

## FARMING AS A BUSINESS

**Pathway Component:** agricultural income; food production

**Search Category:** agricultural productivity; farm & non-farm income

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**URL:**

[http://nepal.mercycorps.org/pdf/publication/FarmingAsABusiness\(FAAB\)ExtensionTool.pdf](http://nepal.mercycorps.org/pdf/publication/FarmingAsABusiness(FAAB)ExtensionTool.pdf)

### CONTENT SUMMARY

**Brief Description:** Farming as a Business (FAAB) is an extension approach to working with farmer groups during agricultural interventions. It is a form of private-sector development to sustainably increase the profits of low-income, smallholder farmers. It involves technical and institutional capacity building.

**Uses:** The FAAB approach aims to increase the technical capacity of farmers groups, in addition to contributing to an enabling environment allowing them greater market engagement. The ultimate objective of the approach is sustainably increasing incomes of smallholder farmers by increasing productivity, decreasing the risk of market engagement, and restoring the environmental resource base.

**Tool Components:** The FAAB Extension Tool explains all relevant components of the FAAB approach, and provides an extensive list of annexes that further explain the approach and examples of data collection tools in English and Nepali. The primary technical components of the tool are:

- Strategic Alignment and Mobilization
- Technical Capacity Building
- Institutional Capacity Building
- Annexes: examples and formats of necessary forms and tools

### OPERATIONS

**Number of Staff Required:** The FAAB approach does not specify any requirements for additional staff.

**Time:** FAAB is an approach to programming; the time required is the duration of the agricultural intervention.

**Cost of Assessment:** Not specified; the additional costs will be associated with value chain analyses and capacity-building efforts.

**Training:** Not specified, but it is likely that staff leading the FAAB intervention would need prior experience in value chain analysis and capacity building.

**Geographic Targeting:** Will be determined by the agricultural project objective and the 'high-impact commodity' selected in the initial stage of the FAAB intervention.

**Type of Data Collection:** A variety of information is required to properly employ the FAAB approach, including typical farming practices in the target area, crops cultivated, market supply and demand, prices and trends, communication networks, and agricultural extension services. This information is collected through focus group discussions, interviews, and stakeholder meetings.

**Degree of Technical Difficulty:** Staff involved in the FAAB approach need a number of different skills, including agricultural extension, commercialization, market analysis and capacity building. It is likely that staff will need training beyond the scope of the FAAB Extension Tool.

**Complements other Resources:** FAAB includes a strong component on integration with markets that a stand-alone market analysis might feed into. Conversely, the market analysis conducted by FAAB could be used for other interventions. The FAAB approach could benefit from techniques of gender-focused approaches to ensure full inclusion of female farmers.