Small Farms:
Key Characteristics and Issues

PPFS Seminar on Enhancing Market Entry for MSMEs including Smallholders in the Asia Pacific Region, 6 Aug 2018

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Global Food Security Overview
The number of people undernourished in the world has been on the rise since 2014, reaching an estimated 815 million in 2016.

**Number of people undernourished (right axis)**

**Prevalence of undernourishment (left axis)**

NOTE: Prevalence and number of undernourished people in the world, 2000–2016. Figures for 2016 are projected estimates. SOURCE: FAO.
The prevalence of undernourishment is highest in Africa; the absolute number of undernourished people is largest in Asia.

**NOTE:** Comparison of prevalence and number of undernourished people by region. The size of the circles represents the number of undernourished people in millions, as labelled. Figures for 2016 are projected values.

**SOURCE:** FAO.
WOMEN ARE SLIGHTLY MORE LIKELY TO BE FOOD INSECURE THAN MEN IN EVERY REGION OF THE WORLD

SEVERE FOOD INSECURITY

<table>
<thead>
<tr>
<th>Region</th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>7.9</td>
<td>7.3</td>
</tr>
<tr>
<td>Africa</td>
<td>25.2</td>
<td>23.7</td>
</tr>
<tr>
<td>Asia</td>
<td>6.6</td>
<td>6.0</td>
</tr>
<tr>
<td>Latin America</td>
<td>5.0</td>
<td>4.3</td>
</tr>
<tr>
<td>North America and Europe</td>
<td>1.4</td>
<td>1.3</td>
</tr>
</tbody>
</table>

NOTE: Comparison of the prevalence of severe food insecurity among men and women aged 15 years and older (2014–16 three-year averages).
SOURCE: FAO Voices of the Hungry project.
Rates of stunting among children are on the decline worldwide, but remain very high in most parts of Africa.1

[Graph showing stunting rates in different regions and years (2005 and 2016).]

1. Reference source for data.
### State of Nutrition in a snapshot (2016)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Number</th>
<th>Share of the reference population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children under 5 who suffer from stunted growth</td>
<td>154.8 million</td>
<td>22.9 percent</td>
</tr>
<tr>
<td>Children under 5 affected by wasting</td>
<td>51.7 million</td>
<td>7.7 percent</td>
</tr>
<tr>
<td>Children under 5 overweight</td>
<td>40.6 million</td>
<td>6 percent</td>
</tr>
<tr>
<td>Adult obesity</td>
<td>640.9 million</td>
<td>12.8 percent</td>
</tr>
<tr>
<td>Women of reproductive age affected by anaemia</td>
<td>613.2 million</td>
<td>32.8 percent</td>
</tr>
<tr>
<td>Infants younger than 6 months exclusively breastfed</td>
<td>60.3 million</td>
<td>43 percent</td>
</tr>
</tbody>
</table>
ADULT OBESITY IS RISING EVERYWHERE AT AN ACCELERATING PACE

PREVALENCE OF OBESITY IN ADULTS (PERCENTAGE)

- World
- Africa
- Asia
- Latin America and the Caribbean
- North America and Europe
- Oceania

Global Food Security Trends

- Recent estimates warn that achieving 2030 SDGs will be challenging.
- Number of conflicts also on the rise. Exacerbated by climate-related shocks, conflicts seriously affect food security and nutrition.
- Given the link between climatic shocks, crop and livestock price collapse and conflict outbreaks, there is a need to adopt agricultural practices and livelihood strategies for climate change adaptation and mitigation.
- Even in some peaceful settings, food security has deteriorated as economic slowdowns challenge access to food for the poor.
- Multiple forms of malnutrition coexist, with countries experiencing simultaneously high rates of child undernutrition, anaemia among women, and adult obesity.
- Change in dietary patterns and urbanization leading to increased consumption of highly processed food and sedentary lifestyles—resulting in increased obesity and an associated rise in non-communicable diseases such as diabetes.
Small Farms: Key Characteristics
More than 570 million farms in the world

Number of farms by income group

- **47%** Upper-middle-income countries
- **36%** Lower-middle-income countries
- **13%** Low-income countries
- **4%** High-income countries

World total = 570 million

Source: FAO SOFA 2014
Most of the world’s farms are small

Share of farms, by land size class

- 72% <1 ha
- 12% 1–2 ha
- 10% 2–5 ha
- 3% 5–10 ha
- 1% 10–20 ha
- 2% >20 ha

Source: FAO SOFA 2014
Smaller farms hold large shares of land in lower-income countries.
More than 90 percent of farms are managed by an individual or a household.

They operate about 75 percent of farmland.

They produce more than 80 percent of food.

Source: FAO SOFA2014
Small farms have higher yields than large farms

Selected crop yields, by farm size

Bolivia (maize)
Ethiopia (teff)
Kenya (maize)
Nepal (rice)
Tanzania (maize)
Vietnam (rice)

Source: FAO SOFA 2014
but they have lower labour productivity

Value of agricultural production per worker per day
(constant 2009 PPP dollars)

Source: FAO SOFA 2014
Small farms sell less on the market

Share of agricultural production sold (percent)

Source: FAO SOFA 2014

Bangladesh
Bolivia
Ethiopia
Kenya
Nepal
Nicaragua
Tanzania
Viet Nam

#sofa2014

1st quartile | 2nd quartile | 3rd quartile | 4th quartile
- Small farms can and must produce more with fewer resources.
- If they are enabled to innovate, they can:
  - increase production
  - preserve natural resources
  - raise rural incomes.
- We need an innovation system that meets the needs of small farms

Source: FAO SOFA2014
SMALL FARMS: KEY ISSUES
Key Components: Innovation System for Small Farms

• An enabling environment that promotes capacity to innovate
• Agricultural R&D
• Inclusive extension services
Many countries need to invest more in agricultural R&D

Agricultural research intensity, averages by decade and income group

Source: FAO SOFA 2014
Agricultural R&D can be made more effective

- International cooperation can make research efforts more effective.
- Farmer-led innovation and formal research complement each other.
- Inclusive and participatory research can meet the needs of small farms.
Agricultural extension is also a priority area

Shares of farms accessing information through agricultural extension, selected countries most recent years

Percentage 25

Source: FAO SOFA 2014
Extension models have changed...

- Areas of advice broadening beyond technical production
- Increasing environmental concerns
- Diversification of farm household income sources
- Multiple actors involved in advisory services
... but governments still have a role in extension

- Recognize the role of pluralistic and mixed systems
- Create conditions for private delivery of advisory services
- Coordinate and regulate
- Ensure that advice from the private sector and civil society is technically sound and socially and environmentally appropriate
Certain types of advisory services will only be provided with government initiative

- Sustainability and environmental preservation
- Addressing crop and livestock diseases
- Food security and poverty eradication
- A key concern: making services available for small family farms, especially in remote areas
  - but need to consider trade-offs between costs and broad delivery
Capacity to innovate must be developed at different levels

Capacity development in different dimensions

The enabling environment dimension is the broad social system in which organizations and individuals function.

The organizational dimension refers to all public, private and civil society organizations.

The individual dimension relates to all individuals in organizations and communities.

Food and Agriculture Organization of the United Nations
Thank you very much for your attention

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