

**Diversity – a strategic key issue for future European agro, food and bio-economy research**  
**EURAGRI Workshop**  
**31 May 2017, 10:30 – 17:00**

**“INNOVATIVE MARKETS FOR SUSTAINABLE  
AGRICULTURE”  
ENCOURAGING THE EMERGENCE OF DIVERSITY**

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# Innovation is a collective process, not only a new technology

- “Innovation is not simply a technology (or a technical object), it must be the reorganization of institutions, organizations, value chains, businesses to enable actors to innovate on their own terms” (Felt et al., 2007)
- “An innovation occurs when new ideas, new technical devices or new forms of organisation meet their users” (Joly 2011).

EUROPEAN COMMISSION

## TAKING EUROPEAN KNOWLEDGE SOCIETY SERIOUSLY

Report of the Expert Group on Science and Governance to the  
Science, Economy and Society Directorate,  
Directorate-General for Research, European Commission

Ulrike Felt (rapporteur)

Brian Wynne (chairman)

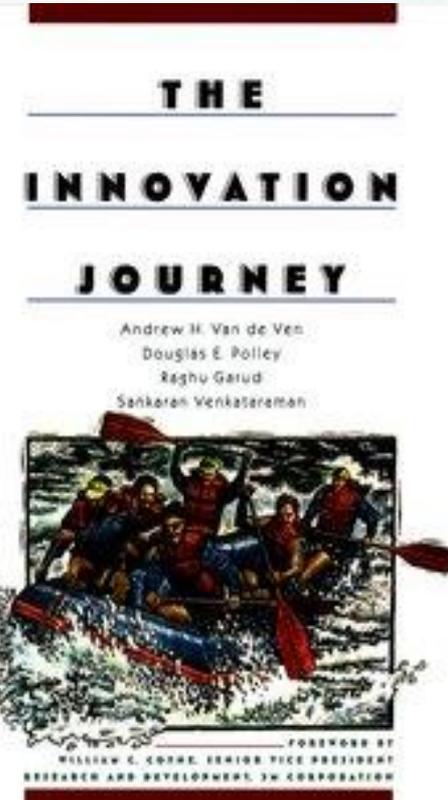
Members of the Expert group:  
Michel Callon, Maria Eduarda Gonçalves, Sheila Jasanoff,  
Maria Jeppson, Pierre-Benoît Joly, Zdenek Konopasek, Stefan May,  
Claudia Neuhäuser, Arne Rip, Karen Siune, Andy Stirling,  
Mariachiara Tallacchini



2007

Directorate-General for Research  
Science, Economy and Society

EUR 2290



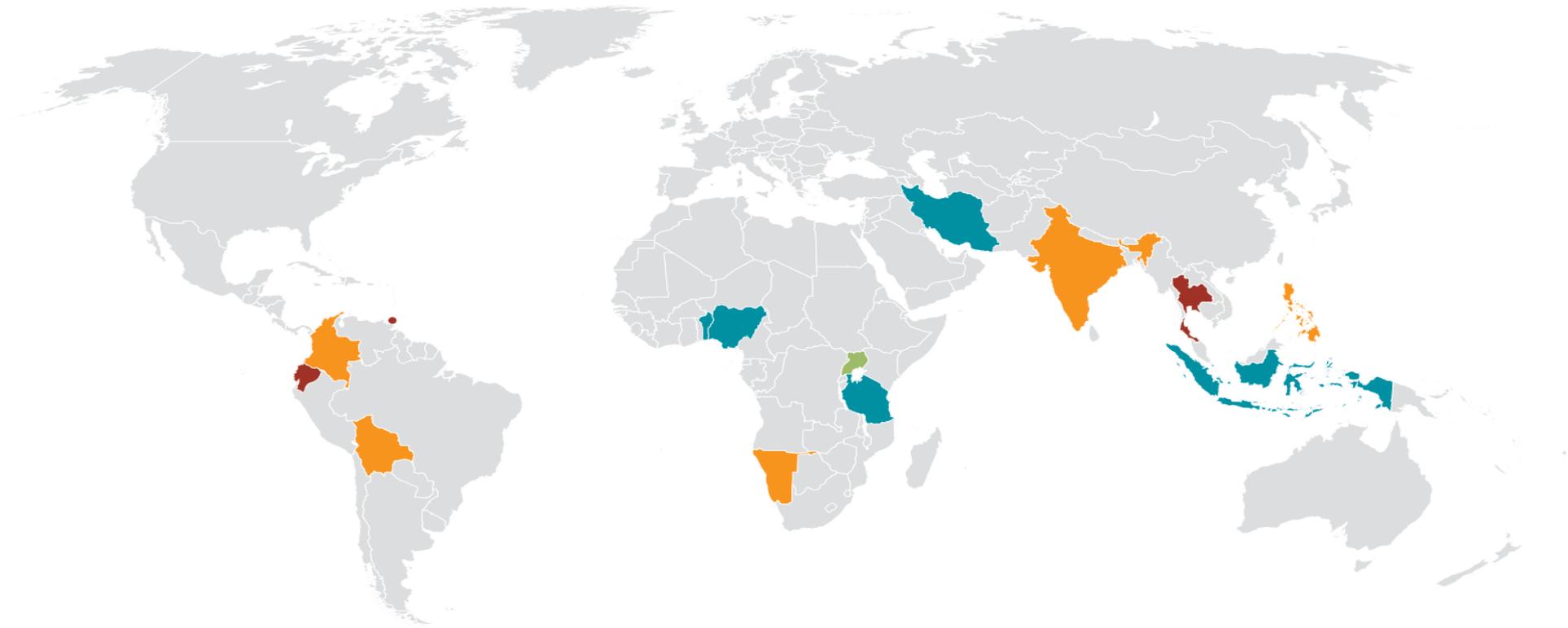
# What are ‘Institutional Innovations’ ?

- New rules & forms of interaction between actors
- They helped bring together food systems actors that had not traditionally worked together, and to redefine sustainable practices at local level
- **Institutional innovations are as important as technological innovations** in the transition to sustainable agriculture, **and they require policy support**





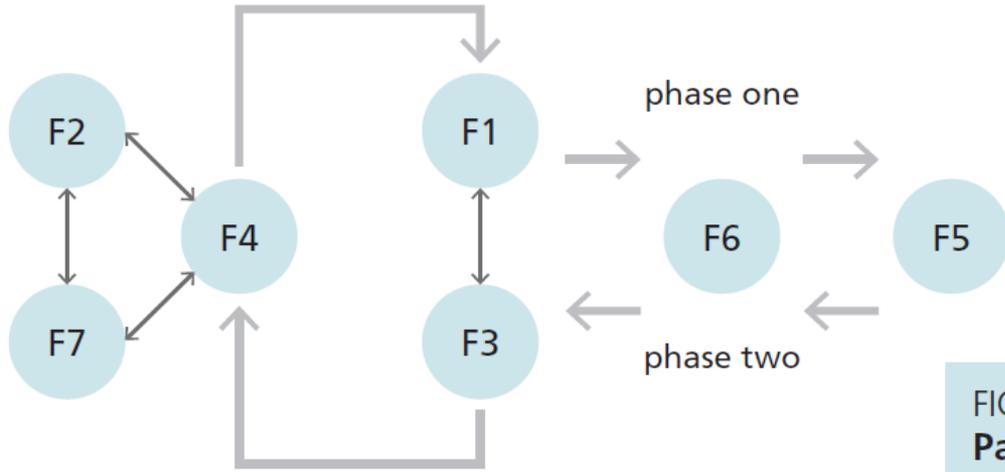
Figure 1: Location and typology



Multi-actor innovation platforms (IPs)		Participatory guarantee systems (PGS)		Community-supported agriculture (CSA)	
Benin	The Songhai Model of integrated production	Bolivia (Plurinational State of)	Ecological fairs in La Paz, Cochabamba and Tarija	Ecuador	Reinforcing Local Systems of Healthy Food of Sierra Centro
Indonesia	<i>Partisipasi Inovasi Petani</i> (PIP) project: A participatory model for promoting farmer-driven innovation	Colombia	<i>Familia de la Tierra</i> PGS	Thailand	Moral Rice Programme, Dharma Garden Temple
Islamic Republic of Iran	Using Farmer Field Schools on Integrated Pest Management to support sustainable production and marketing	India	PGS and Smallholder Markets: Idea of Trust and Short Market Chains	Trinidad and Tobago	The Brasso Seco Paria Community Make Agrotourism their Business
Nigeria	Impact Assessment of Community-Based Farming Schemes in Enhancing Sustainable Agriculture	Namibia	The Namibian Organic Associations' Participatory Guarantee System		
Uganda	Role of Cooperatives in Linking Sustainable Agricultural Practices with Markets (KACE)	Philippines	The Innovative Institutional Approach: Quezon Participatory Guarantee System		
United Republic of Tanzania	Sustainable Agricultural Practices by Smallholder Tea Farmers	Uganda	Facilitating Social Networks through FreshVeggies PGS		

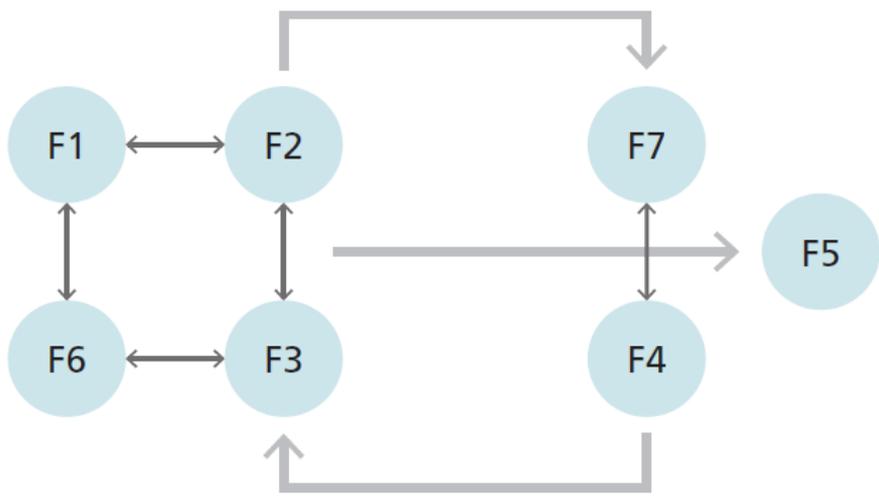
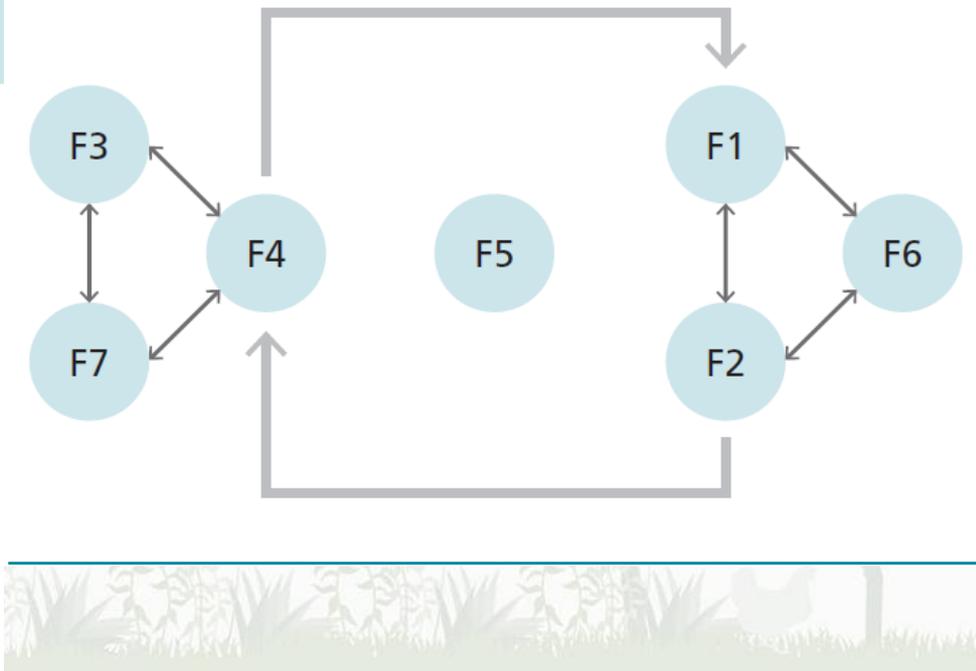
**FIGURE 17.3**  
**Innovation platform motor of change**

*Legend*  
 F1 = entrepreneurship  
 F2 = knowledge creation  
 F3 = knowledge sharing  
 F4 = guiding the innovative process  
 F5 = creating spaces for market exchanges  
 F6 = resources mobilization  
 F7 = legitimization activities

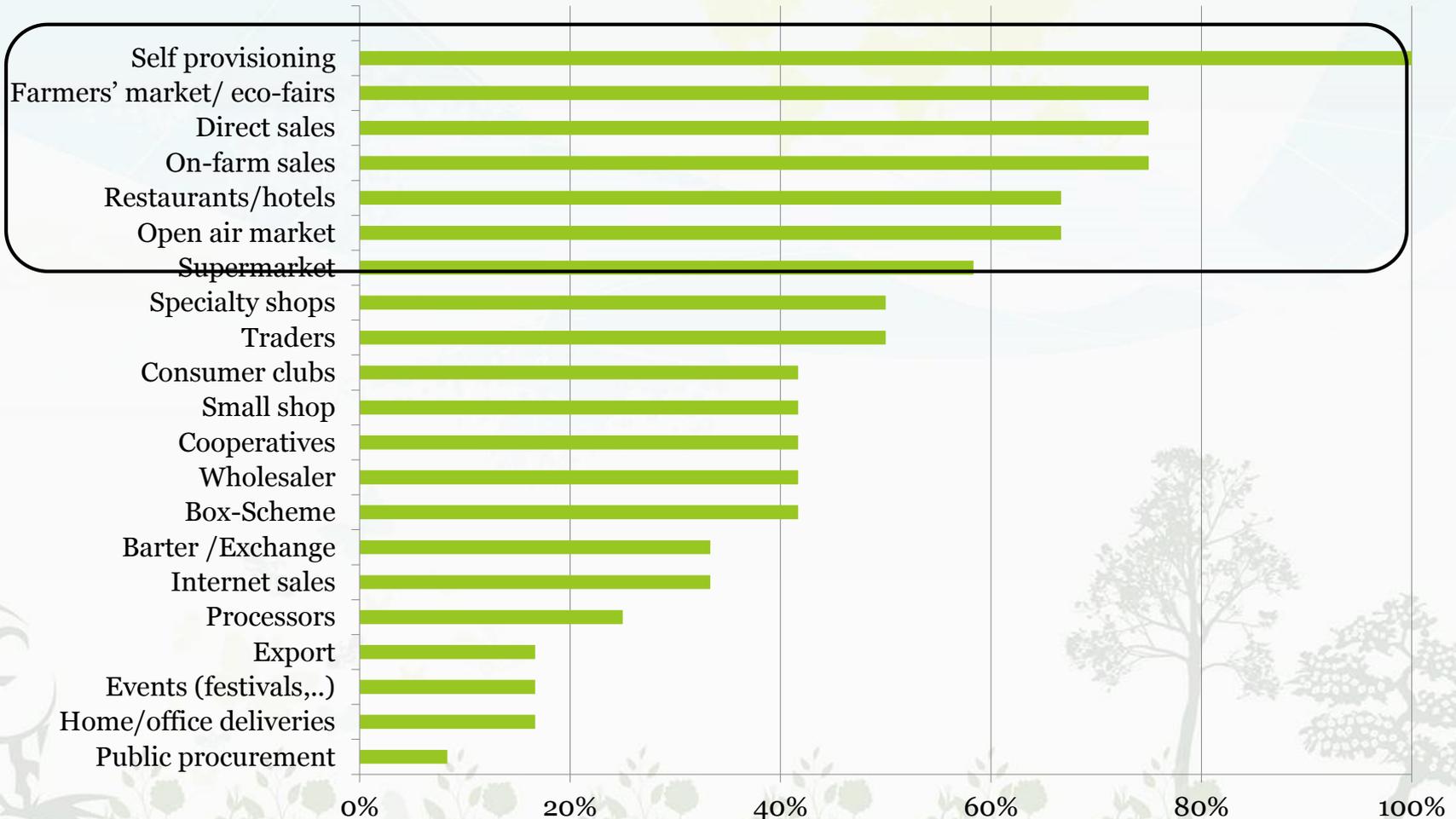


**FIGURE 17.4**  
**Participatory guarantee system motor of change**

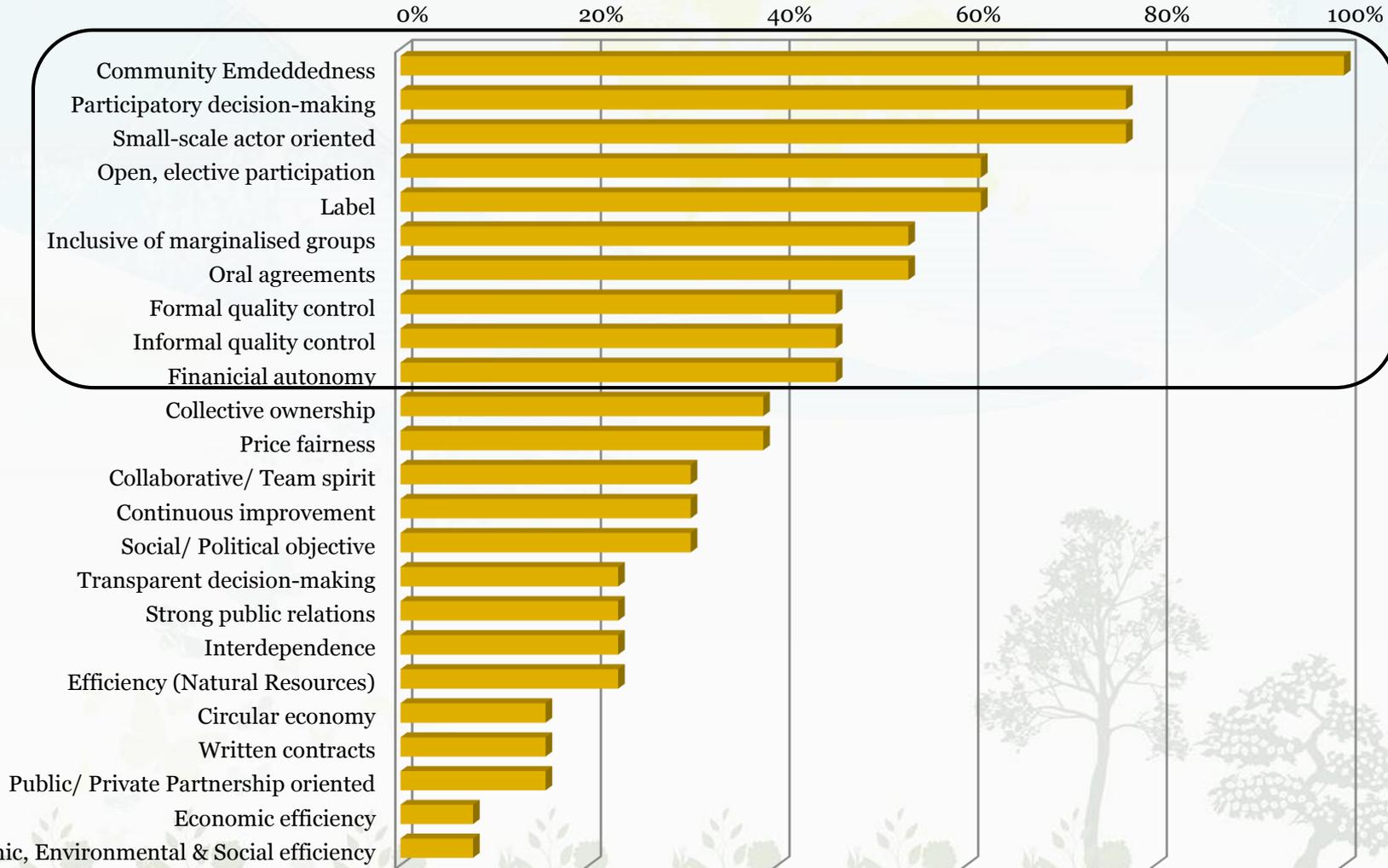
**FIGURE 17.5**  
**Community-supported agriculture motor of change**



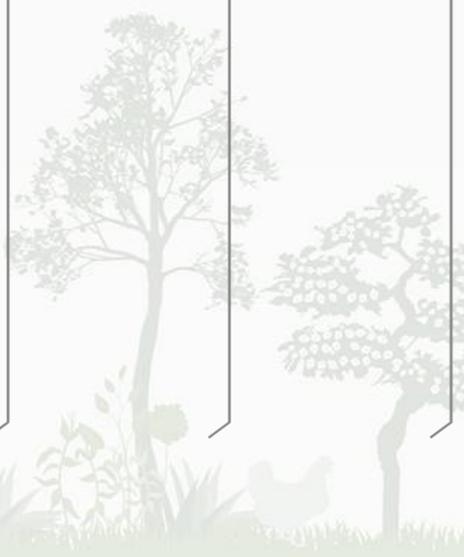
➤ Diversity of market channels for ‘agroecological’ products: *How do they create markets?*

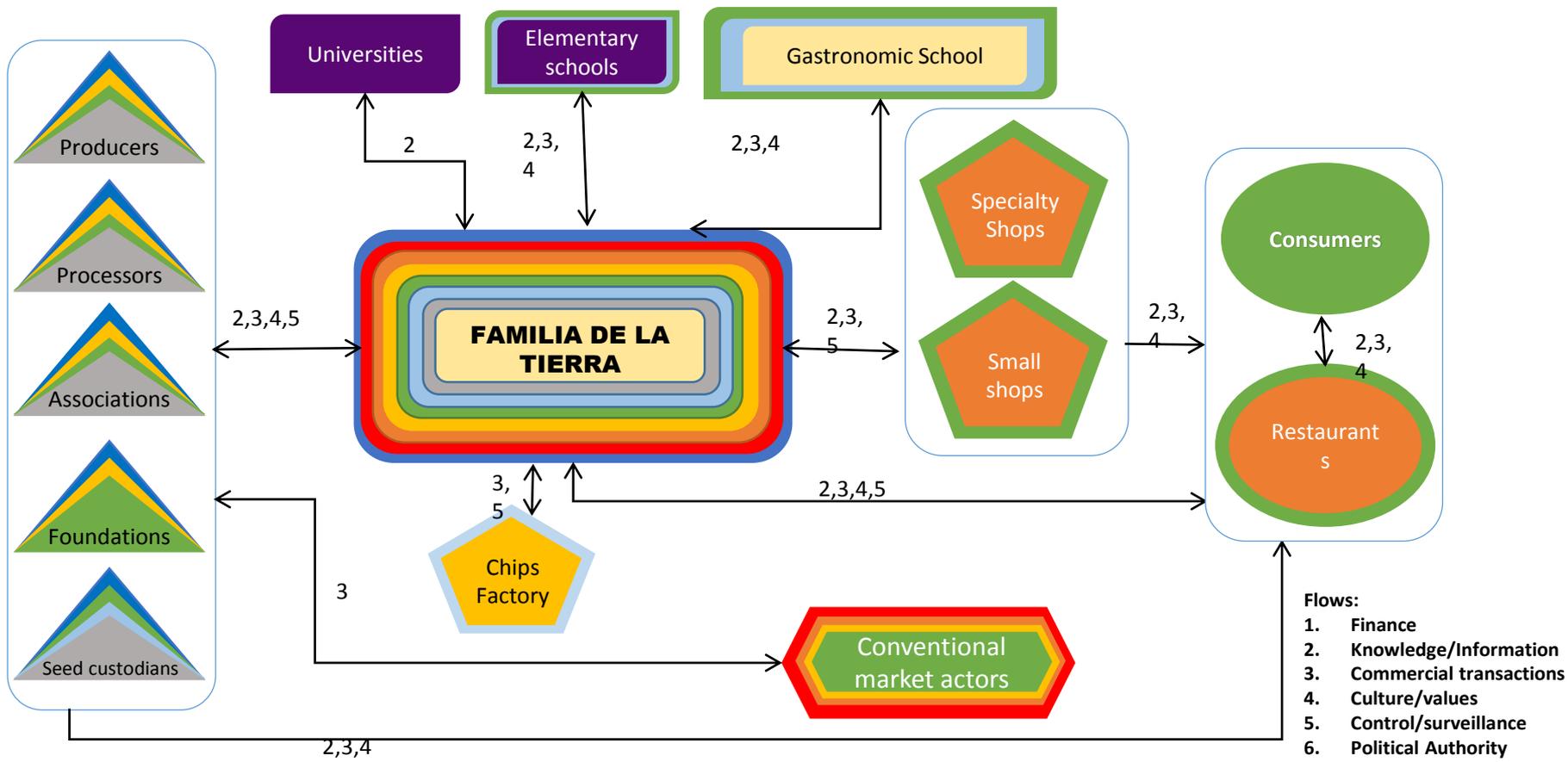


➤ Business models: *How do they do business?*



**What the  
business  
model  
aims to  
achieve:**



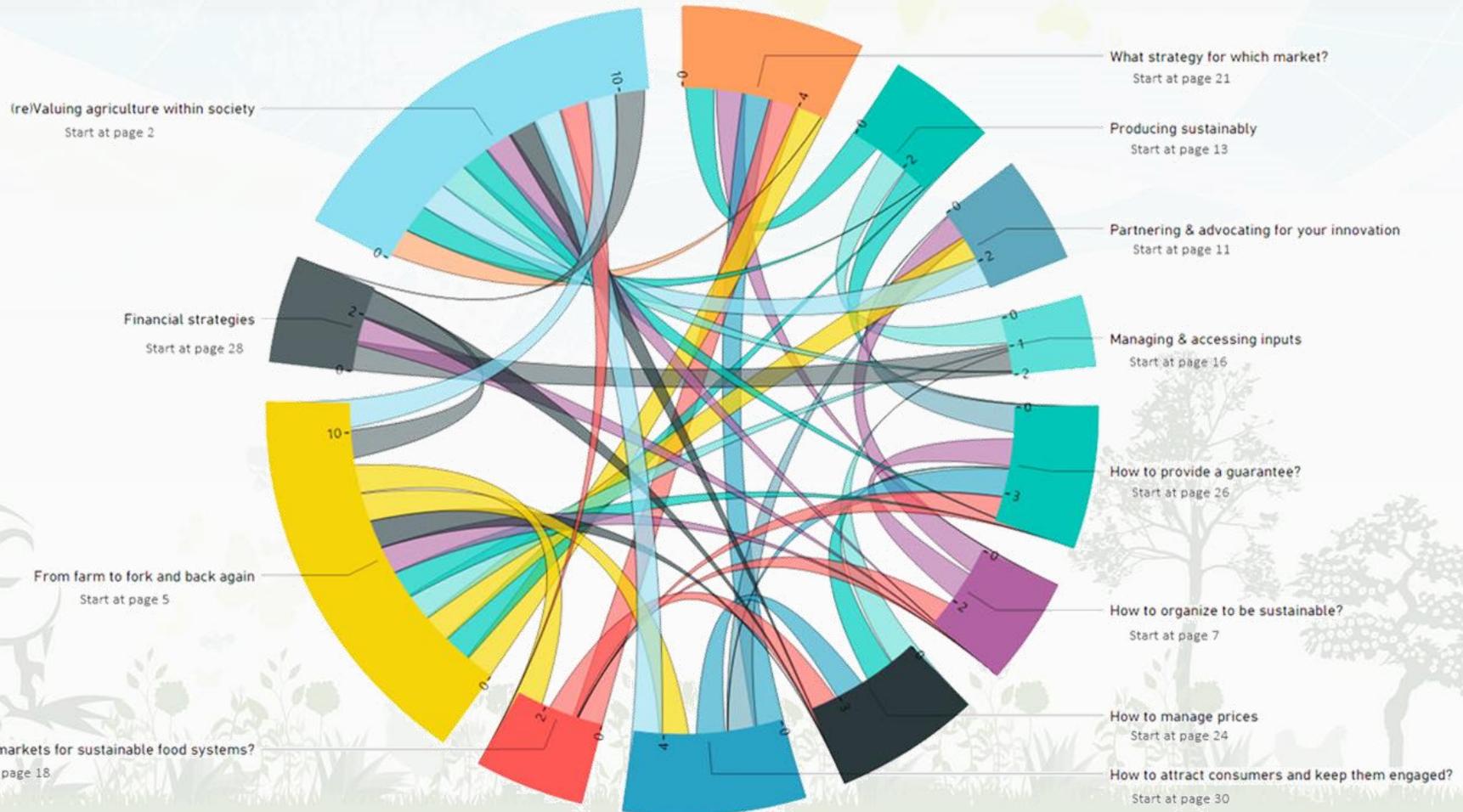




# Main messages

- Incentives for adopting sustainable practices can come from the autonomy created when local actors develop innovative rules for market interactions.
- Local actors rely upon social values (e.g., trustworthiness, health (nutrition and safety), food sovereignty, youth development, farmer and community livelihoods) to adapt sustainable practices to local contexts and create new market outlets
- Even when private actors (farmers, consumers, cooperatives, firms, etc.) are leading the innovations, partnerships with public actors and civil society are fundamental for legitimating political and physical spaces for innovation

## Elaboration of a practical guide for drivers of innovations *‘Learning how to operationalize sustainable food systems and inspire innovation: A guide for food system intermediaries*



# For more info:

- ***Innovative markets for sustainable agriculture: How innovations in market institutions encourage sustainable agriculture in developing countries.***
- <http://www.fao.org/documents/card/en/c/53d39282-ddd7-460c-a27f-3d5015eea7ca/>
- <http://www.fao.org/3/a-i5907e.pdf>
- A policy brief that accompanies the book can be downloaded here:
- <http://www.fao.org/3/a-i5398e.pdf>
- The report of the 2015 Researcher-Practitioner Workshop that we held in Bogotá, Colombia, in collaboration with FAO Colombia, can be downloaded in both Spanish and English:
- <http://www.fao.org/3/a-az561e.pdf>
- <http://www.fao.org/3/a-az561s.pdf>



**INNOVATIVE MARKETS FOR SUSTAINABLE AGRICULTURE**  
How innovations in market institutions encourage sustainable agriculture in developing countries

Food and Agriculture Organization of the United Nations

**policy brief**

**How do markets encourage the adoption of sustainable practices? The role of institutional innovations in developing countries**

**Key messages**

- A wide range of actors in developing countries are inventing new forms of interaction and organization (called institutional innovations) to supply local markets with sustainable agricultural products.
- Participatory guarantee systems, multi actor innovation platforms and community-supported agriculture are exciting institutional innovations that deserve attention.
- Social and institutional innovations are as essential as technological innovations in transitions to sustainable food systems, and they require policy support.
- Even when innovations are led by private actors, partnerships with public actors and civil society have an important role in creating linkages between farmers and markets.
- Autonomy, reciprocity and recognition of the diverse types of knowledge that are fostered through institutional innovations all create incentives for the adoption of sustainable practices.

**INSTITUTIONAL INNOVATIONS ARE NEW RULES AND FORMS OF INTERACTION THAT HELP RESERVE SUSTAINABLE PRACTICES FOR THE LOCAL SYSTEMS. ACTORS THAT HAVE NOT TRADITIONALLY WORKED TOGETHER**

**Introduction**  
Incentives and enabling measures encourage farmers to adopt sustainable agricultural practices. They include improving farmers' education and technical training, implementing strategies for reducing the costs of inputs, enacting organic farming legislation that protects product integrity, and providing financial incentives for adoption of sustainable practices. Market demand for sustainable products can also constitute a significant incentive. Improving access to such markets can provide incentives to farmers who then invest in the sustainability of their production systems, improving food security for consumers in their communities. However, increased revenues are not the only market incentive, raising the value of the market and expanding access to markets are also powerful incentives. In this brief, FAO presents lessons learned from experiences in 15 developing countries where developments in markets have enabled farmers to transition to sustainable practices. The brief provides recommendations on what these innovative systems need to grow and prosper.

**Results**  
In 2013-2014, IAO undertook a survey of innovative approaches that enable markets to provide incentives for the adoption of sustainable practices in developing



**ENFOQUES INNOVADORES**  
Que vinculan la producción sostenible y agroecológica con los mercados en los países en desarrollo

**INNOVATIVE APPROACHES**  
to linking sustainable and agroecological production with markets in developing countries

**INFORME FINAL**

**FINAL REPORT**