IFDC & Market Systems Development

Market Systems Seminar

Marriott Protea
15th, October 2019

Alexander Fernando - Regional Director
IFDC – East & Southern Africa
IFDC Overview

• International Fertilizer Development Center
  – Non-profit international public organization

• Established in 1974 in Muscle Shoals, Alabama
  – Tennessee Valley Authority responsible for development of 70%+ of world’s fertilizers
  – Fertilizer pilot plant

• Evolution of our work: from inputs to production to market development

• IFDC Mission:
  – Bring together innovative research, market expertise, and strategic public and private sector partners
  – to identify and scale sustainable solutions for soil and plant nutrition that benefit farmers, entrepreneurs, and the environment.
IFDC’s Mission in Action

HQ to animate
Climate Smart Agriculture

- CSA: an approach.... that ensures food security in a changing climate (FAO):
  - Sustainably increasing agricultural productivity and incomes;
  - Adapting and building resilience to climate change;
  - And reducing and/or removing greenhouse gas emissions

- Dimensions to productivity & risk mitigation
  - Market access: Inputs (including technologies, services) finance, information) & outputs
  - Behavioral: Household resources, decision making, diversified incomes
  - Agronomic/CSA: intensification of farming, increased water & nutrient use efficiency, GAPs
CSA & Soil Health

• Healthy soils: management of organic matter + water & nutrient use efficiency
  – Soil organic matter depleted in Africa

• Integrated soil management practices:
  – Intensification, conservation agriculture, integration of crop and livestock systems, legume cropping systems, nutrient recycling, erosion and water control

• More efficient fertilizers and soil fertility technologies
  – Balanced nutrition: increased nutrient use efficiency & reduced green house gasses
  – Soil acidity/liming for root development and nutrient uptake
  – Micro-dosing in low rainfall areas (200-500mm)
MSD as an Inclusive System

- Tradable surpluses are precondition for market engagement & development
  - Farming systems need to adapt not only to climatic changes, but also market changes
- Market signals are the driver of adoption of CSA practices + technologies
- MSD seeks sector transformation (systemic change) in both input and output markets
- Intermediary facilitators/brokers required to:
  - Strengthen the capacity of market actors
  - Broker partnerships to develop sustainable business models

E.g. 2SCALE, incubator of inclusive agribusinesses, DGIS/NL, 2012-2018, 2019-2023
Challenges with MSD

- Understanding MSD among staff, donors, agribusiness partners
- How does MSD operate in ‘thin’ markets?
- How to go from firm-level interventions to creating systemic change/sector transformation?
- How to select firms with the aim of triggering systemic change?
- Incentives for lead firms to engage vs. market disruptors?
- Others…