

**ASSURING FOOD AND NUTRITION SECURITY IN AFRICA BY 2020:  
Prioritizing Action, Strengthening Actors, and Facilitating Partnerships**  
April 1–3, 2004, Kampala, Uganda

**SUMMARY NOTE**

**Parallel Session:**     **Implementing Action in Key Areas: Fostering Economic Growth and Improving Markets and Trade**

**Panelist:**            *Hans Jöhr*, Corporate Head of Agriculture, Nestec Ltd., Switzerland

**Title:**                **How to link farmers to the food chain and thereby contribute to food and nutrition security: Perspectives from the Food Industry**

**Date:**                April 2, 2004s

Nestlé was founded in Switzerland in 1866. Since then, production and marketing of high quality and safe food products is our primary business objective. Today we manage 508 factories in 85 countries and employ 254'000 people. These facts and figures underline on one side our long-term business objectives and on the other side our flexibility. The flexibility is needed in raw materials sourcing and in recognizing and matching the consumer taste and preferences worldwide.

Agricultural raw materials and their sourcing play an important role for our business. They are a key factor for our production costs as well as for the quality of our food products, the social, sensorial or food safety aspects. Thus, it is important for us that we have reliable sources of our raw materials; that we source raw materials at the qualities and quantities needed and at competitive conditions. A link with farming and farmers therefore is needed but the form of this link depends on overall business conditions, the availability of the raw materials, their characteristics and our needs (qualities and quantities). Thus, we buy raw materials through the trade as primary processed materials or directly from farmers.

Our long-term business objectives imply long-term collaboration with suppliers, the farmers, traders and primary processors and we constantly revise our collaboration with them. However, on farmer level all food companies face the same challenge, we all need reliable supply of safe raw materials. Therefore, we decided to create the SAI Platform, the Sustainable Agriculture Initiative of the food industry. Through this platform, we aim to support sustainable development of agriculture, in the interest of the farmers as well as of the food industry.

The SAI initiative was created in 2002 by Nestlé together with Danone and Unilever and counts now 18 members – food companies, traders and primary processors being based in different continents. The platform operates non-competitive and has an open dialogue with all stakeholders of the food chain. It elaborates good farming practices that are the base for company specific initiatives, to be implemented on company level. More information on this initiative can be found under: <http://www.saiplatform.org/>.

Having mentioned before, that we started food manufacturing in Europe 137 years ago, we can add that we do this also for many years in other continents. We are e.g. for more than 80 years manufacturing in Brazil and for more than 40 years in India. Our history in African countries is not much shorter. Only a few examples:

In 1927 we started in South Africa, in 1960 in Zimbabwe, in 1962 in Ivory Coast, in 1966 in Nigeria, in 1967 in Kenya and in 1968 in Tunisia – only to mention those countries where we are already active for more than 30 years. Today we produce food products in 10 different African countries and our products can be bought all over the continent.

As the availability of agricultural raw materials is not always ensured at the qualities, quantities and timing we need them, we may engage ourselves in projects to guarantee their supply.

Two examples related to African countries:

**Ivory Coast – Cassava.** Nestlé needs certain qualities of cassava for the production of starch. However, in the past we often faced difficulties with the uniformity of the cassava supply and with their qualities. To improve the situation, we decided to participate in a "Prostab" project (Projet de Stabilisation des Systèmes de Production Agricole), a project of the GTZ (Deutsche Gesellschaft für Technische Zusammenarbeit GmbH), scientifically supported by the CSRS (Centre Suisse de Recherches Scientifiques en Côte d'Ivoire).

Nestlé technically supports the project, especially in the evaluation of the cassava quality and committed itself to purchase certain quantities of the cassava– to provide the farmers an income. The big part of the cassava produced, is sold on local markets.

The study started in 2002 and will last until 2005. There are 100 farmers in 4 villages involved. The overall objective is to develop better sustainability of the cassava production and supply – in the interest of the farmers and of our company. **Nigeria – RUSEP Soya Bean program.** Nestlé Nigeria participates in a RUSEP (Rural Sector Enhancement Program) and the IITA (International Institute for Tropical Agriculture) program to improve local soybean production. We participate in various technical stakeholder programs and committed ourselves to contribute to the financing of the project by paying premium prices for the soybeans we buy.

The program aims to support the quality of the local soybeans through state extension services, thus the competitiveness of the local soybean production. In addition to this soybean program, we are interested in participating in future Public Private Partnership programs following the same objectives concerning the local supply of sorghum and white maize.

### **Common actions needed**

Challenges such as the increasing food needs, the limited resources, the high post harvest losses as well as the needs of the food industry for reliable sources of agricultural raw materials are common to the whole industry and of importance to all stakeholders of the food chain – from farmers to consumers.

Common efforts of all stakeholders of the food chain are therefore needed to cope with the current and with future challenges – to cover the increasing food needs especially in African countries. The role of the food industry in preserving food quality, in reducing food losses, in bringing food to the places of need is more and more increasing. In order to cope with this challenge, the food industry needs reliable sources of raw materials – needs sustainable development of agriculture. The frame for this development has to be given by a stable political environment, a constructive, stable and predictable political framework.

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