

Transforming subsistence farming into commercial enterprise

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Julie Greene coordinates Olam's Corporate Responsibility & Sustainability function in Africa since 2013, following five years overseeing Olam's cotton operations in Côte d'Ivoire. Julie holds an MBA from the University of Geneva and a BA in Environmental Studies from Dartmouth College (U.S.). She has ten years' experience in Africa in both the non-profit and private sectors.

Quote:

“One cannot underestimate the value of having conversations and building relationships to make change happen. If we do not start this dialogue on behalf of farmers, their voices will not always be heard.”

Olam's business requires a consistent supply of high quality agricultural products, such as cotton and cocoa. To secure those products, the practices and livelihoods of the 3.4 million African smallholders from whom we source must be improved. Given the significant infrastructural, political, economic and social issues that stand in the way, doing this effectively means starting from the ground up, community by community.

For Olam's cotton operations in Côte d'Ivoire, the focus is on producing the required volumes of cotton each year, which means ensuring that farmers have the right motivation, skills and means to grow it. This includes helping them to increase their profitability, conducting training in the field and providing access to credit for fertilisers, seeds and insecticides.

To achieve this, it is essential that Olam is a reliable and trusted partner for producers. This requires overseeing that farmers receive quality seeds and inputs on time, that cotton is collected promptly from the field after harvest and that farmers are paid quickly. These underlying principles are fundamental to any enterprise working with smallholder communities.

Each month I drive 1,500 to 2,000 miles to undertake field visits to farmer collection centres. Although I can't meet all 12,000 farmers, these visits are essential to understanding how our relationships are progressing. We ask ourselves: Is our training helping? Are our farmers satisfied with their inputs? Are we paying them quickly? Ultimately, we establish whether these measures are making improvements to yields and increasing farmer incomes.



One of our team's main challenges is to change farmers' mindsets away from short-term 'survival' mode – for example, selling fertilisers to make money quickly rather than using them on the soil. Communicating how this lowers yields, lowers revenues and loses the company's trust is important. Under the Olam Livelihood Charter – a framework of initiatives aimed at the long-term improvement of smallholders' well-being – communities are starting to see the bigger picture. In five years, farmer profits have nearly tripled to about \$1,200 per family, even accounting for adjustments in price changes.

In addition to managing the practical aspects of these operations, we build partnerships on social projects with local government officials, authorities and farmer groups. One cannot underestimate the value of having conversations and building relationships to make change happen. If we do not start this dialogue on behalf of farmers, their voices will not always be heard.

Eradicating corruption is a priority. Sometimes cooperatives can take advantage of farmer illiteracy – for example, by writing a receipt stating that farmers received 10 bags of fertiliser when they were given seven, and selling the difference. We took a strict approach to this and such activities are minimal now. We have to demonstrate that by working well and honestly, all parties benefit. One solution is working with partners to teach literacy and numeracy skills, and 300 villagers have already been helped in this way.

The value of working directly within farmer communities cannot be underestimated. Effective innovation cannot be based on guesswork. Developing focused solutions to address the range and diversity of these farming systems can only be achieved through first-hand knowledge and hands-on collaboration. This is a long game, but the mutual value that is unlocked for the business, our customers, and the smallholder communities, is unquestionable.