Draft Policy Recommendations

to be discussed by the COMCEC Agriculture Working Group, in its 25th Meeting

(September 22-23, 2025)

"Strengthening the Resilience of Family Farmers and Small-Scale Producers in the Agriculture and Food Sector in OIC Member Countries"

There will be a moderation session during the Working Group Meeting under the title of ''Formulation of Policy Recommendations for the 41st COMCEC Ministerial Session'' on "Strengthening the Resilience of Family Farmers and Small-Scale Producers in the Agriculture and Food Sector in OIC Member Countries" on September 23rd, 2025. This document was prepared to enrich the discussions during the said session to come up with concrete policy recommendations for policy approximation among the Member Countries. It was drafted in accordance with the main findings of the research report conducted for this meeting.

The policy recommendations are as follows:

Policy Recommendation 1: **Developing sound financial support programs for family farmers and small-scale producers in cooperation with local cooperatives and microfinance institutions towards promoting ownership of productive assets such as modern equipments, machineries, storage facilities and also access to inputs.**

Rationale: Family farmers and small-scale producers often face barriers to acquiring productive assets that are essential for improving farm efficiency, resilience, and competitiveness. Asset ownership not only enables them to withstand negative production shocks but also strengthens their capacity to access finance, adopt new technologies, and participate more effectively in markets. By establishing financial support programs specifically targeting productive asset acquisition, governments can reduce entry barriers and ensure long-term sustainability of small farms. Partnering with local cooperatives and microfinance institutions further enhances outreach and inclusiveness, ensuring that financial resources, technical knowledge, and collective bargaining power are made accessible to even the most vulnerable farmers. This integrated approach improves both farm productivity and rural livelihoods while fostering resilience within the broader agricultural sector.

Policy Recommendation 2: **Increasing family farmers' and small-scale producers' access to arable land and agricultural machinery through government-backed long term leasing and rent cost-sharing tools.**

Rationale: Improving farmers' access to arable land is a critical pathway to strengthening their resilience and long-term viability. Expanding land access allows small-scale producers to benefit from economies of scale, reduce average fixed costs, and increase farm profitability. Larger and more consolidated farming units are also better positioned to adopt modern technologies, which often require significant upfront investment, and to secure financing by using land as collateral. To achieve this, government-backed long-term leasing and cost-sharing mechanisms can provide security and affordability for smallholders, while institutional arrangements can support the consolidation of fragmented plots to enhance efficiency. At the same time, strict regulatory safeguards are essential to ensure that land expansion does not drive deforestation or environmental degradation. By balancing growth with sustainability, governments can foster inclusive and resilient agricultural development.

Policy Recommendation 3: Developing climate-resilient, alternative and innovative production systems that reduce reliance on imported inputs through effective financial incentives, extension services, and research–extension partnerships.

Rationale: Excessive reliance on import-dependent fertilizers exposes farmers to economic vulnerabilities from price volatility and supply disruptions, while also contributing to environmental degradation. Promoting alternative production systems, such as organic farming and greater use of locally available manure, can reduce dependency on external inputs and foster more sustainable agricultural practices and increase the profitability—. Targeted financial support and extension services are needed to help farmers manage the transition, particularly to offset initial yield declines and certification costs. In the long run, organic production not only strengthens environmental resilience but also offers farmers access to niche markets with premium prices, enhancing profitability and rural incomes. Establishing local input production facilities and fostering research–extension partnerships can further support innovation and adoption at scale.

Policy Recommendation 4: Strengthening farmers' resilience by promoting off-farm income opportunities for family farmers and small-scale producers

Rationale: Diversifying farmers' income sources is essential for strengthening resilience against agricultural shocks and ensuring long-term rural sustainability. Off-farm income opportunities reduce farmers' dependency on volatile agricultural revenues, enabling them to better manage risks, finance farm operations, and access credit. Evidence shows that households with off-farm income are more likely to adopt new technologies and improve overall productivity. Governments can play a key role by integrating rural entrepreneurship into agricultural policies, incentivizing private sector investment in rural industries, and supporting producer cooperatives and associations to establish local processing and service facilities.

Policy Recommendation 5: Developing effective extension systems by institutionalizing direct linkages between universities, government institutions, private entities and farmers.

Rationale: Access to timely information, problem-solving support, innovative practices and modern techniques is essential in increasing farmers resilience towards negative economic and environmental shocks. Effective extension systems not only improve farmers' technical capacity but also foster behavioral change necessary for building long-term resilience. Academia, with their research expertise and credibility, can play a pivotal role in extension by directly linking knowledge creation to on-the-ground application. Government support is critical to institutionalize these linkages through funding, area-based responsibilities, and structured outreach mechanisms. Field demonstrations, digital consulting platforms, and continuous knowledge transfer channels ensure that family farmers and small-scale producers can adopt new technologies, enhance productivity, and strengthen environmental sustainability.

Policy Recommendation 6: Enhancing social capital among farmers by supporting cooperatives and producer associations, integrating community-based risk-sharing mechanisms, and providing financial and educational incentives to promote collaboration and mutual support.

Rationale: Social capital—through networks, cooperatives, and producer associations—helps farmers by enabling mutual support, pooling resources, and sharing knowledge and experiences, which strengthens their resilience to economic, environmental, and social shocks. Communities with higher social capital also show improved access to finance, faster adoption of new technologies, and more sustainable resource management. Governments can strengthen these networks by providing targeted educational programs, financial incentives, and support for cooperative initiatives, enabling farmers to collaborate on land management, resource use, and knowledge exchange. Such interventions foster solidarity, reduce vulnerability, and enhance long-term rural development

Policy Recommendation 7: Promoting contract farming to enhance small-scale farmers' productivity and market access through the improvement of agricultural supply chain.

Rationale: One of the most important challenge of agricultural products in developing countries as well as OIC countries is difficulties in accessing to suitable inputs, marketing their products, selling for low prices, losses from farm to market, low qualities of the products, access to market effects, producers' resilience directly and indirectly. To overcome their challenge, it's necessary to improve supply chain, specially by developing contract farming. Contract farming can help small products to access to high quality inputs, marketing their products for higher prices, producing with international standards and finally increase their reliance.

COMCEC Agriculture Working Group: In its subsequent meetings, the Working Group may elaborate on the above-mentioned policy areas in a more detailed manner. The Working Group may also work on prioritising and sequencing the policy areas.

COMCEC Project Funding: Under the COMCEC Project Funding, the COMCEC Coordination Office calls for projects each year. With the COMCEC Project Funding, the Member Countries participating in the Working Groups can submit projects to be financed by the COMCEC. For the above-mentioned policy areas, the Member Countries can utilize the COMCEC Project Funding and the COMCEC Coordination Office can support financing the successful projects in this regard. These projects may include training programs, study visits, workshops, organizing seminars, peer-to-peer experience sharing, needs assessments and producing promotional materials/documents.