



YOUTH AGRI CHAMPIONS DEMAND PAPER

Building Resilience of Smallholder Farmers to Climate Change

November 2022



ABOUT THE WEBINAR SERIES

The Youth Agri Champions are a group of young smallholder farmers, agripreneurs, and farmer representatives from Kenya, Nigeria, Rwanda, and Zambia, convening under the auspices of the Ban Ki-moon Centre for Global Citizens (BKMC). As part of the BKMC's Elevating Agricultural Adaptation program, during the summer of 2022, they came together to discuss the challenges that the climate crisis poses to smallholder agriculture. Based on their knowledge and lived experiences, they have developed a set of demands directed to the international community on improving the resilience of smallholder farmers and their ability to adapt to the already present climate challenges.

THE YOUTH AGRI CHAMPIONS

Tabitha Gichiru, 30, Kenya Richard Kachungu, 32, Zambia Sandra Kantarama, 33, Rwanda Usman Kibiya, 24, Nigeria Felix Kiprono, 34, Kenya Caroline Moko, 28, Kenya Melvin Muna, 29, Kenya Jean Claude Niyomugabo, 23, Rwanda Mercy Philips, 23, Kenya Eliud Rugut, 34, Kenya Azeez Salawu, 29, Nigeria

ABOUT THE BKMC

The Ban Ki-moon Centre for Global Citizens' mission is to foster leadership for the implementation of the Sustainable Development Goals and the Paris Climate Agreement by inspiring current decision makers and empowering the next generation of changemakers. Working with governments, civil society, academia, and international organizations, the BKMC reaches more than 700,000 people around the world. Located in Vienna, Austria, the BKMC is co-chaired by the 8th Secretary-General of the UN, Ban Ki-moon, and the 11th President of the Republic of Austria, Heinz Fischer.

BKMC FACILITATORS

Angela Reithuber, Program Manager Max Veulliet, Administrative Assistant Timothy Sung, Program Intern

LAYOUT DESIGNER

Timothy Sung, Program Intern

ILLUSTRATIONS

Esra Köymen, Ionera Design

BKMC CONSULTANT

Maria van Veldhuizen



FOREWORD

During my tenure as Secretary-General of the United Nations, I worked tirelessly to bring together world leaders to address the awaiting impacts and destructive effects of climate change. This resulted in the landmark Paris Climate Agreement signed in 2015 by 196 countries. However, in discussions since, the overwhelming focus has been on climate mitigation efforts.

The Egyptian Presidency of COP27 has built on the foundation laid by the UK government at COP26. This year, adaptation is starting to move more into the focus of the negotiations and discussions. This is especially true in the context of the Glasgow-Sharm el-Sheikh work program on the Global Goal on Adaptation which focuses on defining and realizing a set of worldwide targets for climate change adaptation.

These efforts are becoming increasingly essential, as more lives are being affected by climate change. Amongst the most impacted are smallholder farmers. They are the least to contribute to the causes of climate change and play a crucial role in our global food systems. Despite this they only receive 1.7% of total climate finance. If smallholder farmers are to continue to feed our communities, we have a responsibility to build their resilience to climate change, especially that of the younger generation.

With this goal, at the Ban Ki-moon Centre for Global Citizens we facilitated the development of a demand paper by a selected group of Youth Agri Champions from Kenya, Nigeria, Rwanda, and Zambia. This group consists of smallholder farmers and farmer representatives as well as agripreneurs, all under the age of 35.

I strongly support the young agri-champions and their demands which need to be widely shared with civil society, the public and private sectors, and most importantly with world leaders heading the climate negotiations.

Their invaluable young voices must be brought to the decision-making table and their demands must be taken into consideration. I hope that these clear demands contribute to shaping the agenda on adaptation in agriculture at COP27 and beyond.

BAN KI-MOON

8th Secretary-General, United Nations Co-Chair, Ban Ki-moon Centre for Global Citizens

Introduction

WHY DO SMALLHOLDER FARMERS NEED MORE SUPPORT?

Smallholder farmers are at the heart of global food production and on the frontlines of climate change. With our 500 million farms of under 2 hectares each, we occupy just 12% of global farmland, but we produce 35% of the world's food.¹ Demand for the food we produce is rising rapidly, especially in South Asia and Sub-Saharan Africa, where it is expected to increase two to threefold by 2050^{2} As smallholder farmers and agripreneurs, we can and must play a key role producing enough food for in our communities sustainably and locally.

However, even as we are working to increase our yields and meet this challenge, climate change is becoming ever more of a threat to our harvests every year. Most smallholders lack the financial buffers to absorb the losses caused by repeated failed harvests. Increasingly often, the impacts of climate change force these farmers to abandon their land. As a global community facing a growing food crisis, we cannot afford to allow this to happen. We must do more to support smallholder farmers in their efforts to adapt to climate change and continue to feed the world.

We are a group of young smallholder farmers, agripreneurs, and farmer representatives from Kenya, Nigeria, Rwanda, and Zambia, carefully selected by the Ban Ki-moon Centre for Global Citizens as Youth Agri Champions through a competitive call for applications. Together, we have selected three key challenges and formulated three demands for additional support from the international community. Though these demands were informed by our personal experiences in our home countries, we believe the proposed initiatives have the potential to enhance the resilience of smallholder farmers everywhere in the world.



¹ https://www.sciencedirect.com/science/article/pii/S0305750X2100067X?via%3Dihub

² https://gca.org/reports/adapt-now-a-global-call-for-leadership-on-climate-resilience/

DEMAND 1

FUND FARMER-LED CAPACITY BUILDING FOR CLIMATE-SMART AGRICULTURE



The Challenge: Lack of Awareness of Climate-Smart Solutions

Though most of our fellow smallholders are expert farmers, many have а limited understanding of climate change and climatesmart agriculture. Trainings are available but, especially when these are provided by outsiders, they are not always sufficient to overcome smallholders' reluctance to change their practices, adopt new technologies, or diversify their crops. In addition, language barriers, time poverty and other forms of gender inequality, and limited access to communication tools and technologies, such as phones and the internet, make trainings and especially follow-ups more challenging.



The Demand: Facilitate Farmer-Led Capacity Building

We ask the international community to support the establishment of farmer field schools to provide training on practices and use of technologies that enhance the smallholders' resilience to climate change. This requires the training of star farmers and the establishment of their farms as local centers of excellence, where other farmers can receive training. This methodology has proven highly successful because it circumvents language barriers and allows farmers to see climate-smart practices and technologies in action, and witness their impacts on yields first-hand. The farmer field schools should be designed to involve young farmers, who tend to have the technical knowledge and forwardlooking mindset required to advance climatesmart agriculture.

In addition, we ask governments to develop consistent national strategies and messaging issues such as monocropping and on excessive fertilizer use. Both are inconsistent with climate-smart agriculture principles but continue to be promoted by other organizations, undermining the effectiveness of our capacity building efforts. Based on the latest evidence, governments should develop regulations to ensure consistent messaging across organizations.

³ https://www.oecd.org/climate-change/finance-usd-100-billion-goal/aggregate-trends-of-climate-finance-provided-and-mobilised-by-developed-countries-in-2013-2020.pdf

- ⁴ https://press.un.org/en/2021/sgsm20816.doc.htm
- ⁵ https://unfccc.int/sites/default/files/resource/3_11_21_%20Joint_CPR_New%20Goal.pdf

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DEMAND 2

PROVIDE TAILORED FINANCE FOR CLIMATE-SMART INVESTMENTS



The Challenge: Finance for Future-Proof Farms

Smallholder farmers need capital to futureproof their farms by investing in climate-smart agriculture technologies, trainings, and methodologies. For example, crop diversification, the switch to organic farming, and the purchase of irrigation technology all require significant upfront outlays. Most young smallholders lack sufficient savings to make such investments.

They are also unable to access financing, as they cannot fulfil the strict conditions imposed by banks and creditors, such as demands for collateral and audit reports. In addition, many smallholder farmers lack the knowledge required to apply for financing and have difficulty adhering to repayment schedules that do not reflect harvest cycles.



The Demand: Responsive, Targeted, and Inclusive Finance for Smallholder Farmer Resilience

In 2009, developed countries made a commitment to mobilize \$100 billion a year for climate change mitigation and adaptation in developing countries by 2020. This goal was not met – in 2020, these countries raised \$83.3 billion, only 29% of which was earmarked as adaptation finance.³ Climate finance has long been skewed towards mitigation, even in countries that generate minimal emissions and face severe adaptation challenges.

Assessments of funding requirements for climate adaptation in developing countries vary – the UN has estimated \$300 billion a year will be needed by 2030,⁴ whereas the African Group of Negotiators on Climate Change has asked developed countries to provide \$1.3 trillion a year for climate action, of which 50% should go to adaptation.⁵ By providing finance to smallholder farmers, the international community can come closer to meeting these needs while supporting resilience and food security in some of the most vulnerable communities in the world.

We ask financial institutions to work with smallholder farmers to design responsive, inclusive financing mechanisms tailored to smallholder farmers' needs.

³ https://www.oecd.org/climate-change/finance-usd-100-billion-goal/aggregate-trends-of-climate-finance-provided-and-mobilised-by-developed-countries-in-2013-2020.pdf

⁴ https://press.un.org/en/2021/sgsm20816.doc.htm

⁵ https://unfccc.int/sites/default/files/resource/3_11_21_%20Joint_CPR_New%20Goal.pdf

Smallholders need access to concessional, unsecured loans, with simplified application processes and flexible repayment schedules aligned with harvest cycles. Innovative financial solutions will be required to allow institutions to channel climate finance towards large numbers of smallholders in the form of loans and grants. Financial institutions and governments must also raise awareness among smallholder farmers of the financing options available to them, and of how they can access these.

Smallholder farmers also need additional support to gain more direct access to markets, including export markets, and to avoid exploitation by middlemen. If smallholders do not receive a fair price for their produce, better methods and higher yields will not enhance their resilience.

\$100 billion a year

The annual amount of climate finance promised by developed countries to developing countries for climate mitigation and adaptation by the year 2020 - this goal has not been met.



DEMAND 3

PROVIDE FARMERS WITH INSURANCE TO REDUCE CLIMATE RISK



The Challenge: Managing Risk in an Uncertain Climate

Farming has always been a risky activity, but it is becoming more so as climate change causes increasingly unpredictable weather patterns. Though climate-smart practices and investments in new technologies can build resilience, even the most resilient farmers are still likely to occasionally encounter hazards they cannot adapt to, resulting in failed harvests. Smallholders tend to be particularly vulnerable due to their lack of financial resilience. When harvests fail, they may not be able to purchase inputs for the following season, so that once they fall into extreme poverty, they often have great difficulty climbing back out again.

> "Farming has always been a risky activity, but it is becoming more so as climate change causes increasingly unpredictable weather patterns."

> > Youth Agri Champions

The Demand: An Insurance Scheme For Smallholder Farmers Against Natural Hazards

We ask the international community to assist governments and financial institutions in the establishment of insurance schemes for smallholder farmers that provide compensation when harvests are lost due to climate change-related extreme weather events. Such compensation would allow farmers to restore their farms, continue to provide for themselves and their families, and to purchase the inputs required to plant the following year's crop.

By reducing the risks borne by farmers, we believe that an insurance scheme would make farming a more attractive option for young people. This will be key to meeting future food demands and improving food security in our communities and beyond.

To minimize the administrative burden on farmers, a parametric insurance product could be designed that automatically triggers payouts when a certain weather event occurs, without requiring proof of loss. In some cases, even anticipatory payouts may be an option, so that farmers can use the money to take mitigating actions before an extreme event occurs.⁶

³ https://www.oecd.org/climate-change/finance-usd-100-billion-goal/aggregate-trends-of-climate-finance-provided-and-mobilised-by-developed-countries-in-2013-2020.pdf

⁴ https://press.un.org/en/2021/sgsm20816.doc.htm

⁵ https://unfccc.int/sites/default/files/resource/3_11_21_%20Joint_CPR_New%20Goal.pdf

The idea of offering insurance to smallholder farmers is not new; many schemes already do this. However, these schemes are often insufficiently accessible due to various reasons: they may be limited in scope or regional coverage, premiums may be too high, the administrative burdens they place on smallholders may be too onerous, or smallholders simply may not be sufficiently aware of them. Therefore, any new or expanded scheme must be accompanied by intensive awareness raising and capacity building efforts to facilitate widespread uptake.

"Your work plays an important role in fighting climate change, improving food security and bettering the future of our planet for your communities at large."

H.E. Ban Ki-moon



⁶ See also: https://www.sparc-knowledge.org/resources/obstacles-and-opportunities-anticipatory-action-somalia

Summary

Fund Farmer-Led Capacity Building for Climate-Smart Agriculture



Challenge: Lack of Awareness of Climate-Smart Solutions

Demand: Facilitate Farmer-Led Capacity Building

Provide Tailored Finance for Climate-Smart Investments



Challenge: Finance for Future-Proof Farms

Demand: Responsive, targeted, and inclusive finance for smallholder farmer resilience

Provide Farmers with Insurance to Reduce Climate Risk



Challenge: Managing Risk in an Uncertain Climate

Demand: Insurance Scheme for Smallholder Farmers Against Natural Hazards

Conclusion

The demands presented by the youth Agri Champions are interlinked and each initiative proposed will have greater impact when employed in combination with the others: smallholder farmer insurance will reduce the risk of defaults on loans, while responsive financing will allow smallholders to invest in resilience and reduce the need for insurance payouts. Farmer-led capacity building will allow smallholders to make better investment decisions, while responsive financing will enable them to put into practice what they have learned in training sessions. Finally, capacity building can support the uptake of smallholder insurance and help farmers access payouts.

We are convinced that the initiatives proposed will make a significant difference in enhancing smallholder farmers' resilience to climate change. As a group, smallholder farmers have contributed very little to the causes of the climate crisis, yet we risk losing everything to its effects. We are ready to invest, ready to adapt, ready to diversify our crops and increase our yields to support our countries' growing populations. We now call on the international community to help us succeed.

Undersigned,

The Youth Agri Champions

Azeez, Caroline, Melvin, Elind, Felix, Jean Claude, Mercy, Richard, Sandra, Tabitha, Usman





P.O.B. 0018 1037 Vienna, Austria

office@bankimooncentre.org www.bankimooncentre.org



www. bankimooncentre.org/advocacy/ elevating-agricultural-adaptation