in her personal capacity, she is also an IFOAM Ecological Organic Agriculture leader who participates in various platforms and conducts workshops and seminars to raise awareness for the need for agroecology.

A note on PGS

A PGS is an inclusive, transparent and accessible way for smallholders to 'certify' their produce as organic. A PGS comprises farmers, consumers, retailers and other interested parties that collectively inspect the farm against agreed upon organic standards to provide assurance that standards have been met. It not only provides this assurance to market but is also a vehicle for empowering farmers, enabling shorter market linkages and capacitating farmers to engage with local governments. PGS is a growing global system that is suitable for smallholder farmers.

The farm does face challenges.

Kanangwa notes that government could encourage banks to provide loans with lower interest rates to support organic agriculture because of contributions it makes towards production of nutritious food. Access to more affordable finance would enable her to make the farm more resilient through the installation of infrastructure such as solar energy and shade cloth to protect crops from extreme weather conditions.

Loctaguna Organics is a good example of how, even in a private, for-profit business, an agroecological approach extends beyond production practices into enabling social and economic transformation. The business focuses on raising awareness of the health benefits of agroecologically produced food – for both people and planet; it focuses on building short supply chains and is part of a PGS to build collective agency and action to bring about change.



5. Case study: Sustainable Agriculture Tanzania (SAT)

5.1 About SAT

SAT works out of Morogoro, a city in the eastern part of Tanzania 196 kilometres west of Dar es Salaam. This non-profit organisation employs a multi-faceted approach to realise its vision that most farmers in Tanzania are “using agroecological methods to improve their livelihoods, conserve the environment and reduce pressure on natural resources” (SAT 2022).

SAT works across four strategic pillars to realise its vision: knowledge dissemination, application and marketing, research and networking. It makes interventions through programmes and projects that attempt to holistically address farmer challenges and bring about an equitable, inclusive and sustainable agri-food system in Tanzania. It collaborates with stakeholders to deliver a diverse range of projects.

5.2 An agroecological approach

SAT’s approach to its work embodies the 10 elements of agroecology and they work across the three categories of the agroecological elements defined by the FAO (2018) as contextual features, characteristics of and practices within agroecological systems, and enabling features.

In addition, the SAT model aligns with the FAO’s understanding of why agroecology is a transformative approach in that it uses “bottom-up and territorial processes, helping to deliver contextualised solutions to local problems. It builds the autonomy of producers, drawing on their knowledge and on science to generate an agri-food system capable of delivering social and environmental benefits” (FAO 2018).

5.3 Market dynamics

SAT works through the value chain encompassing agroecological production, processing, packaging, marketing and awareness raising with consumers. In this way, it can demonstrate the benefits of the agroecological approach and put its philosophy into practice.

SAT supports its farmers in gaining organic certification working through a PGS. To date, 12 groups of 300 smallholder farmers have been certified through their PGSs against the East African Organic Product Standards. This enables them to reach markets such as hotels and restaurants, as well as urban retail markets.

To further support market access, SAT opened an organic food store in 2012 to help develop a local organic market in Tanzania. The shop provides a market for PGS-certified produce that is sold at an affordable price. It also acts as an awareness-raising site about organic cultivation.

6. Conclusion

There is a need to reclaim and/or reimagine market spaces to ensure that they deliver food and nutrition diversity and security, provide fair prices for producers, contribute to building resilience to climate change and support fair livelihoods. The perspectives on markets provided by the case studies in this paper illustrate that agroecological approaches extend beyond economic exchange in terms of markets to also

The intention was to also gain access to dedicated market space through the Morogoro Municipality from where farmers could sell organic produce direct to consumers.

SAT's approach therefore extends beyond production to focus on farmers' key challenge of market access and the need to grow incomes. It also encourages the building of circular and solidarity economies.

5.4 In summary

SAT's holistic model is both scalable and replicable as it works within localised contexts, operates at multiple levels to combat on-the-ground challenges such as the need for access to markets and market information along with relevant production knowledge products, and it does so with the farmer in the centre, boosting farmer autonomy and agency over production. It also points to the diversification of market channels that are needed to build strong agroecological markets.

encompass concerns regarding human and environmental health. They both also serve to illustrate the need for collective organisation of farmers to grow bargaining power and for increased collaboration with consumers. This helps to grow trust in the food system and ensure that it remains relevant to a diversity of communities and cultures.



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