

# **Marketing urban agriculture products: an inclusive strategy for poor farmers.**

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## **Introduction**

The rapid growth of the urban population in developing countries is a well-known phenomena and is considered as one of the major challenges for urban management. Despite cities are the driving force in the field of economic and social development, urbanisation not only offers advantages, but also raises environmental and social problems including food insecurity, inadequate land planning and use, unsustainable management of natural resources, growing inequalities between places, people and groups.

Often illegal, and usually ignored by planners and policy-makers, the growing of crops and keeping of livestock by poor city dwellers has increasingly become an important resource for the city. Urban consumers may enjoy improved local availability of fresh and processed food, while small farmers may benefit from attractive prices, particularly if they are able to reach with their products wealthier customers and formal markets (New agriculturist, 2003). Furthermore the employment of under-utilised urban resources such as vacant land, wastewater and recycled waste may improve environmental protection within the city.

Urban agriculture (UA) is not a new phenomenon in the present-days cities of the world, but it is rarely included into urban governance as a strategy for poverty alleviation, income and employment generation and environmental management (M. Dubbeling, 2001). Despite agricultural activities<sup>1</sup> represent an important livelihood strategy among the urban poor, urban agriculture is often marginalized in urban planning, considered a temporary activity and inconsistent with the idea of a modern city (P. Henn, J. Henning, 2001). Nevertheless, local policies concerning the promotion, regulation and control of the urban production, distribution and commercialisation of food, directly affect, positively or negatively, vulnerable groups<sup>2</sup> and urban citizens in general (Y. Cabannes, M. Dubbeling, 2001).

Urban Agriculture exists within a range of urban regulations which can whether prohibit or support its presence and development, thus it has to be considered as a permanent component of the urban system (H. de Zeeuw, S. Gundel, H Waibel, 1999). Decisions on how to manage the use of available resources - i.e. vacant land and waste water - and how local governments intervene in this management have first of all a great impact on food security. Allowing, or even better, promoting small farming activities within the city limits increases the access poor households have to food, even for those who are not directly involved in such activities. In fact the wider availability of locally produced food, make it easier finding good quality products at a cheapest price than those distributed by middle-man. On the other end, the surplus produced in home gardens potentially represent an important additional source of income for the family, especially if considered that usually the farming activity is a secondary one for the household's economy and is often carried out by women and/or part-time. Thus making local markets inclusive and accessible to small urban farmers

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<sup>1</sup> Agricultural activities is here to be intended in its broader meaning, including not only the production of food but also the processing of food items, the production of agricultural inputs (compost, tools) and the commercialisation of them.

<sup>2</sup> "vulnerable groups" include not only the poor but also young and elderly persons, indigenous people and recent migrants, women and disabled.

according to adequate criteria of quality, quantity and hygiene, becomes a fundamental issue for the food commercialisation and supply system within the city. Finally urban agriculture provides an opportunity to involve vulnerable groups in socio-economic city life, being an activity compatible with their knowledge and practices, and facilitating mechanisms for community participation in land use and local development. Urban agriculture also re-values traditional culture and may increase individual and community identity and responsibility with respect to their environment and its management (Y. Cabannes, M. Dubbeling, 2001).

With such a potential of enabling the urban poor to reduce household food expenses or generate additional income, thus enhancing food security and reducing poverty, urban agriculture constitutes a strategy that could strengthen inclusiveness and local socio-economic development, hence deserves to be seriously taken into account by city authorities.

### **The “AGRUPAR” Programme in Quito, Ecuador<sup>3</sup>**

In January 2002 the Municipality of Quito, in collaboration with the Urban Management Program (UMP-LAC), implemented “AGRUPAR” (Participatory Urban Agriculture Programme), an innovative programme aimed at promoting and increasing agricultural activities among local low-income communities, supporting the whole chain of food production-transformation and trade.

One of the more interesting aspects of the programme was the commitment to a participatory approach throughout the process, in order to increase urban farmers’ social integration and inclusiveness, as well as to improve their communication with the local decision makers and other direct stakeholders. Another relevant innovation was the strong desire to encourage ecological agriculture among Quito’s urban farmers, providing information about ecological farming practices and supporting the creation of sustainable home composting systems. The rationale was that the promotion of organically grown food, in addition to stimulating the recycling of urban organic wastes, could represent an interesting opportunity for small urban farmers to access niche markets where competition is not yet particularly intense. This approach aimed also at increasing civic identity through an enhanced awareness, among the poor communities involved, about their potential role as healthy-food providers for their city, and active actors in keeping their environment cleaner.

Even before the beginning of the programme, home gardening was a common practice for the urban poor in Quito, the principal crops grown being traditional ones such as corn, onions, broad beans and potatoes. Usually market opportunities for selling surplus, if any, were limited to street-selling where the right price and weight, adequate hygiene conditions and basic facilities are not guaranteed. AGRUPAR begun with the implementation of communal demonstration ecological gardens, in which communities could learn how to differentiate their production by growing various organic vegetables. The objective was to encourage them to apply the experience to their own gardens to improve the quality of their families’ daily diet and grow crops that could be sold more profitably (C. Jaramillo Avila, 2002). In the case of the latter, besides knowing how to grow organic food, it is of crucial importance to know how to market it. Thus sound market development and advice became even more important than the transfer of production skills.

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<sup>3</sup> From this section, the paper is based on the author’s direct experience during her internship at UNHABITAT UMP-LAC offices in Quito, Ecuador in 2002. The arguments reported have been the subject of her final dissertation for obtaining the Master’s degree in “urban planning in developing countries” at Università Iuav di Venezia, and have been partly published in Quaderni Iuav 25.2003.

By June 2002, although farmers participating at the programme were still at the production phase of the process, a clear necessity emerged to identify and study the trade opportunities that could be offered to them when they were ready to sell their surplus. A practical participatory methodology was therefore developed to determinate the best trade opportunities for AGRUPAR products, where these were located and which strategies were needed in order to guarantee AGRUPAR farmers' access to specific markets. The methodology was applied and verified in two case studies which produced two maps of the city, accompanied by two explanatory tables presenting all the information obtained. These studies demonstrated that the methodology for the construction of Trade Opportunities Maps (TOMs) could be used, and useful, for all farmers groups participating at AGRUPAR in Quito, and with minimal adaptations it could also be replicated for other programmes promoting UA in different contexts.

### ***Trade Opportunities Maps: a methodology for including small farmers in city's formal circuits of food distribution***

The main objective of building a TOM is to strengthen the existing and potential links between production and commercialisation, with the aim of including small urban farmers in the formal food-supply circuits of their city. In the case of AGRUPAR, TOMs allow the creation of a general framework of the best trade opportunities that participants have or could have in the short and long term, as well as a deep analysis of the socio-economic variables that could exclude them from these markets.

The methodology of elaborating TOMs consists in a process divided into four stages, each of which combines academic research and fieldwork.

The first stage consists in: determination, by specific selection criteria<sup>4</sup>, of the target population and zone of study; establishment of a multidisciplinary group, called *investigation-action team*, consisting of a coordinator who will follow the whole process, an advisory group of specialized experts, the members of the municipal administration working in the identified area and some residents; identification of the production area in the city map; tours of the area and first contacts with communities. At the time of the initial approach it is very important to have a broad picture of UA activities in the area and to create a relationship of trust with those members of the local community who are expected to be actively involved in further phases.

The second stage consists of a workshop where trade opportunities are identified in a participatory manner. The objective is to let AGRUPAR farmers identify directly the places where they think it would be best to sell their products, and explore their reasons for this. Besides obtaining the basic information needed to create a first draft of the TOM, this phase is central for the farmers' direct participation in the process, especially for those that have never sold their products, since they are invited to think about their potential trade opportunities as a group and reflect about the social role they will occupy becoming healthy food distributors. During the workshop a variety of techniques is used to encourage participants to carry out a series of practical activities. By the end of the workshop they had: reflected on the importance of networking; interchanged their practical experiences in the production, transformation and sale of food; identified, on city maps at different territorial levels, the places where they already sold their products and/or those which they would like to access;

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<sup>4</sup> In the case of Quito the selection criteria included: poverty level, participation in AGRUPAR, the interest of local institutional players to support trade in AGRUPAR products, the interest of local farmers to sell their surplus, the existence of production and the existence of previous trade experience.

reflected on the positive and negative aspects of all the identified sites; explained what they thought they would need to implement and/or improve their production, transformation and selling activities.

It is important to stress that identified trade opportunities can be *physical sites* (such as a certain open or covered market, a supermarket, a community centre and so on) or *theoretical sites* (such as a company, an institution, a foundation or a supermarket chain). In this sense, the TOM assumes a broader meaning than a plain city map visualizing real sites; it is also a strategic map explaining the strategy and action needed to access *theoretical sites*, which only at a successive stage would be visualised as physical sites.

The third stage is the most complex and delicate that the investigation-action team has to perform. It consists of a critical and thorough analysis of the advantages of, and accessibility to, all identified trade opportunities. Since those opportunities, as explained, can be both *physical* and *theoretical*, different approaches have to be used. In the case of *existing physical markets* it is necessary to: make visits; locate the sites precisely on the map; conduct informal interviews with traders to understand current working conditions and the potential and willingness of the market to absorb new traders; contact the municipal departments responsible for the management of urban markets (the “Dirección de comercialización del DMDQ” in the case of Quito) in order to obtain all the existing information about available stands, and the formal terms and costs of access to the available facilities. For the analysis of *theoretical sites*, the directors of the institutions concerned will be contacted directly to verify whether AGRUPAR farmers’ products can be traded and, if so, to plan an appropriate strategy. It is common practice that certain requirements must be met, such as certifications and/or some form of packaging. It is thus essential to obtain all the information concerning these requirements, and to identify the necessary steps to ensure that AGRUPAR products meet them. Furthermore, as AGRUPAR farmers are a vulnerable part of the population, some kind of agreement could be elaborated with the above institutions to partly adapt their rules for exceptional cases. Moreover, agreements could be considered with local universities and/or research institutions to obtain free quality control analysis and certification.<sup>5</sup>

At the end of investigation process, the coordinator working on the TOM will possess all the information necessary to build the map. Starting from the options identified by the community during the second stage, he/she will have evaluated the advantages and disadvantages of each site and is now able to evaluate which of them can be considered as good trade opportunities. The technical contribution of the coordinator, who is in constant consultation with the investigation-action team, also entails proposing other options, if any, that were not identified during the workshop but presented themselves as valuable opportunities during the investigation process. In this context, it is important to stress what is to be considered a *good trade opportunity*: it in fact overtakes the mere concept of attractive prices for selling products, considering even more important the possibilities that that specific choice may offer for enhancing the social integration of the poor producer. This means proposing sites where the customer can be any kind of citizen, whether rich or poor, and

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<sup>5</sup> The elaboration of this methodology, and the idea of implementing AGRUPAR programme itself, have been facilitated by the Brazilian’s experience of PROVE (Programa de Verticalização da Pequena Produção Familiar do Distrito Federal). Implemented since 1995, the programme was created to stimulate and provide added value to small agricultural production based on the processing of products by family run agro-industries (agricultural micro-enterprises). Furthermore, it improves and develops new ways to facilitate the merchandising of products industrialised in these agro industries. It is essentially a programme for the production, transformation and commercialisation of family scale production (J. L. Homem de Carvalho, 2001).

recommending strategies to make food produced by poor farmers universally accepted as a good item to buy.

The TOM will thus consist of a city map, showing the location of best trade opportunities, accompanied by a table in which these sites will be classified, ranging from those that are accessible in the short term to the ones that need a longer process to be available. Furthermore the table will contain, for each trade opportunity, information about the strategies and actions needed for access, the actors to be involved, the advantages of selling AGRUPAR products in that site, and the sustainability of the process.

The fourth stage of the methodology consists in the broad diffusion and explanation of the TOM. Once the TOM is ready, it will be presented and delivered to all the stakeholders involved in the commercialisation phase of the programme, in the first place the urban farmers themselves. The presentation for AGRUPAR participants has to be as clear and simple as possible, to allow everyone to understand which trade opportunities have proved to be the best, why, and above all how to access the sites and who can help them to do so. The awareness of this last aspect is a key element with respect to their future opportunities to enter the best markets, as they can thus exercise strong pressure on institutional actors to work effectively in this direction. For their part, institutional actors can use the TOMs as practical instruments to evaluate each potential trade site and as a starting point for the implementation of specific projects.

Finally, if a TOM is to be created for different communities, it will be very useful to exchange the results in order to verify if certain trade opportunities could be opened to more than one group. For example, in the case of an unused municipal covered market, reactivation is only feasible if it is to be used by many groups of AGRUPAR farmers.

## **The Quito Experiences**

The TOM methodology was drawn up in June 2002 by an urban adviser<sup>6</sup> with the support of UA experts working for the UMP-LAC. In order to verify the efficiency of TOM methodology and its applicability to different contexts within the same city, two farmers' groups were selected, both participating in AGRUPAR but located in different Zonal Administrations<sup>7</sup>. The first was a women's group living in a periurban neighbourhood belonging to the Eloy Alfaro Zonal Administration, while the second was an organisation of small farmers whose members came from a range of different rural areas but used to meet weekly for communal activities in the Los Chillos Zonal Administration. Since this kind of organization is very common in Quito, it was essential to test the methodology in a true-life context in order to evaluate whether it was group belonging or individual interests that prevailed. In the case of the latter, TOM methodology would not have been considered appropriate for organizations, but rather for single groups living in the same neighbourhood.

In the meantime the investigation-action team was established, consisting of: the above mentioned urban adviser, appointed as the TOM coordinator; the UMP expert group, including a UA specialist, a sociologist and an agronomist; two heads of the selected Zonal

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<sup>6</sup> Author of this paper

<sup>7</sup> The Municipality of Quito Metropolitan District is decentralized in eight Zonal Administrations which are responsible for carrying out municipal policies, managing and controlling urban land use and collecting property taxes. As far as AGRUPAR is concerned, Zonal Administrations have the task of undertaking participatory programmes involving the organic production, processing and commercialisation of agricultural products.

Administration departments for sustainable human development; and two small groups of farmers from the two areas of study<sup>8</sup>.

Effectively, both case studies proved to be very positive, due also to the strong willingness of the Zonal Administrations involved to develop their farmers' trade opportunities. When first contacted, the Eloy Alfaro group, consisting of about 15 women, was still learning about basic agricultural techniques in a demonstrative garden, but many of them had already started applying the experience in their family gardens. In the case of Los Chillos, the situation was very different since the organisation members (nearly 25) lived in rural areas where agricultural activities are traditional. AGRUPAR provided them with a meeting place and an adjacent area where a weekly market was set up, and promoted the interchange of cultivation experiences, organising training tours to visit innovative gardens and farms.

These differences between the two groups emerged clearly during the participative workshops organized to identify trade opportunities, without however compromising the expected results. Although the women of Eloy Alfaro showed a great interest in the possibility of selling their surplus, it appeared evident that none of them had previously had any trading experience. Their first preferences were thus given to neighbouring areas, and only after animated group discussions did they agree on the fact that other markets would have been more profitable for them, in spite of being further away. The majority of sites they referred to were already part of their direct daily experience as consumers, and concerned mainly open and covered markets with the exception of two options: the weekly sale of baskets of products to municipal employees and the sale of products at the local groceries of Maquita Cushunchic, a religious foundation involved in many projects aimed at supporting vulnerable communities in Quito. It is important to stress also that their perspective was limited to the direct sale of their agricultural products without any kind of processing.

In the other case study, the farmers of Los Chillos organization proved to be more critical and innovative in their choices, due to their relevant and often negative past experiences of selling. Considering city markets as chaotic places with too much competition from big farmers and middlemen, they focused their attention on alternative sites where their organic products could be better appreciated. Principally they wanted to improve and better exploit the small market they were arranging each Saturday. This market was considered a sound opportunity, and with good reason, but up until then it had attracted few customers. Other interesting proposals they wished to implement included: the organisation of weekly sales in local private residential areas, the supply of local supermarkets belonging to national supermarket chains, and the setting up of a Sunday stand in the busy Quito central park. Furthermore, aware of the importance of adding value to their products, they repeatedly requested municipal support to set up a community centre where they could process the foods for sale.

Using the information obtained during the workshops, thorough studies were conducted at all identified sites in order to select the most appropriate and profitable ones for AGRUPAR farmers. In all, this analysis took a couple of months during which each physical site was visited, mapped and evaluated, while contacts were taken with *theoretical market* managers. Each single action was reported to the investigation-action team for comments and advice, and was carefully registered in a work-in-progress diary which would later be used to draw up the final report.

In October 2002 the first two Trade Opportunities Maps were completed and delivered, with formal presentations, to all the parties involved. Nine and seven potential sites were

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<sup>8</sup> UA specialist: Marielle Dubbeling; sociologist: Alain Santandreu; agronomist: Helene Barthelemy; Los Chillos municipal officer: Javier; Eloy Al faro municipal officer: Nanci Tello Torres. Supervisor: Yves Cabannes.

mapped for Eloy Alfaro and Los Chillos groups respectively. Three sites in particular – a whole covered market to be upgraded, the local supermarket chain and the Maquita Cushunchic points of sale - were considered to be good opportunities for all farmers participating in AGRUPAR and thus appeared in both TOMs. Since the description of and justification for all selected sites would be too specific for this publication, only those two trade opportunities considered the most suitable for the two analysed cases will be presented as examples. As far as the Los Chillos TOM is concerned, the improvement of the small market that the farmers were organizing each Saturday was indicated as their best trade opportunity, thanks to the broad potential to develop it as a niche market for organic food. During the investigation phase some habitual costumers were interviewed to identify what they thought was currently missing in the market, what could be improved and what they did appreciate in it. A positive aspect important to stress is that all habitual costumers interviewed belonged to medium-high class, and were particularly attracted by the products offered in the small market due to their quality and unadulterated flavour. On their side, producers were proud that their chickens and tomatoes were so appreciated by wealthier people. In the TOM, the strategies offered to the Zonal Administration for implementing this opportunity included, among others, helping the farmers to better differentiate their supply, promoting advertising campaigns to increase the influx of consumers to the market, and organising promotional sales in other local markets to give more visibility to AGRUPAR farmers and products. .

With regards to the Eloy Alfaro TOM, a Maquita Cushunchic shop in the South of Quito was placed at the top of the trade opportunity list. In the event, agreements made with Maquita during the investigation phase ensured that this site was immediately available for the women's group to sell their vegetables as soon as they were ready to do so. The key factors for considering this site as a good starting point for the group's first market experience were its proximity to the production area and the chance to begin with trial sales at a special stand once a week. The weekly sale of AGRUPAR products in the Maquita shop effectively began on Saturday 14 December, and the results were so encouraging that by February 2003 the stand passed from one to two days' opening each week.

## **Conclusions**

Trade of organic food grown by small urban farmers constitutes the endpoint of the production process, and is also the most critical stage for the social inclusion of the poor communities involved. The principal objective is to give these farmers the chance to choose between working with marginal markets, traditionally representing their only trading opportunity, and successfully taking advantage of more appropriate market openings. This means their products being accepted and appreciated by all kinds of consumer, even those who would never pass through a busy informal market in a suburban neighbourhood.

By implementing the methodology it was demonstrated that building Trade Opportunities Maps in a participative manner is a good method of promoting inclusiveness among urban farmers since, being the principal decision makers, they were directly invited to evaluate and suggest which trade opportunities could be more advantageous for them. During the TOM construction process it also became clear that this kind of involvement really contributed to the increase in participants' awareness about their potential role as suppliers of healthy organic food for the local market system.

Furthermore, it was verified that TOMs can represent a useful operative instrument for institutional stakeholders since, taking as their starting point the marketing preferences expressed by urban farmers', they draw specific attention to the variables that can exclude these farmers from the points of sale that they would like to access. TOMs offer practical strategies and actions to overcome identified or perceived obstacles. Additionally TOMs are designed for easy consultation, and clearly identify the physical location of the best trade opportunities. Obviously the usefulness of a TOM depends heavily on institutional willingness to implement the actions proposed, the most essential being the promotion of a convincing certification and inspection system to testify to the quality and safety of the organic products on sale.

As far as AGRUPAR is concerned, it was verified that the construction of TOMs can represent a valid contribution to the planned extension of the trade of AGRUPAR products at a municipal level. During the investigation process some markets were actually identified that could be of strategic interest in order to give large scale visibility to the programme. The promotion of points of sale where all products sold are covered by the AGRUPAR trade mark is, in fact, considered as a good strategy to enhance people's confidence in the goods offered, regardless of whether they were produced on a small scale and by low-income farmers.

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